

Proposal on the amendment of Article 9 Section 4, Article 9 Section 14, Article 10 Section 1, Article 10 Section 2, Article 10 Section 3, Article 10 Section 4, Article 11 Section 6, Article 12/A. Section 1, Article 12/A Section 2 of the OTP Bank Plc.'s Articles of Association of the OTP Bank Plc.'s Articles of Association

Summary of the proposal

The amendments related to the sections of the Articles of Association (hereinafter: AoA) listed below:

Proposal concerning the creation of the possibility for the management functions appearing in the position of Chairman & CEO to be held in separate positions, if necessary (AoA [Article 9 Section 4, Article 9 Section 14, Article 10 Section 1, Article 10 Section 2, Article 10 Section 3, Article 10 Section 4, Article 11 Section 6, Article 12/A. Section 1, Article 12/A Section 2])

Presentation of the amendment proposal

The text of the AoA is written in Times New Roman font; the new parts of the text are indicated by double underlining, and the ~~deleted parts~~ by cross-through.

Detailed amendment proposals

Our amendment proposal for the ordinary Annual General Meeting for year 2019 creates the possibility well-known in the corporate governance practice for the management functions appearing in the position of Chairman & CEO to be held in separate positions, if necessary, in order to adapt flexibly to the significant international expansion of the Group and the new market challenges.

PROPOSAL CONCERNING THE CREATION OF THE POSSIBILITY FOR THE MANAGEMENT FUNCTIONS APPEARING IN THE POSITION OF CHAIRMAN & CEO TO BE HELD IN SEPARATE POSITIONS, IF NECESSARY (AOA [ARTICLE 9 SECTION 4, ARTICLE 9 SECTION 14, ARTICLE 10 SECTION 1, ARTICLE 10 SECTION 2, ARTICLE 10 SECTION 3, ARTICLE 10 SECTION 4, ARTICLE 11 SECTION 6, ARTICLE 12/A. SECTION 1, ARTICLE 12/A SECTION 2])

It is proposed to modify the AoA in order to create the possibility well-known in the corporate governance practice for the management functions appearing in the position of Chairman & CEO to be held in separate positions, if necessary, in order to adapt flexibly to the significant international expansion of the OTP Group and the new market challenges.

[The Board of Directors:]

- 9.4. The Board of Directors elects a Chairman and, may elect one or more Deputy Chairmen, from among its own members, whose period of office shall be equal to the mandate of the Board of Directors. The Chairman of the Board of Directors is also the Chief Executive Officer (Chairman & CEO) of the Company, unless the Board of Directors decides within its competence that the position of Chairman of the Board of Directors and the Chief Executive Officer of the Company are held by separate persons.
- 9.14. The Board of Directors directly exercises employer's rights in respect of the Chairman & CEO. The person affected by a decision may not participate in the decision making. Employer rights in respect of the executive directors of the Company are exercised by the Board of Directors through the Chairman & CEO, with the proviso that the Board of Directors must be notified in advance of the appointment and dismissal of the Deputy CEOs. With regard to issues related to the exercising of employer's rights in respect of employees, the Company is represented by the Chairman & CEO and by the senior company employees defined in the Organisational and Operational Regulations of the Company, in accordance with the delegation of authority approved by the Board of Directors. If the Chairman of the Board of Directors and the CEO are different persons, the employer rights in respect of the other executive directors of the Company (CEO, deputy CEOs) are exercised by the Board of Directors through the Chairman of Board of Directors, with the proviso that the Board of Directors shall be notified in advance of the appointment and dismissal of the CEO and Deputy CEOs. With regard to issues related to the exercising of employer's rights in respect of employees, the Company is represented by the persons defined in the Organisational and Operational Regulations of the Company, in accordance with the delegation of authority approved by the Board of Directors.

