

## **Procedural rules of the Remuneration Committee of OTP Bank Plc.**

### **I. Status of the Remuneration Committee**

The Remuneration Committee is a committee established by the Board of Directors that operates continuously and assists in the elaboration of principles relating to the remuneration of the CEO and deputy CEOs (hereinafter: management) and members of the Board of Directors and Supervisory Board (hereinafter: office-holders), makes a recommendation regarding the system of remuneration, and monitors such system.

The Remuneration Committee exercises its authority collectively, as a body.

### **II. Duties of the Remuneration Committee**

1. It provides support and advice to the Board of Directors of OTP Bank Plc. for the elaboration or amendment of the Bank Group's comprehensive remuneration policy, for the planning of the remuneration system and monitoring of its operation.
2. It makes recommendations to the Supervisory Board of OTP Bank Plc. regarding the remuneration of the members of OTP Bank Plc.'s Board of Directors.
3. It prepares decisions relating to remuneration, taking into consideration the long-term interests of investors and the credit institution's other stakeholders.
4. It oversees the remuneration of managers responsible for risk management and compliance with the statutory provisions.
5. It approves agreements relating to benefits, granted in the event of termination of the employment relationship, that go beyond the instances and/or limits set forth in the remuneration policy.
6. It reviews the selection of external advisors required in connection with the elaboration and implementation of the remuneration policy.
7. It cooperates with employees performing monitoring tasks, during the monitoring of the structure and implementation of the remuneration policy.
8. It checks that the remuneration policy is genuinely consistent with the institution's risks, and whether it is in line with the capital and liquidity situation, and with the long-term corporate governance strategy.
9. It makes recommendations regarding remuneration packages of the Board of Directors, the chairman of the Board of Directors and the committee members, and regarding the extent of individual remuneration.
10. It monitors whether the remuneration of the management's members complies with the provisions of the remuneration policy, and makes a report on this at least once a year for the Board of Directors and for the Supervisory Board.

11. It checks that OTP Bank Plc. is fulfilling its obligation to provide information regarding remuneration issues.
12. It prepares the decisions made by the Board of Directors, in its capacity as employer, in relation to the employment relationship of the Chairman and CEO; and on the basis thereof it makes the necessary employer's declarations.
13. It makes a report on its activities at least once a year for the Board of Directors and Supervisory Board.
14. It performs all other tasks that are referred to its authority by a statutory provision, internal regulations or the Board of Directors.

### III. Composition of the Remuneration Committee, provisions relating to the chairman and members

1. The Remuneration Committee consists of 3-7 persons (the chairman and at least two other members), who are elected by the Board of Directors from among its own members, with the proviso that the members may not be in an employment relationship with the bank.
2. The mandate of the chairman and the members lasts until the expiry or recall of their mandate to sit on the Board of Directors.
3. Members of the Remuneration Committee are required to exercise such care as may be expected from elected office-holders, and may not be instructed by the bank in the performance of their duties associated with such office.
4. Members of the Remuneration Committee are required to safeguard, as business and bank secrets, or as securities secrets, all such personal data as comes to their attention in connection with their activities, and the information they obtain regarding the Company's affairs.
5. The chairman of the Remuneration Committee convenes and adjourns the committee meetings, sets the agenda, presides over the committee meetings, and approves the minutes taken of the meetings.
6. The chairman of the Remuneration Committee has authority with respect to the performance of tasks arising from the exercising of such employer's rights, relating to the chairman & CEO, as are not reserved for the Board of Directors.

### IV. Operation of the Remuneration Committee

1. The committee meets as necessary, based on an annual work schedule.
2. Meetings of the committee are convened by the chairman. The convening of the meeting may be requested – indicating the reason and the purpose – in writing by any member of the Remuneration Committee.

3. The chairman of the committee, if unable to attend, is substituted by the committee member designated by him for this purpose.
4. The chairman of the committee is required to notify the committee members in writing, at least 5 days before the committee meeting, of the venue, time and agenda of the meeting. The written proposal relating to agenda items that require a decision – if it is already available by then – must be enclosed with the invitation.
5. The committee's meetings are closed meetings, and apart from the members of the Remuneration Committee, they may only be attended by persons invited by the chairman of the committee and by the keeper of the minutes. The Administrative Deputy CEO, the head of Credit Authorisation and Risk Management, the head of the Strategy and Finance Division and the head of the Human Resource Management Directorate must be invited – in an advisory capacity – to the meetings of the Remuneration Committee.
6. The committee is quorate if two thirds of its members are present.
7. The committee passes its resolutions with a simple majority, and in the event of a tied vote the chairman decides.
8. The committee passes resolutions in an open ballot, the result of which must be recorded in minutes, which are authenticated by the committee's chairman with his signature.
9. Resolutions may also be passed by a correspondence vote (by fax or registered letter) if the chairman, in special cases, orders the passing of a resolution by such means and in the given case no member of the Remuneration Committee raises a written objection within 3 days following receipt.

If the making of a decision without a meeting is initiated:

- a) the written proposal must be sent to the committee members, with the voting form attached.
- b) the proposed resolution must be furnished with a serial number that conforms to the numbering system for remuneration committee resolutions.
- c) in a clause of the proposal, the telephone number and fax number that may be used to communicate the committee member's decision, and the name of the responsible person to whom the document certifying the vote, must be provided.
- d) by telephone or fax, the committee member may only communicate his vote regarding the proposed resolution of the specified number. If the committee member augments the proposed resolution, deletes one or other of its provisions, makes a recommendation or makes his decision subject to conditions, his vote will be classified as an "abstention".
- e) the committee member must also send the decision communicated by telephone in writing, within 15 days, to the Human Resources Management Directorate, by completing the voting form enclosed with the proposal, and signing it before two witnesses.  
A resolution passed without the holding of a meeting is valid if, by the deadline specified in advance, more than half of the committee members have

submitted their votes in the proper manner. The proposed resolution is deemed accepted if it has received a “yes” vote from more than half of the participants in the voting.

A resolution passed by means of a correspondence vote must be attached to the minutes of the next committee meeting, together with the voting forms submitted in respect of the proposal.

10. The resolutions of the committee must be furnished with an indication of the year, incorporating an annually reset serial number in Arabic numerals.
11. Summary minutes must be taken of the meetings of the committee, containing the substance of the comments made and answers given, the name of the speaker, the proposed resolution, the result of the voting and the decisions, indicating deadlines and responsible persons. The minutes are taken by the person designated by the chairman of the Remuneration Committee.
12. At the request of any member of the Remuneration Committee, opinions that differ from the passed resolution must also be recorded in the minutes of the meeting. A member of the Remuneration Committee who expresses a differing opinion is required, at the chairman’s request, to sign the differing opinion after it has been written down.
13. The minutes must be prepared within 8 days following the meeting and sent, bearing the signatures of the chairman and the keeper of the minutes – within 2 weeks – to the members of the Remuneration Committee.
14. Any errors in the minutes must be corrected, based on the recommendation of any committee member, at the next meeting.
15. The Human Resource Management Directorate has the task of providing operative support for the work of the Remuneration Committee, including the performance of the necessary administrative tasks.

#### V. Closing provisions

The wording of these procedural rules was approved by the Board of Directors in its resolution no. 22.6/2009, and amended in its resolutions nos. 42/2011 and 98/2011.

#### Appendix:

Chairman, members and permanent invitees of the Remuneration Committee

