

## OTP Bank Romania Anti-Corruption Policy

### 1. Introduction

OTP Bank Romania S.A. (hereinafter: Bank) and OTP Group are committed to combatting corruption. The Bank and its management declared zero tolerance towards all forms of bribery and the gaining of unfair advantages.

The provisions of this Policy (hereinafter: Policy) have been formulated in accordance with applicable Romanian and international legislation and the Anti-Corruption Guidance of the Wolfsberg Group<sup>1</sup>.

The purpose of the Policy is to define the principles of the Bank's anti-corruption activity, to identify the areas particularly exposed to the risk of corruption, and to serve as a core document for the formulation of the regulatory documents required for the Bank's anti-corruption efforts and for the affected staff members' anti-corruption activity.

The principles and provisions of the Policy cover the Bank's entire organisation, spanning the full spectrum of its operation from the formulation of internal regulatory documents through the contracts to be concluded with partners to the actions of individual staff members, and are applicable to all of the Bank's activities.

The unit responsible for the Policy is the Compliance Directorate.

### 2. Scope of the Policy

The scope of the Policy extends to all staff members and contractual partners of the Bank and to any other persons participating in the performance of its activities.

The provisions set out in the Policy are to be applied in conjunction with the provisions of the [Bank's Code of Ethics](#).

### 3. Definitions

- **Corruption:** active and passive corruption;
- **Active corruption:** the act of offering or promising to offer a benefit or advantage to exert undue influence over others;
- **Passive corruption:** receiving/accepting/soliciting a benefit or advantage for performing an act that would not otherwise have been performed or for omitting to perform an act that would otherwise have been performed;

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<sup>1</sup> "The Wolfsberg Group – Wolfsberg Anti-Bribery and Corruption (ABC) Compliance Programme Guidance (2017)"

- **Management bodies:** the Bank's Board of Directors and Supervisory Board;
- **Staff:** members of the Bank's management bodies and its employees;
- **Public official:** a person holding a position at an international, national or municipal level in executive, legislative or judiciary bodies, authorities, armed forces and law enforcement bodies, central banks, international organisations, political parties and state-owned or state-controlled enterprises.
- **Contractual partner:** all third party providers contracted to the Bank to participate in the Bank's activities (suppliers, agents, intermediaries, consultants, experts, etc.).

## 4. Principles

### 4.1. Prohibition on corruption

In the course of and in connection with the Bank's activities, all staff members and any other contractual partners of the Bank are strictly prohibited from performing any act of corruption and from participating or being involved in corruption. A violation of the prohibition on corruption shall give rise to consequences under labour, civil and criminal law. The Bank consistently and resolutely stands up against corruption. In case of a violation of the provisions set out in this Policy by any person, the Bank shall take all steps necessary to avert potential negative consequences and to avoid similar events in the future. The Bank ensures the full enforcement of all Romanian, European Union and international anti-corruption regulations, and requires all of its staff members and contractual partners to comply with such regulations.

### 4.2. Activities most exposed to the risk of corruption:

- management of gifts and business hospitality expenses;
- charity and sponsorship;
- liaising with contractual partners;
- undertaking contractual obligations;
- purchase, management and maintenance of investments and assets;
- hiring new staff;
- procurement, management and sale of real estate.

The list above is non exhaustive, and the Bank shall also devote attention to any other activities that may carry corruption risk.

### 4.3. Expected behaviour

In order to enforce the zero tolerance towards corruption, especially including but not limited to the areas defined in Section 4.2, the Bank applies the following procedural and operational principles:

- in order to avoid the concentration of decision-making powers in one person's hands, the Bank strictly defines staff members' roles and responsibilities by adequately and officially specifying the responsibilities and clearly designating decision-making levels;
- the Bank formulates officially devised procedures for the performance of specific activities by individual staff members, and requires the application thereof;
- in accordance with and to the extent permitted by legal provisions, the Bank monitors the activity and transactions of individual staff members;
- in all cases where required by the relevant policies, the Bank expects all staff members to make their decisions on the basis of pre-defined criteria.

#### **4.4. Regulation**

The Bank works out detailed rules and procedures for the efficient enforcement of the provisions set out in the Policy.

#### **4.5. Risk-based approach**

The Bank's potentially affected organisational units and activities represent different corruption risks. The Bank performs a risk-based assessment at predefined intervals to determine which organisational units and activities are in the current focus of the anti-corruption activity.

#### **4.6. Control by management**

The Bank's management bodies monitor the enforcement of the provisions of the Policy, and in the annual Compliance Report receive detailed information about the enforcement of the expectations set out in the Policy.

