

OTP Group – Strong results and capital provide resilience in turbulent times

Fixed Income Investor presentation

Based on 4Q 2021 results



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1. Overview of OTP Group: a diversified footprint in CEE with leading position and a resilient business model

2. 2021 performance update: Outstanding profitability, best in class ROE

3. Steadily expanding business volumes, stable portfolio quality

4. Strong capital and liquidity position coupled with comfortable buffer over the requirements

5. Update on ESG strategy and recent developments

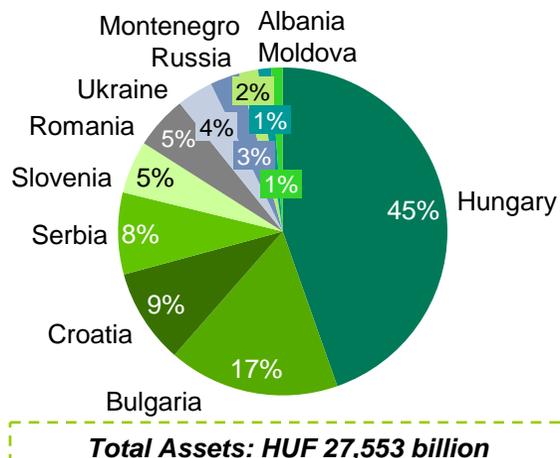
OTP Group offers universal banking services to around 16 million active customers in 11 countries across the CEE/CIS Region

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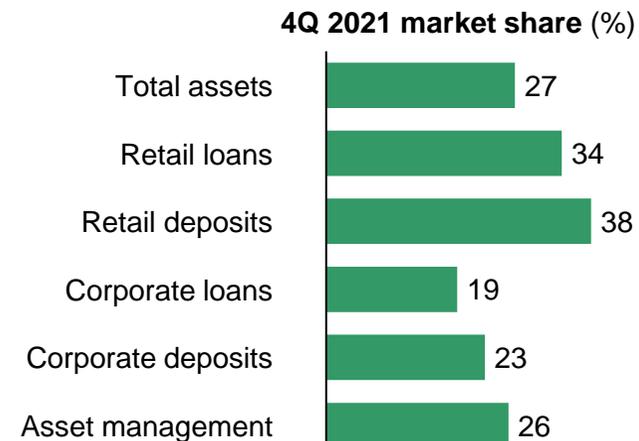
Major Group Members in Europe



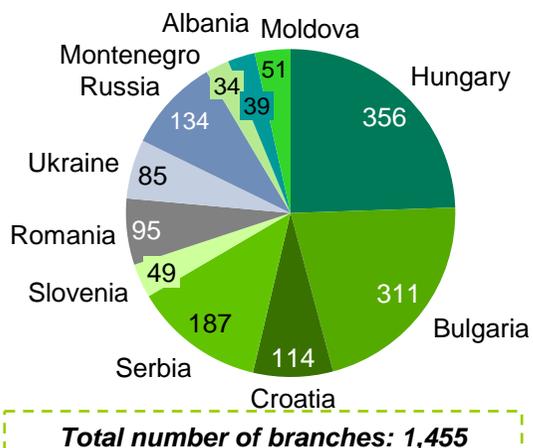
Total Assets



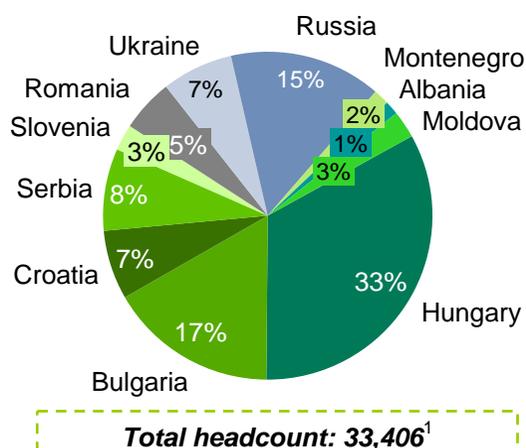
Systemic position in Hungary...



Number of Branches



Headcount



... as well as in other CEE countries

- Bulgaria** No. 2 in Total assets
No. 1 in Retail deposits
No. 1 in Retail loans
- Serbia** No. 2 in Total assets
No. 1 in Gross loans
- Slovenia** No. 3 in Total assets
- Croatia** No. 4 in Total assets
- Russia²** No. 1 in POS lending
No. 10 in Credit card business
No. 20 in Cash loan business
- Montenegro** No. 1 in Total assets

¹ Excluding selling agents employed at OTP Bank Russia and at OTP Bank Ukraine.

² Estimated market positions, including OTP MFO.

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OTP Group is ideally positioned for post-COVID rebound

2020 / 2021 ¹				
PROFITABILITY	SIZE & GROWTH	CAPITAL STRENGTH	ASSET QUALITY	FUNDING & LIQUIDITY
Profit after tax €0.74bn/€1.27bn ROE 10.9% / 17.0%	Total assets €63.9bn/€74.7bn Loan growth² +9% / +15%	CET1 ratio 15.4% / 17.5% CAR 17.7% / 19.1%	Stage 3 ratio 5.7% / 5.3% Risk cost rate 1.15% / 0.30%	Net LTD 76% / 75% LCR 214% / 180%

- **Stable management**
- **Outstanding profitability with adjusted ROE at 18.5% in 2021**
- **Steadily expanding business volumes**
- **Gradually improving asset quality with prudent provision coverage levels**
- **Decent capital standing supported by strong capital generation**
- **Ample liquidity reserves, light redemption profile**
- **Strong commitment to regional leadership position in financing the transition to a low carbon economy**

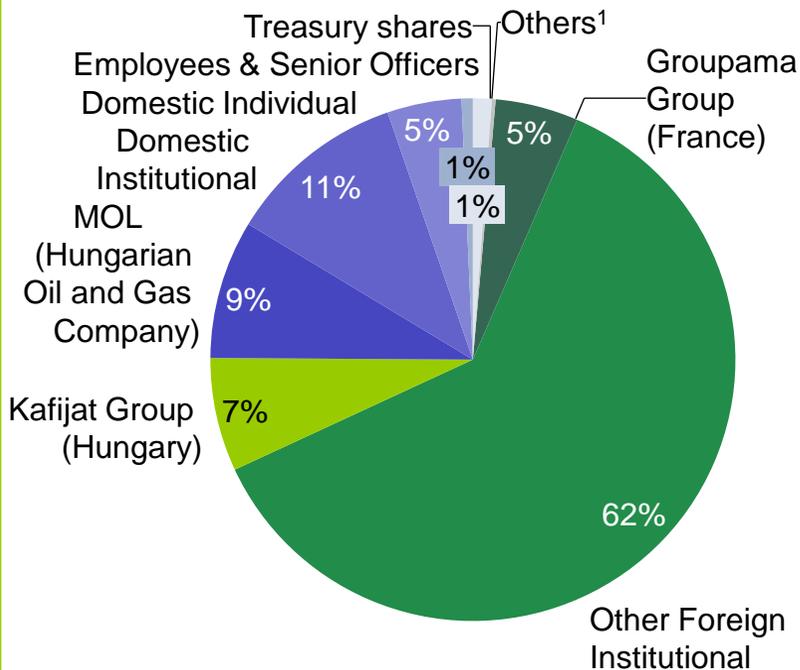
¹ Based on IFRS financial statements for 31 December 2020 and 31 December 2021, or derived from those, see Footnotes and glossary in Appendix.

² Organic performing loan growth without the effect of OBS divestment in 2020.



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Ownership structure of OTP Bank on 31 December 2021



Total number of ordinary shares: 280,000,010, each having a nominal value of HUF 100 and representing the same rights

Since the IPO in 1995 / 1997, OTP Bank has not raised capital on the market, nor received equity from the state

No direct state involvement, the Golden Share was abolished in 2007

OTP Group's recent capabilities



'Best Private Bank in Hungary'



'Best Bank in CEE 2021'

'Best Bank in Hungary 2020 and 2021'

'Bank of the Year in Croatia in 2021'

'Bank of the Year in Montenegro in 2021'

'Bank of the Year in Slovenia in 2020 and 2021'



'Best Bank in CEE 2018 and 2021'

'Best Bank in Hungary 2017, 2018, 2020 and 2021'

'Best Bank in Bulgaria 2014, 2017 and 2021'

'Best Bank in Montenegro and in Albania 2020 and 2021'

'Bank of the Year in 2021'
 'Mobile Banking Solution of the Year 2021'
 'UX Solution of the Year 2021'
 'Sustainable Bank of the Year 2021'
 'Marketing Communication Campaign of the Year 2021'

'Best Bank in Hungary' since 2012 in all consecutive years
 'Best Bank in Montenegro in 2021'
 'Best Bank in Slovenia in 2021'
 'Best Private Bank in CEE in 2022'
 'Best Private Bank in Hungary in 2020 and 2021 and 2022'
 'Best Private Bank in Montenegro in 2022'

