

POLICY ON CONFLICTS OF INTERESTS MANAGEMENT WITHIN OTP BANK ROMANIA S.A.

I. INTRODUCTORY PROVISIONS

(1) According to the requirements stipulated in NBR Regulation No 5/2013 on prudential requirements for credit institutions, the management body have ultimate and overall responsibility for the Bank, define, supervise and be responsible for implementing a business management framework that ensures effective and prudent management of the credit institution, including the separation of responsibilities within the organisation and the prevention of conflicts of interest.

(2) The basic business interest and legal obligation of the Bank is to ensure that the personal interests of its senior management, members of its management bodies and employees do not conflict with the business interests and commitments of the Bank, OTP Group and its customers. In view of the complexity of the Bank's organizational and management system, and its universal banking activities, conflicts of interest may arise in various areas and forms.

II. GENERAL PROVISIONS

II.1. Scope of the regulation

(3) The personal scope of the Policy shall cover all senior executives and employees of the Bank and the OTP Group as well as all persons who have a legal relationship for the performance of work with the Bank (hereinafter together: 'persons subject to a declaration obligation').

(4) The Bank shall act with special care in handling the conflicts of interest arising in respect of the members of its boards fulfilling governance and supervisory functions, the persons holding key positions, its statutory auditors and their close relatives.

(5) Job applicants are subject to the rules set out specifically for such persons in the Policy, with the proviso that Job applicants shall receive the relevant information during the recruitment and selection process.

(6) With respect to dealing with conflicts of interest at personal and organisational level, the Regulation sets out the following

- a/ the set of criteria for identifying potential conflicts of interest at the personal level (the situations and relationships that may give rise to a conflict of interest are examined by the Bank),
- b/ the timeframe for identifying potential conflicts of interest at personal level;
- c/ cases of conflicts of interest at the personal level which are considered significant by the Bank;
- d/ the internal systems, procedures and methods used to identify, assess, continuously monitor and control conflicts of interest at personal level – including the reporting of situations and relationships that may constitute a potential conflict of interest – and the provisions for their regular review, including in particular the stipulation of the obligation to make a conflict of interest declaration in the event of a change in the information provided;
- e/ designation of the primary organisational unit responsible for the identification, assessment and continuous monitoring of conflicts of interest at personal level;
- f/ definition of the roles, responsibilities and powers for identifying, assessing, monitoring and handling conflicts of interest at personal level, in particular the responsibilities of persons who may potentially get involved in conflicts of interest, internal control functions,
- g/ the instruments for handling personal-level conflicts of interest, distinguishing between the instruments for mitigating or eliminating risks arising from continuous potential conflicts of interest considered by the Bank as significant and the instruments used for handling one-off situations;
- h/ documentation and record-keeping requirements to ensure that conflicts of interest at personal level are identified, assessed, continuously monitored and the measures taken are fully recorded and kept up to date.

(7) The material scope of this Policy shall cover the interests and relationships, any type of shareholding or holding an office at another enterprise, legal relationships for the performance of work with another enterprise, other personal interests, elected offices and other public activities of all persons subject to a declaration obligation, and Job applicants as well as – in the cases specified in the Policy – their relatives, the existence of which may be contrary to the economic interests of the Bank or the OTP Group.

II.2. Interpretative provisions

(8) For the purposes of this Policy, the terms and expressions below have the following meanings:

(9) Conflict of interests: that situation or circumstance in which personal interest, direct or indirect, of Bank personnel is against Bank's interest, so that affects or could affect independence and their impartiality in decision making or timely and objectively fulfilling their duties in carrying out their tasks.

(10) Real conflict of interest - supposes the existence and materialization of a conflict between the personal interest, directly or indirectly, of an Bank employee or a member of the Bank's management structure, and the Bank interest, which affected their independence and impartiality in decision-making or fulfilling time and objectivity, of their attributions.

(11) Potential conflict of interest – supposes a situation or circumstance when an employee or a member of the management structure of the Bank has personal interests, direct or indirect which, if not properly managed, it could lead to a real conflict of interest and would could affect their independence and impartiality in decision-making, or in the timely and objective performance of their duties.

(12) Parent company: any company having a controlling influence in the operations of another company.

(13) Job applicant: person applying for a job with the Bank .

(14) Qualifying holding: as defined in Regulation (EU) No 575/2013 – a direct or indirect holding in an enterprise which represents 10% (ten percent) or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of that enterprise (Article 4, paragraph (1), item 36 of Regulation (EU) No 575/2013, section 2, Article 102, paragraph (1) of the NBR Regulation no. 5/2013 on prudential requirements for credit institutions)..

(15) Inside information: a non-disclosed information related to the financial, economic or legal situation – or the expected change therein – of the Bank or its client the public disclosure of which would be suitable to have significant influence on how the Bank or its client is perceived.

(16) Procurement areas: organisational structures within the Bank involved in these activities.

(17) Lineal kinship: lineal kinship exists between persons where one is descended from the other. A lineal kinship relationship between a parent and a child is established by descent or adoption.

(18) Controlling influence: a relationship between a person and a company whereby

- a/ a person with controlling influence can decide on how profits are distributed, or how profits and losses are reallocated to a different enterprise, as well as on the strategy, and the business or sales policies of the enterprise;
- b/ irrespective of whether the agreement is set forth in the deed of foundation or a different written contract – the co-ordination of the company's management with that of another enterprise for a mutual goal becomes possible;
- c/ joint control is exercised through partially (but still representing the necessary majority for decision-making) or fully identical composition of the management and/or the supervisory board; or
- d/ the person holding the interest exercises major influence on the operation of another enterprise without any capital relations.

(19) Life partner: two unmarried persons – neither next of kin nor siblings –forming an intimate and economic partnership provided neither of them is married to a third person. Life partnership begins when the partners start cohabitation, and it terminates when the life partners get married or end their partnership.

