

2009

corporate social responsibility report



Message from the CEO



Dear Reader,

I am glad to present you the second Corporate Social Responsibility Report of OTP Bank Romania.

2009 was a year full of challenges, but the joint commitment of all our colleagues maintained stability and produced noticeable results in many fields.

I am proud that OTP Bank Romania managed to increase its profitability, while the credit portfolio – ratio of non-performing loans – proved to be the best within OTP Group. We were among the first banks in Romania to introduce a loan protection program, helping our individual clients to overcome their financial difficulties. In addition, we have begun offering tailor-made loan restructuring solutions to enterprises and corporations.

The CSR strategy of OTP Bank Romania is proof of our long-term engagement to our stakeholders and to a responsible and ethical business. We have conducted several initiatives strengthening our cooperation with the society in which we are operating. The education of future generations – with respect to reading – is at the centre of our commitment: in 2009, our colleagues and clients collected more than 10.000 books for Christmas, helping 1000

children; as next step, we plan to donate books to schools in disadvantaged rural areas.

I am convinced that transparency and honest communication will be repaid; OTP Bank Romania is committed to open communication in both directions – with its clients and external stakeholders and with its staff. We strive to maintain an inspiring working environment by taking responsibility for our employees. For this reason, I am very pleased that my colleagues evaluated our internal communication as outstanding.

The 5th anniversary of the bank was an occasion for us to look to the future: we are certain that responsibility will play an increasing role after the economical recovery; thus we are working on deepening and widening our CSR activities.

László Diósi
Chief Executive Officer,
Chairman of the Management Board
OTP Bank Romania

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OTP Bank Romania
at a glance

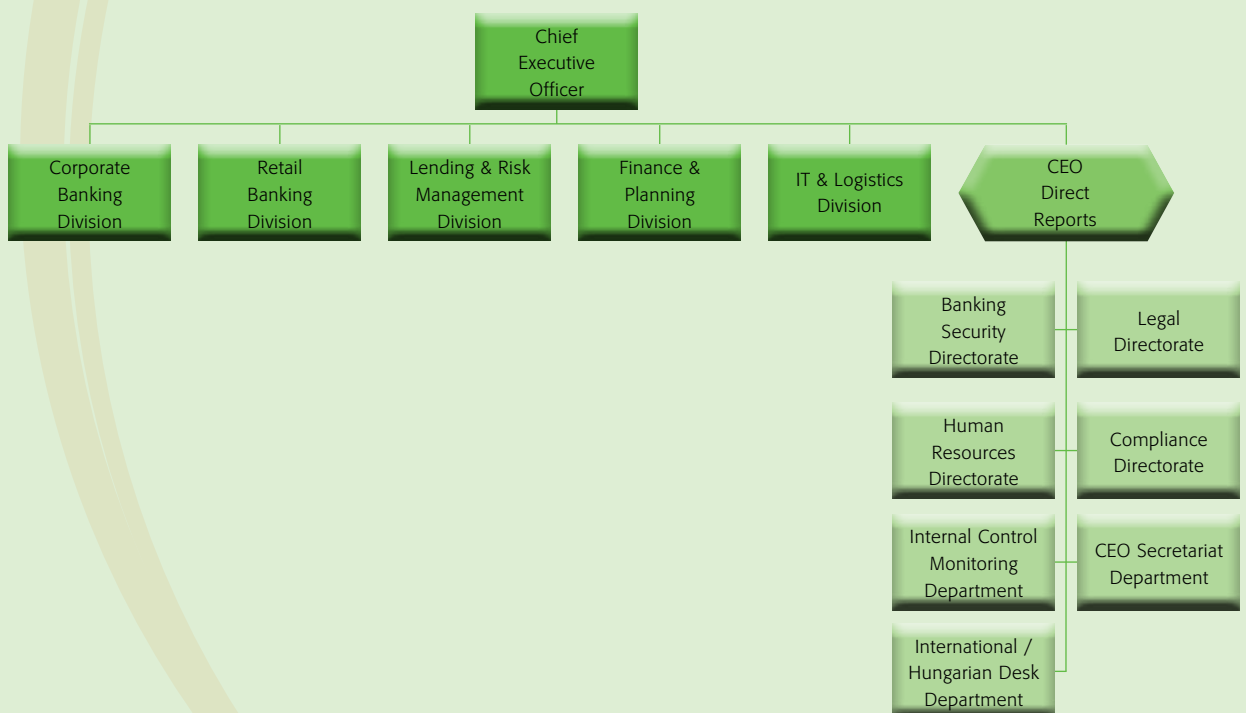
OTP Bank Romania is an universal medium-sized bank, providing complete high quality financial services for individuals and legal entities. Our competitive advantage is built upon local and regional understanding of clients' needs. As a result of constant expansion, at the end of 2009, we were serving the financial needs of more than 200.000 clients.

Despite the delicate economic context, 2009 was a year of consolidation and stability for OTP Bank Romania. In response to the global recession, the Bank focused on maintaining secure operation and implementing a prudent provisioning policy. We restrained our lending activity, focusing on deposits and other fundraising products. We preserved our innovative approach, launching several new products, such as absolute novel investment funds in partnership with OTP Asset Management. We continued to develop the accessibility of our services by opening a new branch in Covasna and by upgrading 14 bank points to fully operational agencies; as a result, OTP Bank Romania had 106 operating territorial units by the end of 2009. We have also increased the number of ATMs and POS terminals.

OTP Bank Romania is a member of OTP Group, the largest independent Central-Eastern-European financial group that provides services in 9 countries. The objective of the Group is to achieve outstanding performance according to European standards. Besides OTP Bank Romania, the Group provides special financial services in Romania through specialized financial institutions:

- OTP Asset Management – offers innovative investment funds,
- OTP Consulting Romania – offers project-focused consultancy services primarily concerning EU Funds,
- OTP Leasing Romania – offers car and equipment leasing products and
- OTP Fond de Pensii – offers private pension and facultative pension funds.

Organization structure of OTP Bank Romania



Summary of our performance



OTP Bank Romania

Branches	106
Employees*	1 094
Number of clients	206 000
Total assets	3.33 billion RON
Market share	2,3%
Total amount of tax paid	9 104 k RON
Total cost of employees training	1.517 k RON
Proportion of branches made accessible	99%
Water consumption per capita	23.3m ³
Energy consumption per capita	36.23 GJ
CO2 emission per capita	1.50t
Total paper used	55t

OTP Group

Branches	1 653
Employees*	35 925
Number of clients	~ 2.2 m
Total assets	152 billion RON
Total amount of tax paid	1.23 billion RON
Total cost of employees training	12.09 million RON
Total amount of donation	- 6.80 million RON
Proportion of branches made accessible	47%
Water consumption per capita	10 m ³
Energy consumption per capita	31.78 GJ
CO2 emission per capita	1.34 t
Total paper used	4 303 t

IFRS data as at December 31st, 2009.

* Total employees

The figures for economic value generated and distributed shed light on the movements of funds between stakeholders, showing the proportions and recipients of the distributed revenue.

Generated and distributed direct economic value of OTP Bank Romania in 2009 (based on the consolidated, audited, IFRS profit and loss statement, thousand RON)			
I.	Generated direct economic value	1	260,647
1	Net income from sales	Interest income + non-interest income (incl. net fees) (adjusted)	260,647
II.	Distributed economic value	14	188,026
2	Operating costs + payments to equity investors	Operating costs – Personnel expenses – Depreciation – Taxes reducing the corporate tax base	84,761
3	Employee wages and benefits	Personnel expenses	93,511
4	Taxes paid	Total tax-payment liability (excluding employer's contributions on wages)	9,104
5	Community investments	Donation and sponsorship	650
III.	Retained earnings	= 1-(2+3+4+5)	72,621

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Sustainability for OTP Bank Romania

Since entering the Romanian market in 2004, OTP Bank Romania has set the foundation for a responsible development and its intentions are to guide potential customers towards fair offers and services that meet the highest standards. Our strong commitment to social responsibility and to our professional staff is an elemental part of OTP Bank Romania's vision.



Our CSR policy

We have created our CSR (corporate social responsibility) policy in order to define our CSR goals and activities and to express our thoughts on responsible business and development.