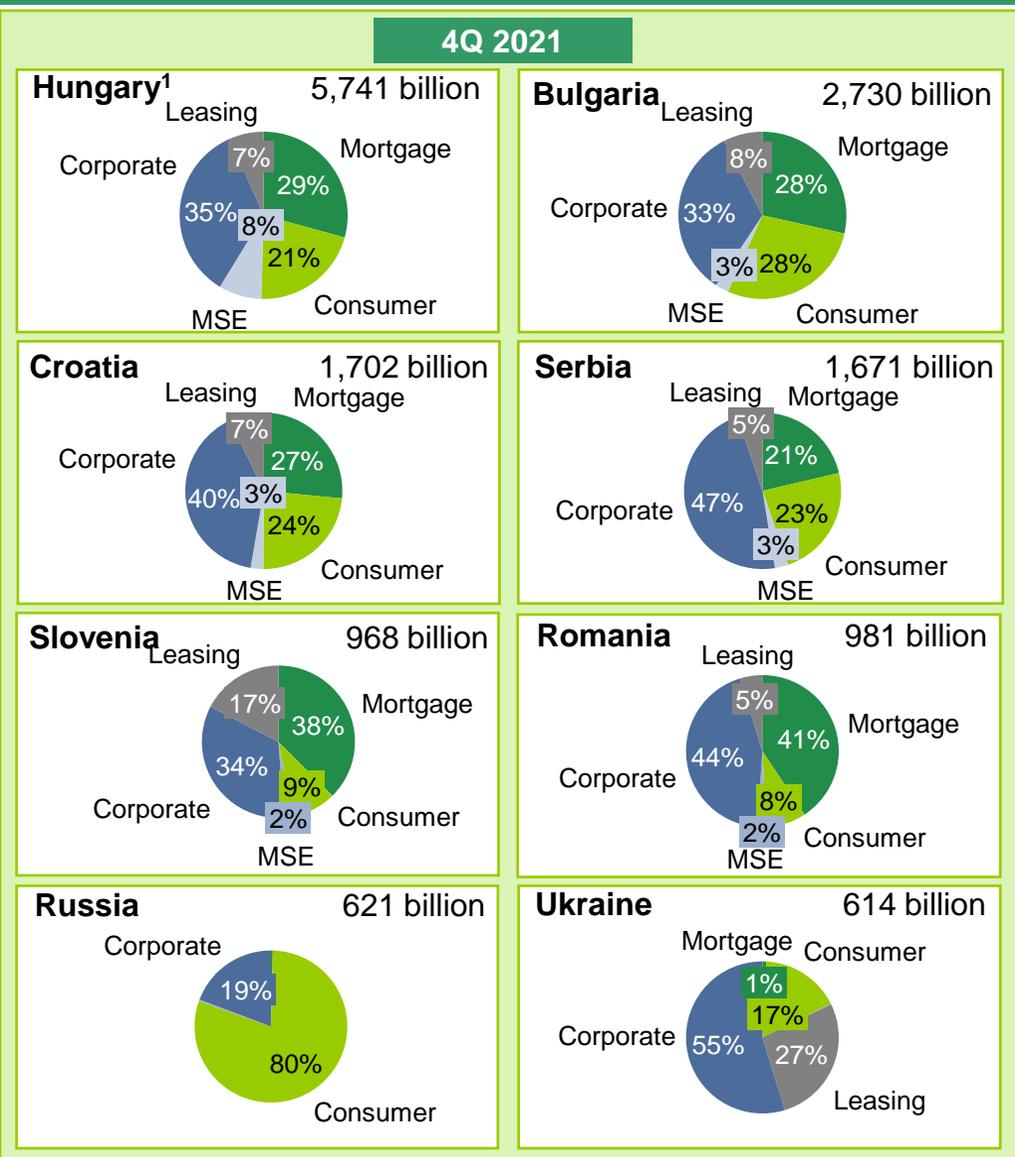
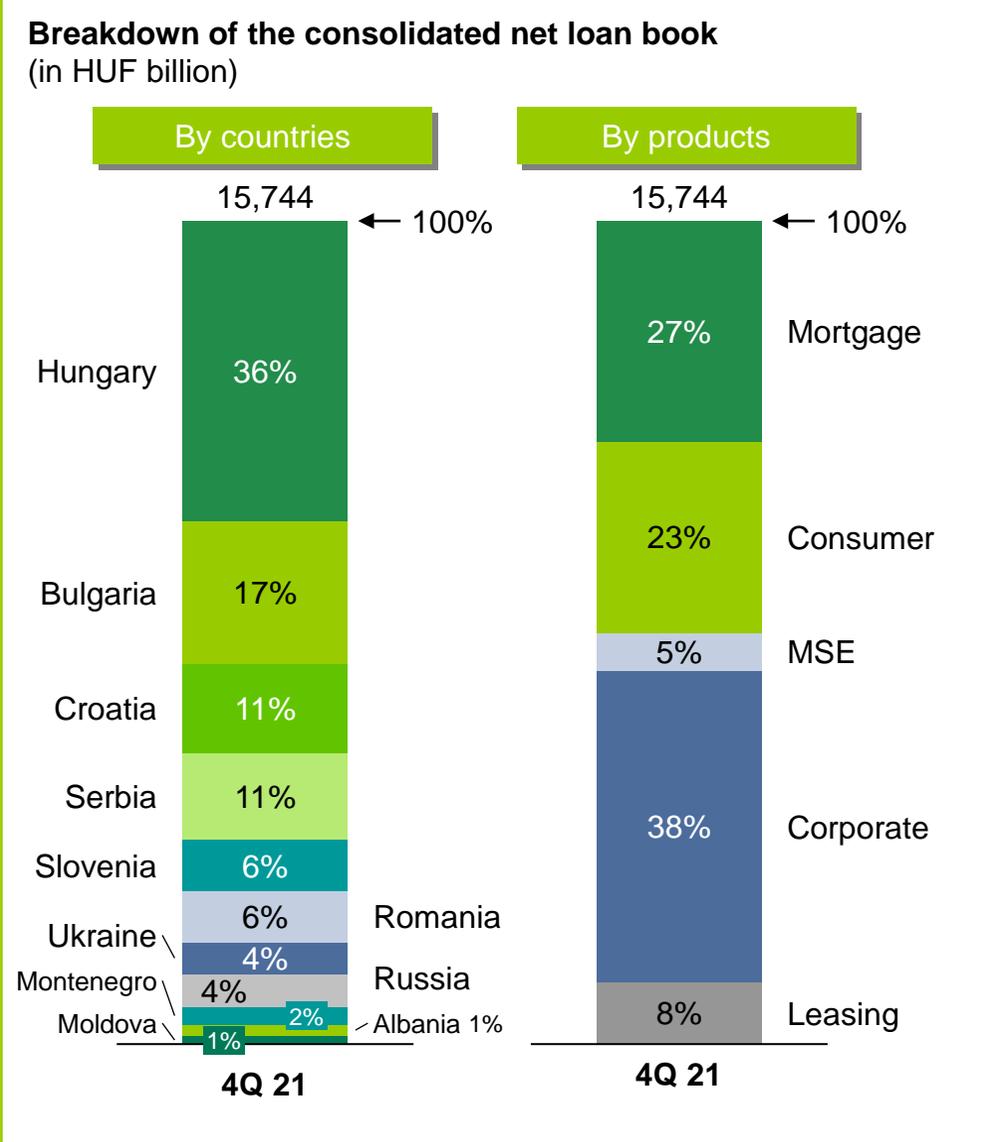
'Best FX providers in Hungary in 2017, 2018, 2019, 2020, 2021 and 2022'
 'Best FX providers in Bulgaria in 2021 and 2022'
 'Best FX providers in Slovenia in 2022'
 'Best Consumer Digital Bank Hungary in 2019, 2020 and 2021'

'The Safest Bank in Hungary for 2020 and 2021'
 'Best SME Bank in CEE and in Hungary in 2022'

¹ Foreign individuals, International Development Institutions, government held owner and non-identified shareholders.

