

2016 EVES 2016 JELENTÉS 2016 EVES 2016

-	0	4.782	48
336	685	1.221	2.004
907	-904	2.503	15.156
-	143	143	512
-	1.590	1.590	13.415
-	0	84	6
23	-2.124	2.847	6.396
82	18	-64	-
-	0	0	-
-	0	0	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
84	3.656	8.240	-
84	3.656	8.240	-
-	0	0	-
-	0	-16.894	482
-	0	-1.037	18
0	0	0	-17.931
57	-6.667	-12.124	-12.124



2016 EVES 2016 JELENTÉS 2016 EVES 2016

Corporate Governance

Senior management of OTP Bank and executive members of the Board of Directors



Dr. Sándor Csányi
Chairman & CEO

Dr. Sándor Csányi graduated from the College of Finance and Accountancy in 1974 with a bachelor's degree in business administration and in 1980 from the Marx Károly University of Economic Sciences with a degree in economics. He is an economist with a specialisation in finance, and a certified auditor. After graduation he worked at the Revenue Directorate and then at the Secretariat of the Ministry of Finance, after which, between 1983 and 1986, he was a departmental head at the Ministry of Agriculture and Food Industry. From 1986 to 1989 he worked as a head of department at Magyar Hitel Bank. He was deputy CEO of K&H Bank from 1989 to 1992. He has been Chairman & CEO of OTP Bank Plc. since 1992. He is a member of the European Advisory Board of MasterCard, one of the world's leading payment card companies, and is Vice Chairman of the Board of Directors of MOL Plc., Co-Chairman of the National Association of Entrepreneurs and Employers (VOSZ), and Co-Chairman of the Chinese-Hungarian Business Council. He has been Chairman of the Hungarian Football Association (MLSZ) since July 2010, and a member of the UEFA Executive Committee since March 2015. Since January 2017 he has been a member of FIFA's Financial Committee. As of 31 December 2016 he held 416,753 ordinary OTP shares (while the total number of OTP shares held by him directly and indirectly was 2,216,753).



László Bencsik
Chief Strategy and Finance Officer
Strategy and Finance Division

In 1996, Mr. László Bencsik graduated from the Faculty of Business Administration at the Budapest University of Economic Sciences, and in 1999 he obtained a Masters in Business Administration (MBA) from INSEAD Business School in France. Between 1996 and 2000 he worked as a consultant at Andersen Consulting (now Accenture). From 2000 to 2003 he was a project manager at consulting firm McKinsey & Company. He joined OTP Bank in September 2003, when he became managing director of the Bank Operations Management Directorate, and the manager with overall responsibility for controlling and planning. He has been deputy CEO of OTP Bank, and head of the Strategy and Finance Division, since August 2009. Since 13 March 2012 he has been Chairman of the Supervisory Board of DSK Bank. As of 31 December 2016 he held 30,033 ordinary OTP shares.



Tibor András Johancsik
Deputy CEO
IT and Bank Operations Division

Mr. Tibor András Johancsik graduated from the Budapest Technical University with a degree in electrical engineering in 1988, and then in 1993 earned a further degree in foreign trade business administration from the College of Foreign Trade. He began his professional career as a researcher in the field of industrial automation at the Hungarian Academy of Sciences Institute for Computer Science and Control (MTA SZTAKI). From 1994 onwards he held management positions at the Hungarian subsidiaries of international IT development companies (ICL, Unisys, Cap Gemini). From 2001 he worked as an advisor in the fields of IT and organisational development, then from 2003, as managing director of JET-SOL Kft., he participated in the development of numerous systems in Hungary and abroad. Since 24 February 2016 he has been Deputy CEO in charge of OTP Bank's IT and Bank Operations Division. As of 31 December 2016 he held no ordinary OTP shares.



