

“APPROVED”

by “ARMBUSINESSBANK” CJSC

Board decision

N\_\_\_\_\_ dated “\_\_\_” \_\_\_\_\_ 20\_\_

Chairman of the Board

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“ARMBUSINESSBANK” CJSC  
Human Resource Management Policy

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## 1. GENERAL PROVISIONS

- 1.1 “Human Resource Management Policy” of “ARMBUSINESSBANK” CJSC was approved by the Board of the Bank based on the need to form and continuously improve efficient personnel management system aimed at implementing the Bank’s corporate goals and strategy.
- 1.2 The Policy is aimed at defining the principles of formation, management and improvement of the Bank's human resources, as well as the obligations and liability of the Bank's managers related to the application of the Policy.
- 1.3 The Policy was developed based on the principles of the Quality Management Manual and the Bank's Prospective Development Program, and within the framework of RA legislation.
- 1.4 The Policy is drawn up in accordance with the requirements of ISO 9001: 2008 Quality Management System.

## 2. TERMINOLOGY

### 2.1 Terms and definitions:

- The Bank - “ARMBUSINESSBANK” CJSC
- Policy - “ARMBUSINESSBANK” CJSC “Human Resource Management Policy”
- The Board (of the Bank) – Collegial authority of general management formed by the shareholders pursuant to the Bank Charter
- The Executive Board (of the Bank) – Collegial executive body of the Bank provided by the Bank Charter
- Chairman of the Board (of the Bank) – Sole executive body provided by the Bank Charter
- Human resource or employee - an individual who has concluded an employment contract with the Bank
- Description of the job (passport of the position) - Description of the workplace and the general requirements for it – Description of the job and general requirements thereto
- Bank Subdivision or Unit – a minimal structural unit with clearly defined powers, authorities, obligations and responsibilities. The subdivision may function either as an independent entity (subdivision) or be incorporated into other structural or regional subdivision
- Independent Structural Subdivision of the Bank – a subdivision which is not incorporated into other structural or territorial subdivision of the Bank
- Territorial Subdivision of the Bank – a branch or representative office of the Bank

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- *Affiliated (related) parties* – For the purposes of this Policy, affiliates are the following entities: parent, sister, brother, spouse, child, parent of spouse, sister and brother of spouse, their spouse and child
- *Changes in the environment* - (1) changed operating environment, (2) new personnel, (3) new or modified information systems, (4) new technology, (5) new services and activities, (6) reorganization of the Bank, participation in subsidiaries and / or affiliates; (7) expansion of international operations (including changes in the economic and banking regulatory environment)
- *Internal Legal Act of the Bank* – a document approved by the Board or the executive bodies of the Bank binding upon and enforceable within the Bank.

## 2.2 Abbreviations:

- *RA* – Republic of Armenia.

## 3. SUBJECT MATTER OF THE POLICY

3.1 The Policy is the main internal legal act on the formation and management of the Bank personnel. The human resources management policy is a complex system of principles and approaches covering the entire Bank, and is aimed at determining the process of targeted allocation of human resources, ensuring the manageability and reliability of the implementation of the Bank's strategy, and criteria for evaluating their activities.

3.2 The main objectives of the Policy:

- 1) Determine the basis for the formation and change of staffing of the Bank, as well as the principles of staff justification and allocation
- 2) Determine the basis for the development of job passports (job descriptions) of the Bank, including the basis for determining the professional knowledge and skills required for each staff unit.
- 3) Determine the basis for the replenishment of the Bank staff and the basis for assessment, remuneration, reward and punishment, relocation and career, retraining and training of employees occupying these positions
- 4) reduce the likelihood of a potential negative impact of the “Human element”, create a healthy working environment in the Bank and facilitate the management of operational risks
- 5) Promote the growth of the Bank's competitiveness.