(20) Other private relationship: a relationship between two persons, other than a client relationship or a professional relationship as defined in point (28), which may affect the objective assessment of each other (such as, but not limited to, a relationship or former relationship between a couple, a non-relative other family relationship, etc.)

(21) Supervisory Authority: the National Bank of Romania acting within its duty of supervising credit institutions.

(22) Management body in its managerial function: a management body specified in the deed of foundation that has decision-making powers. At the Bank, this body is the Management Board.

(23) Risk and exposure:

- a/ the granting of loans, including the purchasing of debt securities issued on a debt,
- b/ the discounting of bills, checks and other debentures,
- c/ a guarantee, surety and other collateral provided by a credit institution, including any of the credit institution's other future or contingent liabilities, assumed guarantees, surety facilities, and other banker's obligations provided therefor,

- d/ all liabilities assumed by a credit institution whereby the credit institution guarantees the fulfillment of pecuniary claims for a consideration or agrees to repurchase such upon demand of the buyer,
- e/ a participating interest of the credit institution acquired in any of its company, irrespective of the duration of holding such participating interest,
- f/ pecuniary claims purchased by a credit institution,
- g/ financial leasing, and
- h/ deposits placed in other credit institutions, excluding the sums of minimum reserves placed by the credit institution at the central bank level to comply with the minimum reserve requirement prescribed by the central bank

(24) Close family member (close relative): husband/wife and the life partner, children (including adopted children, and the partner's children) parents, parents in law and the dependents of the person/ husband / wife of the life partner. The notion of personal relationship used in the context of this Policy is interpreted as a close kinship relationship according to this definition.

(25) Employee: a natural person having an employment relationship with the Bank.

(26) Legal relationship for the performance of work: employment, cooperative society membership involving the obligation to work, contract for professional services, services agreement, the legal relationship between the company and its executive officers/supervisory board members for the performance of their respective tasks, and the private entrepreneur.

(27) OTP Group: the entirety of the companies which constitute the Bank, its subsidiaries and other companies in which the Bank or one of its subsidiaries has a majority interest or controlling influence.

(28) Professional relationship: management, control, supervision or direct working relationship defined under paragraph

(29) Close links: as defined in Regulation (EU) No 575/2013, it means a situation in which two or more natural or legal persons are linked in any of the following ways:

- a/ participation in the form of ownership, direct or by way of control, of 20% (twenty percent) or more of the voting rights or capital of an enterprise;
- b/ control;
- c/ a permanent link of both or all of them to the same third person by a control relationship.

(30) Multi-employed person: a person who is an employee of two or more legal entities within the OTP Group.

(31) Agent: a Sub-Agent, 3rd Party Agent Company or Salesperson.

(32) Managing director: the person responsible for the management and coordination of all the activities of a credit institution, respectively the Chairman of Management Board, within the dualist management system. . In the case of the Bank, the Chairman & CEO and the deputy chief executive officers shall be regarded managing directors.

(33) Enterprise: the legal entity pursuing business activities, the sole proprietorship and the private entrepreneur.

(34) Executive employee:

a/ the chief executive officer and the deputy chief executive officers of the Bank (jointly referred as: top management);

b/ a person whose job function is of key importance (executive directors, as per Bank IOR).

(35) Senior executive: at the Bank, the chairman and the members of the Management Board, who are represented by the General Manager, the Deputy General Managers and the members of the Supervisory Board.

(36) Management body: at the Bank, the Management Board and the Supervisory Board.

(37) Executive officer: one or more executive officers or a body comprising executive officers having the power to adopt decisions regarding the management of the legal entity which do not fall within the authority of the members or founders.

(38) Group of connected clients means any of the following:

a) two or more natural or legal persons who, unless it is shown otherwise, constitute a single risk because one of them, directly or indirectly, has control over the other or others;

b) two or more natural or legal persons between whom there is no relationship of control as described in point (a) but who are to be regarded as constituting a single risk because they are so interconnected that, if one of them were to experience financial problems, in particular funding or repayment difficulties, the other or all of the others would also be likely to encounter funding or repayment difficulties.

(39) Bank personnel – all employees of a credit institution and its subsidiaries that fall within its perimeter of prudential consolidation, including subsidiaries that are not included in the scope of GEO no. 99/2006 on credit institutions and capital adequacy, as subsequently

amended and supplemented or on the national legislation of the Member States transposing EU Directive 2013/36 on the access to the business of credit institutions and the prudential supervision of credit institutions and investment firms, as well as all members of senior management and the governing body in its supervisory position.

(40) Publicly exposed person is the person who exercise or has exercised, during last year, the following public functions:

- a/ heads of state, heads of government, ministers and deputy ministers or state secretaries;
- b/ members of Parliament or of similar central legislative bodies;
- c/ members of governing bodies of political parties;
- d/ members of Supreme Courts, Constitutional Courts or other high-level Courts, whose decision can only be challenged by extraordinary mean of appeal;
- e/ members of the management bodies of the Courts of Auditors or members of the management bodies of the Central Banks Councils;
- f/ Ambassadors, Charge d'affaires and senior officers in the armed forces;
- g/ members of the Board of Directors and Supervisory Boards and persons holding management function in autonomous administrations, state-owned companies and national companies;
- h/ directors, deputy directors and members of Supervisory Boards or members of management bodies within an international organization.

None of the above categories includes persons holding intermediate or lower positions.

(41) Economic relationship: business like commercial exchanges (commercial transactions), or financial relations (money transfers) in exchange of a purchase/sale or providing of services (on a regular basis or occasionally), as well as any other operations that require the conclusion of contracts for pecuniary interest between the Bank's employees and the Bank's customers (private individuals and/or legal entities).