Antal György Kovács
Deputy CEO
Retail Division

Mr. Antal György Kovács graduated from the Marx Károly University of Economic Sciences with a degree in economics. He began his professional career in 1990 at the Nagyatád branch of K&H Bank, where he worked as a branch manager between 1993 and 1995. He has been working at OTP Bank Plc. since 1995, first as a county director and from 1998 as the managing director of OTP Bank's South Transdanubian Region. Since 1 July 2007 he has served as OTP Bank's Deputy CEO. He has received additional training at the International Training Centre for Bankers and on various courses held by the World Trade Institute. Between April 2009 and April 2012 he was Chairman of the Supervisory Board of OTP Banka Hrvatska. He has been Chairman of the Supervisory Board of OTP Bank Romania SA since 12 December 2012. He has been Chairman of the Board of Directors of OTP Mortgage Bank Ltd. and OTP Building Society Ltd. since 24 April 2014. He is Chairman of the Supervisory Board of OTP Fund Management and OTP Mobile Kft. He was a member of OTP Bank's Supervisory Board from 2004 to 14 April 2016. He has been a member of OTP Bank's Board of Directors since 15 April 2016. As of 31 December 2016 he held 22,000 ordinary OTP shares.



László Wolf
Deputy CEO
Commercial Banking Division

Mr. László Wolf graduated from the Marx Károly University of Economic Sciences in 1983. After graduation, he worked at the Bank Relations Department of the National Bank of Hungary for 8 years, and then served as head of Treasury at BNP-KH-Dresdner Bank between 1991 and 1993. From April 1993 he was managing director of OTP Bank's Treasury Directorate, and since 1994 he has been Deputy CEO of the Commercial Banking Division and a member of the Supervisory Board of DSK Bank. He has been Chairman of the Board of Directors of OTP banka Srbija since 10 December 2010. He is Chairman of the Supervisory Board of OTP Real Estate Ltd. He has been a member of OTP Bank's Board of Directors since 15 April 2016. As of 31 December 2016 he held 595,791 ordinary OTP shares.

Non-executive members of the Board of Directors of OTP Bank



Mihály Baumstark
Agricultural Business
Administration, Economics

Mr. Mihály Baumstark graduated with a degree in agricultural business administration at Gödöllő University of Agriculture (1973), and went on to do a masters in economics at the Marx Károly University of Economic Science (1981). He was employed by the Ministry of Agriculture and Food Industry between 1978 and 1989. When he left the Ministry he was deputy head of the Investment Policy Department. After this he was managing director of Hubertus Bt., and from 1999 to 2012 he was deputy CEO and then Chairman & CEO of Villányi Winery Ltd. (now Csányi Winery Ltd.). He is currently retired. He was a member of OTP Bank's Supervisory Board from 1992 to 1999, and has been a non-executive member of OTP Bank's Board of Directors since 1999. He has been Chairman of OTP Bank's Ethics Committee since 2010, as well as a member of its Remuneration Committee since 2011, and of its Nomination Committee since 2014. As of 31 December 2016 he held 44,800 ordinary OTP shares.



Dr. Tibor Bíró
College Associate Professor

Dr. Tibor Bíró graduated from the College of Finance and Accountancy (1974) and from the Marx Károly University of Economics (1978) with a degree in business administration. He has been a certified auditor and chartered accountant since 1986. He was the Head of the Financial Department of the City Council of Tatabánya from 1978 to 1982. From 1982, he was a professor at the College of Finance and Accounting, and between 1990 and 2013 head of department at the Budapest Business School. Since his retirement in 2015, he has been a visiting lecturer, and working actively in his auditing and consulting company. From 2000 onwards, for a period of ten years, he was a member of the Presidium of the Budapest branch of the Chamber of Hungarian Auditors, and also worked as a member of the Chamber's Education Committee for five years. He has been a non-executive member of OTP Bank's Board of Directors since 1992. He has been a member of OTP Bank's Remuneration Committee since 2009, and of its Nomination Committee since 2014. As of 31 December 2016 he held 31,956 ordinary OTP shares.