Our final CSR policy was conceived by the Marketing Directorate, based on OTP Group objectives. We have determined dedicated CSR projects and internal and external day-to-day actions related to CSR. The former covers social issues, education, sports, culture, local communities and environmental protection; the latter is related to human rights at the workplace (customers and employees), environmental protection within the operation and special financial services and products responding to particular needs. The Marketing Directorate and the HR Directorate are responsible for the coordination of dedicated CSR projects.

Our CSR policy supports delivering improved value, providing enhanced services for customers, building trust and credibility in society and becoming more sustainable on long-term.

Our stakeholders

Taking our stakeholders into consideration is essential for sustainability and for being successful in the long run. We have prepared our stakeholder map, determining the parties we affect or who have an influence on the Bank: clients, employees, owners, suppliers, competitors, local governments, media and society.

We aim to balance the stakeholders' interests: in order to be a responsible bank, we have to be aware of our stakeholders' expectations and at the same time we need to keep them informed on our activity. We are committed to honest and transparent communication, where the media and internal communication channels play an important role. We are also glad to receive feedback on our activity. Our responsibility to the main stakeholder groups:

- **Clients:** Our primary goal is to create value, to enable people to improve their quality of life through financial services. Our services and products are in accordance with the Code of Conduct. We also offer special preferential products for special needs or for particular groups of clients, such as youth and pensioners.

- **Owners:** One of the most important challenges for us is to comply with the shareholders' expectations: to create shareholder value with respect to sustainability. Expectations often coincide as the owners themselves are committed to CSR as well.
- **Employees:** We aim to be a responsible employer. In this regard, we support our employees in improving their knowledge and achieving a work-life balance. Inclusive atmosphere and healthy working conditions are of particular importance. We conduct open communication.
- **Suppliers:** The efficient operation of the Bank depends on third-party organizations, through which we stimulate economic growth and indirectly create jobs. Our choice of suppliers represents a statement in support of certain values.
- **Society:** As an universal financial institution, we are in connection with and have influence on several groups in society, besides our clients. Thus, we consider the compliance with statutory requirements a matter of course. We strive to give further support to communities in the form of sponsorship and in-kind donation. We cooperate with local municipalities as well.
- **Environment:** Both the operation of the Bank and the maintenance of the branch-network affect the environment. Within the framework of the infrastructure, our colleagues are responsible for decreasing these effects. We encourage our employees to reduce waste and the volume of resources used, such as electricity and materials.



Sustainability challenges

Sustainability is a complex global challenge, but on the local level we have to contribute to the solution. OTP Bank Romania focuses on the issues of corporate social responsibility and sustainability, on which its activities have a significant impact.

- **Response to the economic and financial crisis:** We must implement prudent and strict lending policies, in order to protect our borrowers and depositors. The continuity of lending is essential for the development of the country; thus we need to encourage savings.
- **Financial literacy – education:** Customers need to possess the basic financial skills in order to understand financial products, to be aware of the consequences as well as the possibilities they open. We provide our clients with a wide range of information, appropriate to their knowledge, while striving to explore their needs, aims and financial possibilities.
- **Ethical business conduct:** We provide equal opportunities to all our stakeholders, and at the same time fight against criminal activities. Our employees are required to fully comply with the Ethical Declaration. We support the development of disadvantaged regions by ensuring a wide range of access to our services, sponsorship, direct and indirect employment.
- **Exhaustion of natural resources, climate change:** Our impact on the environment is twofold: on the one hand, we can promote environmentally friendly investments or inhibit polluting and damaging ones, and on the other hand, we have to mitigate the negative environmental effects of our operation.

2008 We said	2009 We did
Clients Establishment of further 40 children corners in the busiest banking units	We have placed the children corners in the branches, for our customers' enjoyment.
Products Launching products with lower risk Introduction of a product developed for pensioners To promote energy efficiency by a joint product with EBRD (depending on the economic situation)	We offer RON or EUR loans instead of CHF. We offer deposits with higher interest rates for retirees. We were not able to launch the project, but we have developed the OTP Green Energy investment fund with OTP Asset Management. The OTP Premium Green savings package also promotes the fund.
Employees Administration of employee satisfaction survey Development of Management Academy to improve leadership and managerial skills To introduce an online dialogue with the CEO	77% of our employees completed the survey. We have analyzed the results and prepared plans for the future. 90 people take part in the trainings of the Management Academy. We organized several dialogues, in which employees can pose questions directly on the Intra-net platform.
Society Enhanced involvement of our colleagues in charitable activities	We organized several programs, in which many of our colleagues participated and to which they contributed (e.g. tree planting, book collection, used cell phone collection, doll collection, blood donation).
Environment Printing less by using both sides of the paper Exploring the possibilities of recycled paper use Procurement of plastic bottle press devices Changing our servers to reduce energy consumption Reduce energy consumption by switching off electronic devices when leaving the office Improvement of our Green Office performance Placing bike racks at our headquarters	The result of this single measure is hard to distinguish. However, the paper usage in 2009 remained the same, but the business volume increased. We do not use recycled paper at the entire organizational level, as currently it is significantly more expensive and our suppliers would not undertake the maintenance of our equipment. However, the recycled paper is used for several marketing and communication materials. As a result of cost-cutting measures, we have not yet procured the devices. The virtualization project was implemented. A total of 15 servers have been moved from the physical environment to virtual environment and we have installed another 51 virtual servers. In spite of our efforts, the total energy consumption increased. We encouraged our employees to turn off the lights at home for Earth Hour, in March. We collected 2800 kg paper for recycling in our headquarters and branches in Bucharest. We collected 273 empty printer cartridges to be recycled. We placed 18 bike racks in 3 places, in accordance with the demand.



3

We take the responsibility for our clients

Challenge, opportunity	Solution
Facilitating economic development and prosperity	Products and services that conform to standards of business ethics
Maintaining stability and retaining trust	Maintaining lending operation
Preventing over-indebtedness	Strict loan appraisals, transparency
Protecting depositors	Careful and comprehensible provision of information
	Improving financial literacy
	Effective risk management, loan protection program
Managing risks	Cost reduction

In order to be an ethically sound and sustainable financial service provider, a bank must fulfill two basic criteria:

- **Development of responsible products** – fulfilling genuine customer needs and managing risks appropriately and with due caution (conservative risk management), while being fairly priced.

- **Responsible service provision** – ensuring the exploration and fulfillment of the client's actual needs (at the time of sale and in the period that follows), as well as the provision of appropriate customer information and the availability of service.

3.1 Treating our clients fairly

Serving our clients

We place emphasis on customer assistance throughout the whole process of providing service. We pay particular attention to the attitude and knowledge of our staff. Customer orientation is an essential requirement both in the network and support processes of the head office. Thus, we regularly analyze the behavior of our colleagues and provide trainings that aim for the improvement of personal skills. From 2010 on, we plan to include behavioral skills in performance evaluations of the territorial units' employees as well.

Professional knowledge – including a firm grasp of products, risks and circumstances – is of equal importance to customer service, thus we train our colleagues regularly. In 2009, we increased both the role and the quantity of e-learning trainings in order to fully adjust to the needs of our employees and clients.

As a consequence of the economic crisis, the legislative landscape altered in Romania. One of the main directions of change was the stronger **consumer protection and disclosure of obligations**. We appreciate the demand for transparency and fully comply with new legal regulations. We are broadening the communication with our clients, notifying them of significant changes and providing information in a broader context to make them aware of

reasons and consequences. Recently, clients have given more heed to financial matters and OTP Bank Romania is ready to provide all the information required. Glossary of terms is constantly available on our homepage giving a brief description on the most common financial and banking terms. We also follow the EU legislation with attention, in order to be able to prepare for the prospective changes. Even so, the tangible nature of certain processes (e.g. cost incurrence) and the general deepening of financial knowledge, have led to an increase of the complaints number. This process was a characteristic of the entire financial sector and, as such, it also affected OTP Bank Romania. Although the number of complaints rose to almost 900 in 2009, it was still at a very low level compared to the number of clients. Only 7.5% of the complaints were justified. To receive an objective feedback on our performance, we conducted a **mystery shopping** research, in 2009. The program covered 6 countries in the Central-Eastern-European region where OTP Group is present and also examined the competitors besides OTP Group member banks. We are proud that our overall sales quality significantly exceeds and is steadier than the competitors' average; we achieved the best results in customer-service – similarly

to other members of the OTP Group. Within the year, OTP Bank Romania has developed considerably in the field of exploration and identification of clients' needs and out-per-

formed its competitors. Despite these positive developments, these are still the fields in which further improvement is necessary.