The following are exempt from economic relationship requirements:

- transactions involving the payment of invoices to suppliers of utilities and medical services,
- ordinary card payment transactions with merchants (except, without being exhaustive: vehicle, high-value movable property (e.g. jewellerys, artifacts, art objects, luxury items etc.)),
- reimbursement of loans obtained from financial institutions

III. DETAILED PROVISIONS

III.1. Management of conflict of interest situations

(42) In order to identify, assess and manage the situations in its activities that result or may result in conflict of interests the Bank shall consider especially the following relationships:

- a/ economic interests (e.g. shares, other ownership rights and memberships, financial investments and other economic interests in economic entities, customers of the Bank, associated with commercial partners, with Bank customers, intellectual property rights, loans granted by the Bank to a company owned or managed by an employee or a close relative thereof, memberships or ownership shares in a body or organisation with conflicting interests);
- b/ personal (e.g. close relative, other personal relationship) or professional relationship (e.g. relationship within various legal entities) with a person who has a qualifying holding in the Bank or any member of the OTP Group;
- c/ personal (e.g. close relative, other personal relationship) or professional relationship (e.g. relationship within various legal entities) with any employee of the Bank or any member of the OTP Group;
- d/ any other legal relationship for the performance of work or an employment relationship that existed in the recent past (especially in the last five years);
- e/ personal (e.g. close relative) or professional relationship with relevant external parties (e.g. major suppliers, external auditors, consultants or other important service providers);
- f/ personal relationship with Bank customers;
- g/ empowerment on customers accounts;
- h/ loans granted by OTP Bank Romania S.A. to the natural or legal entities where the employee or a senior executive is co-debtor/mortgage guarantor or guarantor;
- i/ litigations with the OTP Group;
- j/ political influence or political connections
- k/ media appearances.

(43) The Bank differentiates the instruments for handling personal-level conflicts of interest depending on whether such concerns the mitigation or elimination of risks arising from continuous potential conflicts of interest considered by the Bank as significant (e.g. keeping

a record of enterprises in which certain employees of the Bank hold an interest and which are suppliers to the Bank) or whether it concerns the handling of a one-off situation (e.g. stating a position on a single conflict of interest case).

(44) In applying this regulation - in order to ensure the consistent compliance with the law,- the Bank does not interpret the concepts defined in legislation and the bank's internal regulations extensively on the basis of individual criteria and transaction specifics, because the subjective, extensive interpretation of the concepts could lead to legal uncertainty in compliance and it may make it impossible to prove that the practice is prudent at the system level,

(45) Exemptions from the provisions of this Policy and the conflict of interest rules in the Code of Ethics may be granted by the Bank on an exceptional and duly justified basis.

III.2. Procedure for the examination of conflicts of interest and conflicts of interest

III.2.1. Statement obligation

(46) In order to identify, assess, continuously monitor and control the conflicts of interest on the personal level (including the reporting of situations and relationships that may constitute a potential conflict of interest) and to satisfy its obligations to document and record any measure taken, the Bank may require certain persons to make a declaration, it may conduct investigations into conflicts of interest and keep a record of conflicts of interest.

(47) Failure to adhere to the declaration obligations stipulated in the Policy at all or doing so incorrectly may result in consequences under labour and civil law.

III.2.2. Cooperation between and obligation of the employees, senior executives and the Bank in the event of a conflict of interest

(48) To eliminate the conflict of interest, the parties (the affected employees and the manager exercising employer's rights) will be required to cooperate in accordance with the requirements of acting in good faith and with integrity.

(49) In conflicts of interest, the Bank is obliged to provide consultation and advice. If the Bank has stated its position on a conflict of interest, the manager exercising employer's rights cannot make decisions deviating from the position of the Bank, only with explanations.

(50) If the Bank is informed of the violation of the provisions of the Policy and ascertains the existence of a conflict of interest, it shall notify the manager exercising employer's rights over the person affected. The manager exercising employer's rights shall proceed in the case and inform the Bank in writing of their actions and the results of the investigation.

(51) If any senior executive or executive employee of the Bank is uncertain whether a given circumstance would cause a conflict of interest, they may consult with the Bank.

(52) In the case of disagreement with the decision/position adopted by the Bank in respect of a conflict of interest, the Head of the CEO/Deputy CEO coordinator of the employees shall make the decision. At the request of the person affected, its direct superior shall forward the dissent to the CEO/Deputy CEO coordinator of the employees.

III.2.3. Data provision, records, data management

(53) After the expiry of an unpaid leave exceeding one (1) year (eg. parental leave, medical leave etc.) or when such leave is interrupted after a minimum period of one (1) year, returning employees shall again fill-in the Conflicts of interests Statement within the dedicated IT application, regardless of whether the content of any of these declarations has changed within maximum 5 (five) working days from their returning date.

(54) Information on the management of personal data supplied to the Bank in order to comply with the Policy and the rights of the data subjects in relation to such data processing is available in the Information Note on personal data processing related to employment and → Notice of employees on personal data processing and the Conflicts of interests Statement.

(55) The employees have to fill-in the Conflicts of Interest statement within maximum 30 (thirty) calendar days starting the reminder date received from the Bank regarding their declaration obligation. The employees have the obligation to make a declaration whenever changes take place compared to their earlier declarations.

(56) All bank employees and members of the management body shall supply data to the Bank upon request.

III.3. Conflict of interest rules applicable to all employees

(57) The basic rules governing employment relationships are included in the Labour Code, the collective labour agreements, individual and the employment contracts and management agreements.

(58) Unless authorised otherwise by law, during the term of the employment, the employee shall refrain from all acts violating or jeopardising the economic interests of the Bank. Employees may not exercise their right of expression in any way that severely violates or jeopardises the reputation or the rightful economic or organisational interests of the Bank and the OTP Group.

(59) In the course of exercising the rights and fulfilling the obligations arising from the employment relationship and associated with conflict of interest situations, the employer and the employee shall cooperate and act in line with the requirements of good faith and integrity. In this context, the employee shall advise the employer of all facts and circumstances and changes therein – within 15 (fifteen) days of gaining knowledge thereof – that may have a significant effect on exercising the rights and fulfilling the obligations.

(60) An employment relationship may only be established, maintained or, in certain cases, modified if conflicts of interest are excluded. To this end, those who are applying for a job at OTP Bank must make a declaration of conflict of interest during the recruitment and selection procedure.

