



Corporate Governance



otpbank

Senior Management of OTP Bank and Executive Members of the Board of Directors



Dr. Sándor Csányi *Chairman & CEO*

Dr. Sándor Csányi (54) has served as Chairman and Chief Executive Officer of OTP Bank since 1992 and is responsible for the strategy and overall operations of the Bank.

Dr. Csányi has held several other senior positions in the banking sector, including Head of Department at Hungarian Credit Bank Ltd. from 1986 to 1989 and Deputy Chief Executive Officer at K&H Bank from 1989 to 1992. Before that, he worked at the Revenue Directorate and at the Secretariat of the Hungarian Ministry of Finance and as Head of Division at the Hungarian Ministry of Food and Agriculture. Dr. Csányi gained a degree from the Financial and Accounting College in 1974 and from the Budapest University of Economics in 1980. He is a financial economist, a certified price analyst and a chartered accountant. He is a member of the board of Europay and of MOL, and holds a seat on the management committee of the Hungarian Banking Association. He owned 200,000 OTP ordinary shares as of December 31, 2006 (while the total number of OTP shares owned by him directly or indirectly was 3,302,000).

Dr. Zoltán Spéder *Vice Chairman of the Board of Directors, Deputy CEO** *Strategic and Financial Division*

Dr. Zoltán Spéder (43) has been a member of the Board since 1991, has served as the Vice Chairman of the Board since 1995, and as the Chief Financial Officer and Deputy Chief Executive Officer of the Bank since 1996. From 1987 to 1990 he was employed at the Financial Research Institute as a research fellow in banking and corporate finance. Between 1991 and 1992 Dr. Spéder was adviser to the Minister of Finance. Dr. Spéder has a PhD and MSc from the Budapest University of Economics. He owned 0 OTP ordinary shares as of December 31, 2006 (while the total number of OTP shares owned by him directly or indirectly was 1,548,400).

*until January 8, 2007

Dr. István Gresa *Deputy CEO* *Credit Approval and Risk Management Division*

Dr. István Gresa (54) has served as Deputy Chief Executive Officer of the Credit Approval and Risk Management Division of OTP Bank since March 1, 2006. Dr. Gresa graduated from the College of Finance and Accounting in 1974 and from the Budapest University of Economics in 1980, where he went on to gain a PhD in 1983. He worked at Budapest Bank from 1989 to 1993. He has been employed by OTP Bank from 1993, initially as director for Zala County and then, from 1998, as managing director of the West Transdanubian Region.

He held 63,758 OTP ordinary shares as of December 31, 2006.

Csaba Lantos *Member of the Board of Directors, Deputy CEO* *Retail Division*

Mr. Csaba Lantos (45) has been a member of the Board since 2001. He has served as Deputy CEO of OTP Bank since 2000. He was employed at Budapest Bank as a bond dealer from 1986. After that he was Head of Securities Trading at Ceditanstalt Securities Ltd. until 1994 and Deputy CEO there until 1997. At the same time he served as managing director of Ceditanstalt Securities Investment Fund Management Ltd. Between 1997 and 2000 he was the CEO and Chairman of the Board of CA IB Securities. He has been a member of the Council of the Budapest Stock Exchange since 1990 and Chairman of the Board of the Central Clearing House and Depository Ltd. (KELER) since 1993.

He held 80,116 OTP ordinary shares as of December 31, 2006.

Géza Lenk *Member of the Board of Directors, Deputy CEO*

Mr. Géza Lenk (60) has been a member of the Board from 2001 until April 28, 2006. He has served as Deputy CEO of OTP Bank since 2001, from March 2006 as advisor to the chairman, earlier with responsibility for managing the Bank's Credit Approval and Risk Management Division. Previously he worked at the National Bank of Hungary, and was CEO of the General Enterprise Bank until 1988. After that he served as Chairman & CEO of K&H Bank, until 1995. From 1996 Mr. Lenk was the Vice Chairman and Deputy CEO of Trigon Bank in Vienna. From 1998 to 2000 he was the head of the MKB Leasing and Finance group, and Chairman & CEO of the company Reorg Rt. Mr. Lenk is a graduate of the Budapest University of Economics and the International Banker's School in London. He held 100,000 ordinary shares as of December 31, 2006.



Gyula Pap

Deputy CEO
IT and Logistics Division*

Mr. Gyula Pap (49) has been a Deputy CEO at the OTP Bank since 2001, with responsibility for managing the IT and Logistics Division. Mr. Pap earned a degree in electrical engineering from Kálmán Kandó Electrical Engineering College in 1980 and a post-graduate degree in IT engineering from the College of Foreign Trade in 1989. He has been employed at OTP Bank since 1982, where he has held a variety of positions in various areas of information technology. From 1994 to 2001 he was the Managing Director of the IT Operations Directorate. He held 372,820 OTP ordinary shares as of October 1, 2006.