Tamás Erdei
Business Administration

Mr. Tamás Erdei graduated in 1978 with a degree from the College of Finance and Accounting. He began his professional career at OTP, in a variety of administrative roles (his last position was branch manager), before going on to work at the Ministry of Finance in the area of bank supervision. Since 1983 he has been employed by the Hungarian Foreign Trade Bank (today MKB), where he gradually worked his way up through the ranks. In 1985 he became managing director, in 1990 he was appointed deputy CEO, then in 1994 he was made CEO, and from 1997 until the end of March 2012 he was Chairman & CEO. Between 1997 and 2008, and between 2009 and 2011, he was the elected president of the Hungarian Banking Association. He is the chairman of the Supervisory Board of the International Children's Safety Service. He has been a member of OTP Bank's Board of Directors since 27 April 2012. He has been a member of OTP Bank's Risk Assumption and Risk Management Committee, and of its Nomination Committee, since 2014. As of 31 December 2016 he held 6,439 ordinary OTP shares.



Dr. István Gresa
Business Administration
and Economics

Dr. István Gresa graduated from the College of Finance and Accountancy in 1974 and received a degree in economics from the Marx Károly University of Economic Sciences in 1980. He earned a PhD from the same establishment in 1983.

He has worked in the banking sector since 1989. Between 1989 and 1993 he was branch manager of Budapest Bank's Zalaegerszeg branch.

From 1993 he was director of OTP Bank's Zala County Directorate, and from 1998 he served as the managing director of the bank's West Transdanubian Region.

From 1 March 2006 until

14 April 2016 – when he retired – he was deputy CEO of the Credit Approval and Risk Management Division. He is also Chairman

of the Board of Directors at OTP Factoring Ltd.

He has been a member of OTP Bank's Board of Directors since 27 April 2012.

As of 31 December 2016 he held 132,041 ordinary OTP shares.



Dr. Antal Pongrácz
Economics

Dr. Antal Pongrácz graduated from the Marx Károly University of Economic Sciences in 1969 and earned a PhD in 1971. From 1969 he worked as an analyst at the Petrochemical Investment Company, then as a group manager

at the Revenue Directorate until 1975. From 1976 he held various executive positions at the Ministry of Finance. After that, he was the first Deputy Chairman of the State Office for Youth and Sports.

Between 1988 and 1990 he was the first Deputy CEO of OTP Bank.

Between 1991 and 1994 he was CEO, and then Chairman & CEO, of the European Commercial Bank Rt.

Between 1994 and 1998 he was Chairman & CEO of Szerencsejáték Rt, then in 1998–99 he served as CEO of Hungarian flagship carrier, Malév. Since 2001 he has been

managing director of OTP Bank's Staff Division and more recently – up until his retirement

on 14 April 2016 – Deputy CEO. Since 12 April 2012 he has been Chairman of the Supervisory Board

of OTP banka Hrvatska d.d. He has been a member of

OTP Bank's Board of Directors since 2002. He was a member of

OTP Bank Plc's Board of Directors from 9 June 2009 to 14 April 2016. As of 31 December 2016 he held

70,077 ordinary OTP shares.



Dr. László Utassy
Chairman & CEO
Merkantil Bank Ltd.

Dr. László Utassy graduated from the Faculty of Law of Eötvös Loránd University in Budapest in 1978.

He held various positions at the State Insurance Company between 1978 and 1995 and then went on to work at AB-Aegon Rt. He was Chairman & CEO of OTP Garancia Insurance from 1996 to 2008.

He was managing director of OTP Bank between 2009 and 2010. Since 1 January 2011 he has

been Chairman & CEO of Merkantil Bank Ltd.

He has been a member of OTP Bank's Board of Directors since 2001. He has been a member of

OTP Bank's Risk Assumption and Risk Management Committee since 2014.

As of 31 December 2016 he held 264,000 ordinary OTP shares.



Dr. József Vörös
Professor, academician
University of Pécs

Dr. József Vörös earned a degree in economics from the Marx Károly University of Economic Science

in 1974. In 1984 he earned a PhD in economics from the Hungarian Academy of Sciences, and a Doctor

of Science degree in 1993. He has been a member of the Hungarian Academy of Sciences since 2013.