OTP Bank Romania is an active member of the Romanian Banking Association. We constructively contribute to create a common position on issues in which the financial sector is affected. The Association is a useful platform for cooperation within the financial sector and with the government.

Accessibility of our services

The branch network of OTP Bank Romania consists of 106 territorial units. Upon achieving national coverage after a steady expansion, we concentrated on quality improvement of the network: in 2009, we upgraded 14 bank points to fully operational agencies and opened a new branch in Covasna.

'As we want our clients to feel comfortable when they enter our branches, at the end of 2008, we set up a pilot playing corner for children, in the Piata Muncii branch, Bucharest. The positive feedback inspired us to extend the project to national level. By the end of April, 2009, we had installed 40 further children corners that welcome the little ones in 32 counties. The children corners offer safe and attractive activities for children, such as pencils, boards, toys, little chairs and tables. We change the toys regularly in order to hold the children's interest while their parents conduct their banking businesses. I am always very happy when my colleagues tell me about the cheerful faces and about the parents' appreciation.' Diana Mişa, Marketing Director.

We strive to encourage our clients to use the electronic services, making banking administration easier and more comfortable; the usage rate of OTPdirekt shows a constant and significant increase. In 2009, we introduced the unique Card Control service, which informs our clients, in real time, about the use of their banking cards. The new service ensures an even higher level of security.

Risk management

The risk management is a core element of responsible banking, affecting the products we offer, the way we provide services and how we protect our clients' interests. Beyond the need to defend the economic interest of the Bank, we regard risk management as one of our obligations towards society. As a result of the economic crisis, the role of risk management has grown considerably.

The Bank faces:

- market risk, credit risk and liquidity risk – associated with financial instruments;
- operational risk, reputation risk and risk due to outsourcing activities – independent from the financial instruments.

OTP Bank Romania and OTP Group apply traditionally conservative risk management principles and these principles did not change in 2009; however, in several areas of operation, the methods of application were refined. The Bank's advanced risk management operation made an important contribution to ensuring stability throughout the economic crisis. In order to mitigate the risks, we have implemented stricter measurements and an even more centralized approach.

Responsible lending

Consumer loans have been among the major topics in the financial area, since the beginning of the crisis. The European Commission worked out a directive for responsible lending and borrowing, regulating both financial service providers and clients. According to their definitions, 'Responsible lending means that credit products are appropriate to consumers' needs and are tailored to their ability to repay.' Banks are expected to act honestly, fairly and professionally in the best interest of the borrower, before, during and after the transaction. All necessary information must be secured in order for the clients to be able to make an informed decision. Although responsible behavior is expected from the borrower, truthful and extensive information about financial conditions is necessary in order for the bank to be able to judge their demand and solvency.

In order to reduce the credit risk, we continuously develop our scorecard-based risk management tools by reviewing the individual loan portfolio and making sure that the factors influencing non-payment are adequately controlled.

We imposed stricter appraisal procedures while fulfilling our most important mission – to be an intermediary between participants of the economy – and maintaining the lending continuity. Loan approval has been made exclusively the responsibility of the headquarters; we have tightened lending terms, reduced the loan ratio to the value of collateral and at the same time promoted loans in EUR or RON at a lower risk level.

We have introduced fixed interest rate loans in RON for corporations. To avoid risk concentration, the Bank has structured its loan strategy, trying to diversify its corporate portfolio by industries, branches and counties. We place great emphasis on sector analyses and the targeted sectors are responding to the basic needs. Loans may still not be granted to business sectors that engage in illegal activities (e.g. gambling, arms trade). As the crisis eases, we plan to relax stricter loan appraisal procedures; however, enhanced risk management methods will remain effective in the future.

OTP Bank Romania implemented a work procedure for environmental and social risk in the lending activities of the corporate banking segment in mid-2009. Our aim has been to limit environmental related risks within the transactions and to take advantage of new business opportunities arising from the clients' improved environmental performance or from the demand for services with a higher environmental standard.

From 2009 on, all the requested loans are required to undergo an environmental approval process:

- environmental screening: initial appraisal of the environmental risk level and categorization into low, medium or high category by completing the Environmental Screening Form;
- environmental risk evaluation and reporting: assessment of the nature and implication of environmental risks and opportunities and creating an Environmental Due Diligence Report; the evaluation covers site visit and compliance check as well;
- environmental risk approval and control: particular consideration of environmental risk in the overall loan decision and determination of environmental clauses or conditions as appropriate;
- environmental risk monitoring: regular, documented monitoring throughout the loan relationship period and delivery of the Annual Environmental Report to EBRD, after presenting it to the Risk Administration Committee.



No project finance package may be approved without being cleared by an external consultant regarding compliance with the environmental regulations and having attained the required licenses and permits.

OTP Bank Romania has learned a lot by preparing the procedure and by being in close cooperation with the EBRD throughout the whole process.

A significant proportion of newly emerging operational risks is related to the unfavorable economic situation. We have faced an increase in cases of fraud and attacks on ATMs and branches. In response, we have enhanced our information protection system, developed a continuous monitoring system and alleviated physical security problems. Our colleagues have been trained in preventing and combating fraud. OTP Bank Romania has implemented specific money laundering prevention projects. We have also formed a better cooperation with banking executors, state authorities and banking institutions to strengthen security based on a rapid and continuous information flow.

Loan Protection Program

We could not have ignored the extreme situation and serious consequences of the economic and financial crisis without effective support for our clients facing problems. The repayment of loans caused difficulties as a consequence of the exchange rates evolution, the increased interest rates due to difficulties in securing funds and the growth of the unemployment rate. In order to help our clients, in a difficult period, we launched the Loan Protection Program.

By introducing the program for individuals in the first quarter of 2009, we were among the first banks in Romania to provide a structural solution for preventing an increase in overdue loans.

Stipulations for participating in the program included financial problems or registered arrears in reimbursement, divorce or death of the main debtor. Financial problems were defined as decrease in income, unemployment, maternity leave, medical problems, etc. Both mortgage and personal loans clients are eligible for the program.

We offer different solutions for our debtors:

- the most commonly chosen option has been the suspension of the monthly installment for

3 months or up to a maximum of 6 months, in dire cases;

- loan rescheduling: extending the maturity period by a maximum of 5 years;
- replacement of the initial debtor, adding/ replacing a co-debtor, changing the monthly reimbursement date.

By the end of 2009, a total of 2319 loans – amounting to RON 346 million– have been included in the Loan Protection Program, covering 12.5% of the total retail loans portfolio.

We believe that the most effective help is the one provided immediately, thus we regard offering potential solutions as soon as a client has begun to experience difficulties in payment to be of great importance. 63% of the total

number of loans (69% in volume) joined the program before having registered arrears in repayment. Less than 5% of the loans volume included in the Loan Protection Program had accumulated more than 90 days in arrears.

We now have the experience that most of our clients are able to return to the original payment plan after the grace period. However, there is still a need for easing repayment; thus, for 2010, we plan to continue monitoring the Loan Protection Program, analyzing its efficiency and adjusting it to the clients' needs. We intend to provide information on the Program for a wider scope of clients.

OTP Bank Romania provides support for corporations as well, by treating every client individually; we offer customized solutions for the restructuring of loans in case of financial difficulties. The most affected companies were those involved in real estate and construction and the automobile sector, but the whole MSE (micro and small enterprises) has been influenced even more. We have assessed each customer, monitoring their current situation and striving to find a solution suited to their financial needs. The options are similar to those of individual clients: extension of the repayment grace period, prolongation of loans etc. In addition, a moratorium agreement could be another option in case the client had the intention of harmonization or consolidation into a syndicated loan.

3.2 Responsible products

OTP Bank Romania pays attention to responsible products development, by enforcing compliance with the Code of Conduct for every new product. We strive to cooperate with government, local and international institutions in order to support the development and the recovery of both the economy and the life quality, we aim to find

brand new and innovative solutions to serve our clients and to fully meet their expectations. In 2009, we focused on fund-raising and launched several products supporting environmental and social sustainability.