*until October 1, 2006

Dr. Antal Pongrácz

*Member of the Board of Directors,
Deputy CAO
Staff Division*

Dr. Antal Pongrácz (61) has been a member of the Board since 2002. He has served as Managing Director of OTP Bank, and has been Deputy CEO since 2001. From 1969 he worked as an analyst at 'Petrokémiai Vállalat', and then as a group manager at the Revenue Directorate. From 1976 he served at various departments of the Ministry of Finance, as a manager. After that, he was deputy Chairman of the State Office for Youth and Sports. From 1988 to 1990 he served as the first Deputy CEO of OTP Bank. He was CEO and later Chairman & CEO of the European Commercial Bank Ltd. until 1994. In that year he was appointed Chairman & CEO of Szerencsejáték Rt. and then went on to serve as CEO of Hungary's flagship airline, Malév. Dr. Pongrácz has a PhD and MSc from the Budapest University of Economics. He held 260,000 OTP ordinary shares as of December 31, 2006.

Ákos Takáts

Deputy CEO
IT and Bank Operations
Division*

Ákos Takáts (47) graduated at the University of Horticulture and Food Industry in 1982, then he gained a degree in engineering at the same university. He has been working in the banking sector since 1987. Between 1989 and 1993 he worked for Investbank as an administrator. In 1993 he was employed as a Deputy Head of Department by OTP Bank, from 1995 he worked as a Head of IT Development Directorate. Since October 1, 2006 he has served as Deputy CEO of OTP Bank, and the Head of IT and Bank Operations Division. He held 143,347 OTP ordinary shares as of December 31, 2006.

*from October 1, 2006

Dr. László Urbán

Deputy CEO
Strategic and Financial
Division*

Dr. László Urbán (48) has been a Deputy CEO at the OTP Bank since January 15, 2007. He graduated from the Budapest University of Economics in 1982. He has been working in the financial sector since 1995. He worked in Washington as an employee of World Bank, later he became the Planning and Controlling Director of ABN-AMRO Hungary. Between 1998-2000, he worked as Deputy-CEO of Postabank; between 2000-2005 he was responsible for global product development at Citigroup New York; from 2005, he was Director of the National Bank of Hungary.

He held no OTP ordinary shares as of January 15, 2007.

*from January 15, 2007

László Wolf

*Deputy CEO
Commercial Banking Division*

Mr. László Wolf (47) has served as Deputy CEO of OTP Bank, with responsibility for managing the Commercial Banking Division, since 1994. Mr. Wolf gained a degree from the Budapest University of Economics in 1983. From 1983 he was employed for 8 years at the National Bank of Hungary, in the Division of International Banking Relations. From 1991 to 1993 he was Head of Treasury at BNP-KH-Dresdner Bank in Budapest, and from April 1993 to 1994 he served as Director of Treasury at OTP Bank. He held 829,640 OTP ordinary shares as of December 31, 2006.

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



Mihály Baumstark

*Member of the Board of Directors
Chairman & CEO
Csányi Vinery Ltd.*

Mr. Mihály Baumstark (58) has been a member of OTP Bank's Board since 1999 and is currently the Chairman & CEO of Csányi Vinery Ltd., a post he has held since 1999. Mr. Baumstark holds degrees in agricultural engineering and agricultural economics. Mr. Baumstark was employed between 1978 and 1989 at the Ministry of Food and Agriculture, with his last position being Deputy Head of Accounting. He held 50,000 OTP ordinary shares as of December 31, 2006.

Dr. Tibor Bíró

*Member of the Board of Directors
Head of Department
Budapest College of Business*

Dr. Tibor Bíró (55) has been a member of OTP Bank's Board since 1992, and is currently head of department at the Budapest College of Business, where he has taught since 1982. Mr. Bíró has a degree in economics from the Budapest University of Economics and was head of the Financial Department at Tatabánya City Council from 1978 to 1982. Mr. Bíró is a registered auditor and a member of the Budapest Council of the Hungarian Chamber of Auditors. He was the owner of 46,000 OTP ordinary shares as of December 31, 2006.

Péter Braun

*Member of the Board of Directors
Electrical Engineer,
Former Deputy CEO
OTP Bank Plc.*

Mr. Péter Braun (71) was a Deputy Chief Executive Officer and head of the IT and Logistics Division at OTP Bank from 1993 until 2001 when he was retired. He has been a member of the Board since 1997. Mr. Braun earned a degree in electrical engineering at the Budapest Technical University. Between 1954 and 1989 Mr. Braun was employed at the Research Institute for Electrical Energy, with his last position being Head of Department. After that, Mr. Braun was the Managing Director of K&H Bank, working in its Computer and Information Centre. Mr. Braun is also a member of the Board of Directors of GIRO Rt. He held 651,905 OTP ordinary shares as of December 31, 2006.