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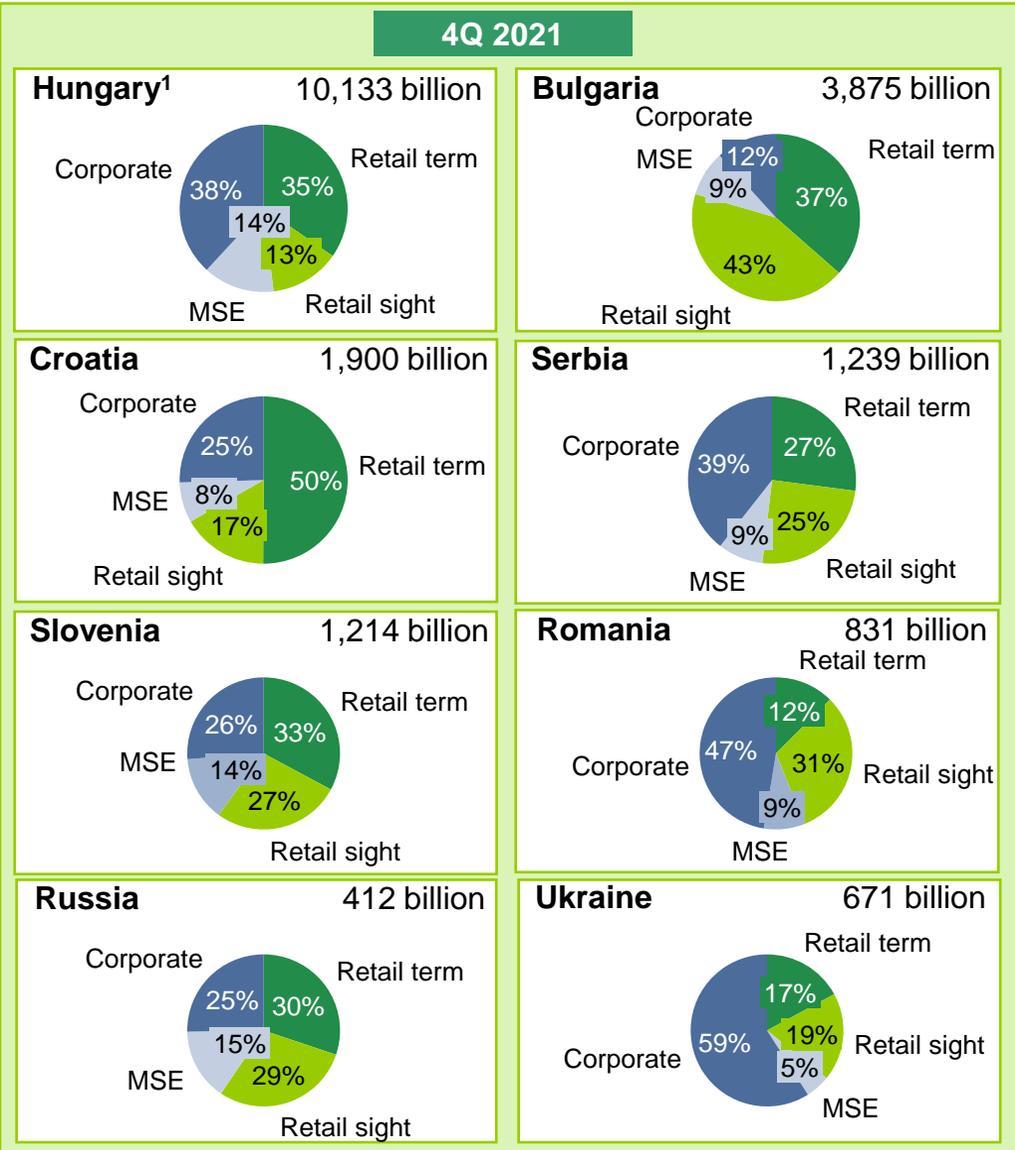
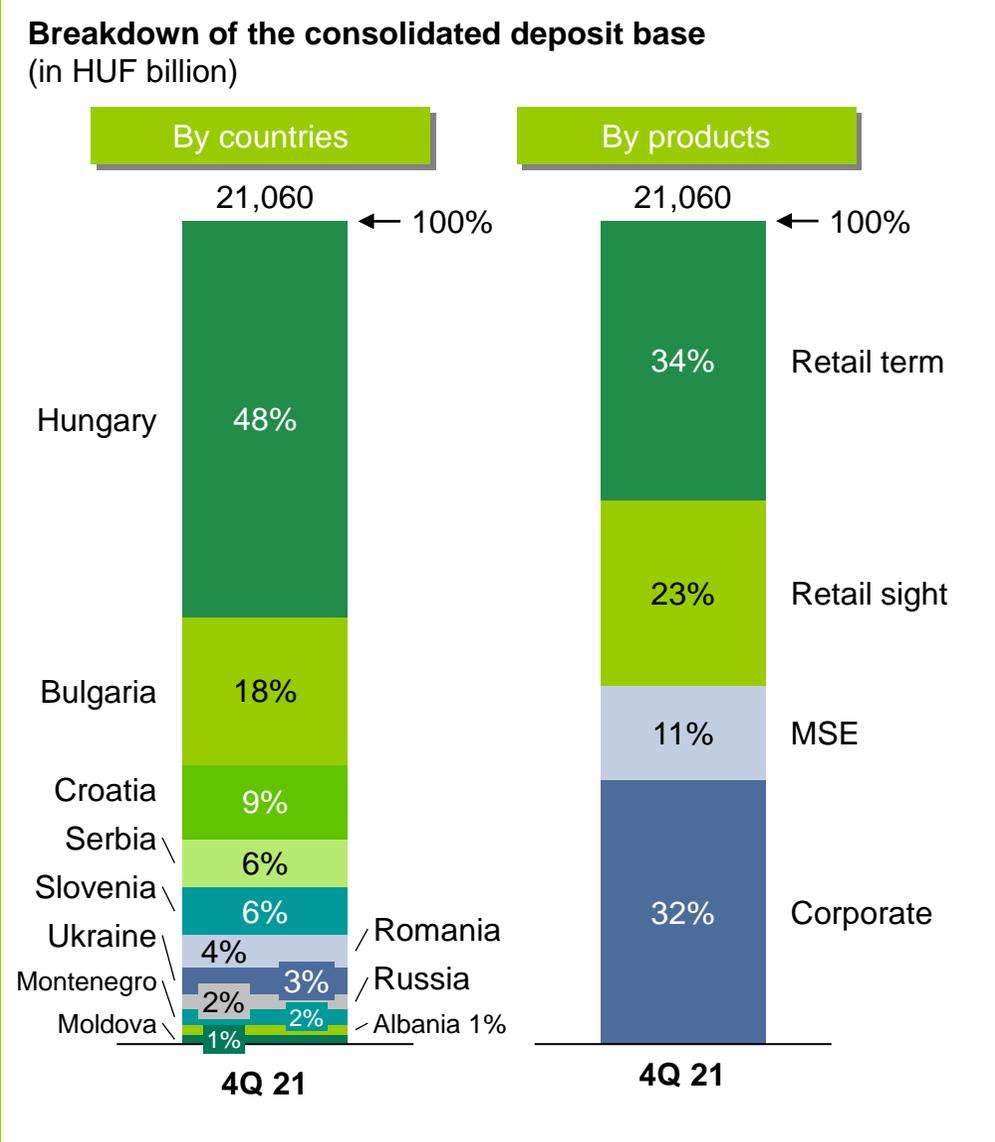
The net loan book is dominated by Hungary and tilted to retail lending; almost 80% of the total book is invested in EU countries with stable earning generation capabilities



¹ Including OTP Core and Merkantil Group (Hungarian leasing).

In the deposit book Hungary and the retail segment is dominant. In Hungary and Bulgaria OTP is the largest retail deposit holder

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¹ Including OTP Core and Merkantil Group (Hungarian leasing).

Acquisitions completed in the last few years materially improved OTP's positions in many countries.

The financial closure of the Albanian and Slovenian Nova KBM acquisitions might be completed in 2Q/3Q 2022, subject to regulatory approvals

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Target (seller, date of closing)	Net loan volumes (in HUF billion)	Market share in total assets (before/after acquisition ¹ , %)	Book value (in EUR million)
2017	 Splitska banka , Croatia (SocGen, 2Q 2017) (Nov 18) 	4.8 → 11.2	(4Q 16) 496
	 Vojvodjanska banka , Serbia (NBG, 4Q 2017) (1Q 19) 	1.5 → 5.7	(3Q 17) 174
2019	 SocGen Expressbank , Bulgaria (SocGen, 1Q 2019) (1Q 19) 	14.0 → 19.9	(4Q 18) 421
	 SocGen Albania (SocGen, 1Q 2019) (1Q 19) 	6.0	(4Q 18) 58
	 SocGen Moldova (SocGen, 3Q 2019) (3Q 19) 	14.0	(4Q 18) 86
	 SocGen Montenegro (SocGen, 3Q 2019) (3Q 19) 	17.6 → 30.4	(4Q 18) 66
	 SocGen Serbia (SocGen, 3Q 2019) (3Q 19) 	5.3 → 13.7	(4Q 18) 381
	 SKB Banka , Slovenia (SocGen, 4Q 2019) (4Q 19) 	8.5	(4Q 18) 356
2021	 Alpha Bank SH.A. , Albania (Alpha Int. Holdings, signed but not closed) (4Q 20) 	6.2 → 10.9	(4Q 20) 73
	 Nova KBM , Slovenia (Apollo Global and EBRD, signed but not closed) (4Q 20) 	8.2 → 28.7	(4Q 20) 992
	 Ipoteka Bank , Uzbekistan (Uzbek State, being discussed ²) (4Q 20) 	8.3	(4Q 20) 314
Acquisitions total:			3,417

¹ Reference date of market share data: Croatia: 2Q 2017, Serbia - Vojvodjanska 4Q 2016, Bulgaria: 1Q 2019, Albania - SocGen: 4Q 2018, Serbia - SocGen 2Q 2019, Moldova: 2Q 2019, Montenegro: 2Q 2019, SKB Slovenia: 4Q 2018, Nova KBM Slovenia: 4Q 2020, Ipoteka Uzbekistan: 3Q 2021, Albania - Alpha: 3Q 2021. ² On 29 September 2021 OTP Bank signed a non-binding Memorandum of Agreement regarding the potential acquisition of the majority stake of Ipoteka Bank.