(61) New recruits and multi-employed persons shall confirm by filling in the related Conflicts of interest Statement that they have familiarised themselves with the Policy, as well, the same Conflicts of interest Statement will be filled-in by employees returning to work after unpaid leave exceeding 1 (one) year expires or is interrupted after minimum 1 (one) year.

(62) The Bank is responsible for evaluating reports of conflicts of interest statements/ above mentioned reports.

(63) If, having evaluated the Conflicts of interest Statement/ reports, the Bank finds that a conflict of interest applies,

- a/ it shall request the employee to end the conflict of interest; and/or
- b/ the manager exercising employer's rights shall take the measures necessary to end the conflict of interest .

(64) Having assessed the severity of the harm to its interests as employer, the Bank shall take measures as employer if the conduct of the employee affected fails to meet the requirements of acting in good faith and with integrity and/or if they breach their obligation to cooperate with their employer and/or if the employee

- a/ fails to meet the reporting obligation / filling-in the Conflicts of Interests statement; or
- b/ fulfils the reporting obligation / filling-in the Conflicts of Interests statement but the content of the report is false; or
- c/ fails to eliminate the conflict of interest found by the Bank within 30 (thirty) calendar days; or
- d/ enters into a legal relationship giving rise to a conflict of interest even though the Bank has explicitly forbidden this.

(65) The manager exercising employer's rights over the employee may initiate the necessary measures for the disciplinary liability of the employee.

III.3.1. Conflict of interest rules related to employees

(66) Typical cases of conflict of interest are regulated in Sections III.3.1.1. and III.3.1.6. below. Employment contracts may stipulate additional conflict of interest rules.

III.3.1.1. Relationship of management, control and supervision

(67) A conflict of interest exists where there is a relationship of management, control or supervision between the employee and

a/ their relative and/or

b/ a person they are in other private relationship with.

(68) Conflict of interest may also be established for persons holding the same positions

a/ perform the same activities at the same organizational structure,

b/ act in the same matter or task,

c/ contribute to, or influence, each other's work in any way.

(69) If proposed by the manager(s) exercising employer's rights, the Bank may grant relatives and persons they are in other private relationship with its consent to cooperate as per Paragraph (67)-(68) in a specific task or for a specific period of time.

(70) A job applicants are required to disclose their family relationships and other private relationships with OTP Group employees during the hiring process. The Bank will analyse the relation and will submit its opinion to the direct superior over the job applicant if hired.

(71) During the term of the employment, the employee shall disclose their family relationships and other private relationship in case any change occurs (e.g. a close relative establishing an employment relationship with the Bank, formation of a family relationship between OTP Romania Group employees) within 15 (fifteen) working days of having learnt/established thereof.

(72) The Bank analyzes the internal staff movements, so that the change of the position / job within the Bank to not lead to a conflict of interests. If such situations are identified, the Bank will make the necessary recommendations for the proper management of the situations.

(73) The Deputy Chief Executive Officer of the Division where the employee activates may grant an exemption to the prohibition, based on the recommendation of the manager(s)

exercising the employer's rights and the advice of the Bank if a relationship of management, control, supervision or mutual contribution described in paragraph (68) to one another's duties is established between relatives or employees in other private relationship at the time the employment relationship is established or during its existence. The exemption may be proposed either by the employee(s) or by the manager(s) exercising employer's rights. No exemption may be granted if such relationship of direct management, control, supervision or mutual contribution to one another's duties would constitute a relationship which could lead to a conflict of interest situation, i.e. if the close relative employee concerned would, if granted the exemption, take part in the preparation for, and making of, decisions in which the other close relative employee concerned has a direct business interest.

III.3.1.2. Economic interests; additional legal relationship for the performance of work

(74) In the recruitment process, Job applicants shall make a declaration on their legal relationships, interests and mandates as listed below:

- a/ are a private entrepreneur or hold an interest in a sole proprietorship;
- b/ hold a direct or indirect ownership interest in an enterprise (not including participation in a public company limited by shares through the holding of some of its shares);
- c/ are an executive officer or a member of a supervisory board of an enterprise,
- d/ is a founder, joining member, beneficiary, member of the board of directors of a foundation;
- e/ is a managing director or board of directors member (executive officer) of an association/federation;
- f/ is/ was, in the last year, a publicly exposed person, at the local or national level;
- g/ is a close relative with a OTP Group employee;
- h/ any other legal relationship for the performance of work or an employment relationship that existed in the recent past (especially in the last five years);

(75) A Job applicant shall also declare whether, as a private entrepreneur or a person holding an interest in a sole proprietorship, or the enterprise specified by him/her is in a business relationship with the OTP Group or was in such a relationship at any time during the 3 (three) year period before the submission of the application. If the business relationship with the OTP Group transpires during the selection process, the Job applicant shall report this fact in writing without delay, but within a maximum of 2 (two) working days, by filling-in the Conflicts of Interest Statement.

(76) Job applicants who will have an additional legal relationship for the performance of work at the time when they enter into an employment relationship with the Bank, shall declare this during the hiring process.

(77) A statement, as defined in paragraphs (74)-(76), will be evaluated by the Bank, which will submit its opinion to the future manager exercising employer's rights.

(78) The employee shall obtain the prior permission of the Bank if, during their term of employment, the employee

- a/ wishes to establish an additional legal relationship for the performance of work;
- b/ wishes to accept an executive position or supervisory board membership in any enterprise (irrespective of owner) or wishes to become a founder, joining member, beneficiary, member of the board of trustees (executive officer), member of the supervisory board of a foundation or a managing director or board member (executive officer) of an association/federation;
- c/ wishes to acquire an interest/share in an enterprise (except for the purchase and sale of shares in a public company limited by shares), or his/her ownership changes in a way that (s)he acquires or loses controlling influence, or wishes to become a private entrepreneur or to have an interest in a sole proprietorship;
- d/ all public appearances of a professional nature (in particular media appearances, participation in conferences) if they are not made in the context of the employment with OTP, or intends to participate in any other media activities as a private person that may affect the Bank's image (e.g., but not limited to: private blogs, media and influencer marketing appearances, television programs, participation in quizzes).