Dr. István Kocsis

*Member of the Board of Directors
CEO
Hungarian Power Companies Ltd.*

Dr. István Kocsis (55) has been a member of OTP Bank's Board since 1997. Dr. Kocsis is a graduate of the Budapest Technical University and between 1991 and 1993, worked at the Ministry of Trade and Industry as Head of Department and later as Deputy Undersecretary of the Hungarian State. He served as Deputy CEO and subsequently as acting CEO at ÁPV Rt. from 1993 to 1996. Between 1996 and 1997 he was Deputy CEO of ÁPV Rt. Later, Dr. Kocsis was Head of Division at RWE Energie AG., General Director at ÉMÁSZ Rt., and the CEO of Paks Nuclear Power Plant. From 2005 he has been CEO of Hungarian Power Companies Ltd. (MVM Rt.). He held 83,500 OTP ordinary shares as of December 31, 2006.



Dr. Sándor Pintér

*Member of the Board of Directors
Chairman & CEO
CIVIL Biztonsági Szolgálat Ltd.*

Dr. Sándor Pintér (59) has been a member of the Supervisory Board from 2003 until 2006. From April 28, 2006 he is a member of the Board of Directors. Dr. Pintér has a degree from the Police Officer Training College and gained a law degree from ELTE University in Budapest in 1986. From 1970 he worked for the Home Office. In December 1996 he retired from his position as police superintendent. From 1998 to 2002 he served as Home Secretary of the Hungarian Republic. Between 1997 and 1998 he was a member of the Board of Directors at OTP Bank. He was the owner of 25,350 OTP ordinary shares as at December 31, 2006.

Dr. László Utassy

*Member of the Board of Directors
Chairman-CEO
OTP Garancia Insurance Ltd.*

Dr. László Utassy (55) has been a member of OTP Bank's Board since 2001. He has served as Chairman & CEO of OTP Garancia Insurance Ltd. since 1996. From 1978 to 1995 he was employed at the State Insurance Company and at ÁB-AEGON Rt. Dr. Utassy has a law degree from ELTE University in Budapest and has a degree in economics from the Budapest University of Economics. He is the chairman of the Association of Hungarian Insurance Companies. He held 70,000 OTP ordinary shares as of December 31, 2006.

Dr. József Vörös

*Member of the Board of Directors
General Deputy Rector
Pécs University,
Faculty of Business and Economics*

Dr. József Vörös (56) has been a member of OTP Bank's Board since 1992. Currently Dr. Vörös is the General Deputy Rector at the University of Pécs, where he has taught since 1994. Dr. Vörös gained a degree in economics from the Budapest University of Economics in 1974 and holds a PhD and DSc from the Hungarian Academy of Sciences, which he obtained in 1984 and 1993 respectively. Dr. Vörös was Dean of the Faculty of Business and Economics at the Janus Pannonius University from 1990 to 1993. He attended a course in management for senior executives at Harvard Business School in 1993. He held a total of 115,000 OTP ordinary shares as of December 31, 2006.

Members of the Supervisory Board of OTP Bank



Tibor Tolnay

*Chairman of the Supervisory Board
Chairman & CEO
Magyar Építők Ltd.*

Mr. Tibor Tolnay (56) has been Chairman of the Supervisory Board since 1992. Mr. Tolnay is currently Chief Executive Officer of Magyar Építők Ltd., a position he has held since 1972. Mr. Tolnay earned a degree in architecture from the Technical University of Budapest and a degree in economics from the Budapest University of Economics. He owned 80,580 OTP ordinary shares as of December 31, 2006.

Dr. Gábor Nagy

*Vice Chairman of the Supervisory Board
Head of Codification Group
Ministry of Finance, Accounting Division*

Dr. Gábor Nagy (70) has been a member of the Supervisory Board since 1991 and Vice Chairman since 1992. Dr. Nagy is a registered auditor with a degree from the Budapest University of Economics. From 1974 to 1977, he worked at the Institute for Further Education at the Ministry of Finance. Since 1977 Dr. Nagy has worked in a variety of positions in the accounting division of the Hungarian Ministry of Finance and is currently the Head of the Accounting Division. He owned 130,000 OTP ordinary shares as of December 31, 2006.

Dr. Gábor Horváth

*Member of the Supervisory Board
lawyer*

Dr. Gábor Horváth (51) has been a member of the Supervisory Board since 1995. He has a law degree from ELTE University in Budapest. From 1983 to 1986 Dr. Horváth worked for the Hungarian State Development Bank. From 1986 to 1990 he worked for a legal co-operative office. Since 1990 he has worked as a private, independent lawyer, and his clients include the Hungarian Ministry of Finance, the Hungarian State Institute for Research and the Municipality of Budapest. He held 30,000 OTP ordinary shares as of December 31, 2006.