Between 1990 and 1993 he was the dean of the Faculty of Business and Economics, Janus Pannonius

University (JPTE) in Pécs. In 1993 he attended a course in

management for senior executives at Harvard University. From 1994 he was a professor at JPTE, and

was the senior Vice Rector of the University from 2004–2007, between 2007 and 2011 he was

chairman of the Board of Trustees. He has been a non-executive

member of OTP Bank's Board of Directors since 1992. He has been

Chairman of OTP Bank's Remuneration Committee since 2009, and of its Risk Assumption and Risk Management Committee

since 2014.

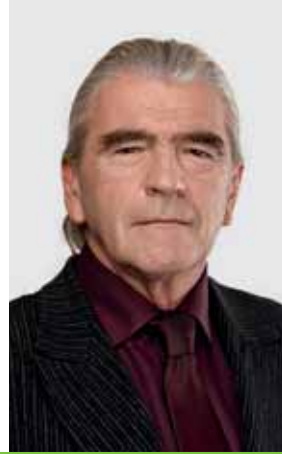
As of 31 December 2016 he held 156,114 ordinary OTP shares.

Members of the Supervisory Board of OTP Bank



Tibor Tolnay
Chairman of the Supervisory Board

In 1973, Mr. Tibor Tolnay graduated from the Budapest University of Technology with a degree in civil engineering and then in economic engineering in 1983, and subsequently received a degree in economics from the Budapest University of Economics in 1993. From 1994 to 2015 he was Chairman & CEO of Magyar Építő Rt. He has been the managing director of ÉRTÉK Ltd. since 1994, and a member of OTP Bank's Supervisory Board since 1992, and Chairman of the same Board since 1999. He was a member of OTP Bank's Audit Committee between 2007 and 2011, and has been again since 2014. As of 31 December 2016 he held 54 ordinary OTP shares.



Dr. Gábor Horváth
Deputy Chairman of the Supervisory Board
Lawyer

Dr. Gábor Horváth earned a degree in law from Eötvös Loránd University in Budapest in 1980. From 1983 he worked for the Hungarian State Development Bank. From 1983 he worked for the Hungarian State Development Bank. He has been a lawyer since 1986, and since 1990 has run his own law firm, which specialises in corporate finance and corporate governance. His main fields of expertise are corporate finance and corporate governance. He has been a member of the Supervisory Board of OTP Bank since 1995, and was a member of MOL Plc's Board of Directors between 1999 and 2014. He has been Deputy Chairman of OTP Bank's Supervisory Board since 2007. He was a member of OTP Bank's Audit Committee between 2007 and 2011, and has been again since 2014. He has been a member of the Board of Directors of INA Industrija Nafta d.d. since 2014. As of 31 December 2016 he held no ordinary OTP shares.



András Michnai
Managing Director

Mr. András Michnai graduated in 1981 from the College of Finance and Accounting with a degree in business administration. He further expanded his professional skills, earning a Master's degree at the Budapest Business School, and is a registered tax advisor. He has been an employee of the Bank since 1974, and until 1981 held a variety of posts in the branch network. Following this he held a management position in the central network coordination department before returning to work in the branch network. From 1994, as deputy managing director, he participated in the central coordination of the branch network. Between 2005 and 2014 he headed the Bank's Compliance Department as a managing director. Since 2008 he has been a member of OTP Bank's Supervisory Board as employee delegate. He has been Secretary of OTP Bank's Employees' Trade Union since December 2011. As of 31 December 2016 he held 100 ordinary OTP shares.



Ágnes Rudas
Managing Director
Presidential Cabinet Office

Mrs. Ágnes Rudas, who represents the employees of OTP Bank, graduated from the College of Finance and Accounting with a degree in business economics in 1979. She is a certified accountant. She has worked for the bank since 1992, first as a head of department coordinating the secretarial services supporting the bank's operative activity, then from 1994 onwards she managed organisational development, process engineering and efficiency-boosting projects. Since 1999 she has coordinated human resource management activity, initially as a director and from 2007 as a managing director. She has been head of the Presidential Cabinet Office since 2016. She has been a member of the Board of Directors of the OTP Voluntary Supplementary Pension Fund since 1 January 2008, and a member of the Supervisory Board of OTP Banka Slovensko a.s. since 12 April 2012. With effect from 15 April 2016 she has been a member of OTP Bank's Supervisory Board as employee delegate. As of 31 December 2016 she held 141,138 ordinary OTP shares.