GREEN ENERGY INVESTMENT FUND

Climate change, global warming, environmental protection and energy independence are important challenges to be met all around the world. Thus, OTP Asset Management Romania decided to take a step forward and to contribute in the most appropriate way for a financial institution. OTP Green Energy, closed investment fund with guaranteed capital provides access to the renewable energy segment. The fund was an absolute premiere on the Romanian market. The public offer was closed successfully, with 650 investors – most of them Romanian – buying shares for a sum of RON 8.7 million.

In cooperation with OTP Asset Management, OTP Bank Romania issued the OTP Premium Green savings package, which includes a deposit with promotional interest rate and OTP Green Energy Fund. OTP Asset Management Romania was recently awarded three important prizes for its newly developed funds at the Annual Gala of the Capital Market Awards. It received the highest distinction: 'The Excellency Award for the contribution to the development of the capital market'.



For the benefit of children and youth

For 4 years, we have been offering a range of products specially geared to the habits and needs of young people. We aim to contribute to their financially safe future and to familiarize them with handling their finances responsibly. We offer a special savings account for children'

benefit and provide three types of junior accounts with services adjusted to the age of the young people. Almost 1900 junior accounts were opened during the past year. Furthermore, we still provide a bank card with benefits for the students and professors of Sapiente University.

FIRST HOUSE LOAN

The Romanian government announced the 'First House' program in 2009, in partnership with banks, to help citizens in purchasing their first home. OTP Bank Romania was selected for partnership by the Ministry of Finance. While the state guarantees 100% of the value of the loan (max. EUR 57.000 or equiv. in RON), banks offer the loans with a lower interest rate on the condition that the client never owned a house. The maximum granted loan is EUR 57.000 and the downpayment min. 5%. From September, 2009 till the end of the year, we assisted 20 people in purchasing their first home, the amount granted totaling aprox. EUR 730.000. Besides making houses more affordable, the program stimulates the real estate and construction industry.

For the benefit of pensioners

We launched products suited to the needs of pensioners, thus fulfilling our plan and encouraging a more active use of banking products. One of these was a special deposit for retirees. The preferential interest rate has proven to be so attractive that the deposits of pensioners currently make up almost 30% of our individual deposit portfolio. Besides the deposit, we started to issue pension cards and, in 2010, we plan to provide personal loans for retirees with preferential conditions.



Responsible products for corporations

We make every effort to satisfy our corporate clients' individual needs, offering tailor-made solutions for both large and small enterprises. Our Customer Principles define our service to clients, whereby providing products appropriate to the needs and capabilities of the client is our highest priority. We consider a close and personal relationship of great importance and our colleagues strive to fulfill the role of financial and even business consultant.

Corporations have also been seriously affected by the economic crisis; the necessary response has become an important activity at OTP Bank Romania. The emphasis shifted from new investments and lending to repayment of loans.

OTP Bank Romania offers special products with preferential conditions for certain purposes and for certain segments that are deemed socially or environmentally worthy of support.

To be able to serve our clients' needs more efficiently, we cooperate with national and international institutions, taking the advantage of the opportunity of involving financial resources:

- We facilitate access to EU and EBRD funds for small and medium enterprises with a turnover of less than EUR 7 million. These short-term and medium-term loans may be used for new projects, modernization or expansion of an existing business. The maximum amount of loan granted is EUR 125 000.
- Our investment loan may be supplemented by European funds, thus reaching 100% of the total project value (this should be used to partially reimburse the bank for the initial loan).
- We collaborate with FNGCIMM (Credit Guarantee National Fund for Small and Medium Enterprises), which provides a guarantee for loans requested by small and medium enterprises, thus facilitating a higher loan amount.
- We support the agricultural sector by providing funds for production activities. We have made an agreement with FGCR (Rural Credit Guarantee Fund) for guaranteeing loans and other financial instruments for borrowers.

Cooperation with local authorities

We provide loans for territorial administrative units for financing local public investment projects in the urban and environmental infrastructure with social and quality of life benefits. The loans may be used for refinancing other direct debts.

In our portfolio, we have 4 loans dedicated to municipalities, with a total granted amount of almost RON 46 million:

- The Municipality of Botosani has used the resources for the rehabilitation and development of "Sf. Georghe" Hospital and for the building and rehabilitation of social residences.
- The Municipality of Pitesti has expanded and modernized a market and has improved the water and road infrastructure of Platou Prundu District with the support of the loan provided by OTP Bank Romania.

- Sf. Gheorge Municipality has renewed the central park of the city.
- The Sibiu Public Market Service Administration has improved the water, electricity and sewage network and roof of the Cibin Market.

We are continuously analyzing the possibilities of financing renewable energy projects in order to facilitate a sustainable energy supply for the future. In 2010, we plan to be involved in further projects benefiting the environment and society (e.g. waste recycling projects, nursing homes for elderly people).

OTP CONSULTING ROMANIA

OTP Consulting Romania has successfully contributed to the implementation of projects financed by EU funds in 2009, as well. The company has prepared and completed more than 60 projects with a total amount of around RON 850 million. Ten projects addressed environmental issues such as the establishment of a sewage system in rural areas and three projects aimed at social purposes. Services of OTP Consulting Romania adjust to the program periods of the structural fund, thus project implementation and management will gain more emphasis over project preparation.

OUR PLANS

- *To enhance further customer orientation, hereby improving quality of our services*
- *To include behavioral skills in the performance evaluation of bank tellers*
- *To conduct mystery shopping research to measure our performance*
- *To continue monitoring the Loan Protection Program and adjusting it to current needs*
- *To provide personal loans for retirees with preferential conditions*
- *To be involved in further projects benefiting the environment and society*



4

Being a responsible employer

Challenge, opportunity	Solution
Ensuring a well-trained, talented, innovative workforce	Employee appreciation Workplace stability Providing a healthy work environment, work-life balance
Inspiring working atmosphere	Talent management, trainings Performance evaluation Open communication Inclusive working environment

In the field of human resources management, 2009 was also determined by the economic crisis in many respects: a shift of business activities and necessary cost-cutting measures induced a reorganization of business structure; hence the protection of jobs meant a greater challenge and joint efforts became more important. Our goal is twofold: to have a talented, committed staff and to ensure appropriate conditions for a good work atmosphere.

Our colleagues

The staff of OTP Bank Romania has changed in several respects during 2009. Due to the reorganization of the Bank and the economic crisis, we slightly reduced the headcount in the first part of 2009. Besides movement within the bank, there were also significant adjustments

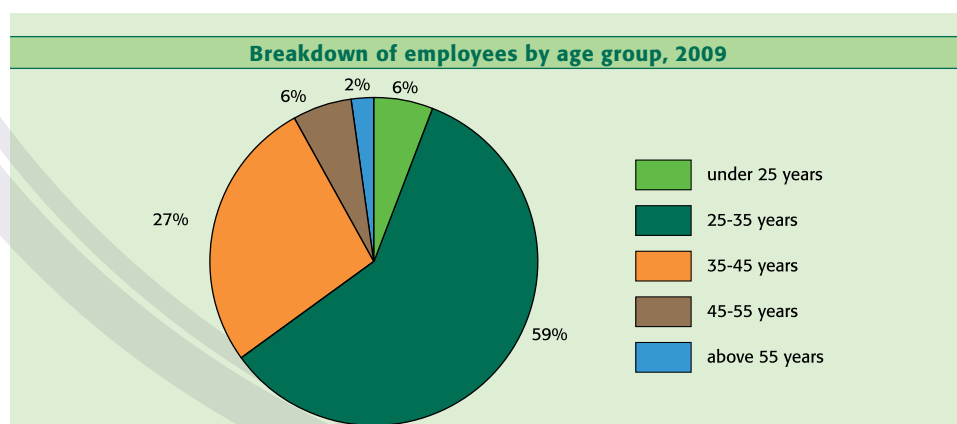
to business demand and we have added specialized experts to our head-office staff in accordance with this.

This is the reason for the increase in average age of our still very young staff. The rate of employees between 35-45 years has grown by 5 percent-points in 2009 compared to 2008, while the number of employees under 35 years has decreased by almost the same amount. Most of our colleagues have a direct connection to our clients: more than 50% work in the branch-network and there are client-related back-office operations in the headquarters; thus part-time jobs, flexible working hours and the hiring of mentally or physically disabled people is only possible to a limited extent. However, we are planning to explore the possibilities of atypical employment.