Antal Kovács

*Member of the Supervisory Board
Managing Director
OTP Bank Plc.,
South Transdanubian Region*

Mr. Antal Kovács (54) has been a member of the Supervisory Board since 2004. Mr. Kovács has a degree from the Budapest University of Economics. He began his career at K&H Bank, and was a branch manager there from 1993 to 1995. From 1995 he was employed by OTP Bank as county director, and in 1998 he was appointed regional director of the South Transdanubian Region. He held 40,000 OTP ordinary shares as of December 31, 2006.

Klára Vécsei

*Member of the Supervisory Board
Deputy Managing Director
OTP Bank Plc.,
Northern Hungary Region*

Ms. Klára Vécsei (55) is a member of the Supervisory Board since 1991 and is the Deputy Managing Director of the OTP Bank's Northern Hungary Region. Ms. Vécsei joined the bank in 1970 and has held a variety of senior positions, including Deputy Head of the Accounting and Controlling Department, and Chief Accountant. She received a degree in economics from the Budapest University of Economics. She held 3,000 OTP ordinary shares as of December 31, 2006.

Information for Shareholders

General company data

Date of foundation:

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

Legal predecessor:

Országos Takarékpénztár, founded March 1, 1949

Registered head office of OTP Bank Plc.:

H-1051 Budapest, Nádor utca 16.

Telephone: (+36-1) 473-5000

Fax: (+36-1) 473-5955

Share capital:

OTP Bank's share capital as at December 31, 2006 was HUF 28,000,001,000, consisting of 280,000,000 ordinary shares of nominal value HUF 100 each, and 1 voting-preference share of nominal value HUF 1,000.

Ownership structure as at December 31, 2006:

	Shareholder	Ownership share
Domestic shareholders	State	1 voting-preference share
	State budgetary organisations	0.3%
	Managers and employees	3.0%
	OTP Bank Plc.	0.8%
	Other domestic investors	8.3%
Foreign shareholders	Foreign investors	87.6%
Total		100.0%

Stock exchange listing

The ordinary shares of OTP Bank Plc. are listed on the Budapest Stock Exchange under category 'A', and the global depository receipts (GDRs) representing the ordinary shares that are traded abroad are listed on the Luxemburg Stock Exchange. (1 GDR represents to 2 ordinary shares.) Regulation S GDRs are traded on the London SEAQ International, and Rule 144A GDRs are traded in the PORTAL system. The custodian bank for OTP GDRs is the Bank of New York, and the safekeeping bank is OTP Bank Plc. (Stock exchange symbol for OTP Bank shares: OTP, Reuters: OTP.BU)

Participation and voting rights at the General Meeting

Shareholders may exercise their right of participation and their voting rights at the General

Meeting in person or by proxy. The letters of proxy must be set forth in a notarised deed or a private document of full probative force. In the event that a shareholder is represented at the General Meeting by its legal representative (e.g. director, managing director, mayor etc.), the deed issued by the court or court of registration concerning the right of representation, or a certificate testifying to the election of the mayor, must be presented at the venue of the General Meeting. The letters of proxy must be handed over during the period and at the location specified in the invitation to the General Meeting. If the letter of proxy was issued outside Hungary, it must satisfy, in terms of its form, the statutory provisions pertaining to the authentication or counter-authentication of documents issued outside Hungary. Information on the subject can be obtained from the Hungarian representation offices abroad.

Participation in the General Meeting and exercising of voting rights is subject to the following preconditions:

- the holder of the registered shares has been effectively entered into the company's Share Register;
- the voting right associated with ownership of the shares does not violate the provisions of the Company's Articles of Association, which the Company ascertains through a check following receipt of an owner's data reconciliation notice from KELER Ltd.;
- with respect to participation in the General Meeting and the exercising of voting rights on the part of the organisation exercising shareholders' rights on the basis of the voting-preference share (golden share) issued in favour of the Hungarian State, the general rules apply, with the proviso that, in the case of certain matters specified in the Articles of Association of OTP Bank Plc., the consent of the holder of the golden share is required in order for the resolution to be passed;
- the rules on participation in the General Meeting and the exercising of voting rights on the part of GDR holders are contained in the Custody Agreement concluded between the Bank of New York and OTP Bank Plc.

Dividend

OTP Bank Plc.'s General Meeting of April 27, 2007 passed a resolution to the effect that the extent of the dividend to be paid in respect of the 2006 business year should be 144% of the nominal value of the shares. The actual amount of dividend payable to shareholders will be calculated and paid in accordance with the Bank's Bylaws.