Dominique Uzel
Director
Groupama International SA

Mr. Dominique Uzel graduated as an agricultural development engineer, then obtained a Master's degree in agricultural and food industry management at the ESSEC Business School. He joined Gan in 1991 as head of the agricultural division. Five years later he left France to join Gan España, where he headed the subsidiary's department responsible for planning and auditing, then became technical director of the newly established Groupama Seguros. In 2008 he was appointed Managing Director of the insurance business, in which capacity he was instrumental in the launch and roll-out of Click Seguros, a direct marketing tool on the Spanish insurance market. In July 2010 he joined the international board of Groupama S.A. as director of direct insurance, but he also continued to be responsible for the management of the direct insurance division in Spain and Poland. Since 1 October 2012 he has coordinated the international operations of Groupama. He has been a member of OTP Bank's Supervisory Board since 2013. He has been a member of OTP Bank's Audit Committee since 2014. As of 31 December 2016 he held no ordinary OTP shares.



Dr. Márton Gellért Vági
General Secretary
Hungarian Football Association

Dr. Márton Gellért Vági graduated in 1987 from the department of foreign economics at the Marx Károly University of Economic Science (today the Corvinus University of Budapest), where he also earned his doctorate in 1994. From 1987 to 2000 he was a member of the university faculty, in the capacity of associate professor and head of department from 1994 onwards. Between 2000 and 2006 he worked at the State Holding and Privatisation Co. (ÁPV Zrt.), as managing director, deputy CEO and then CEO. Between 2006 and 2010 he was Chairman of the National Development Agency. From July 2002 until 1 January 2011 he was a member of the Board of Directors of FHB Nyrt., during which period he also spent four years as Chairman of the Board. Since 2010 he has been general secretary of the Hungarian Football Association. He has authored or co-authored more than 80 research papers, essays and books. He has been a member of OTP Bank's Supervisory Board since 2011. He has been a member of OTP Bank's Audit Committee since 2014. As of 31 December 2016 he held no ordinary OTP shares.

Information for Shareholders

General company data

Date of foundation:

31 December 1990, registered by the Metropolitan Court of Budapest as Court of Registration on 28 October 1991 under company registration number 01-10-041585. The latest Bylaws may be requested from the company or may be downloaded from the Bank's website.

Legal predecessor:

Országos Takarékpénztár, founded 1 March 1949

Registered head office of OTP Bank Plc.:

16 Nádor Street, H-1051 Budapest
Telephone: (+36-1) 473-5000
Fax: (+36-1) 473-5955

Share capital:

OTP Bank's share capital as at 31 December 2016 was HUF 28,000,001,000, consisting of 280,000,010 ordinary shares of nominal value HUF 100 each.

Ownership structure as at 31 December 2016:

Description of owner	At the beginning of actual year			End of actual period		
	% ¹	% ²	Qty	% ¹	% ²	Qty
Domestic institution/company	20.31%	20.58%	56,865,293	20.20%	20.47%	56,561,346
Foreign institution/company	63.77%	64.62%	178,546,741	64.83%	65.71%	181,528,602
Domestic individual	5.95%	6.03%	16,656,480	3.88%	3.93%	10,852,905
Foreign individual	0.43%	0.44%	1,215,093	0.16%	0.16%	447,025
Employees, senior officers	1.37%	1.38%	3,825,466	1.33%	1.35%	3,726,348
Treasury shares ³	1.31%	0.00%	3,677,506	1.33%	0.00%	3,737,768
Government held owner ⁴	0.09%	0.09%	238,312	0.08%	0.08%	225,928
International Development Institutions ⁵	0.01%	0.01%	38,242	0.02%	0.02%	49,715
Other ⁶	6.76%	6.85%	18,936,877	8.17%	8.28%	22,870,373
Total	100.00%	100.00%	280,000,010	100.00%	100.00%	280,000,010

Stock exchange listing

The ordinary shares of OTP Bank Plc. are listed on the Budapest Stock Exchange under category "Premium Equity", and the global depository receipts (GDRs) representing the ordinary shares that are traded abroad are listed on the Luxembourg Stock Exchange. (2 GDR represents 1 ordinary shares.)