(79) Furthermore, the employee shall report to the Bank if during their term of employment the employee becomes publicly exposed person and update the conflict of interest statement.

(80) Employees shall not establish and/or maintain other interests (e.g. elective offices, memberships), additional legal relationship for the performance of work (e.g. contracts for employment, agency or services) if the obligations arising from such legal relationship would represent, for a full-time employee, more than 2 (two) hours of work per working day on average per month. In the case of part-time employees, a proportionate deviation for the benefit of the employee is permitted.

(81) The Bank may grant an exemption from the time limitation under paragraph (99) in the following justified cases:

- e/ if the employee

ea/takes up a position as an executive officer, becomes a member of the supervisory board or an employee;

eb/establishes a legal relationship for the performance of work

in the interest and at the request of the Bank as the employer; or

f/ in the case of charitable and social responsibility-related activities (provided that such activities may not jeopardise work performance).

(82) The employee may not establish and/or maintain any additional employment relationship with, or acquire a share in, another business organization – with the exception of obtaining a share in a public company limited by shares – which is engaged in the same or similar activities as, or in competition with, the OTP Bank Romania S.A. or the OTP Bank Romania Group, or in any other business organisation which the OTP Bank Romania S.A. or the OTP Bank Romania Group has regular business relations with. Activities which are identical or similar to those of the OTP Bank Romania Group are, in particular, financial services, auxiliary financial services, other financial intermediation and brokerage activities. In the case of business advisory activities, the Bank examines the actual substance of the activity. This prohibition applies regardless of the employee's position within OTP Bank Romania S.A. or the OTP Bank Romania Group.

(83) Employees shall not enter into and/or maintain other legal relationships for the performance of work (e.g. contracts for agency or services) in addition to their employment at the Bank if the other legal relationship for the performance of work covers partly or entirely the same substance as the employee's duties under their employment relationship with the Bank.

(84) The rules under paragraphs above will not apply if the employee, in the interest and at the request of the Bank as the employer

a/ becomes a member of the Management Board, becomes a member of the supervisory board or an employee at, or

b/ establishes a legal relationship for the performance of work with another member of the OTP Bank Romania Group; or

c/ participation in professional media appearances.

These cases must be reported in advance – immediately after the adoption of the decision concerning the submission of the proposal – to the Bank so that it can assess the compatibility of positions within the OTP Bank Romania Group. Should the Bank have any concern regarding the existence of a conflict of interest, it will send its opinion (in a memorandum, if necessary) to the proposer. If the Bank advises that an action should be taken, it is binding

on the proposer. The approved position or employment relationship must be recorded in the Conflict of interest Statement immediately after its commencement.

III.3.1.3. Conflict of interest rules related to decision-making and commitments of employees authorized to make business decisions

(85) The relevant employees of the Procurement areas and the employees of the Bank who provide any input into preparing, making and implementing procurement decisions on an ad-hoc basis, shall declare whether they have any relatives who

- a/ are an owner;
- b/ a senior executive;
- c/ an executive officer or supervisory board member

of an enterprise that is a supplier to the Bank.

(86) Employees authorised to make business decisions may not participate in the preparation and passing of decisions related to any commitment to be made by the Bank, if they hold an executive office or have a qualifying holding in the client in respect of which the risk is assumed.

(87) Employees and appointed experts of the OTP Bank Romania Group shall not participate in the preparation and adoption of decisions in which they or their close relatives or an enterprise directly or indirectly owned or otherwise controlled by them has any business interests.

III.3.1.4. Conflict of interest rules for Agents where the Bank's employees hold an interest

(88) The Bank's employees shall declare if they or their relatives or persons who they are in other private relationship with hold an interest (employment, legal relationship for the performance of work, office or ownership share held) in an Agent mediating financial services.

(89) The employee

- d/ shall, when entering into an employment relationship with the Bank, declare if they or their close relatives persons who they are in other private relationship with hold an interest (employment, legal relationship for the performance of work, office or ownership share held) in an Agent mediating financial services;
- e/ shall report in advance if they wish to acquire an interest (employment, legal relationship for the performance of work, office or ownership share held) in an Agent

mediating financial services or if an enterprise in which they already hold an interest wishes to operate as an Agent mediating financial services;

- f/ within 2 (two) working days of becoming aware of such fact, they shall report if their relative has established any interest (employment, legal relationship for the performance of work, office or ownership share held) in an Agent mediating financial services.

(90) Based on the declaration provided for in previous Paragraph, the Bank shall communicate its opinion, respectively whether

- g/ in a case defined in point a/ of previous Paragraph, the employment relationship may be maintained with the employee;
- h/ in a case defined in point b/ of previous Paragraph, the interest to be established in the Agent is compatible with the employee's position;
- i/ in a case defined in point c/ of previous Paragraph, the employee may continue in their existing job in view of the interests of the Bank.

(91) If the Bank refuses to grant the permission as per points a/ or c/ of Paragraph (90), the appropriate procedure in this Policy shall be followed.

(92) Permission shall always be sought from the Bank for establishing or, if the Bank becomes aware of this fact ex post, for maintaining cooperation between the Bank and an Agent in which the Bank's employee or their close relative has an interest.

(93) In the absence of approval, the Bank:

- a/ shall request the employee to end the conflict of interest and state a deadline for the same, or
- b/ in the case of

- ba/ cooperation planned with an Agent, it shall inform the Bank's organizational unit proposition such cooperation and of the obstacle to establishing such cooperation. If the organizational unit proposing such cooperation continues the process, despite of the negative opinion from the Bank, it shall include, within the material submitted to approval, the Bank opinion; and

- bb/ existing cooperation with an Agent, it recommends the cancellation of the contract between the Agent and Bank.