The preconditions for payment of dividends on the shares are as follows:

- the share ownership of the shareholder must not violate the stipulations of Act CXII of 1996 on Credit Institutions and Financial Enterprises;
- the owner of the shares must have been effectively entered in the Share Register of OTP Bank Plc.;
- OTP Bank Plc. must have details available to it that are suitable for identifying the shareholder, based on the owner's data reconciliation notice

required by KELER Ltd. by the initial date of dividend payment and/or, subsequent to that, based on the owner's data reconciliation notice sent to the company by the shareholder's account managing institution(s).

After registration in the Share Register and an examination of the Share Register, OTP Bank Plc. will transfer the dividend to the account manager, or if the shareholder has, through the account manager, so requested, to the shareholder's bank account. The payment of dividends on shares traded in Hungary is performed by the designated branch offices of OTP Bank Plc. Dividend payment for GDR holders is performed through the Bank of New York.

Dividend payment date

The initial date of dividend payment is June 11, 2007. Private investors who have questions regarding shares or dividends, or about resolutions passed at the General Meeting, should contact the Secretariat of OTP Bank Plc. Telephone: (+36-1) 473-5162

Announcements

OTP Bank Plc. fulfils its disclosure obligations related to corporate events and prescribed in Act CXX of 2001 in the publication Magyar Tőkepiac [Hungarian Capital Market] (until January 1, 2007), on the website of the OTP Bank Plc. (from January 1, 2007) and on the website of the Budapest Stock Exchange (www.bet.hu).

Investor relations

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

OTP Bank Plc. Investor Relations;

H-1051 Budapest, Nádor utca 16.

Telephone: (+36-1) 473-5460

Fax: (+36-1) 473-5951,

email: investor.relations@otpbank.hu.

The address of the Bank's

website is www.otpbank.hu.

Declaration on Corporate Governance Practice¹

OTP Bank Plc.'s operation is in full compliance with the applicable laws, supervisory provisions and Budapest Stock Exchange (BSE) regulations. The structure and conditions of operation of the Company are contained in the Company's Bylaws.

Executive bodies

The executive body of the Company is the Board of Directors. The scope of the Board of Directors is defined in the effective laws, the Company's Bylaws, General Meeting resolutions, and the Procedural Rules of the Board of Directors. The Procedural Rules set out the structure of the Board of Directors, the tasks relating to the preparation, implementation and drafting of resolutions of its meetings, as well as all other issues relating to the operation of the Board of Directors.

The members of the Board of Directors are elected by the General Meeting for a term of five years. At present, the ratio of independent Board members (3 persons) within the total number of the Directors (11 directors) is 27%. (From April 28, 2006 the share of independent members of the Board (4 persons) within the total number of the Directors (11 persons) is 36%.)

All the obligations and prohibitions specified for executive officers under Act CXII of 1996 on Credit Institutions and Financial Enterprises (Credit Institutions Act) apply to the members of the Board of Directors.

The Supervisory Board oversees the management and business operation of the Company. The Supervisory Board establishes

its own procedural rules, which are approved by the General Meeting.

The members of the Supervisory Board are elected by the General Meeting with a mandate of three years. The ratio of independent Supervisory Board members (4 persons) within the entire Supervisory Board (6 persons) is 67%. (The share of independent Supervisory Board members (3 persons) within the entire Supervisory Board (5 persons) is 60%.)

In order to avoid any conflict of interest, the General Meeting may not elect members of the Board of Directors or their close relatives to the Supervisory Board. The rules applicable to the appointment and recall of the employee member of the Supervisory Board are defined by the Works Council operating at the Company, and the Company does not consider such a member independent.

The Supervisory Board is responsible for the management of the internal audit organisation of the Company within the framework defined in the Credit Institutions Act. The Supervisory Board exercises a preliminary right of consent in respect of decisions relating to the establishment and termination of the employment, as well as definition of remuneration of the managers and employees of the internal audit organisation.

The Board of Directors holds meetings as frequently as necessary, or at least on eight occasions a year, while the Supervisory Board must hold at least six meetings a year. In 2006, eight Board meetings and seven Supervisory Board meetings were held. A meeting must also be called if a member of the Supervisory Board or at least two members of the Board of Directors, or the auditor, request it in writing,

¹Based on the Corporate Governance Recommendations (December 8, 2003) published by Budapest Stock Exchange

indicating the objectives and reasons for the meeting.

The meetings of the Board of Directors and Supervisory Board are recorded in minutes, and all resolutions are documented.

The employer's rights towards the executive officers of the Company are exercised by the Board of Directors through the chairman and chief executive officer, with the proviso that the Board of Directors must be notified in advance for the appointment or withdrawal of appointment of deputy CEOs.