#### **4.7. Publicity and access**

Along with the Bank's Code of Ethics, the Policy is also publicly available at all times on the [Bank's website](#) and, for the Bank's staff, posted on the Intranet.

#### **4.8. Bookkeeping and records**

The Bank complies with the applicable legal requirements and exercises due care in keeping its books and maintaining its records. The Bank makes certain that its accounting records are based on true and reliable data at all times.

#### **4.9. Contractual partners**

Since the relationship established or maintained with contractual partners also carries the risk of corruption, in the course of its cooperation with contractual partners – thus, in particular, in requesting offers and in the preparatory process of procurements – the Bank exercises due care and strives to minimise the risk of corruption. The Bank enters into a contractual relationship with its partners based

on the assessment of professional quality, expertise and competitiveness and does not apply any selection criteria that may entail the possibility of corruption. The Bank exercises special care in the case of contractual partners that are authorised to act for or on behalf of the Bank as they may create substantial legal liability and reputational risks to the Bank.

#### **4.10. Acquisition policy**

With a view to its active acquisition policy, the Bank pays particular attention to detect and eliminate corruption risks during the due diligence process upon the assessment of the institutions to be acquired.

#### **4.11. Public officials**

The Bank expects its staff and contractual partners to take particular care and act in accordance with this Policy in interacting with public officials for any reason.

#### **4.12. Gifts and offers**

Corruption may not necessarily be limited to the offering of financial gains or unfair advantages. Gifts and other offers also pose severe corruption risks. Since gifts are often incidental to facilitating business engagements, their total exclusion from the Bank's operation is unfeasible. In order to safeguard against corruption, it is indispensable to have clearly articulated rules in place to govern the provision and receipt of gifts. The provisions set out in the Policy should be interpreted and applied in conjunction with the provisions of the Code of Ethics on gifts.

The Bank considers any attempt to influence the administrative process or the independence of decision-making in an improper manner through gifts or business hospitality offers unacceptable and accordingly, it strictly prohibits the provision or receipt of such gifts or offers for the purpose of gaining undue advantage.

The Bank also extends this prohibition to the persons interacting with the Bank's staff or contractual partners to ensure that the persons concerned may not be influenced through their relatives.

Gifts may only be accepted if all conditions laid down in the Code of Ethics and the Policy are met.

#### **4.13. Charity, sponsorship**

The Bank may only offer donations or sponsorships to beneficiaries in a transparent and traceable manner through its corporate social responsibility activity, thereby ensuring the elimination of potential risks of corruption. The Bank does not offer charitable support and sponsorships in order to gain preferential treatment, and considers such behavior unacceptable.

#### **4.14. Selection procedure**

The Bank decides on new hires and selects new contractual partners on the basis of a strictly regulated selection procedure. These standards also assist in the prevention of corruption. In the course of the selection procedure, the Bank shall only consider the personal abilities, skills, professional expertise and other relevant experience of the candidate for the given position.

#### **4.15. Management and sale of investments, procurements and assets**

The Bank prohibits non-transparent behavior for the purposes of gaining or offering preferential treatment during the management or sale of investments or other procurements and assets.

#### **4.16. Procurement, management and sale of real estate**

The Bank applies transparent real estate management methods that eliminate any possibility of preferential treatment; accordingly, the Bank explicitly rejects any procedure that may entail the offering, donation or acquisition of real estate at more favourable conditions than those prevailing in the real estate market or that may be intended to give priority to the Bank's interests.

#### **4.17. Training**

Since standing up against corruption is also a priority concern in business relations, the Bank exercises particular care to ensure that all of its staff and contractual partners are fully aware of the provisions of this Policy. To that end, the Bank provides free access to this Policy at all times, and expects all of its staff and contractual partners to familiarise themselves with the provisions thereof.

#### **4.18. Controls**

The Bank's Compliance Directorate monitors the enforcement of this Policy during the Bank's activities, as well as its compliance with the applicable legal regulations and any other requirements and best business practices. If the Compliance Directorate detects or becomes aware of any anomaly or irregularity, it shall initiate the review – and modification, as appropriate – of the provision, and notifies the management bodies of the deficiency or irregularity detected.

#### **4.19. Reporting**

The Bank's staff may report violations of the provisions set out in this Policy through the channels defined in the Code of Ethics. All such notifications shall be investigated in accordance with the Bank's applicable regulatory document on reporting unethical conduct, of which the Bank shall post a notice on its [Bank's Code of Ethics](#). Notifiers may not be subject to any discrimination or unfair treatment in relation to their report. Offences may also be reported anonymously.