Regulation S GDRs are traded on the London SEAQ International, and Rule 144A GDRs are traded in the PORTAL system. The custodian bank for OTP GDRs is the Bank of New York, and the safekeeping bank is OTP Bank Plc. (Stock exchange symbol for OTP Bank shares: OTP, Reuters: OTP.BU)

¹ Ownership share.

² Voting rights.

³ Treasury shares include the aggregated amount of own shares held by the mother company, the subsidiaries and ESOP.

⁴ E.g.: State Privatization Holding Co. Ltd., Social Security, Municipality, 100% state-owned companies, Pension Reform and Debt Reduction Fund etc.

⁵ E.g.: EBRD, EIB etc.

⁶ Non-identified shareholders according to the shareholders' registry.

The Annual General Meeting will be conducted with the personal presence of those entitled to participate. Shareholders may participate in the Annual General Meeting in person or through a proxy. OTP Bank Plc. is entitled to check the personal identity of the shareholders and their proxies on the basis of documents, prior to their admission to the Annual General Meeting.

The authorisations relating to representation as a proxy at the Annual General Meeting must comply with the relevant provisions of Hungarian law. The authorisation must include, clearly and expressly, a statement of authorisation with respect to the proxy, a specification of the authoriser and of the proxy, and any limitations that may apply to the authorisation. The authorisation must be issued in the form of a notarised deed or a private document of full probative force.

One representative may represent several shareholders; however, he/she must possess authorisations from every shareholder represented by him/her, either in the form of a notarised deed or a private document of full probative force. If several proxies are indicated in one authorisation, then it must be specified that, under the authorisation, each proxy may exercise his/her right of representation independently. If one shareholder is represented by several proxies, they may not vote or make statements differently from each other.

The letter of proxy may be issued as valid for one general meeting, or for a specified period, but for a maximum of twelve months. The letter of proxy – in the absence of a provision to the contrary – shall extend to a general meeting convened to continue a suspended general meeting, or a general meeting that has been reconvened due to lack of quorum.

If a shareholder is represented at the Annual General Meeting by its lawful representative (e.g. chief executive, managing director, mayor etc.), the court or company court document evidencing the right of representation – in its original form, or in the form of a copy certified as authentic by a notary public, issued not more than 30 days previously – or a certificate regarding the election of the mayor, as the

case may be, must be presented at the venue of the Annual General Meeting. When providing evidence of the existence of companies (and other organisations) registered abroad, and of the right to represent the entity issuing the authorisation, it is essential that the foreign document be issued by a certified public records body or that these facts be attested by a notary public.

If the authorisation or any document submitted as evidence of the representation right was not issued in Hungary, the form of the document must satisfy the legal regulations pertaining to the certification and/or legalisation of documents issued abroad. According to these regulations, in the absence of a bilateral international agreement to the contrary, the diplomatic certification and/or legalisation of the document is needed, or – if the given country is a party to the relevant international convention – the furnishing of the document with an apostille is required. Detailed information on the applicable rules are provided by the Hungarian foreign representation offices. If the document is written in a language other than English or Hungarian, then a certified Hungarian translation of the document must be presented.

The authorisation and the related documents must be handed over by 14:00 p.m. Budapest time on 07 April 2017 (Friday) at the very latest, at any of the designated OTP branches listed under section X below, or – if the proxy, based on a foreign document, is representing more than one shareholder – at the Legal Directorate of OTP Bank Plc. (1051 Budapest, Nádor utca 16.).