The 2021 adjusted ROE recovered as the margin pressure was offset by modest risk cost rate and improved cost efficiency

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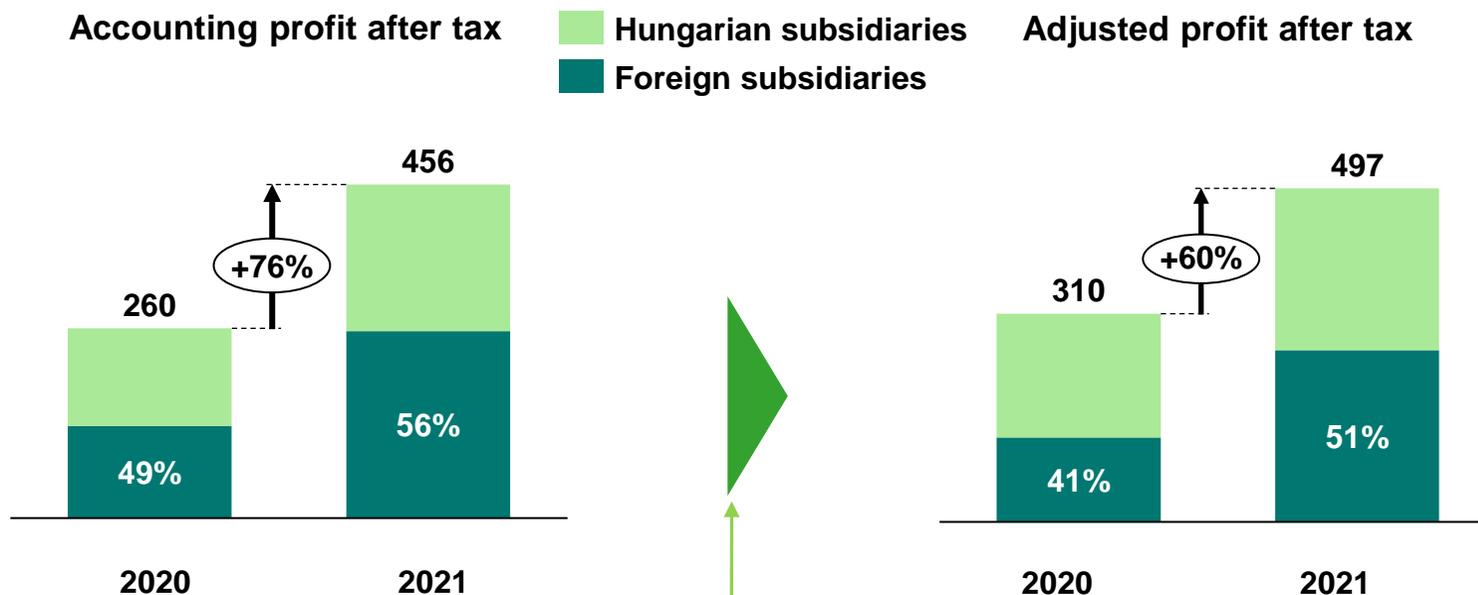
	2003-2008 average	2009-2013 average	2014	2015	2016	2017	2018	2019	2020	2021
Accounting ROE	29.4%	8.3%	-7.4%	5.1%	15.4%	18.5%	18.7%	20.3%	10.9%	17.0%
Adjusted ROE	29.0%	11.6%	8.5%	9.6%	15.4%	18.7%	19.1%	20.6%	13.0%	18.5%
Total Revenue Margin ¹	8.60%	8.17%	7.74%	6.98%	6.79%	6.71%	6.33%	6.28%	5.37%	5.21%
Net Interest Margin ¹	6.02%	6.28%	5.96%	5.12%	4.82%	4.56%	4.30%	4.12%	3.61%	3.51%
Net Fee & Comm. Margin	1.50%	1.47%	1.59%	1.55%	1.62%	1.75%	1.58%	1.65%	1.34%	1.29%
Other income Margin ¹	1.08%	0.41%	0.19%	0.31%	0.35%	0.41%	0.44%	0.52%	0.41%	0.41%
Operating Costs / Average Assets	4.47%	3.80%	3.85%	3.66%	3.70%	3.68%	3.57%	3.31%	2.90%	2.59% 2.67% ⁴
Cost / Income (without one-offs)	51.9%	46.5%	49.8%	52.0%	54.4%	54.9%	56.3%	52.7%	54.1%	49.7% 51.2% ⁴
Credit Risk Cost Rate ²	0.90%	3.37%	3.68%	3.18%	1.14%	0.43%	0.23%	0.28%	1.15%	0.30%
CET1 capital ratio ³	9.1%	13.4%	14.1%	13.3%	13.5%	12.7%	16.5%	14.4%	15.4%	17.5%

¹ Excluding one-off items. ² Provision for impairment on loan and placement losses-to-average gross loans ratio. ³ Until 2006 calculated from Hungarian Accounting Standard based on consolidated figures as 'quasi CET1' divided by RWA, whereby 'quasi CET1' is calculated as Primary capital less proportional deductions. From 2007 the CET1 ratio is calculated according to Basel 3 regulation, based on IFRS financials. ⁴ Adjusted for the shifting of Hungarian local business tax and innovation contribution from costs to the corporate tax line from 2021.

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The accounting profit after tax for 2021 surpassed HUF 456 billion, up by 76% y-o-y. The adjusted yearly profit was 60% higher than in the base period; the contribution of foreign group members increased substantially

After tax profit development y-o-y (in HUF billion)



Adjustments (after tax)	2020	2021
Banking tax	-17.4	-18.9
Expected one-off negative effect of the debt repayment moratorium	-28.3	-15.0
Effect of acquisitions	-6.9	-15.5
Others	1.8	6.0 ¹
Total	-50.6	-43.5

-HUF 43 billion (after tax) in total in 2020 and 2021, of which the one-off negative effect of the Hungarian moratorium amounted to HUF 45.6 billion.

¹ Of which HUF -1.1 billion goodwill / investment impairment charges; +0.7 dividend and net cash transfer; 6.3 result of the treasury share swap agreement.

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The annual adjusted profit improvement was equally driven by double-digit revenue dynamics and lower risk costs, entailing 19% clean operating income growth

(HUF billion)	2020	2021	Y-o-Y	Y-o-Y FX-adjusted, w/o the sale of Slovakia
Consolidated adjusted after tax profit	310.3	496.9	60%	59%
Profit before tax	351.8	587.9	67%	66% 61%¹
Operating profit without one-offs	537.4	660.4	23%	23% 19%¹
Total income without one-offs	1,169.9	1,313.1	12%	13%
Net interest income without one-offs	788.1	884.0	12%	13%
Net fees and commissions	293.1	325.5	11%	12%
Other net non interest income without one-offs	88.7	103.6	17%	17%
Operating expenses ¹	-632.5	-652.7	3%	5% 8%¹
Total risk cost	-188.0	-72.5	-61%	-61%
One-off item: result of the share swap agreement ²	2.4	-		
Corporate tax ¹	-41.5	-91.0	119%	119% 74%¹

¹ The local business tax and innovation contribution paid in Hungary was booked within operating costs until end-2020. Starting from 2021 these items are booked on the corporate tax line. In 2021 the total amount was HUF 19.2 billion on consolidated level. In the grey y-o-y changes column we indicated the changes adjusted for this reclassification, too.

² Starting from 1Q 2021 the result of the treasury share swap agreement is presented amongst the adjustment items.

The main Group members posted significant y-o-y improvement in their 2021 profit with Serbia, Romania and Albania delivering the most dynamic y-o-y profit growth

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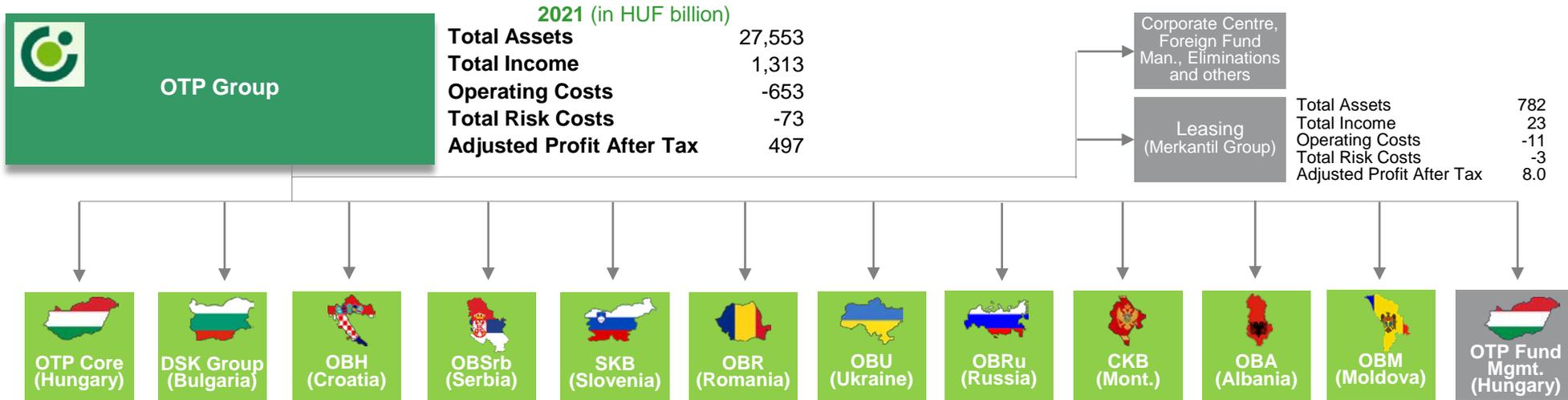
		Adjusted profit after tax (in HUF billion)		
		2020	2021	Y-o-Y
	OTP Group	310.3	496.9	60%/59% ¹
	OTP Core (Hungary)	159.3	213.4	34%
	DSK Group (Bulgaria)	41.0	76.8	87%/84% ²
	OBH (Croatia)	14.8	33.4	126%/118% ²
	OBSrb (Serbia)	7.3	32.1	340%
	SKB (Slovenia)	9.7	16.8	74%
	OBR (Romania)	1.6	4.3	173%/159% ²
	OBU (Ukraine)	26.1	39.0	49%/53% ²
	OBRu (Russia)	16.3	37.6	131%/136% ²
	CKB Group (Montenegro)	4.3	4.1	-4%
	OBA (Albania)	2.0	5.5	182%
	OBM (Moldova)	4.0	5.9	47%
	OBS (Slovakia)	-1.2		-
	Merkantil Group (Hungary)	7.7	8.0	4%
	OTP Fund Mgmt. (Hungary)	9.7	6.1	-37%
	Other Group members	7.8	13.8	78%
	Other Hungarian subs.	8.2	10.2	24%
	Corporate Centre	-0.6	2.9	
	Other foreign subs + eliminations	0.1	0.7	

¹ FX-adjusted change without the effect of the sale of OTP Bank Slovakia.