The Board of Directors has prepared guidelines for the evaluation of the work and the remuneration of the management.

The Bank has launched a share option scheme for the evaluation and encouragement of management performance, based on the performance of annual and medium-term targets. The detailed conditions of the share purchase program and the expectations in terms of performance are approved by the General Meeting of the Company.

The Board of Directors provides information on the annual and medium-term targets and their performance, representing the basis of evaluation, at the annual General Meeting. The Company has no separate committees. Certain functions and tasks of the Audit Committee are performed by the Supervisory Board and the independent internal audit staff reporting to it based on the Credit Institutions Act, in line with the statutory provisions applicable to financial institutions. The tasks of the other committees are performed by committees which may be and have been established pursuant to the Company's Code of Organisation and Operation.

Audit

There is an independent internal audit organisation at the Company, controlled by the Supervisory Board within the framework stipulated by the Credit Institutions Act.

The independent internal audit group has an annual audit plan, approved by the Board of Directors or the Supervisory Board.

The independent internal audit group prepares

regular objective and independent reports on the operation of risk management, internal control mechanisms and corporate governance functions for the Supervisory Board and the management. The Supervisory Board exercises a preliminary right of consent with regard to decisions relating to the establishment and termination of employment and to the determination of the remuneration of the managers and employees of the internal audit organisation. The General Meeting has the right to elect the business entity auditing the Company and to approve the member of the audit company who will be personally responsible for the audit. The Board of Directors must notify the General Meeting and Supervisory Board of the Company about any other major assignment given to the auditor. Apart from that, in justified cases, the Board of Directors, the Supervisory Board and other committees of the Company may also use the services of external consultants.

Disclosure

The Company discloses its information in strict compliance with the provisions of Act CXX of 2001 on the Capital Market (Capital Market Act) and the applicable BSE regulations. The Company also has an effective internal disclosure policy.

The regulations indicated above assure full, accurate and timely disclosure of all important information that may affect the Company or the price of the Company's securities. The Company discloses its business and strategic targets for the current year and its medium-term strategic plan at each annual General Meeting. The Company discloses the proposals prepared for the General Meeting in compliance with the rules applicable to disclosure as posted on the BSE website and with the provisions of the relevant Regulations of the BSE. The Company discloses information about the professional career of the members of the Board of Directors, Supervisory Board and the management on its website and in its annual report in compliance with the effective legislation. The proposal for the remuneration of the chairman and members of the Board of

Directors and chairman and members of the Supervisory Board (monthly remuneration and option scheme) is also part of the proposals prepared for the General Meeting. The Company has detailed risk management regulations applicable to all types of risks (liquidity, market and credit risks), which are in compliance with the legal regulations on prudent banking operations. The annual report contains information on the risk management practices of the Company, the applied limits and compliance with them. The Company has a detailed internal policy for persons that qualify as insiders and potential

insiders, which is in full compliance with the limits and prohibitions regulated in detail under the effective provisions of the Capital Market Act. The Company discloses the transactions of the members of Board of Directors, Supervisory Board and management involving the Company's shares, in compliance with the disclosure regulations, and indicates the holding of these individuals in the Company (number of shares) in its annual report. The Company discloses the loans extended to its executive officers, as well as the enterprises in which it has an equity participation, in its annual report.

Provisions Against Money Laundering

Money Laundering means that services of financial institutions is used in order to conceal the true source of funds deriving from criminal activity by the perpetrator, or other individuals.

In order to avoid that OTP Bank Plc. be used for Money Laundering activities, we do everything to establish the true identity of any person/client demanding/applying for any services from the bank, and OTP Bank Plc. shall not perform any transaction order given by a client who does not identify him/herself pursuant to the legal regulations.

In accordance with Act No. XV of 2003 on the prevention and impeding of Money Laundering:

- OTP Bank Plc. operates an internal control and information system for the purpose of preventing of banking and financial transactions enabling or realising Money Laundering.

- OTP Bank Plc. has developed internal rules in pursuance of the recommendation of the Supervisory Authority of Financial Institutions, and all of its employees are under a legal obligation to act in accordance with the provision of these Rules.
- The employees of the Bank are to be performing their identifying and reporting obligations.
- The performance of the reporting obligations shall not be regarded as a violation of bank, securities, insurance and business secrets.
- Omission of the reporting obligation constitutes a crime punishable under the Penal Code.
- OTP Bank Plc. cooperates with the authorities to disclose any circumstances relating to Money Laundering.

OTP Bank Plc.'s announcement on its client-identification procedure as set out here is available in every premises of OTP Bank Plc. open to clients.