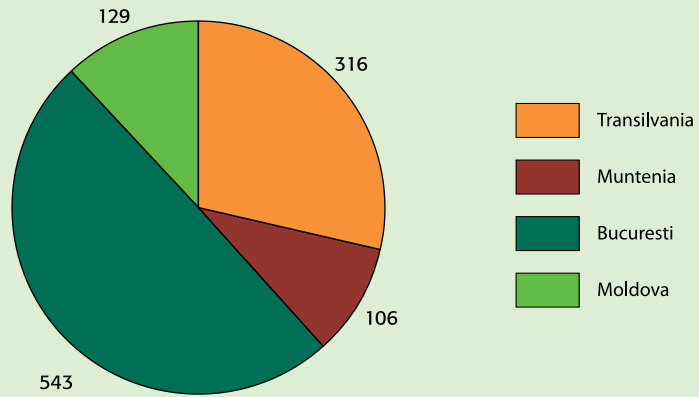
Employee headcount data (number of persons, 31 st of December 2009)	
Full-time employees	1092
Part-time employees	2
Total number of employees	1094
Percentage of employees with a fixed-term employment contract	95%
Number of employees on a long-term child care leave	98

Partly as a consequence of the favorably changed regulations, the number of employees on maternity/child care leave increased in 2009

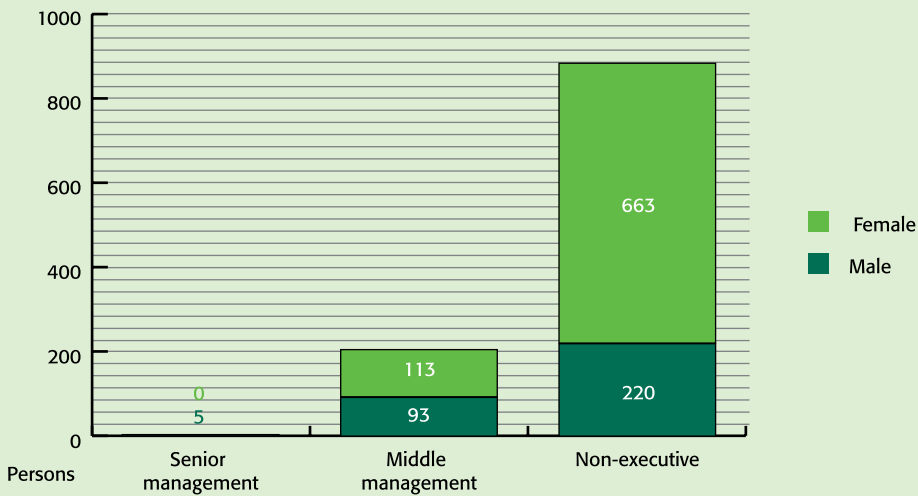
while at the same time the total headcount increased as employees had to be replaced.



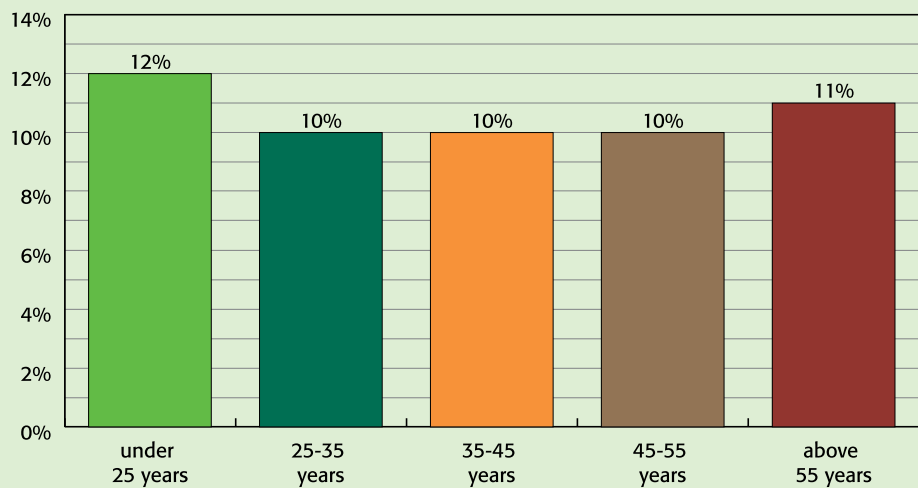
Breakdown of employees by region, 2009



Breakdown of employees by position, 2009



Breakdown of employees turnover by age, 2009



As a natural consequence of the difficult economic situation, fluctuation decreased significantly in 2009. Stability of workplaces became more important, and the sector-typical high turnover rate decreased from 30% to 10%. The fluctuation rate was almost the same independent of age, gender or region, however it was higher within the network than in the headquarter.

Open communication, building a coherent team

We are convinced that open and honest internal communication is an important foundation for the appreciation of colleagues, thus crucial for efficient work and for a cohesive team.

As a medium-sized company, we emphasize personal and direct communication and have a wide range of platforms for informing our co-workers and for receiving feedback. We launched our new intranet system in February, 2009 with the goal of creating a more intuitive and more dynamic possibility for communication. Besides conveying work-related information, it is a place for personal ads. We have an internal monthly newsletter and publish our magazine regularly. We use our internal communication channels to actively inform our colleagues and involve them in CSR initiatives, introducing projects and their results as well. Our colleagues were eager to participate in the photo contest, where applications were expected to express trust, the most important value of OTP Bank Romania. The CEO of the Bank is readily available to his colleagues. In 2009, we held several online dialogues with László Diósi in which he directly answered all questions posed and considered ideas coming from employees. Moreover, employees have the possibility to ask Mr. Diósi or the Deputy CEOs direct questions on the Intranet platform.

Salary representatives still play an important role in representing the interests of employees. They collect questions and gather the opinions of co-workers prior to regular meetings with the CEO and HR Department; afterwards information is also provided on the results. In 2009, we signed a new collective labor contract. The most significant change was an increase in compensation in case of layoff, amounting to

a 2-6-month salary according to the length of employment. The contract includes a bonus for employees who have worked at the Bank for more than 5 years, an extra day-off for every employee in the month of his/her birthday and a RON 500 allowance for parents suffering from social or medical problems.

In 2009, we continued to celebrate special occasions together; we organize a Christmas Party at which time we traditionally acknowledge our colleagues with high achievements and give symbolic presents to children as well. Besides this, there are smaller parties throughout the year, and in 2009 we also had a strategy retreat for the managers.

Employee satisfaction survey

In 2009, we conducted an employee satisfaction survey to explore how our colleagues evaluate the Bank. 77% of the staff completed the questionnaire, giving feedback on their overall satisfaction, recognition, compensation, career opportunities, job, interpersonal relations, management practices, communication, working conditions and work-life balance among other topics.

We consider the results a positive feedback; yet we are constantly striving to fulfill our co-workers' desires. A significant part of the factors examined were in excess of 85%; our colleagues appreciated interpersonal relationships, internal communication, HR & personnel matters and working conditions the most. Satisfaction with both colleagues and managers was rated highly. We are glad that 93% of our colleagues declared no intention of leaving the Bank within the next year.

The most important aspect we are expected to improve is compensation & benefits and work-life balance. Career opportunities and promotions are also regarded as fields for development. Changes made in the collective labor contract reflect the results of the survey.

Performance evaluation and remuneration

We apply a performance evaluation system for objective assessment of our colleagues' performance. Managers and employees working at headquarters are evaluated on the basis of business objectives and a bonus is awarded for surpassing expectations or for special projects completed. Currently, 30% of the evaluation criteria consist of behavioral and professional objectives as personal skills, which are considered to be crucial for long-term performance, for providing quality service to our clients and for being a flexible and rapidly adaptable company. We plan to increase the weight of behavioral and professional performance in the future. Our evaluation system does not cover social and environmental criteria.

We apply a performance-based remuneration for colleagues in the network. Evaluation and recognition take place in accordance with OTP Group principles, based on sales and business targets.

As a consequence of the financial and economical crisis, there was no significant salary increase in our organization in 2009.