3.3 The Policy proceeds from the following basic principles:

- 1) The presence of a clearly defined will and professional approach by the Bank management is considered as a prerequisite for the implementation of an effective human resource management system and its continuous improvement.
- 2) Human resource management of the Bank must fully comply with the requirements of “he Policy for the formation of the organizational structure” of the Bank.
- 3) In order to ensure Policy efficiency it is necessary to carry out constant and target (regular) monitoring of its use, ensure the management of identified inconsistencies,

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and the identified shortcomings and omissions should be promptly corrected, as well as preventive measures should be provided.

- 4) The Policy should maximally contribute to the growth of professional qualifications of the Bank's personnel.
- 5) The Policy should ensure maximum applicability of the professional abilities and skills of each employee, guided by the slogan "Every employee should be in his/her place".
- 6) The functions of each workplace should be measurable and appraisable guided by the principle "What they get paid for".
- 7) The Policy should maximally combine the interests of the Bank and its employees and minimize the outflow of the staff.
- 8) The Policy should facilitate the identification and management of potential operational risks
- 9) The Policy should exclude the presence of related persons in any chain of banking transactions. The employment of affiliated persons in a structural or territorial subdivision of the Bank is prohibited.

#### 4. SCOPE OF APPLICATION THE POLICY

4.1 The Policy is applied during the recruitment of the Bank staff and personnel management. The Policy does not apply to the Chairman of the Board and the Executive Board of the Bank, as well as to persons working under Service Agreement.

4.1.1 The Policy covers the following areas of human resource management:

- 1) Formation and change of positions
- 2) Justification for staffing
- 3) Creation of job passports /job description/
- 4) Replenishment of positions /recruitment and dismissal from work/
- 5) Definition of working hours
- 6) Employee secondment
- 7) Temporary relocation of employees
- 8) Training and retraining of employees
- 9) Staff certification
- 10) Assessment of employee performance
- 11) Employee promotion (career opportunities)
- 12) Payment of employees
- 13) Granting leave to employees
- 14) Sanctions against employees
- 15) Rules of work ethics and discipline
- 16) Personal file of the employee

4.2 Each area of the Policy has its own clearly defined goal and ways to achieve it.

4.2.1 Formation and change of staffing

The staffing of the Bank is formed based on the tasks and functions of the Bank. The staffing table consists of individual positions assigned to a specific division. The names of positions

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are based on the functions assigned to such position. The staffing is based on the Bank's "Policy of Organizational Structure Formation". The staffing table is approved by the Board of the Bank upon presentation of the Executive Board.

The staffing may change as a result of changes in the business environment or the internal structure of the Bank. The initiative for the formation (opening) of a new position can be made by the Chairman of the Executive Board, the members of the Executive Board and the managers of independent structural and territorial subdivisions.

4.2.2 The presence of each position of the Bank must be justified and substantiated. The presence of a position is justified by its functions, and in the absence of such a position, it is substantiated by: (1) the impossibility to perform these functions and/or (2) an unacceptable level of risk.

A position is considered justified if the functions assigned to it are necessary for the implementation of the Bank's objectives and/or in case their absence will disrupt the normal activity of the Bank.

The position is considered justified if the functions assigned to it cannot be redistributed among the existing positions and/or such a redistribution may lead to an unacceptable level of financial and operational risks for the Bank. The substantiation of the position is based on the qualitative and quantitative criteria for assessing the activities of the subdivision and the criteria for the workload of employees.

4.2.3 Creation of job passport /job description/

The Board of the Bank approves job description for each position which is attached to the employment contract for this position. The job description has the following structure.

*Title* - Job description of \_\_\_\_\_ of Armbusinessbank CJSC

*I. Job title*

The title of the position is indicated, which must contain the full name of the subdivision to which the position is attached.

*II. Supervisor*

The name of the immediate supervisor of this position is indicated.

*III. Inferior*

The name of the positions directly subordinated to the given workplace is indicated. In the absence of such a position it is indicated: *N/A*

*IV. Qualification*

Requirements for the qualifications of the position (education, work experience, availability of a qualification certificate, knowledge of languages, etc.) are indicated.