(94) The document containing such decision shall be stored and tracked by the organizational unit where the Agent had sought to establish the cooperation.

(95) Following permission being given by the Bank, the employee holding an interest in the Agent shall continue to do all they can, taking the interests of the Bank and the members of the OTP Bank Romania Group into consideration, to ensure that if clients inquire about financial services in the Bank's branch network units, such financial services are to be sold to the client at the Bank's branch network unit.

(96) Employees shall not discriminate among Agents.

(97) Employees shall not be involved in the administration of transactions mediated to the Bank by Agents in which they have an interest.

(98) Employees shall not use in their own transactions the intermediary services of Agents in which they have an interest.

(99) Employees employed in the Bank's branch network may use an Agent in their own transactions only upon written advance notification to the manager exercising employer's rights.

III.3.1.5. Multiple employment

(100) Persons having multiple employment relationships with the Bank or the OTP Bank Romania Group shall not act as administrators / approvers / verifiers / authorisers or the superiors of persons in such positions if this would mean that they were acting in the same transaction on behalf of multiple parties pursuant to their positions held with two (or more) members of the OTP Group. The restrictions described in this Paragraph do not apply to

- a/ executive officers who hold rights of representation for two (or more) members of the OTP Bank Romania Group and take part in implementing the decision of the competent management body in a transaction;
- b/ employees who take part as administrators / approvers / verifiers / authorisers in implementing the decision of the competent management body in a transaction at two (or more) members of OTP Bank Romania Group.

The situations exempted from the prohibition shall also be reported in advance to the Bank, and, if approved, they must be recorded in the conflict of interest declaration.

III.3.1.6. Financial dependencies between employees

(101) Within the OTP Bank Romania Group, it is not permitted for employees having a direct professional relationship to establish or maintain a financial relationship or dependency (e.g. requesting a loan, subletting real estate, purchase of real estate or movable property of high value, contractual relationship with regular payment obligations). In exceptional and justified

cases, the Bank may grant an exemption from this requirement in advance upon the request of the employees .

III.3.2. Conflict of interest rules applicable to executive employees

(102) In addition to the conflict of interest rules applicable to all the employees of the Bank, executive employees shall also be subject to the special provisions stipulated Section III.4.

(103) The executive employee

- a/ shall not establish additional legal relationship for the performance of work;
- b/ may not acquire an interest – with the exception of a share in a public company – in a business entity (enterprise) pursuing the same or similar activities as the Bank, or maintaining regular business relations with the Bank;
- c/ may not conclude, on his/her own behalf or to his/her own benefit, a transaction that falls in the scope of activities of the Bank; and
- d/ is required to report if his/her relative has become a member of a business entity (enterprise) pursuing the same or similar activities as the Bank, or maintaining regular business relations with the Bank, or has established a legal relationship for the performance of work as a manager, or acquired an interest in an employer also engaged in such activities.

(104) The rules in point a/ of Paragraph (103) will not apply if the employee, in the interest and at the request of the Bank as the employer, enters into an employment relationship or a different form of legal relationship for the performance of work with another member of the OTP Bank Romania Group.

(105) Executive employees shall make the declaration provided for in Paragraph (103) d/ within 15 (fifteen) working days of their appointment.

III.4. Conflict of interest rules applicable to executive officers

(106) Besides the conditions stipulated by the legislation in force regarding the senior executives, the persons described in the following may not be appointed as a senior executive of a financial institution or mixed financial holding company:

- a/ any person holding another position within the credit institution
 - i. in the last 5 (five) years, their approval to manage a credit institution, a financial institution or an insurance/reinsurance undertaking or other

entity operating in financial sector as a member of the management board or as a senior executive was revoked by the Supervisory Authority or they were replaced from the position held in such entities for reasons attributable to them, or

ii. it is forbidden, by a legal provision, a court decision or a decision of another authority, to manage an entity as provided in letter b/ or to carry out activity in one of the specific fields of these entities

(107) If an executive officer accepts a mandate for a new executive office from an entity outside the OTP Bank Romania Group, they will be required to notify the Bank and any company where they already hold an executive office or are members of the supervisory board within 15 (fifteen) days of accepting the mandate. As well, the executive officers will fill-in the Conflicts of Interest Statement.

(108) An executive officer may not acquire an interest – with the exception of a share in a public company – or be an executive officer in a business entity pursuing the same or similar activities as the Bank.

(109) An executive officer and the relatives thereof may not conclude a transaction on their own behalf or to their own benefit – apart from the ordinary transactions of everyday life – which falls in the scope of activities of the Bank.

(110) The executive officer or a close relative of the executive officer must not have an ownership relationship with the outsourcer, nor can the executive officer and the close relative of the executive officer be entrusted with the outsourced activity.

(111) The members of the Management Board and the Supervisory Board shall abstain from voting on any matter where a conflict of interest arises or may arise in a particular member, or where the member's objectivity or the member's ability to properly perform its obligations to the Bank may be impaired

(112) Transactions and orders between members of the Management Board and the Supervisory Board and persons having close relations with them and the Bank and subsidiaries of the Bank are carried out in line with the Bank's general business practices, under normal market conditions but subject to transparency rules that are tighter than in general business practice. Transactions deviating from day-to-day business operations and their terms and authorised by the body holding the requisite powers and subject to the mandatory consultation of the independent members of the management body.

(113) The procedure for the nomination of officers at the Bank is regulated in the related Bank internal regulations. The data (name, start and expiry of the mandate) of the chief executives

and members of the Management Boards of OTP Bank Romania S.A. are kept on record by the Bank.

(114) The responsible entities for analysing and preparing proposals for the approval of loans granted to the persons listed below will document the loans granted:

- a) members of the Management Board and the Supervisory Board;
- b) close relatives of the families of the members of the Management Board and the Supervisory Board;
- c) the entity in which the members of the Management Board/Supervisory Board or a person referred to in point b) has a qualifying holding of 10% or more of the capital or voting rights over which those persons can exercise a significant influence or in which those persons are members of the senior management or the management body in its supervisory function.

