

## **IV. Compliance Policy**

### **Annex No. 1**

#### **EXCERPT**

From the Compliance Policy of PortfoLion Venture Capital Fund Management Ltd.

## **V. INTRODUCTORY PROVISIONS**

The OTP Bank Group (hereinafter: the Bank Group), in accordance with legal requirements, the guidelines of international and European financial supervisory authorities, and the Recommendation No. 12/2022. (VIII.11.) of the Hungarian National Bank on the establishment of internal lines of defense (hereinafter: MNB Recommendation), ensures the Bank Group's compliance with legal and internal regulatory requirements, as well as the identification and management of compliance risks.

Compliance risk is the risk of legal consequences, supervisory or other regulatory sanctions, significant financial loss, or reputational damage that may arise from the failure to comply with laws applicable to the financial organization, other non-legislative requirements, or internal regulations related to its service activities.

Annexes to the Compliance Policy include the Data Protection Policy, the Social Media Policy, the Anti-Corruption Policy, the Sanctions Policy, and the Policy on Financing Services Related to the Defense Industry, which are published on the website.

## **VI. GENERAL PROVISIONS**

### **VII. II.1. Scope of Regulation**

The compliance function applies to the entire PortfoLion Venture Capital Fund Management Ltd. (hereinafter: the Company or PortfoLion), all its organizational units, and activities. This also applies to outsourced activities and to natural or legal persons performing expert or advisory assignments, who must comply with compliance requirements and provisions.

### **VIII. II.2. The Role of the Compliance Function in the Internal Lines of Defense System**

The MNB Recommendation—in line with the guidelines of European financial supervisory authorities and the recommendations of international financial regulatory bodies—defines the main principles and requirements for establishing and operating internal defense and security lines that promote:

- the organization's prudent operation in compliance with laws and internal regulations;
- the protection of the financial service provider's assets, owners, clients, and related social objectives;
- uninterrupted and efficient business operations, maintaining client and public trust.

The internal lines of defense consist of responsible internal governance and controls built into business processes (first line of defense), supplemented by the internal control functions belonging to the second and third lines of defense.

According to the MNB Recommendation, internal control functions include the risk control function, the compliance function, and the internal audit function.

#### **IX. II.3. Basic Principles of Operating the Compliance Function**

The aim of the compliance function is to establish a lawful and ethical corporate culture that ensures the Company's long-term prudent and ethical operation.

In operating the compliance function, PortfoLion follows these principles:

- independence;
- integrity;
- operation free from influence;
- objectivity;
- preventive, proactive approach;
- risk-based approach (requirement for risk-based compliance assurance);
- application of the principle of proportionality;
- high professional diligence and competence;
- individual and group-wide coverage;
- efficiency and rationalization of compliance costs.

### **X. DETAILED PROVISIONS**

#### **XI. III.1. Key Compliance Areas**

##### **XII. III.1.1. Personal Data Management and Protection – GDPR**

The Company is committed to ensuring an appropriate level of protection for personal data in its care, in line with the General Data Protection Regulation and applicable national laws. The Bank has developed, operates, and applies a regulatory, implementation, and control system that ensures the protection of personal data in accordance with legal requirements and its fundamental business interests.

##### **XIII. III.1.2. Integrity**

The Company develops and enforces conflict of interest and ethical rules, requiring all managers and oversight bodies to act decisively against violations.

It is a fundamental business interest and legal obligation of PortfoLion to ensure that the personal interests of its board members and employees do not conflict with the business interests and commitments of the Company and its clients. PortfoLion identifies, prevents, and manages conflicts of interest related to its business activities, and regulates and ensures the examination of suppliers' compliance (supplier pre-qualification).

To protect its values and clients, the Company sets expectations for ethical business conduct. It develops ethical norms and internal professional standards suited to the group's characteristics and its role in the financial intermediation system, aimed at reducing risks. These are summarized and published in the Code of Ethics and the Partner Code of Ethics.

The Company is committed to combating corruption and maintains zero tolerance for bribery and any form of unlawful advantage. The group-level Anti-Corruption Policy defines the principles of anti-



corruption activities, identifies high-risk areas, and serves as a base document for creating necessary regulatory documents and guiding employees in anti-corruption efforts.

The Company operates a reporting system for violations of ethical norms and legal provisions related to compliance rules.

#### **XIV. III.1.3. Fair Treatment of Clients and Consumer Protection**

PortfoLion is committed to enforcing consumer interests. It applies uniform consumer protection principles and takes into account changing consumer habits and interests.

#### **XV. III.1.4. Company and Employee Transactions**

Personal Transactions: The Company is committed to protecting the interests of capital market participants, investors, and clients; maintaining fair competition; preventing market abuse; and avoiding conflicts of interest. To this end, it regulates the execution, reporting, and record-keeping of transactions by relevant persons related to investment services and ancillary services.

It aims to establish an internal regulatory environment that prevents persons involved in potentially conflicting activities from using inside information or confidential information obtained through client relationships to conduct prohibited transactions or those resulting in conflicts of interest.

#### **XVI. III.1.5. Corporate Governance**

In line with sustainability (ESG) requirements, the Company assesses and evaluates its activities from the perspective of environmental impacts (E), social justice (S), and related governance (G) issues, ensuring compliance with applicable laws.

In product development and service accessibility, the Company applies ethical and consumer protection principles to provide clients with modern, high-quality, and fair services.

#### **XVII. III.1.6. Compliance with International Sanction Requirements, Mitigating Risks of Sensitive Transactions, and Protecting the Reputation of the Bank Group**

When establishing and maintaining relationships and making business decisions, the Company considers embargoes, sanctions, and other restrictive measures of international organizations and certain states—especially those of the UN Security Council, the US Government, the UK authorities, and the EU. PortfoLion publishes its group-level Sanctions Policy and its group-level Policy on Financing Services Related to the Defense Industry on its website.

To preserve market position, reputation, support international cooperation, and comply with laws, the Company ensures that regulations and daily business practices meet sanction-related obligations and protect the Bank Group's reputation. Unified rules apply across the Bank Group.

The Company avoids sensitive transactions or relationships that could negatively affect the Bank Group's reputation or business relations. It monitors, among others, activities related to defense-related products, nuclear energy, space industry, dual-use products and technologies, coal, crude oil, natural gas exploration and production, wholesale trade of these resources, oil product manufacturing and wholesale trade, cryptocurrencies, and maritime shipping.



**XVIII. III.2. General Principles and Requirements****XIX. III.2.1. Responsibility for Compliance**

The members of the Company's governing bodies and all employees bear general responsibility for applying compliance requirements and rules as defined in applicable laws, internal provisions, and regulations. All employees must enforce compliance expectations, report circumstances that may endanger them, and participate in their resolution.

**XX. III.2.2. Conditions for Engaging External Advisors and Experts**

To meet the standards set out in this Policy, all persons or organizations performing outsourced activities, or providing external expert or advisory services to the Company, must declare that they have read and accept this Policy as binding.

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