² FX-adjusted change.

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OTP Group structure enables strong revenue and income diversification



Assets (in HUF billion) 2021											
14,207	4,627	2,576	2,225	1,433	1,438	984	800	514	351	311	25
Total Income (in HUF billion) 2021											
546	178	89	83	42	47	84	118	22	14	15	10
<i>o/w Net Interest Income</i>											
369	113	61	62	28	36	62	91	17	11	10	0
<i>o/w Net Fee Income</i>											
151	55	18	14	13	4	14	26	5	2	2	10
<i>o/w Other Income</i>											
26	11	10	7	1	6	7	1	1	1	3	0
Operating Costs (in HUF billion) 2021											
-289	-72	-45	-43	-23	-38	-29	-56	-12	-6	-7	-3
Total Risk Costs (in HUF billion) 2021											
-3	-21	-2	-5	1	-3	-7	-15	-5	-1	-1	0
Adjusted Profit After Tax (in HUF billion) 2021											
213.4	76.8	33.4	32.1	16.8	4.3	39.0	37.6	4.1	5.5	5.9	6.1

The consolidated performing loans expanded 15% y-o-y. The outstanding 19% expansion of the Hungarian loan portfolio was supported mainly by the subsidized lending programmes, whereas the direct volume-boosting effect of the moratorium explained 3 pps out of the 19% growth in Hungary

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Y-o-Y performing (Stage 1 + 2) LOAN volume changes adjusted for FX-effect – 2021

	Cons.	Core ² (Hungary)	DSK (Bulgaria)	OBH (Croatia)	OBSrb (Serbia)	SKB (Slovenia)	OBR (Romania)	OBU (Ukraine)	OBRu (Russia)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)
Y-o-Y nominal change (HUF billion)	2,020	845	276	147	151	66	170	181	103	1	33	29
Total	15%	19%	11%	10%	10%	7%	21%	41%	18%	0%	18%	22%
Consumer	14%	25%	11%	3%	5%	-2%	19%	30%	12%	-6%	13%	22%
Mortgage	15%	12%	18%	25%	19%	8%	15%			4%	19%	39%
	Housing loan	Home equity										
	15%	-3%										
Corporate¹	16%	21%	6%	6%	11%	13%	27%	49%	59%	2%	19%	14%
Leasing	11%	10%	15%	6%	-3%	0%	23%	35%			7%	6%

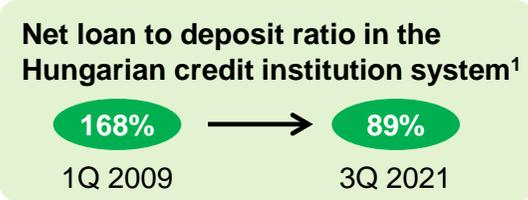
¹ Loans to MSE and corporate clients.

² Changes of leasing volumes of Merkantil Group in Leasing row.

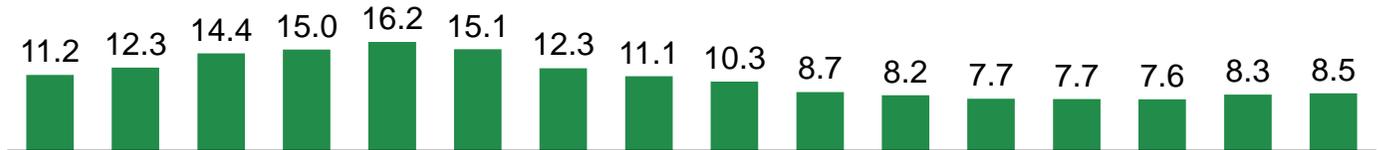
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The Hungarian loan penetration levels are still low in regional comparison implying good volume growth potential. This is also the case for Romania, as well as for the Bulgarian housing loan segment

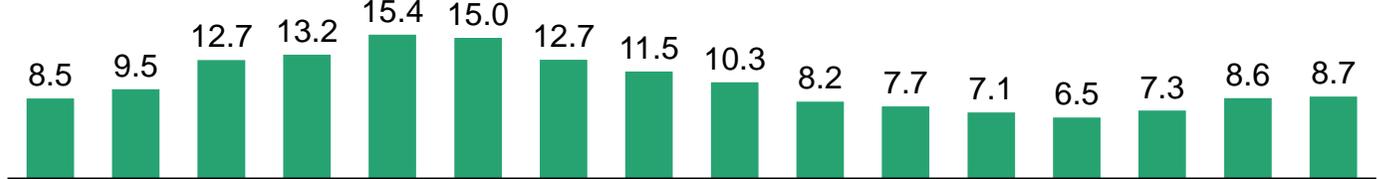
Market penetration levels in Hungary in ...



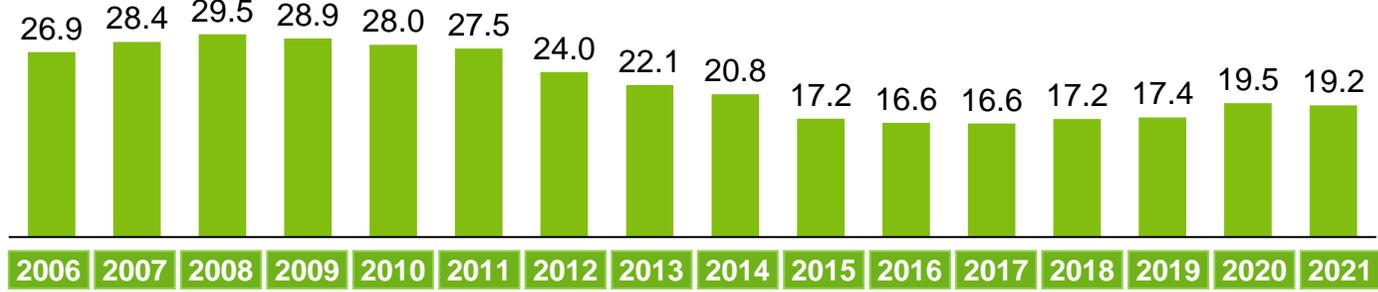
housing loans (in % of GDP)



consumer loans (incl. home equities) (in % of GDP)



corporate loans (in % of GDP)



4Q 2021 data for other CEE/CIS countries (in % of GDP)

39.3	Slovakia	10.7	Bulgaria
30.1	Montenegro	9.0	Russia
27.7	Czechia	8.6	Romania
22.3	Serbia	8.1	Albania
20.5	Poland	4.8	Moldova
15.7	Croatia	0.6	Ukraine
14.4	Slovenia		
17.0	Croatia	6.8	Czechia
13.7	Serbia	5.4	Romania
11.4	Poland	5.0	Slovenia
11.4	Bulgaria	4.8	Ukraine
10.2	Russia	4.4	Moldova
7.6	Slovakia	4.3	Albania
39.7	Russia	20.2	Czechia
28.6	Bulgaria	18.5	Slovenia
26.5	Montenegro	15.9	Ukraine
25.4	Serbia	13.9	Poland
23.2	Albania	13.7	Moldova
22.3	Slovakia	12.7	Romania
20.6	Croatia		

¹ Latest available data. According to the supervisory balance sheet data provision.



Consolidated deposits grew by 16% (FX-adjusted) in 2021, within that Hungarian deposits surged by 25%

Y-o-Y DEPOSIT volume changes adjusted for FX-effect – 2021

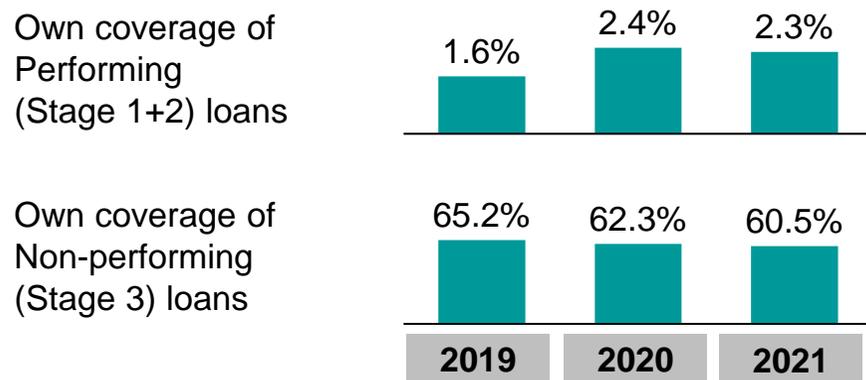
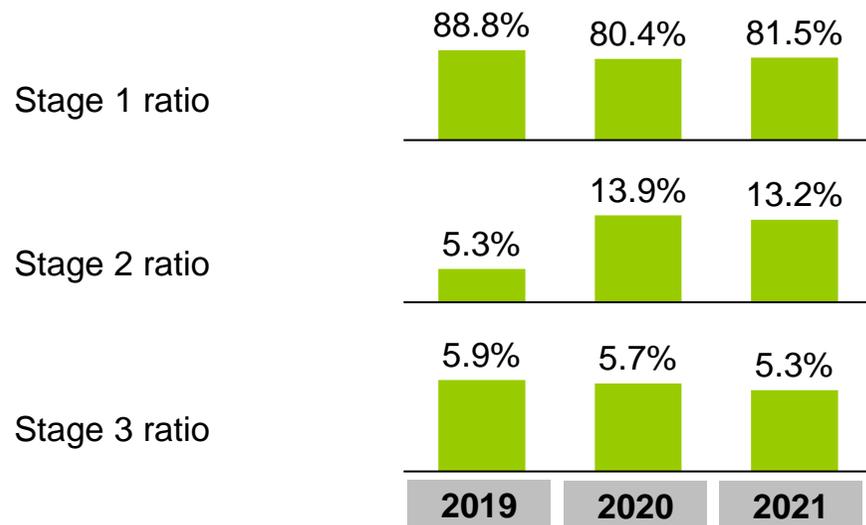
	Cons.	Core (Hungary)	DSK (Bulgaria)	OBH (Croatia)	OBSrb (Serbia)	SKB (Slovenia)	OBR (Romania)	OBU (Ukraine)	OBRu (Russia)	CKB (Monten.)	OBA (Albania)	OBM (Moldova)
Y-o-Y nominal change (HUF billion)	2,916	2,003	142	235	76	63	118	125	28	58	31	34
Total	16%	25%	4%	14%	7%	6%	17%	23%	7%	17%	14%	16%
Retail	10%	15%	7%	12%	12%	2%	16%	11%	-8%	8%	11%	16%
Corporate¹	24%	36%	-5%	18%	2%	12%	17%	30%	40%	29%	24%	17%
Deposits – Net loans gap (HUF billion)	5,317	4,815	1,056	198	-432	245	-150	57	-210	44	41	86