III.5. Conflict of interest between offices held within the OTP Bank Romania Group

(115) The intent to appoint an executive officer, a supervisory board member or an employee to other positions within the OTP Bank Romania S.A. must be reported in advance – immediately after the adoption of the decision concerning the submission of the proposal – to the Bank so that it can assess the compatibility of positions within the OTP Bank Romania Group. The Bank will send its opinion in a memorandum to the proposer.

(116) It classifies as a conflict of interest (incompatibility) of offices within the OTP Bank Romania Group if an executive officer, member of the supervisory board supervises another executive officer, supervisory board member or employee who is in a reverse hierarchical relationship with him/her in another joint legal relationship.

(117) If two executive officers or members of the supervisory board members have supervisory relationship due to their other positions outside OTP Bank Romania Group, they are required in all cases to act objectively and prudently and expressly bear in mind that they may not take their other legal relationship into account in any of their activities or in any decision. In exceptional cases, based on the conflict of interest declarations, the Bank may make a written proposal for action to eliminate potential conflicts of interest. The Bank monitors potential conflict of interest situations arising from organisational changes and, if necessary, proposes measures to the heads of the areas concerned.

III.6. Conflict of interest rules regarding connections between the relatives of senior executives and suppliers

(118) The Bank's executive employees and senior executives shall declare whether they have any relative who

- a/ are an owner;
- b/ have established an additional legal relationship for the performance of work as a manager;
- c/ are an executive officer or supervisory board member
in an enterprise that is a supplier to the OTP Group and/or has regular business relations with the OTP Group and/or conducts activities that are the same as, or similar to, the Bank's activities.

(119) During the completion of a conflict of interest declaration, the Bank assumes that the persons subject to the declaration obligation make their declaration in good faith. Declarations that are untrue shall result in adverse legal consequences in accordance with the provisions of this Policy, only if it may be assumed that the declarant had acted in bad faith.

III.7. Conflict of interest rules related to activities as a credit institution

III.7.1. Reporting obligations for a senior executives

(120) Pursuant to the internal regulations, a senior executive shall inform NBR about any modification to the info declared through specific questionnaire filled in during the authorization process.

(121) Senior executives shall file their reports to the Bank, who shall forward these info to the Supervisory Authority, in accordance with the applicable internal regulations.

III.7.2. Legal requirements for the election of a senior executive

(122) The following offices may be occupied concurrently at the Bank:

- a/ one mandate in a executive function and two mandates in non-executive function; or
- b/ four non-executive functions.

(123) For the purposes of previous Paragraph, the following shall be regarded a single managing director position:

- a/ a managing director position occupied within the OTP Bank Romania Group or a non-managing director position occupied in a management body,
- b/ jointly the managing director and non-managing director position occupied in a management body

ba/at a credit institution member of the institutional protection system (e.g. Bank Deposit Guarantee Fund, Investors Compensation Fund etc.)

bb/at an enterprise in which the Bank has a qualifying holding.

(124) The prohibition stipulated in Paragraph (122) shall not apply to mandates occupied in an organisation not pursuing business activities.

(125) The Supervisory Authority may permit the member of the Bank's management body to occupy one additional non-managing director position beyond the limit.

(126) The election or appointment of a senior executive of the Bank is subject to the prior permission of the Supervisory Authority.

(127) Besides the conditions stipulated by the legislation in force regarding the senior executive, the following persons may not be elected and appointed as senior executives:

- a/ those holding another position within the credit institution;
- b/ in the last 5 (five) years, their approval to manage a credit institution, a financial institution or an insurance/reinsurance undertaking or other entity operating in financial sector as a member of the management board or as a senior executive was revoked by the Supervisory Authority or they were replaced from the position held in such entities for reasons attributable to them, or
- c/ c/ it is forbidden, by a legal provision, a court decision or a decision of another authority, to manage an entity as provided in letter b/ or to carry out activity in one of the specific fields of these entities.

III.7.3. Conflict of interest rules related to decision-making and commitments of senior executives

(128) The senior executive may not participate in the preparation and passing of decisions related to any commitment to be made by the financial institution, if they hold an executive office or have a qualifying holding in the client in respect of which the risk is assumed.

(129) The senior executive may not participate in the preparation and adoption of decisions in which they or their close relatives or an enterprise directly or indirectly owned or otherwise controlled by them has any business interests.

(130) If the decision-making falls within the powers of a body comprising multiple persons, and any of the members has a conflict of interest, the affected member may not cast a vote.

(131) A senior executive may not assume any contractual obligations – including sales agreements – vis-à-vis the Bank unless the Management Board has granted prior consent by

unanimous decision. This provision shall apply *mutatis mutandis* to any senior executive having a seat in the Management Board or the Supervisory Board, or serving as a managing director at a financial institution belonging to the OTP Bank Romania Group, if they intend to enter into a contract with a financial institution belonging to the OTP Bank Romania Group. In this case, the prior consent of the Management Board of the contracting financial institution and – if other than the controlling credit institution – of the controlling credit institution shall be required for the conclusion of a contract. In the case of transactions, deposit and investment services, passive products, the Management Board may, in a case-specific decision, give its general prior consent to the conclusion of transactions for a defined time period, by specifying the scope of persons and range of products concerned, and referring to the advertised market conditions.

(132) The detailed provisions associated with the conflicts of interest rules to be observed during decision-making and commitments related to transactions with affiliated parties are set forth within the framework of a Bank Internal Norm.

(133) Section III.7.3. shall be applied subject to the different rules on internal lending in the case of exposures that classify as internal lending.

III.7.4. Conflict of interest in the use of inside information

(134) The following persons shall be classified as having inside information:

- a/ senior executives and any person recognized as a manager or executive officer under the national legislation or the Bank's internal regulations;
- b/ any person performing official actions and expert's activities having access to inside information in the course of his activities connected with the Bank;
- c/ the close relatives of the persons referred to in points a/ and b/; and
- d/ any person having obtained inside information, including the head or staff member of a foreign financial institution.