Social Responsibility

OTP Bank's corporate mission is to deliver high-quality products and services to all generations and social groups, to increase customer satisfaction by offering good value and a high standard of service, and to maintain personal contact with customers through the application of modern electronic technology. Besides helping achieve these goals, the Bank's sponsorship and social support activities serve the purpose of finding and developing as many points of contact as possible with partners outside the realm of financial services by supporting worthy causes, programs and events that benefit society as a whole.

The Bank's sponsorship and support activities are based on two tenets: creating opportunities and building communities. Both represent undeniable value, and are in harmony with the Bank's everyday activities.

Creating opportunities

OTP Bank wishes to play an active supportive role in the everyday lives of individuals and society as a whole, and to help create opportunities for success that are essential in the face of the increasingly rigorous demands that citizens face. For this reason, OTP Bank, in addition to its business activities, provides support and creates opportunities for people in need. We give as much support as we can to initiatives that provide opportunities for individuals or communities, and which serve as an example for the future.

OTP Bank, within the framework of providing assistance and donations, focuses on improving

the lot of disadvantaged and sick children, on educating young people, and on improving the living conditions and opportunities of those living with disabilities, primarily by means of creating and operating long-term cooperation and programs.

The bank has had a relationship with the International Children's Safety Service (Nemzetközi Gyermekmentő Szolgálat) for over a decade. Every year this organisation provides health services and support for more than ten thousand children both in Hungary and abroad, caring for children with physical and mental disabilities, orphans and other children in need, improving their living conditions and creating opportunities for their future. Within the context of this cooperation, OTP Bank primarily sponsors the organisation's healthcare programs; the Bank subsidizes the medical treatment of children, helps cover the costs of operations, and contributes to the maintenance of a network of foster parents, the operation of a mobile dental surgery, and the organisation of charity events. In addition to the direct financial support extended to the organisation. The Bank has raised awareness



among its customers of the charitable work carried out, as a result of which significant donations are collected from its customers each year by means of collection boxes located in the Bank's branches.



OTP Bank believes that one of its key tasks is to sponsor the development of business training for a new generation of professionals and to establish closer ties with institutions of higher education.

Through the OTP Fáy András Foundation, which was established in 1992 and has been operating continuously since, the Bank aims to expand the economic and business knowledge and management skills of young people, enhance their awareness of community, and help them develop a project-centred approach. The Foundation carries out its work under the motto of 'Opportunities for a New Generation!'. Although OTP Bank finances the Foundation, independent experts participate in decision-making as regards the granting of support. Grants are given by the OTP Fáy András Foundation on the basis of a tendering procedure.

In January 2006, the Foundation announced a tender for high school students to put together

the curriculum for a lifestyle and career training program series with a business approach. The training started in May 2006 in six high schools of Szabolcs-Szatmár-Bereg county. Built on student initiative and incorporating a wide variety of visual aids, the program will continue in additional counties starting from the autumn of 2006.

At the beginning of the 2006–2007 school year, the OTP Fáy András Foundation donated textbooks to the students of nearly 100 high schools that offer business studies in their curriculum. During this initiative, the Foundation donated some 17,000 textbooks of a value of close to HUF 10 million to close to ten thousand students. In addition to the textbook donation scheme, the Foundation launched a library expansion program in the autumn, whereby approximately 8,500 books, CD-ROMs and journals of a total value of HUF 15 million were given to the libraries of 155 schools over the month of January 2007, thus assisting the education of tens of thousands of students starting from the next semester.

An outstanding example of cooperation we established with institutions of higher education was the initiative to issue a bank card in cooperation with the University of Arts and Sciences in Pécs, one of the largest institutions of higher education in the country with one of the widest offerings of research and education programs. The bank card serves two purposes: it gives the cardholder the feeling of belonging to the university, and it offers discounts. The Bank will direct a portion of its revenues from the use of the cards to support the university, which means that by using the cards, students and faculty members themselves may help support their institution.

In order to promote equal opportunities, OTP Bank provides key support to the Hungarian Special Olympics Association, the Hungarian branch of the international movement promoting sporting opportunities for the mentally handicapped. This is because the Bank believes

that with the work of dedicated individuals and adequate financial support, the quality of life and present and future opportunities of the mentally handicapped can improve tremendously.

In 2006, with the assistance of OTP Bank, the Hand in Hand (Kézenfogva) Foundation implemented a unique, large-scale nationwide campaign to influence public opinion with the aim of cultivating positive attitudes towards the mentally handicapped and persons living with multiple disabilities, helping to bring healthy and disabled people closer together. The 'Accept it, accept me!' road-show campaign saw a truck travelling across the country, stopping off at 35 locations between June and September 2006.

For the second year running, OTP Bank had the great honour of participating in the Show Jumping and Disabled Riding Competition of the Hungarian Therapeutic Horseback Riding Association. By backing this event, the bank not only supports a noble sport, but also helps promote horseback riding as a valuable tool of therapy and rehabilitation and a means of staying healthy for people with disabilities, in keeping with one of the pillars of the bank's charitable philosophy to create equal opportunities.