¹ Including MSE, MLE and municipality deposits.

In 2021 the portfolio quality remained stable. The provision coverage levels at OTP screen favourably compared to its regional peers

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Changes in different Stage categories



OTP Group's conservative provisioning policy is demonstrated through a peer group comparison

Own coverage of Stage (1+2) loans compared to regional peers

	otpbank Group	otpbank Group w/o Russia	ERSTE	Raiffeisen BANK	KBC	UniCredit	INTESA SANPAOLO
2019	1.6%	1.2%	0.5%	0.5%	0.2%	0.4%	0.5%
2020	2.4%	2.1%	0.9%	0.7%	0.6%	0.9%	0.6%
2021	2.3%	2.1%	0.9%	0.7%	0.3%	0.9% ¹	0.5%

Own coverage of Stage 3 loans compared to regional peers

	otpbank Group	ERSTE	Raiffeisen BANK	KBC	UniCredit	INTESA SANPAOLO
2019	65.2%	56.6%	62.8%	45.4%	65.1%	54.6%
2020	62.3%	54.2%	64.0%	47.7%	59.8%	49.4%
2021	60.5%	51.9%	63.4%	52.9%	57.1% ¹	53.6%

Source: Company reports.

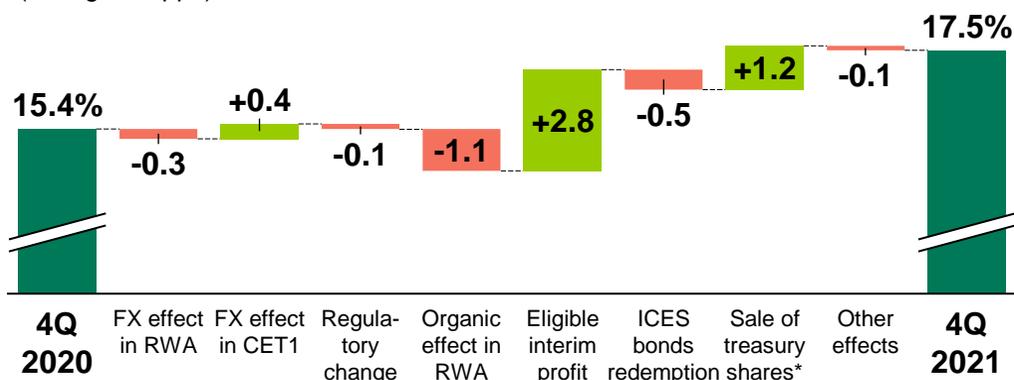
¹ Figures reflect data as at 30 September.

Strong capital position, all capital ratios are well above the regulatory requirements. The effect of the ICES redemption was reflected in the 3Q 2021 numbers and the related sale of treasury shares to the Special Employee Partial Ownership Plan Organizations was executed in December

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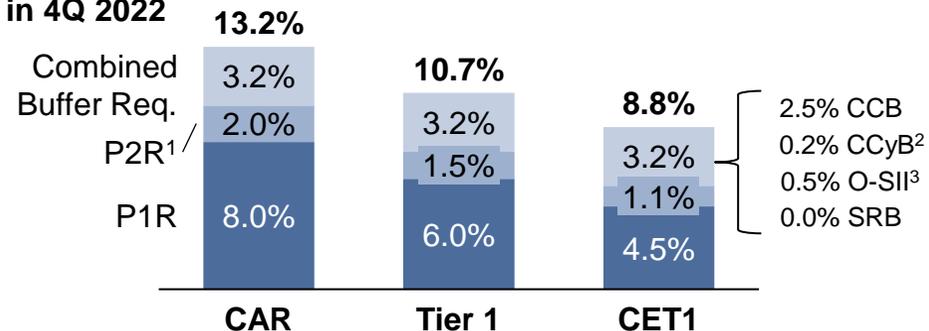
Decomposition of the change in CET1 ratio in 2021

(changes in pps)



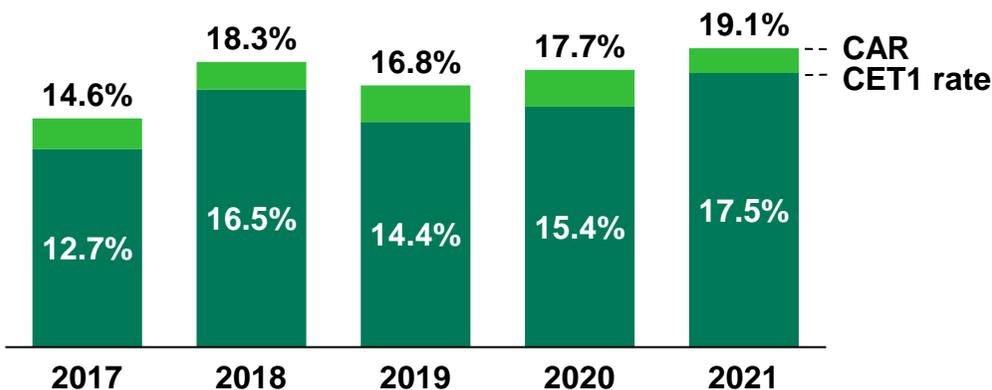
* On 15 December 2021, OTP Bank sold in total 12,315,635 treasury shares to two Special Employee Partial Ownership Plan Organizations at a price of HUF 16,047 per share. The positive capital impact of the sale of treasury shares was HUF 198 billion.

Regulatory minima of capital adequacy ratios for OTP Group in 4Q 2022



- The (P1R + P2R) / P1R ratio (SREP rate) for OTP Group changed to 125% starting from 1 March 2022.
- In 4Q 2022 the CCyB level will increase to 1% in Bulgaria and 0.5% in Romania, therefore the weighted CCyB requirement on a consolidated basis is expected to be 0.19% in 4Q 2022.
- NBH set the O-SII buffer requirement at 0.5% starting from 2022 and the requirement is expected to further increase to 1% from 2023 and to 2% from 2024.

CAR and CET1 rate actual values¹



Consolidated MREL requirements

- The consolidated MREL requirement has to be met by 1 January 2024, following a 2-year transitional period. Required level is 17.66% of the Group's total risk exposure amount (TREA or RWA) and 5.89% of the Group's total exposure measure (TEM).
- Mandatory intermediate target level that had to be met by 1 January 2022 was 14.45% of the Group's TREA or RWA and 5.89% of the Group's TEM.
- The MREL requirement is to be reviewed at least once a year.
- The minimum level of subordination applicable from 16 December 2024 is set at 13.5% of TREA or RWA, 5% of TEM and 8% of TLOF.
- OTP Group has to meet the combined buffer requirement in addition to the MREL TREA requirement / MREL TREA subordination requirement.

¹ Indicators calculated for the scope of accounting (IFRS) consolidation. In the absence of additional core capital (AT1), the Tier 1 rate is the same as the CET1 rate.

Abbreviations: P1R: Pillar 1 requirement; P2R: Pillar 2 req.; CCB: Capital conservation buffer; CCyB: Countercyclical buffer; O-SII: Other Systemically Important Institutions buffer; SRB: Systemic Risk buffer.