Hours of in-class training, 2009		
	In-house	External
Senior management	120	410
Middle management	192	582
Non-executive	120	768
Total	432	1760

Professional development

We place great emphasis on training and improvement of our colleagues. Besides professional and business-related education, we run talent management programs.

"Management Academy is our long-term project: it began with the corporate culture survey in 2008, when we explored our strengths and weaknesses. The examination has shown that we need to improve towards more flexibility and constructiveness. As managers are the key to change we have set up the Management Academy involving 90 people, top management, senior and middle managers. After assessing all the participants one by one, we have created a development program. Trainings focus on the

three main roles of managers: communication, strategy building, reaching the outcome. They enhance leadership and managerial skills, differentiated according to position and needs. In 2010, we aim to deepen decision making and problem solving abilities. After finishing the Academy in June, 2010, we plan to follow it up with a more practical way of education: coaching. I am convinced that the soundly prepared and implemented Management Academy will contribute to the expected cultural change of our organization significantly."

Manuela Sfirschi, Human Resources Director

We have continued taking part in the OTP Group-wide launched talent management program, but after the successful assessment procedure, our colleagues have not yet been involved in the talent nurturing process (e.g. rotation within the Bank Group).

Education is implemented according to the education plan and discussed with the managers. In 2009, trainings focused on professional skills. In line with our business activity, the colleagues concerned participated in trainings related to operational risk management and environmental and social risk assessment among others. Training expenditures increased in 2009 compared to the previous year, OTP Bank Romania spent almost RON 1400 per person on education. We continued the shift to e-learning, making education more flexible, thus in-class trainings – indicated on the chart – decreased significantly compared to the last year.

We introduced an integration process for new entries. We aim to provide our new colleagues with all necessary information regarding the Bank, thus the program includes a variety of self-study materials followed by an exam and also a pocket guide with the most important input for the first month. To improve the process, we expect feedback at the end of the trial period.

OTP Bank Romania is committed to the development of the future generation. To this end, we have hosted university students from Babes-Bolyai University for years. In 2009, 18 students completed their compulsory traineeship (up to one month) at our company. Students are mainly able to fulfill their internship in the branch network.

Health and recreation

In 2009, we upgraded the medical services offered to our colleagues. With the help of medical service providers, free medical checkups and monthly visits are ensured in addition to general medical services, medical

advice, a medical hotline and emergency treatment. To promote a healthy lifestyle among our employees, we had a presentation on appropriate nutrition, and we joined a non-smoking campaign in 2009.

Absenteeism due to illness or accident	2009
Sick leave (number of working days)	11 285
Rate of absenteeism	4,54%
No accidents occurred in 2009.	

OUR PLANS

- *To explore the possibilities of atypical employment*
- *To increase the weight of behavioral and professional performance in the performance evaluation*
- *To deepen decision making and problem solving abilities at Management Academy*
- *To actively participate in the nurturing process of the talent management program*
- *To maintain the fluctuation of the organization*



5

Supporting society

Challenge, opportunity	Solution
Facilitating the development of communities and indigents	Participating in the community Providing efficient financial support Providing in-kind donation where appropriate
Reducing social conflicts	Contribution to the improvement of financial literacy

We are convinced that we have to support the community in which we operate, thus we allot our financial and in-kind contributions to a wide range of programs, organizations and initiatives. Activities are expected to create additional value and to be in line with our core values: trust, flexibility and responsibility. We strive to use our resources in the most efficient way by achieving the best results. With this in mind, we created our sponsorship policy.

The sponsorship policy is included in the CSR policy, determining the way we handle support requests, the fields and the aims to which we give our contribution. The goals of our support remains the same as in 2008:

- giving a chance by helping disadvantaged groups in society,
- reinforcing communities by giving support to encourage people to become closer,
- support sports by patronizing sports organizations, competitions and leisure activities.

We aim to strengthen the relationship between OTP Bank Romania and the local authorities, by sponsoring events or initiatives that support children, education, sports and art.

We consider every sponsorship request openly and equally. We require evidence of the use of the sponsorship and we prepare an annual evaluation report of sponsorship activities to be presented to the top management.

Our sponsorship policy describes the fields we exclude from sponsorship: political parties and organizations, religious purposes, activities that would incite hatred, violent acts and environmentally hazardous operations.

A brief overview of the activities we sponsored in 2009:

- We are committed to the improvement of financial literacy of the Romanian population, thus we have supported an educational and financial-banking information website (www.fininformation.ro) created by the National Association for Consumer Protection

and Promotion Programs and Strategies of Romania.

- We supported the Pro Oeconomica Association by conducting international research, the Global Entrepreneurship Monitor.
- We provided financial support to two museums in Miercurea Ciuc: Muzeul Secuiesc al Ciucului and Miko Ferenc Association & Muzeul Secuiesc al Ciucului to organize exhibitions on the Hun invasion and Egyptian art. The exhibitions had approximately 40.000 visitors each.
- We sponsored cultural festivals and theatres in Sfantu Georghe, Cluj Napoca and local cultural events in Covasna, Gheorgheni, Campulung and Bacau.
- We collaborated with organizations to help children. The Youth for Understanding Foundation helped students to take part in international exchange programs and supported the Satu Mare Ceangai children' camp to help youth from low-income families. We sponsored the Christmas Trees Festival organized by the International Save the Children Organization again this year.
- We were the prime sponsor of the Miercurea Ciuc hockey team in 2009 as well and we still offer our clients the MasterCard Affinity Hockey card to be able to show their support for the team.
- We sponsored a wide range of sport activities and organizations: the basketball team of Targu Mures, the volleyball team of Campulung, the Amateur Football National Championship Timisoreana in Buzau and the National Handball Championship in Odorheiu-Secuiesc as prime sponsor.

We are proud that we had several successful internal campaigns involving many of our colleagues for a good purpose, focusing on environmental protection and children.

- Blood donation was organized for the second time in 2009. We are proud that 200 of our colleagues gave a total of 100 kilos of blood, saving 300 lives. We announced the event 3 times in Bucharest.
- In partnership with the ViitorPlus organization, we planted trees near Calarasi (Valcelele), 100 km from Bucharest. 60 of our employees planted 1700 trees, thus contributing to the growth of a new forest on degraded agricultural land.
- "I personally enjoyed our book collection campaign very much. It is a good feeling to see that with a joint effort we could help 1000 children. We started a Christmas campaign in 2009 involving both our colleagues and clients. We placed special boxes in every branch and in the head office



and I am glad that more than 10.000 books were gathered. Altogether, 1000 children and 40 adults – parents and teachers – benefited by the books. The books were given to three SOS Children's Villages in Bucharest, Bacau and Sibiu. SOS Children's Villages provide homes to children who lost or are threatened to lose their biological family. This way, even a small present means a lot for them.

We are convinced that everybody has the Right to Read, thus we plan to continue our campaign by donating, in 2010, other 10.000 books to disadvantaged schools in rural areas. Starting 2010, our social responsibility activities can be followed on

www.estedreptulmeu.ro, on our newly launched CSR website." **Diana Mişa,**
Marketing Director

- We encouraged our colleagues to bring their old mobile phones to the office for recycling with the help of Greentronics. The funds derived from recycling of electronic waste were given to an SOS Children's Village. The 'Early Green' project helps children with their environmental education and raises their environmental awareness.
- We took part in the Unicef project called "Baby-friendly Hospitals". The goal was to raise money by auctioning the dolls created by kindergarten children, primary and high school students all over the country. We used our intranet for the bids and our employees took 170 dolls home, raising 5.691 RON for the hospitals.
- We encouraged and provided our employees with all the necessary information to use the opportunity of donating 2% of their Due Tax on Annual Income to an NGO.

OUR PLANS

- To sustain our sponsorship activity for the benefit of the communities and involving our colleagues to charity actions
- To launch www.estedreptulmeu.ro website on our CSR activity
- To implement the "Right to Read" campaign by continuing book donations program



6

Our commitment to the environment

Challenge, opportunity	Solution
Efficiency, cost-effectiveness	Economical resource usage
Minimizing our ecological footprint	Environmentally friendly operation
Raising environmental awareness	Encouraging environmentally behavior of our staff and our clients

A financial company's direct environmental impact cannot be compared to that of a manufacturing company, the importance of environmental protection and our possibility of increasing citizens' awareness of environmental issues has reinforced our commitment to environmental questions. We treat environmental projects as dedicated CSR projects and they are highlighted in our CSR policy. We are glad that our employees are committed to environmental issues and we welcome their recommendations.