In addition to the above, OTP Bank believes in the importance of participating in the vital affairs of communities, and thus assigns key importance to providing assistance in crisis situations. Accordingly, we have provided assistance on several occasions in reconstruction work following natural disasters in Hungary, Slovakia and Romania.

Building communities

OTP Bank, as a market leader in retail financial services and the financial partner of municipalities, has defined community building as another tenet of its sponsorship philosophy. The Bank believes in the importance of community initiatives, the preservation and handing down of community values and traditions, and the conservation

and propagation of our national values in the widest possible circle. In the field of culture, this philosophy is demonstrated primarily in our support for events that represent quality and value to a wide circle of people, in accordance with the bank's diverse customer base.

In 2006, OTP Bank sponsored a special series of exhibitions entitled 'Geniuses and Masterpieces' at the Museum of Fine Arts. In addition to events nationwide, the bank also supports regional and local events (e.g. city and village festivals aimed at cultivating traditions), and the bank's sponsorship thus promotes the strengthening of cultural traditions in various regions of the country. Events include cultural festivals (e.g. the Veszprém Street Music Festival, Jewish Summer Festival, Summer in Győr, Savaria Historical Carnival, and Gyula Renaissance Carnival), classical music concerts (e.g. the Miskolc International Opera Festival), quality concerts of popular music (e.g. concerts by Zorán or Gábor Presser), and folk music events (e.g. the Summerfest International Folklore Festival, concerts by the Hungarian National Gypsy Orchestra, the National Dance House Meeting and Fair, and programs by the Jászság Folk Ensemble). The Bank cooperates with the most prominent regional theatres (e.g. those of Eger, Miskolc, Sátoraljaújhely, Székesfehérvár, Győr, Zalaegerszeg, Debrecen, Nyíregyháza, Szolnok and Gyula). In addition to regional and national events, the Bank also supports an increasing number of cross-border initiatives (e.g. a Zorán concert in Transylvania).



OTP Bank also contributed to commemorations of the 50th anniversary of Hungary's 1956 uprising and freedom struggle. October 23, 2006, saw the premiere of the acclaimed film entitled 'Freedom and Love' (Szabadság, szerelem), made with the bank's support. The film commemorates the events of the uprising by drawing a parallel with the struggles of the invincible Hungarian water polo team in preparation for the Melbourne Olympic Games in November 1956. On October 18 and 19, 2006, again with the support of OTP Bank, the House of Terror Museum organised an international conference entitled 'The Awakening of Europe,' and inaugurated the Wall of Heroes on October 20, while an exhibition entitled 'Kids from Pest' was also opened with the sponsorship of the Bank.

The OTP History of Finance Collection also signifies an effort to preserve values. The collection boasts 30,000 financial documents that have been collected by the bank from the mid-1960s onwards. The bank's key task is to collect, document, safeguard and hand down to future generations the items in the collection, which include written materials and objects connected with the foundation and operation of the first Hungarian financial institutions, objects used in the banks, office furniture and ornaments, engravings, drawings, photographs and posters.

The end of 2005 saw the festive reopening of the OTP Gallery, an exhibition hall dedicated to the works of contemporary Hungarian painters. Located in the entrance hall of one of the bank's main branches in Budapest, the gallery displays paintings by the most prominent contemporary artists. OTP Bank also supports contemporary art by purchasing paintings. Currently approximately 600 works adorn the walls of buildings and offices used by the bank.

OTP Bank's sports sponsorship, which involves backing national, regional and international sporting events and popular teams that have a large number of supporters, once again rests

on the two main tenets of its sponsorship philosophy: creating opportunities and building communities. Physical and mental endurance, a high level of concentration, boundless discipline and accuracy are the values represented in each type of sport that the bank supports, just as in OTP Bank's own business strategy.



Among the bank's partners with which it enjoys long-standing relationships as a sponsor are significant domestic teams such as the MiZo women's basketball team of Pécs, which has won seven gold championship medals in the past ten years and finished among the best four teams of the Euroleague for the third time in 2005. It also supports the Alba Regia Sport Club NB1 men's basketball team, another leading team, as well as the ETO Handball Club of Győr.

The bank sponsors additional sporting and competitive events aimed primarily at young people; for example, the Freestyle and Greco-Roman Women's and Men's Junior European Wrestling Championship held in Szombathely, competitions of the cadet and junior divisions of the European Judo Union, the Hungarian Open Amateur Golf Championship organised by the Hungarian Golf Federation, as well as various world championships such as the Junior Ice Hockey World Championship in Miskolc or competitions organised by the Hungarian Triathlon Association.