Robust liquidity position with more than EUR 9 billion equivalent liquidity reserves; 75% net loan to deposit ratio; 180% LCR, 135% NSFR and light maturity profile with marginal refinancing needs

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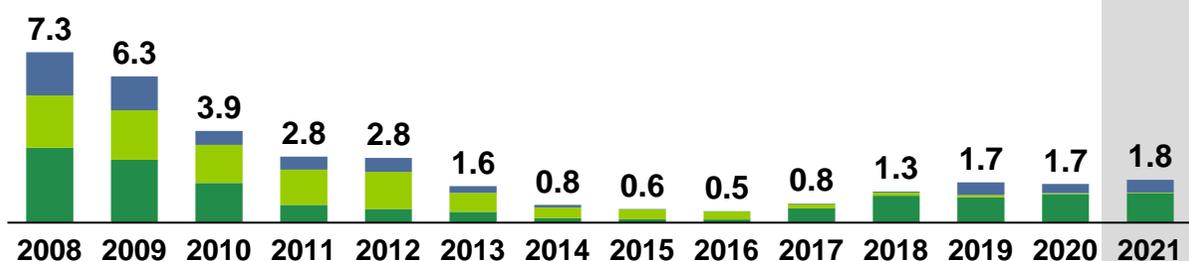
Consolidated¹ outstanding amount of wholesale debt (in EUR billion)

25% ← Share of total wholesale debt in Total Assets → 4%

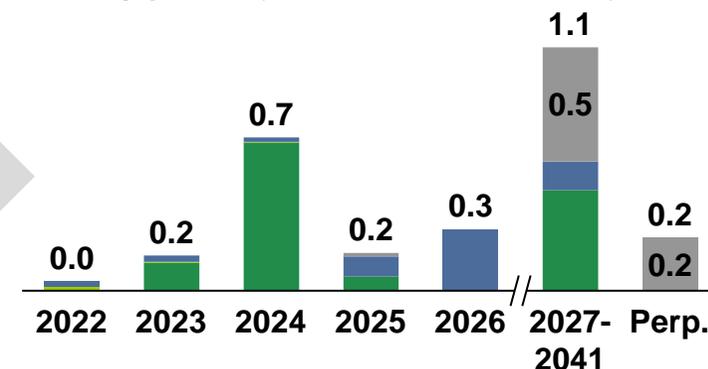
Subordinated debt



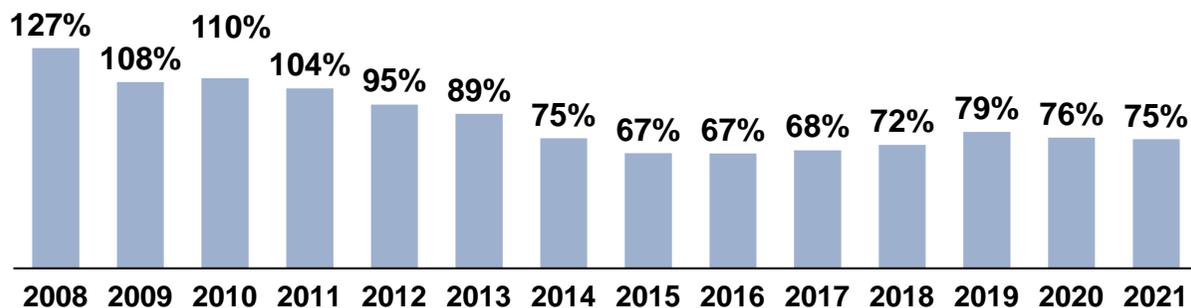
Senior and covered debt



Maturity profile (end-2021, in EUR billion)



Consolidated Net loans/(Deposits + Retail bonds) ratio



Key liquidity ratios and liquid reserves

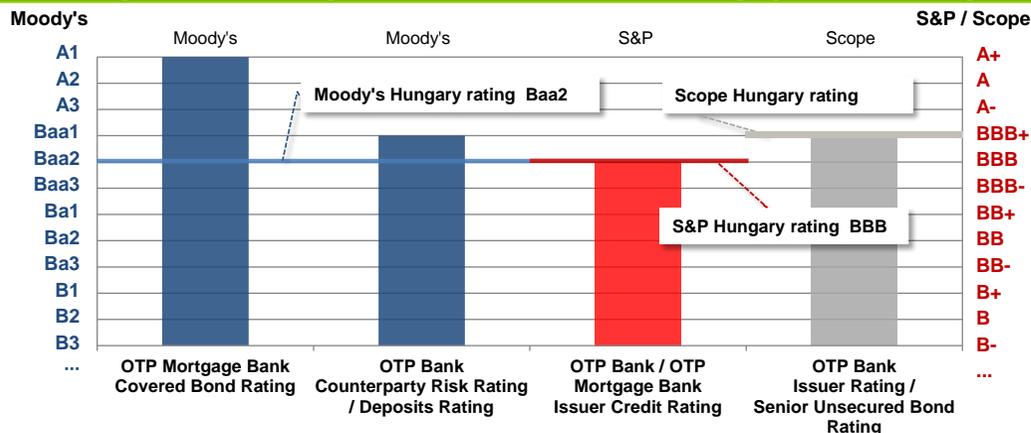
	2020	2021	Thres- hold
Net loan/deposit ratio	76%	75%	-
Liquidity coverage ratio (LCR)	214%	180%	≥ 100%
Net stable funding ratio (NSFR)	139%	135%	≥ 100%
Operational liquidity reserves in Hungary (in EUR billion equivalent)	8.9	9.1	-

¹ Outstanding amount of bonds are decreased by the amounts purchased by Group members. Senior bonds include retail targeted bonds, too

While OTP Bank ratings closely correlate with the sovereign ceilings, subsidiaries' ratings enjoy the positive impact of parental support

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Hungarian sovereign, OTP Bank and OTP Mortgage Bank ratings



Composition of main ratings by Moody's and S&P

Moody's		S&P	
Macro Factors		Macro Factors	
Weighted Macro Profile	Moderate-	Anchor	bbb-
Financial Profile		Bank-Specific Factors	
Combined Solvency Score	ba1	Business position	+1
Combined Liquidity Score	baa3	Capital and earnings	0
Financial Profile	ba1	Risk position	-1
		Funding and liquidity	+1
Qualitative Adjustments & Support		Stand-Alone Credit Profile	
Total qualitative adjustment & Support	0	bbb	
Adjusted BCA	ba1	External Support	
Loss Given Failure (LGF) Analysis		Total support	
Counterparty Risk / Deposits	+3	0	
Dated subordinated debt	0	Additional Factors	
Counterparty Risk Rating / Deposit Rating	Baa1	Additional factors	
Dated Subordinated Bank Debt Rating	Ba1	0	
		Issuer Credit Rating	
		BBB	

Long-term credit ratings of OTP Group member banks

	Moody's	S&P	Fitch	Scope	
OTP Bank	-	BBB	-	BBB+	
Counterparty Rating ¹	Baa1	BBB	-	-	
Deposits	Baa1	-	-	-	
Senior Unsecured Bonds	-	-	-	BBB+	
Non-preferred Senior Unsecured Bonds	-	-	-	BBB	
Subordinated Tier 2 Bonds	Ba1	-	-	BB+	EUR 500mn 15/07/2019
OTP Mortgage Bank	Baa2	BBB	-	-	
Counterparty Risk Rating	Baa1	-	-	-	
Covered Bonds	A1	-	-	-	HUF 95bn 29/09/2021
OTP Bank Russia	-	-	CC	-	

¹ Long-term Counterparty Risk Rating for Moody's and long-term Resolution Counterparty Rating for S&P Global

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ORGANIZATION

The whole organization of the Bank and its Subsidiaries are involved in the ESG transformation, that is steered by the ESG Committee, managed by the Green Program Director as Leader of ESG business transformation.

Board of Directors

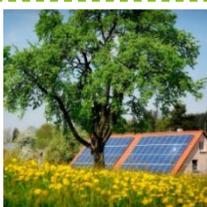
ESG Committee
New Standing Executive Committee
Task: Decision making body of the OTP in ESG strategy related issues
Chair: Delegate of Board of Directors
Members: deputy CEO-s

ESG Subcommittee
Operating Committee of ESG Committee
Task: operating body supporting the work of ESG Committee
Chair: Green Program Director responsible for ESG business transformation of the OTP Group

- ESG risk management
- ESG business transformation
- ESG control function

STRATEGY

OTP Bank has successfully started implementing its ESG strategy, the main results are as follows:



Green mortgage bond issuance:
 OTP Mortgage Bank was the first to issue a green mortgage bond on the domestic market in August 2021.
 Current amount of mortgage bonds issued: **HUF 95 billion**



Retail Green Housing Program:
 The OTP Bank was amongst the first banks joining the program in October 2021.
 Contracted amount of Green Housing loans: **HUF 21 billion**
 Validated¹ Green Housing loans: **HUF 4 billion**



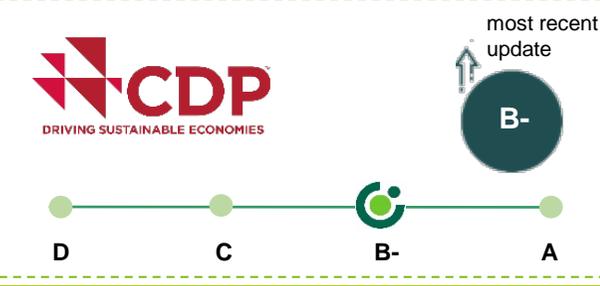
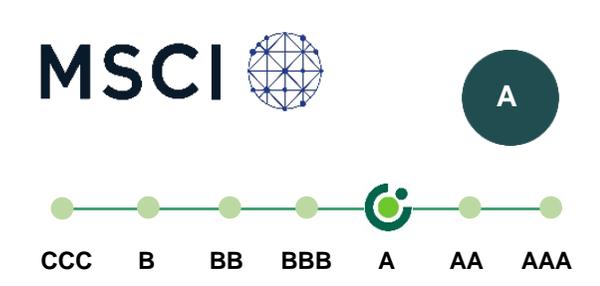
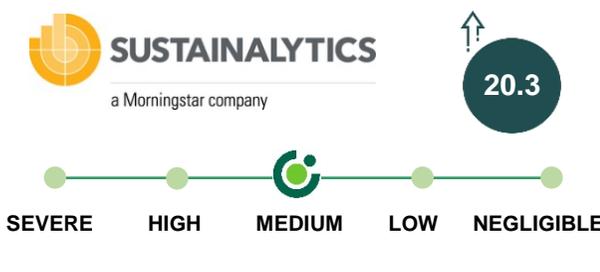
Corporate green lending launch:
 In 2021 OTP Bank has started green lending in selected sectors (renewable energy, electromobility, agriculture and commercial real estate).
 Validated¹ corporate green loans and green bonds: **HUF 67.5 billion**



OTP Bank as the first Hungarian Bank has become an official **Signatory of the UN Principles for Responsible Banking.**

RATINGS

OTP Bank's sustainability performance to date has been recognized with improving ratings by several major ESG rating agencies and initiatives:



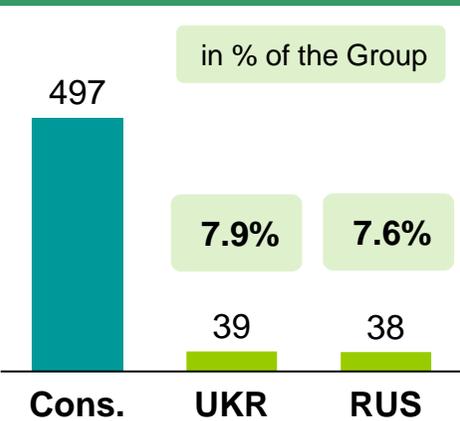
¹ Taken into account in the Green Capital Relief Program of the National Bank of Hungary.