The main environmental impacts arising from our day-by-day operations – not including providing financial services – are:

- energy consumption,
- water consumption,
- use of paper and IT devices, equipment,
- waste generation,
- Carbon dioxide emission.

Energy consumption

We seek to reduce the Bank's energy consumption which derives mainly from the operation of its head office and branches.

The nature of the buildings, infrastructure and IT devices themselves determines the extent of possible reduction of consumption, though employee attitudes are significant.

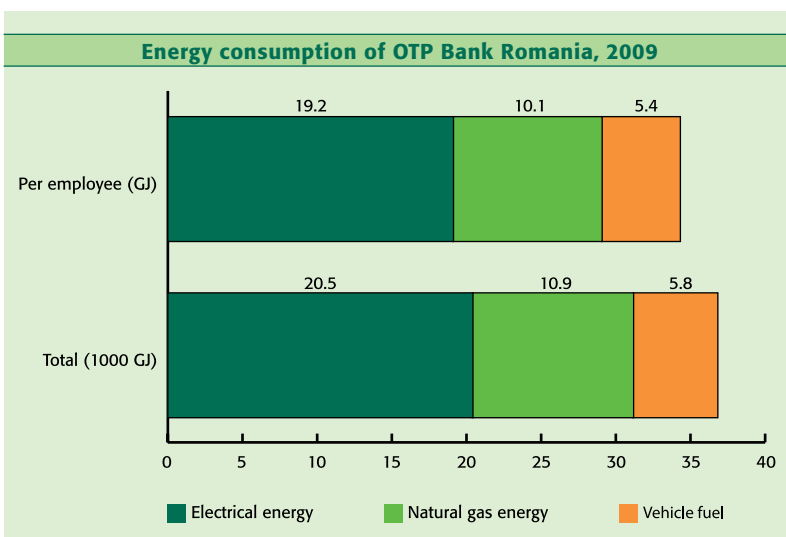
Our colleagues are encouraged to take care about energy use and turn off the lights and computers when leaving the office.

We have already made use of many environmentally friendly solutions (e.g. energy saving light bulbs, sensors, renewal of old equipment with Green IT certificate ones, air conditioning adjusted to the outside temperature, energy efficient heating system).

We plan to launch, in 2010, a pilot project for testing LED light bulbs, in order to explore its use on a large scale. We plan to purchase 50 high efficiency desktop computers in 2010; this should reduce energy consumption by 87% compared to the PCs used currently.

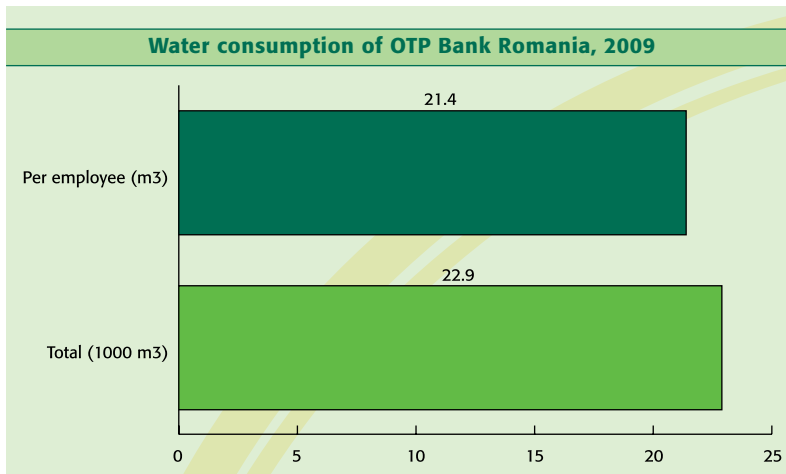
"By implementing a virtualization project in 2009 we made a further step forward operating in an environmentally friendly way. The aim of the project was to transfer non-critical applications to a virtual environment. 15 servers were moved from the physical environment to virtual environment and another 51 new virtual servers were installed. This project has resulted in 17 kW energy-saving per hour and 151,548 kW per year. From an environmental point of view, another advantage here is the reduced carbon-dioxide emission. Additionally we save space and application scalability." **György Bodó,**

Deputy CEO, Head of IT & Logistics Division
Overall energy consumption of OTP Bank Romania was 37187 GJ in 2009, equaling the average annual usage of approximately 500-550 households. Electricity covers more than 50% of our energy demand.



Water consumption

OTP Bank Romania is not a heavy consumer of water, use of water per employee in 2009 was less than the half of a single person's average annual consumption. The water used is drawn from the municipal water main and disposed via the communal sewage network.



Materials and equipment used

The bulk of materials used by the Bank consists of IT equipment, paper, and cartridges, but there is also a considerable amount of office furniture and branch equipment. In several cases, cost considerations and technical factors prevent the use of environmentally friendly materials, so at the present we are focusing on reducing consumption.

To a more responsible paper use we encouraged our colleagues to consider if printing is essential and if the number of copies can be reduced; we plan to change printers, scanners and fax machines to more efficient ones and intend to

We sold a number of old servers for recycling in 2009. The equivalent money received for the 1000 kg recyclable waste was donated to the SOS Children's Foundation to support the children's education in computer skills.

We do not have complete data on waste generation at the moment, but we intend to improve our data collection and information

count the amount of prints per user. Our Annual Report, CSR report and some promotional materials are printed on recycled paper.

OTP Bank Romania consumed almost 55 tons of paper in 2009.

We incite our clients when possible to use electronic banking in order to prevent the printing of paper statements. Steady increases in costumers using OTPdirekt access is an indicator of our success here.

To increase efficiency, we continue to rely on centralized procurement and, in many cases (e.g. IT devices, branch furniture) we use the same supplier as on the OTP Group level.

The most determining factors when selecting a product or service are quality and cost.

According to the feedback we receive from our suppliers, we are considered a good partner.

Waste management

Our waste management adheres to the following order of priority: waste prevention, reuse, recycling and disposal.

Although the economic crisis has made selective collection more costly since we have to pay for the delivery, we have used selective waste collection for several years. Paper, electronic devices, cartridges, PET bottles are sorted where it is possible. We collected 2800 kg paper selectively within our head office and in the Bucharest branches. For technical reasons we do not use refilled printer cartridges, but we collect them both in the head office and the branch network. In 2009, 273 cartridges were given for reuse.

within the framework of CSR data gathering process.

Transport and business travel

Extensive branch network and necessary contact within the OTP Group demand frequent business travel. In case of our vehicle fleet, we apply the same principles as in other procurements: priority is given to price and quality, while other important considerations are length of reliable use, fuel consumption and safety. OTP Bank Romania has 115 cars; however we did not purchase any cars in 2009. None of our vehicles is older than 7 years. We mainly use middle category cars with lower air pollution emissions. Our cars ran 1.6 million kilometers in 2009. It is taken for granted that we use car-pooling and coordinate business trips whenever it is possible.

The majority of our air travel (68%) was related to trips between Bucharest and the mother company but the proportion of flights within Romania was also significant (20%). We exploit the possibility of video conferences, when possible, to cut down the number of flights and to save time and energy.

To satisfy our colleagues' needs, we built 18 bike parks by the head office building and the main branches in Bucharest. Current usage of the parks shows that the quantity of racks is in line with the demand.

Carbon dioxide emission

Carbon dioxide emission can serve as an accurate if approximate indicator of the Bank's environmental impact. CO2 emission can be attributed to numerous sources, and taking into consideration all relevant factors and making the appropriate calculations is a great challenge. Our calculations figure on direct and indirect effects from the use of energy, paper and business trips. We aim to refine the accuracy of our calculations and to measure the effect of the actions we take to mitigate our environmental impact.

According to OTP Group level experience, without use of video conferences CO2 emission derived from air travel would have been 25-30% higher. In case of OTP Bank Romania, this means preventing around 30 tons of carbon dioxide.

The carbon dioxide emission of OTP Bank Romania emanates mainly from electricity demand and natural gas consumption. Our direct carbon dioxide emission could be neutralized by approximately 59 hectares of forest, while the total emission would require almost 250 hectares (Based on the calculation of the UK Forestry Commission, www.forestry.gov.uk).