Preconditions for participation in the Annual General Meeting and for the exercising of voting rights are that:

- a) the result of the shareholder identification procedure confirms the shareholding as at the date of the shareholder identification procedure;
- b) the shareholder be registered in the Company's Share Register by the closure

of the register as specified in section III of this announcement;

- c) the shareholding and/or the voting rights of the shareholder do not violate the legal regulations or the provisions of the Company's Articles of Association, and the Company shall check this circumstance.

Dividend

On 12 April 2017 OTP Bank Plc.'s General Meeting decided to pay dividend after fiscal year 2016.

Dividends will be HUF 190 per share, representing 190% of the face value of each share. The exact amount of dividend payable to the shareholders will be calculated and paid in pursuance of the Articles of Association of the Bank, the Company will distribute the amount of dividend calculated on treasury shares to shareholders entitled to receive dividend. Dividend payment will start on 6 June 2017

in pursuance of the procedure defined in the Company's Articles of Association.

Announcements

OTP Bank Plc. fulfils its disclosure obligations related to corporate events and prescribed in Act CXX of 2001 on the website of the OTP Bank Plc. (www.otpbank.hu), on the website of the Budapest Stock Exchange (www.bet.hu), and on the website operated by the National Bank of Hungary (www.kozzetetelek.hu).

Investor relations

Institutional shareholders of OTP Bank Plc. should contact the following address if they require further information:

OTP Bank Plc. Investor Relations & DCM

16 Nádor Street, H-1051 Budapest

Phone: (+36-1) 473-5460. Fax: (+36-1) 473-5951

e-mail: investor.relations@otpbank.hu



Anti-money laundering measures

Money laundering is any act or attempted act by criminals or other persons to conceal or disguise the identity of obtained proceeds of criminal offences so that they appear to have originated from legitimate sources, for which they may try using the services of financial institutions.

In order to prevent the use of our bank for money-laundering purposes, we will do our best to ascertain the true identities of those who would use our services and the rationale of using the services. OTP Bank will establish business relationship only with those clients who give evidence of their true identities in accordance with the relevant legal stipulations and will execute orders with legitimate purposes only.

In keeping with the provisions of Act CXXXVI of 2007 on the prevention and impeding of money laundering and the financing of terrorism OTP Bank has introduced, and applies, the following measures and rules:

- It operates an internal control and information system designed to prevent banking or financial operations that might

enable, or in themselves constitute, money laundering.

- It has internal regulations, in accordance with the Anti-money Laundering Act, Ministry of Finance Decree 35/2007. (XII. 29.) and the recommendations, model rules and directions of the Central Bank of Hungary as supervisory body that all employees of the bank observe.
- The employees of the bank must fulfil their customer due diligence and reporting obligations.
- Compliance with the reporting obligations is not construed as a breach of bank, securities, insurance or business secrets.
- Failure to fulfil the reporting obligation may result in prosecution under criminal law.
- OTP Bank cooperates with the criminal investigation authorities in the investigation of all circumstances suggestive of money laundering.

OTP Bank discloses the customer identification procedure applied by the bank in an Announcement posted in all rooms open for serving customers.

With trust and responsibility for each other

OTP Bank's CSR activities

In 2016, OTP supported community development with financial donations valued at **HUF 1.6 billion**. As one of the primary donors in Hungary, our bank primarily makes its contributions through its own foundations to nurture culture (Prima Primiissima), education (OTP Fáy András Foundation), and by creating opportunities (Humanitás Social Foundation).

OTP Bank's goal is to provide real and effective assistance; consequently apart from its foundations, it is open to further cooperation to provide value-oriented support with the involvement of concerned parties and professional partners.

Focusing on financial literacy

OTP Bank is invariably committed to improving financial literacy, therefore this remains a focus of its social responsibility programmes. As a market-leading financial service provider, OTP believes that it must take responsibility for the education of young people and adults, to enable them to make responsible decisions. Accordingly, the purpose of the Bank is to broaden the base of fundamental financial and economic literacy. The **OK Educational Centres of OTP's Fáy András Foundation** play a crucial role in achieving this objective.