(135) A person possessing inside information may not use the information obtained in or by means of the job function in connection with the financial institution's operations and clients, nor may he disclose such information to unauthorized persons or allow unauthorized persons access to such information.

(136) It is prohibited to conclude transactions, give orders for transactions or provide investment advice on the strength of inside information or with persons possessing insider information on the basis of which any person possessing insider information or their close

relatives, or third person would acquire any financial gain or cause any damage to other persons.

(137) An employee of the Bank may participate in the purchase of real estate foreclosed by the Bank or its subsidiary (an OTP Bank Romania Group member), either as a buyer or as the buyer's agent, only with the prior consent of the Bank. The employee shall notify the Bank if their close relative has participated or intends to participate in the purchase of real estate foreclosed by the Bank or its subsidiary (an OTP Bank Romania Group member), either as a buyer or as the buyer's agent, serving such notification within 2 working days of becoming aware of the fact.

III.8. Conflict of interest in client management

(138) As a general rule, the Bank employee and members of management bodies are not allowed to be empowered and perform transaction on the clients' accounts, on behalf of the customer or in their own name. In case the bank's employees hold a full participation in a legal entity (e.g. Authorized Natural Person, Limited Liability Company - sole shareholder and administrator, Sole Entrepreneur, Liberal Professions) and cannot appoint a third person as legal representative, they will not open accounts with OTP Bank Romania S.A.

(139) In transactions and business relationships with the Bank, employees of the Bank shall not act as an administrator/approver/inspector/authorising officer

a/ in the matters of

aa/themselves;

ab/their close relatives, and persons they are in other private relationship with – even if such relatives hold a power of attorney to dispose over the account of a third person;

ac/legal entities or organisations without legal personality in which persons referred to in subpoints aa/ and ab/ hold an interest (including but not limited to owner, executive officer, executive employee and employee having direct or indirect decision-making powers in the matters of the relevant organisation) (thus especially but not limited to business entities, associations, foundations, federations);

ad/private individuals, legal entities or organizations without legal personality that have any economic relationship with the persons referred to in subsections aa/ and ab/

and

b/ besides the scenarios described in section a/, in relation to accounts concerning which the employee has any interest or regarding accounts in relation to the owners of which

any interest of the employee may arise (in particular but not limited to authorised persons and beneficiaries on death).

(140) Head of Region may decree differently from the provisions in subpoints ab/, ac/ and ad/ of Paragraph (139) in respect of employees who are present for the performance of work at a Agency in the region. The Head of Region informs the Bank in advance and decides after the approval of the Bank was given.

(141) Branch managers shall have the right to check - if circumstances suggest to arise - whether branch employees observe the rules stated in Paragraph (139) in the course of their work. Such checks shall cover only the accounts where, as of the date of checking, the employee is designated in the core Bank IT system, in active status, as a person with disposal rights (including but not limited to, account holder, co-account holder, authorised person) or as beneficiary (including but not limited to, as beneficiary on death).

(142) With the exception of the following cases referred to in paragraphs above mentioned, transactions carried out by employees in their own name as clients when using the Bank's OTPdirekt contract services are not considered to be activities creating a conflict of interest:

a/ conflicts of interest between the investment firm, its senior executives, employees and tied agents, or any person directly or indirectly linked to the investment firm by control and their customers; or

b/ conflicts of interest between one client and another client of the investment firm

that arise in the course of providing any investment and ancillary services, or combinations thereof, and adversely affecting the interest of its client, including conflicts of interests caused by the receipt of inducements from third parties or by the investment firm's own remuneration and other incentive structures.

(143) Employees as clients may perform transactions on behalf of another person through the InternetBank or MobileBank only if:

a/ they are authorised persons on that particular account, and

b/ they are entitled to online banking and/or mobile banking access in respect of that particular account by their own right.

(144) As well, as an exception of the above mentioned cases, the Bank accept the bank employees/senior executives to be empowered on their relatives (individuals). In this case, they cannot act in their dual quality, as a bank representative and as an empowered person of a client. Such situations must be declared by filling the statement on conflicts on interest.

(145) If an employee realises that, in the course of their banking activities, they would act in the matter of a person specified in Paragraph (139), the employee shall notify their superior

authorised to give them instructions directly. In this case, the superior will assign the task to another employee not affected by the conflict of interest.

(146) The internal regulations mentioned in Chapter II contains provisions applicable to certain co-ownership cases and ad hoc or standing authorisations and employee transactions performed by a specified circle of employees.

III.9. Independence of Bank employees responsible for providing consultancy in the area of conflicts of interest

(147) If an employee of the Bank provides advice to an organisational unit of the Bank, it shall be ensured that this activity does not generate a conflict of interest.

(148) Employees within the Bank's organisational structure, responsible for providing consultancy in the area of conflicts of interest:

- a/ shall not take over responsibilities falling within the competence of the head of the investigated unit during the provision of advice or other activities of non-investigative nature;
- b/ shall maintain their independence and avoid all possible forms of conflict of interest, including by their refusal to accept any gifts or benefits that influence or may influence their independence and integrity;
- c/ shall avoid all relations with the management and employees of the investigated unit, as well as with third parties, which may influence or compromise their independence;
- d/ shall not use their position for personal purposes and avoid relationships that may carry the risk of corruption or raise doubts regarding their objectivity and independence.

III.10. Training

(149) The Bank ensures that the senior executives, employees and contractual partners of OTP Bank become familiar with the rules on conflicts of interest and the consequences of their violation, recognize situations which may create or constitute incompatibility of offices or a conflict of interest, and that they can act in accordance with this Regulation when such a situation arises.

IV. IMPLEMENTATION PROVISIONS AT BANK'S SUBSIDIARY LEVEL

(150) This Regulation is a group-level document, since the management of conflict of interest situations is also a top priority task for the entire OTP Bank Romania Group. All OTP Bank Romania Group members are required to implement the provisions of this Policy.