[Chairman & CEO]

- 10.1. Tasks are shared between the Board of Directors and the Chairman & CEO in such a way that the daily work of the Company is governed and overseen by the Chairman & CEO within the constraints of the law and the Company Articles of Association, and in accordance with the decisions of the General Meeting and Board of Directors. The Chairman & CEO has the authority to decide upon any matters that do not come under the authority of the General Meeting or Board of Directors in accordance with these Articles of Association. This division of tasks does not affect the statutory liability of the Board of Directors, or of the individual members of the Board of Directors. If the Chairman of the Board of Directors and the CEO are different persons, then the aforesaid rule shall apply adequately with the proviso that between the Chairman of the Board of Directors and CEO the division of the governing and overseeing powers relating to the daily work of the Company is defined by the Board of Directors in the Organisational and Operational Regulations of the Company.
- 10.2. If the Chairman & CEO is incapacitated, the nominated Deputy Chairman (or designated member of the Board of Directors) may substitute for the Chairman & CEO in his capacity as Chairman, and the Deputy CEO may substitute for him in his capacity as chief executive officer, although the substitution rights shall not extend to the exercising of employer rights. If the Chairman of the Board of Directors and the CEO are different persons, the Chairman of the Board of Directors may be substituted by the nominated Deputy Chairman (or designated member of the Board of Directors), the CEO may be substituted by the nominated Deputy CEO with the proviso that none of the substitution rights shall be extended to the exercising of employer rights.
- 10.3. The Chairman & CEO exercises employer's rights with respect to the employees of the Company in accordance with point 9.14. If the Chairman of the Board of Directors and the CEO are different persons, then the rules of exercising of employer rights with respect to the employees of the Company are defined – in accordance with point 9.14. – by the Board of Directors in the Organisational and Operational Regulations of the Company.
- 10.4. The Chairman & CEO governs the work of the Board of Directors and chairs its meetings. If the Chairman of the Board of Directors and the CEO are different persons, then the Chairman of the Board of Directors is vested with this competence.

[The Supervisory Board:]

- 11.6. Meetings of the Supervisory Board are quorate if at least two thirds of its members are present. Decisions of the Supervisory Board are made with a simple majority of votes.

The Chairman & CEO, or a person delegated by him, must be invited to Supervisory Board meetings. If the Chairman of the Board of Directors and the CEO are different persons, then both the Chairman of the Board of Directors and the CEO shall be invited to meetings of the Supervisory Board.

The Supervisory Board is obliged to include matters proposed by the auditor to the agenda.

[Executive officers of the Company]

- 12/A.1. The executive officers of the Company include: the Chairman & CEO (or, if the Chairman of the Board of Directors and the CEO are different persons, then the Chairman of the Board of Directors and the CEO), members of the Board of Directors, the Chairman of the Supervisory Board, members of the Supervisory Board, and the Deputy Chief Executive Officers (executive employees).
- 12/A.2. Executive officers must immediately notify the Chairman & CEO (or, if the Chairman of the Board of Directors and the CEO are different persons, then the Chairman of the Board of Directors shall be notified) if:
- a.) they have a qualified holding or a controlling influence in any company as defined in the Credit Institutions Act;
 - b.) any of their close relatives has a qualified holding or a controlling influence in any company as defined in the Credit Institutions Act;
 - c.) since their appointment, an event has occurred that disqualifies them from serving as executive officers.

Reasoning:

The purpose of the modification of AoA is to enable the Company to create the possibility, well-known in the corporate governance practice, for the management functions appearing in the position of Chairman & CEO to be held in separate positions – in the function of the Chairman of the Board of Directors and the CEO – in order to adapt flexibly to the significant international expansion of the OTP Group and the new market challenges. In line with current regulations and legal provisions, the modification keeps the power of decision making whether or not to take the opportunity arising from this modification in the competence of the Board of Directors. The proposed amendment also regulates the distribution of the current duties and powers of the Chairman of the Board of Directors and the CEO in the event that the Chairman of the Board of Directors and the CEO are different persons.

Text of resolution proposal:

The Annual General Meeting decides to amend the Articles of Association by way of a single resolution in accordance with the proposal of the Board of Directors.

Text of resolution proposal:

The Annual General Meeting approves the amendment of Article 9 Section 4, Article 9 Section 14, Article 10 Section 1, Article 10 Section 2, Article 10 Section 3, Article 10 Section 4, Article 11 Section 6, Article 12/A. Section 1, Article 12/A Section 2 of the Articles of Association in accordance with the proposal of the Board of Directors, as per the annex to the minutes of the Annual General Meeting.