Operation of OK Centres

The free training sessions remained highly popular amongst students in 2016. 14,000 students participated at the sessions of the OK Educational Centre in Budapest and at the financial, economic, management and

career training sessions of its trainers, reaching out to close to an additional 7,000 students through its various events. The trainers in Nyíregyháza employed a finance and future-oriented approach with an additional 6000 students.

The OTP Fáy András Foundation went beyond the borders of Hungary by devoting particular attention to the financial-economic and career training of children and young adults. Thanks to its Romanian (Fundatia Dreptul la Educatie/Right to Education Foundation) and Slovakian (OTP Ready Nadacia) sister foundations, it yet again provided financial, economic, management and methodology training to hundreds of students and teachers beyond the borders of the country.

Successful launch of the Sulibank Experience Portal

Reaching out to elementary school-age children, as part of the **Sulibank Program**, the Sulibank Experience Portal received approximately 4000 registrations. The purpose of the portal is to address the elementary school age group and impart financial awareness through playful methods and relevant content, via an online medium.

The success of the Experience Portal is well illustrated by the professional awards it received: the international **Comenius EduMedia Award** and the **eLearning Forum Innovation Special Award**.

Apart from the website, which functions as an educational tool, the Foundation naturally

continues to place a great deal of emphasis on group trainings. The number of schools involved in the program is continually on the rise: along with more than 5000 elementary school students, approximately 150 teachers are actively involved.

Involvement in the advanced financial training of teachers

We developed unique professional cooperation with ELTE in the advanced training of teachers. In Hungary, this is the only cooperative effort which provides advanced financial and methodology training for teachers without a degree in finance or economics.

Cooperation with the National Bank of Hungary

For the fifth year in a row, in 2016, the **Fáy Success Camp** was hosted in

Balatonszemes. In the course of the program supported by the National Bank of Hungary, 250 students in 6 groups had the opportunity to discover the training courses of the OK Educational Centre of the OTP Fáy András Foundation.

The students – academically successful, yet mostly disadvantaged – came from all points of the country, including Pécs, Szeged, Sopron, Nagybajom, Mezőkövesd, Budapest, Nyíregyháza, Székesfehérvár and Kiskunhalas.

As a result of the professional success of **BanKing Card**, developed and manufactured through a joint program with the National Bank of Hungary, an additional batch was ordered in 2016. The financial card game is used by the Foundation as an educational tool to master a range of financial concepts.

It is an outstanding achievement of OTP Bank's financial education programmes that, to the best of our knowledge, these programmes reach the highest number of young people



in Hungary. Thanks to the continuously expanding range of programs and achievements, OTP Bank won the "Socially Responsible Bank of the Year" award from the jury of MasterCard.

Creating opportunities

In addition to improving public financial literacy, creating opportunities is still at the focal point of OTP Bank's CSR endeavours. As part of its socially responsible activities, OTP Bank supports valuable initiatives, encourages its employees to volunteer, and is ready to stand by private individuals who strive to highlight social issues and serve noble causes.

Thanks to the HUF 21 million support of OTP Bank, the previously unused floor inside the building of the Child Cardiology Centre of the National Cardiology Institute had been reconstructed, and the currently operating ward had undergone modernisation. Thanks to this development, the hospital's long-standing

lack of beds has been resolved. Thanks to the support, the **Child Cardiology Centre has become more family-friendly**, by allowing parents to spend the physically and emotionally draining weeks of treatment and recovery with their heart patient children.

Apart from disposing of its unused machines, for years our bank has been donating its functional computers in an operational condition to non-governmental organisations and schools with no or poor quality IT systems. In order to make sure that our bank supports the neediest with its **computer donations**, as of September of last year, schools may apply by tender of the Humanitás Social Foundation. Over the past year, 14 institutions received 205 computers and monitors; from schools with hundreds of students to smaller foundations through which our bank can support children's homes and families in distress.

For more information on OTP Bank's CSR principles, objectives and current events, please visit our website at: www.otpbank.hu/csr



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