CO ₂ emissions of OTP Bank Romania, tons, 2009		
Direct	Vehicle emissions	271
	Air travel related	106
	Resulting from electricity consumption	627
Indirect	Resulting from natural gas consumption	528
	Resulting from paper usage	33
Total		1565
Per employee		1,43

OUR PLANS

- To launch a pilot project to test the use of LED light bulbs
- To change printers, scanners and fax machines to more efficient ones
- To purchase desktops in order to reduce energy consumption
- To improve information regarding waste generation
- To make the estimation of our CO2 emission more accurate



ABOUT THE REPORT

Our CSR report is in accordance with the GRI (Global Reporting Initiative) G3 Guidelines, the most commonly used and internationally appreciated sustainability reporting guideline. GRI distinguishes three levels of application according to the extent of compliance with the performance indicators. Our report fulfills the requirements of **Application Level B (middle level)**. The report gives an account of the Bank's performance in 2009 from the perspective of sustainability and corporate social responsibility. We anticipate that this report will be used primarily by our clients, employees and those who have a special interest in sustainability and CSR, though it is available to all of our stakeholders. Strong consumer awareness is expected to heighten the demand for social responsibility, which in turn gives us reason to anticipate increasing interest from our clients in these areas.

We have made an effort to include all material information of concern to our stakeholders, while at the same time keeping this information straightforward and comprehensible. The report is not the sole forum for presentation of our activities: more information is available on our websites (www.otpbank.ro; www.estedreptulmeu.ro), OTP Group wide information (e.g. principles that OTP Bank Romania complies with as well) can be found in the CSR report of OTP Group (www.otpbank.hu/static/portal/sw/file/Corporate_Social_Responsibility_Report_2009.pdf).

Reporting principles

- GRI reporting principles and indicators define the requirements for presenting the information, thereby ensuring the integrity of this report. Reliability of data is assured by the method of report preparation and by the CSR data gathering tool introduced for the first time for the information regarding 2009.
- To ensure a balanced outlook, besides giving an account of the results achieved, we present future challenges and directions for development.
- We avoid re-statement of previously disclosed information and data, since the CSR report for 2008 is also available on our website. This report is designed to facilitate such comparisons.
- Determination of the key issues of the report was based on the characteristics of the economic and social environment, a study of the Bank's operation, and an analysis of internationally accepted reporting practices.
- In terms of the order in which the issues are presented, we have progressed from general topics towards more specialized ones with particular reference to the interests of the stakeholders. Much space has been devoted to the economic crisis, due to its impact on performance and operations in 2009.

Nr of Indicator	Description of Indicator	Page	Comments
Strategy and Analysis			
1.1	Statement from the senior decision maker of the organization about the relevance of sustainability to the organization and its strategy	3.	
1.2	Description of key impacts, risks, and opportunities.	9., 11., 19., 25., 28.	
Organizational Profile			
2.1	Name of the organization	3.	
2.2	Primary brands, products, and/or services	5.,15-17. website	
2.3	Operational structure of the organization, including main divisions	5.	
2.4	Location of organization's headquarter	32.	
2.5	Number of countries where the organization operates	5.	
2.6	Nature of ownership and legal form	32.	
2.7	Market served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	5-6., website – Annual report	
2.8	Scale of the reporting organization	5-6.	
2.9	Significant changes during the reporting period	website – Annual Report	
2.10	Awards received in the reporting period	15., website	
Report Parameters			
3.1	Reporting period for information provided	31.	
3.2	Date of most recent previous report	32.	We published our last report in 2009.
3.3	Reporting cycle	32.	Annual
3.4	Contact point for questions regarding the report or its contents	34.	
3.5	Process for defining report content	31.	
3.6	Boundary of the report	32.	OTP Bank Romania
3.7	State any specific limitations on the scope or boundary of the report	32.	No limitations within the boundary.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	32.	No subsidiary is covered by the report.
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	31.	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	31.	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	32.	The current report complies with the GRI G3 Guidelines.
3.12	Table identifying the location of the Standard Disclosures in the report.	32-34.	We also use the table for disclosing information.
3.13	Policy and current practice with regard to seeking external assurance for the report	32.	The report is not assured externally.
Governance, Commitments, and Engagement			
4.1	Governance structure of the organization	website	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	website	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	website	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	website – Annual Report	
4.5	Linkage between compensation for members of the highest governance body	website – Annual Report	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	32.	Compliance with the Ethical Declaration.
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics	32.	No such strictly set criteria, it is primarily economic experience and qualification is that are required.
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	32.	Code of Conduct, Organizational and Operational Regulation, Group Management Regulation, Collective Bargaining Agreement
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	22.	

Nr of Indicator	Description of Indicator	Page	Comments
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	22.	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	12.	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	33.	There are no such initiatives.
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations	12., 16., 33.	OTP Bank Romania is a member of professional – business and banking – associations and local chambers of commerce and industry.
4.14	List of stakeholder groups engaged by the organization	8.	
4.15	Basis for identification and selection of stakeholders with whom to engage	8.	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	8., 11-12., 17., 19., 21., 25.	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	8-9.	
Economic Performance Indicators			
Market Presence			
	Management Approach	5., 9.	
EC1	Direct economic value generated and distributed	6.	
EC4	Significant financial assistance received from government	33.	OTP Bank Romania has not received such assistance in the reporting period.
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	33., website	Equal opportunities are ensured by hiring without giving preference to locals. However most of the employees Bank are from the local community. Information regarding the senior management can be found on our website.
Environmental Performance Indicators– indicators are originally created for manufacturer companies, therefore not relevant in every case			
	Management Approach	28	
Energy			
EN3	Direct energy consumption by primary energy source	28.	
EN4	Indirect energy consumption by primary source	28.	
Water			
EN8	Total water withdrawal by source	29	
Emissions, Effluents and Waste			
EN16	Total direct and indirect greenhouse gas emissions by weight	30.	
EN21	Total water discharge by quality and destination	29.	
Labor Practices and Decent Work Performance Indicators			
Employment			
	Management Approach	19.	
LA1	Total workforce by employment type, employment contract, and region	19-20.	
LA2	Total number and rate of employee turnover by age group, gender, and region	20-21.	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	33.	There are no benefits that can not be granted to temporary or part-time workers.
Labor/Management Relations			
LA4	Percentage of employees covered by collective bargaining agreements	33	100%
Occupational Health and Safety			
LA7	Rates of injury, occupational diseases, lost days, absenteeism, and total number of work-related fatalities by region	23.	
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	33.	Education, counseling, prevention and treatment is provided to our employees.

Nr of Indicator	Description of Indicator	Page	Comments
Training and Education			
LA10	Average hours of training per year per employee by employee category	22.	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	34.	In-house training courses, financial support for external education, provision of study leave with guaranteed retention of job, further training course for those who would like to continue working for longer, and a severance package taking into account the length of employment is provided.
Diversity and Equal Opportunity			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	19-20., website	
Human Rights Performance Indicators			
Management Approach		8-9., 19-21., 29.	
Non-discrimination			
HR4	Total number of incidents due to discrimination and actions taken	34	No such incidents have occurred.
Child Labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	34	The bank does not use child labor.
Forced and Compulsory Labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor	34	The bank does not use forced labor.
Society Performance Indicators			
Management Approach		8-9., 15., 25.	
Public Policy			
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	25	
Anti-Competitive Behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	34	There was no legal action against the bank.
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	34	No further non-compliance occurred except detailed at PR9.
Product Responsibility Performance Indicators			
Management Approach		11-12.	
Marketing Communications			
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	34	No non-compliance occurred.
Customer Privacy			
PR8	Total number of substantial complaints regarding breaches of customer privacy and losses of customer data	34	2 cases occurred: once breach of customer privacy was received from regulatory bodies, once leaking of customer's personal data occurred.
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	34	In three cases ANPC applied altogether 32 000 RON penalty because of breaching consumer protection regulations.
Financial Services Sector Supplement			
FS2	Procedures for assessing and screening environmental and social risks in business lines	13-14.	
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	13-17.	
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	13-17.	
FS15	Policies for the fair design and sale of financial products and services.	15.	

We hope that our readers appreciate our efforts regarding corporate social responsibility. Please take the time to share us your thoughts and send us feedback on CSR to csr@otpbank.ro.



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