Currently it is difficult to estimate the ramifications of the military conflict between Russia and Ukraine for the Group, in particular for the operation and performance of the Ukrainian and Russian subsidiaries. The share of the Ukrainian and Russian net loans is less than 8% within the Group

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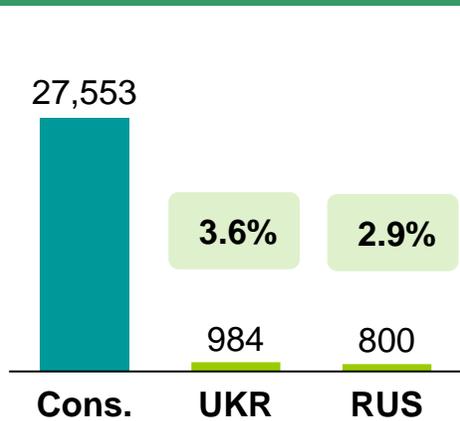
Adjusted profit

(2021, in HUF billion)



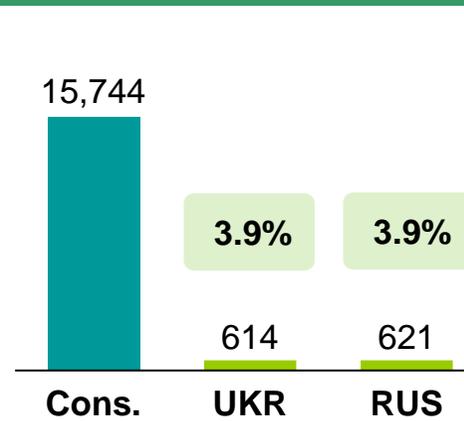
Total assets

(4Q 2021, in HUF billion)



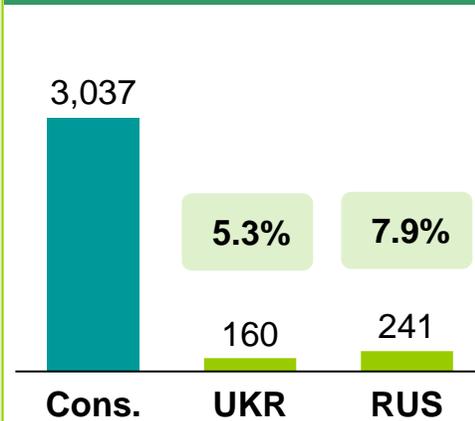
Net loans

(4Q 2021, in HUF billion)



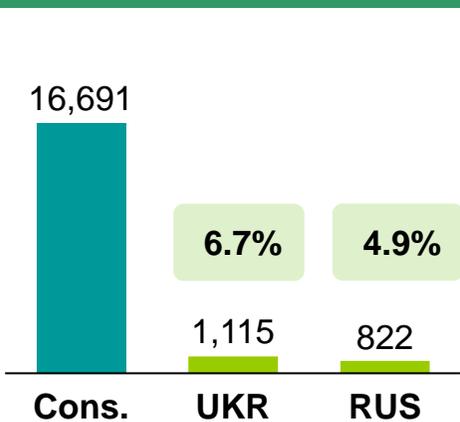
Shareholders' equity

(4Q 2021, in HUF billion)



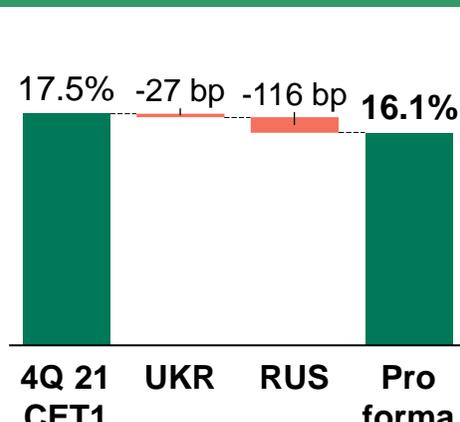
Risk weighted assets

(4Q 2021, in HUF billion)



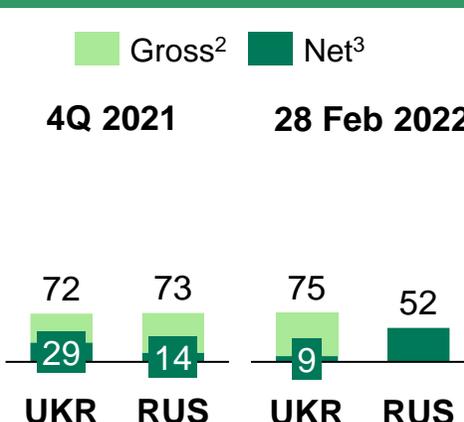
Consolidated capital effect¹

(on CET1, based on 4Q 2021 data)



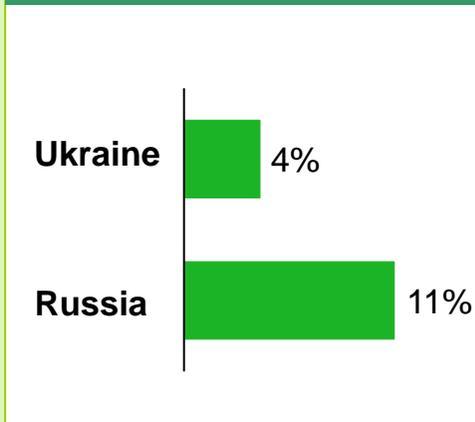
Intragroup funding

(4Q 2021, in HUF billion)



Retail depo. volume changes

(between 23 February and 3 March)



¹ Estimated CET1 impact of the Russian and Ukrainian operations, based on 4Q 2021 data, taking into consideration the equity and intragroup funding, as well as the risk weighted assets.

² HUF equivalent of the intragroup funding provided by the Group to the given country.

³ Gross funding less deposit placements by the entities in the given country to other Group members.

Footnotes and Glossary

Slide 5

Profit after tax and Total assets calculated with 351.17 / 358.52 (2020 / 2021) HUF/EUR average exchange rate and 365.13 / 369.00 (2020 / 2021) HUF/EUR closing exchange rate

Loan growth: FX-adjusted performing (Stage 1 + Stage 2) loan growth year-on-year in 2020 and 2021

CET1 ratio: Common Equity Tier1 ratio under accounting scope of consolidation, including the unaudited interim profit and deducting the indicated dividend amount

CAR: Capital Adequacy Ratio under IFRS including the unaudited interim profit and deducting the indicated dividend amount

Net LTD: consolidated net loans / (customer deposits + retail bonds) ratio

Glossary

Adjustments or Adjusted or (adj.)	In order to present Group level trends in a comprehensive way, where indicated, the presented profit and loss statement lines or metrics calculated therefrom are adjusted by OTP Bank.
CEE/CIS	Central and Eastern Europe / Commonwealth of Independent States
CET1	Common Equity Tier 1
CET1 ratio	Common Equity Tier 1 / risk weighted assets
EBA	European Banking Authority
ECB	European Central Bank
ESG	Environmental, Social, Governance
FX	Foreign currency
ICES	Income Certificates Exchangeable for Shares
Leverage ratio	The leverage ratio is calculated pursuant to Article 429 of CRR
Liquidity Coverage Ratio (LCR)	(Stock of High Quality Liquid Assets) / (Total net cash outflows over the next 30 calendar days)
M&A	Merger and acquisition
MLE	Medium and large sized enterprises
MREL	Minimum requirement for own funds and eligible liabilities
MSE	Micro and small sized enterprises
NII	Net interest income
Net interest margin (NIM)	Net interest income / average total assets
NSFR	Net Stable Funding Ratio
Performing loans	Stage 1 + Stage 2 loans
POS	Point of sale loans
Return on Equity (ROE)	Net profit / average equity
Risk cost rate	Provision for impairment on loan and placement losses / Average gross customer loans
Stage 3 ratio	Stage 3 loans / gross customer loans
TLOF	Total liabilities and own funds
Total revenue margin	Total revenues / average total assets



Investor Relations & Debt Capital Markets

Tel: + 36 1 473 5460; + 36 1 473 5457

Fax: + 36 1 473 5951

E-mail: investor.relations@otpbank.hu

www.otpbank.hu