

Annex 11

Extract form the Anti-Money Laundering and Counter-Terrorist Financing Policy (Policy on compliance with provisions against money laundering and terrorist financing)

Introduction

OTP banka Srbija a.d. Novi Sad (hereinafter: “Bank”), as a member of the **OTP Group** with OTP bank Plc. as the **Parent Bank** (the bank directly or indirectly controlling domestic and foreign financial and non-financial institutions operating under the direct or indirect management and supervision of OTP Bank Plc) and Bank acting as the lead of domestic Banking Group are committed to comply with the provisions on the prevention of domestic and international money laundering and terrorist financing (hereinafter: “AML/CFT”) and take into account the recommendations and guidelines issued in this regard.

In order to comply with AML/CFT requirements, the Bank and OTP Group develops internal policies and establishes effective processes, procedures and controls built into processes.

The Bank and OTP Group applies a risk-based approach to its AML/CFT activities, handling higher money laundering or terrorist financing (ML/TF) risks with priority.

Group policy and procedures

OTP Group defines the requirements, procedures and workflows to be applied at OTP Group level in relation to AML/CFT activities. The Bank operates a control mechanism for the members of the OTP Group to monitor the effective implementation of Group-wide expectations.

Internal risk assessment

In order to identify, analyse, assess and manage ML/TF risks, the OTP Group prepares a Group-level risk assessment, the results of which are regularly reviewed. The Parent Bank and the Bank define and implement risk management measures to address the residual risks identified in the Group-wide risk assessment.

Client due diligence

Bank and OTP Group classifies its clients into risk categories and applies varying levels of client due diligence measures depending on the risk level. Client due diligence involves identifying, verifying and recording the details of clients, their associated persons and beneficial owners. The Bank and OTP Group also take measures to keep client information up to date. The Bank and OTP Group monitor the business relationship with its clients on an ongoing basis and performs dynamic client due diligence in the event of changes in the client's risk rating.

The Bank and OTP Group shall, at its sole discretion, refuse to enter into a business relationship or to execute any transaction if money laundering or terrorist financing is suspected, in particular if the client does not know or does not provide satisfactory information about the background of the suspected transaction.

The Bank and OTP Group applies the “Know your customer” (KYC) principle in the customer due diligence process to develop a client profile.

Transaction screening

The Bank and OTP Group uses an automated screening system to screen out transactions that do not fit the client profile and are suspected of money laundering or terrorist financing. It pays particular attention to all complex, unusual transactions and financial operations without economic or legal purpose.

The Bank and OTP Group complies with its legal reporting obligations.

Training

The Bank and OTP Group conduct regular (at least annual) mandatory training to raise awareness of AML/CFT among its employees. It reviews educational materials regularly.

Cooperation with authorities

The Bank and OTP Group cooperate fully with national supervisory and investigative authorities and local financial intelligence units, providing the requested information in a timely manner. It fulfils its reporting and data provision obligations in accordance with the relevant requirements.