

COMPETITION LAW



OTP Bank („Bank“) declares its commitment to comply with competition law in its Code of Ethics: *“The Bank’s management is committed to and interested in ensuring the operation of free and fair market conditions facilitating competition.”*

Prevention is at the core of the Bank’s competition law compliance strategy. The Bank attributes special weight to prevention based on its conviction that it is the most effective – especially given the characteristics of competition law – in avoiding undesirable behaviours which could compromise the interests of the Bank or other stakeholders. This approach contributes to the fact that in recent years (2013-2025) no new competition supervision proceedings have been initiated against the Bank.

Considering the exceptional importance of competition rules (in particular Act No. LVII of 1996 on the prohibition of unfair and restrictive market practices and the Treaty on the Functioning of the European Union), the Bank strives for the highest level of compliance. Thus, the commitments and objectives of the management stated in the Code of Ethics are realized in a complex and continuously developing framework.

The individual mechanisms of this framework aim to ensure that the Bank’s observance of competition law meets the highest possible standards. The system of compliance measures rests on 2+1 safeguarding pillars:

1. Institutional and personal safeguards

Recognizing the complexity of the field and the importance of compliance, a dedicated Center of Excellence (CoE) for competition law is operating within the Legal Directorate, led by a senior competition lawyer with over 15+ years of professional experience. The prestige of the CoE within the Bank and – by implication – its operational effectiveness is strengthened by the fact that the senior competition lawyer is a direct report to the most senior legal executive within the banking group.

The Bank’s Consumer Protection Compliance Program ensures that the obligations defined in consumer protection regulations, official decisions or guidelines, and internal regulations are met, it determines the relevant procedural framework to achieve compliance and provides professional assistance to all concerned departments within the Bank. Within the Compliance Program, the Compliance Directorate exercises ex-ante control of commercial communications published by the Bank.

2. Regulatory safeguards

Internal regulations on competition law compliance are effective within the Bank in the form of a CEO Order that is regularly reviewed by the Legal Directorate.

The objective of the regulations includes informing the employees of the Bank about competition law provisions, as well as stating relevant procedural rules with the aim of effective prevention of the violation of competition standards. The effect of the CEO Order extends to all of the Bank's organizational units and employees.

Additionally, (i) the Consumer Protection Compliance Program and (ii) the regulations prescribing the supervision of the Bank's commercial communications with respect to consumer protection both aim to achieve complete compliance.

3. Education

The two points above are supplemented – as an equally important factor – by extensive education efforts. The Bank is convinced that the strategic goal of prevention can in practice only be achieved through adequate and preliminary preparation. The education efforts are intended to ensure that employees recognize the often counter-intuitive competition-related situations they encounter and act (or refrain from acting) in a manner that serves compliance whilst in other cases they promptly seek competent legal support.

The Bank requires every employee working in central departments to attend an interactive e-learning course every year or as part of orientation for new employees (the course content was comprehensively renewed in 2022 and annually updated since then). Regular, focused training sessions are held (i) with the purpose of raising awareness on competition law issues and (ii) on specific topics within the field. These sessions target a wide audience: senior and middle managers, employees, lawyers, and business departments. The training sessions are tailored to the individual, ranging from comprehensive lectures to practical workshops depending on the target audience and the corresponding method of distributing knowledge that is the most effective.

By conveying an attitude and an approach the Bank treats education as a matter of principle – exceeding the basic requirement to adhere to competition law, the Bank aims for exemplary attitude and conduct.

Further to the above, the Bank considers responding to official inquiries a priority and cooperates with competition authorities on all matters including data requests, giving effect to official acts (e.g., freezing of an account subject to a procedure of asset confiscation), and sectoral inquiries. Finally, the Bank coordinates in advance and cooperates with the authorities in a transparent manner regarding the application of provisions relating to the control of concentrations.