

OTP BANK S.A DECLARATION ON THE FINANCING OF THE DEFENCE INDUSTRY

Introduction

OTP Bank S.A is committed to social responsibility and respect and supports the protection of human rights enshrined in international conventions and international efforts against proliferation. Accordingly, OTP Bank S.A seeks, inter alia, not to participate in financing and trade transactions of products that could be used in military conflicts or other human rights violations.

Recognizing the challenges posed by the production and use of defence-related products (hereinafter: “arms”), both individual states and the international community regulate, inter alia, the production and trade of conventional arms and weapons of mass destruction (including controversial weapons) in a number of laws and conventions.

Bank Policy

Taking into account the above principles, the OTP Bank S.A. is committed to taking special care in its financing activities not to engage in the production, trade and provision of related services of arms (or dual-use goods and technologies for military purposes) to individuals, companies or countries subject to international sanctions, or in areas of civil war or international conflict. OTP Bank S.A. has a detailed procedure in place to ensure that transactions do not violate sanctions issued by the United Nations Security Council, the European Union, the competent authority of the United Kingdom, the United States of America or by any other applicable local regulator.

OTP Bank S.A. does not provide financing in connection with controversial weapons including nuclear, biological, chemical weapons, blinding laser weapons, anti-personnel mines, cluster munitions/bomb, non-detectable fragments and other weapons that are either prohibited by international legal provisions or deemed controversial because the disproportionate harm and/or suffering they cause.

Clients from the defence industry must fully comply with not only the binding national and international laws and conventions on arms production, trade and related services, as well as internationally recognized sanctions and restrictive measures, but consider in its procedures the UN Guiding Principles on Business and Human Rights.

In case of transactions related to defence industry OTP Bank S.A. applies strict controls in compliance with relevant embargo regulations and binding national legal provisions, with additional verification requirements for defence-related financing.