



***Information of OTP Bank Plc. on the implementation of the
Engagement Policy for the financial year 2023***

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OTP Bank Plc.

Registered office: H-1051 Budapest, Nádor utca 16.

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OTP Bank Plc. (hereinafter referred to as “the Bank”) (registered office: H-1051 Budapest, Nádor utca 16., company registration number: 01-10-041585) hereby provides information on the implementation of its Engagement Policy in connection with its portfolio management activities.

In accordance with the provisions of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 on amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, and as set out in Section 9 of Act LXVII of 2019 on the encouragement of long-term shareholder engagement and amendments of certain regulations for the purposes of legal harmonisation (the Act), the Bank has published its Engagement Policy (see https://www.otpbank.hu/static/portal/sw/file/Reszvenyesi_szerepvallalasi_politika.pdf), the implementation of which is disclosed in this publication.

The Bank will apply the provisions of the Engagement Policy in providing portfolio management services in relation to equity investments in managed portfolios that are subject to the Engagement Policy.

The Engagement Policy was implemented in the following way:

The scope of the Engagement Policy covers, on the basis of the principle of proportionality, companies whose shares are traded on a regulated market in an EEA Member State (hereinafter referred to as the “**investee company**” or the “**Company**”), in which the Bank holds voting rights of 1% or more in the Company (hereinafter referred to as the “participation threshold”) for a sustained period of more than one year.

In the context of the implementation of the Engagement Policy, it should also be stressed that, within the framework of the portfolio management service, the Bank, as a general rule, is not entitled to exercise voting rights on behalf of the client at general meetings of the issuers of the shares managed in the portfolio. The Bank represents its clients at general meetings only on the basis of an express provision in the relevant contract and on the basis of a specific authorisation from the client.

In the financial year 2023, there were no investments in the portfolios managed by the Bank under the portfolio management service that were subject to the Engagement Policy, also in view of the principle of proportionality mentioned above, and therefore no material shareholder involvement was made. The Bank has nevertheless monitored the activities of the investee companies, in particular their business plan (business strategy), financial and non-financial performance and its risks, capital structure, social, environmental impact and corporate governance. In this context, the Bank examined the companies’ public disclosures and data provided by external data providers. In accordance with the principle of proportionality, the Bank did not engage in direct dialogue with the companies concerned, did not cooperate with other shareholders, did not communicate with the relevant stakeholders of the investee companies, and did not exercise voting or other rights without a mandate to do so. There were no conflicts of interest in relation to this engagement.