#### V. Competence

The scope of the competencies required for the given position is indicated.

|   |                 |                 |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b><i>Administrative competencies</i></b>                       | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>X</u></b> |
| CM1 – Knowledge of the Bank's strategy                          | 0               | 1               | 2               | 3               | 4               | 5               |
| CM2 – Leadership skills   | x               | x               | x               | x               | x               | x               |
| • Ability to build teams  | 0               | 1               | 2               | 3               | 4               | 5               |
| • Management of conflicts and changes                           | 0               | 1               | 2               | 3               | 4               | 5               |
| • Ability to distribute work                                    | 0               | 1               | 2               | 3               | 4               | 5               |
| • Ability to lead   | 0               | 1               | 2               | 3               | 4               | 5               |
| • Ability to make decisions                                     | 0               | 1               | 2               | 3               | 4               | 5               |
| • Improvement and suggestion of new ideas                       | 0               | 1               | 2               | 3               | 4               | 5               |
| • Instructions management                                       | 0               | 1               | 2               | 3               | 4               | 5               |
| CM3 – Self-governance   | x               | x               | x               | x               | x               | X               |
| • Stress management   | 0               | 1               | 2               | 3               | 4               | 5               |
| • Ability to negotiate  | 0               | 1               | 2               | 3               | 4               | 5               |
| -   |                 |                 |                 |                 |                 |                 |
| <b><i>Banking and narrow professional competencies (CB)</i></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>X</u></b> |
| CB1 – Banking legislation and internal regulations              | x               | x               | x               | x               | x               |                 |
| • Knowledge of banking legislation                              | 0               | 1               | 2               | 3               | 4               | 5               |
| • Knowledge of internal legal acts                              | 0               | 1               | 2               | 3               | 4               | 5               |
| CB2 – Narrow professional competencies                          | x               | x               | x               | x               | x               | X               |
| • -----   | 0               | 1               | 2               | 3               | 4               | 5               |
| • -----   | 0               | 1               | 2               | 3               | 4               | 5               |
| <b><i>General CG Competencies</i></b>                           | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>x</u></b> | <b><u>X</u></b> |
| CG1 - Banking ethics  | 0               | 1               | 2               | 3               | 4               | 5               |
| CG2 - Time management   | 0               | 1               | 2               | 3               | 4               | 5               |
| CG3 - Satisfaction of customers and beneficiaries               | 0               | 1               | 2               | 3               | 4               | 5               |
| CG4 - Striving for self-development                             | 0               | 1               | 2               | 3               | 4               | 5               |
| CG5 - Sense of responsibility                                   | 0               | 1               | 2               | 3               | 4               | 5               |

#### VI. Functions

The following sentence is indicated, and the table is filled in.

All functions of an employee arise from the goals of his/her activity. They are as follows:

| List of functions | Frequency and timing |
|-------------------|----------------------|
|-------------------|----------------------|

#### VII. Powers and authorities

The powers and authorities of the given workplace are indicated.

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*VIII. Obligations and liability*

The obligations and liability of the given workplace are indicated.

*IX. Procedure for the replenishment of a workplace*

The procedure for the replenishment of a workplace is indicated.

*X. Other provisions*

The provisions concerning the workplace and not specified in the previous paragraphs are indicated. If this item is not filled in, then it should be indicated - No.

*XI. Has been notified about the job description*

| Date | Name / Surname | Signature |
|------|----------------|-----------|
|      |                |           |

4.2.4 Staffing: recruitment and dismissal from work

The Bank strives to attract qualified specialists and allocate human resources as efficiently as possible.

When choosing employees, the Bank proceeds from the following basic positions:

- General education level
- Relevant vocational education (higher or secondary vocational)
- Professional level and potential
- Knowledge of Armenian
- Availability of necessary skills and competencies
- Work experience
- Psychological compliance
- Compliance with the internal culture of the Bank
- Other requirements specified in the job description for this position

Staffing is carried out using internal (Bank employees) and external (labor market) resources. Candidates can only be hired if they meet minimum requirements for a given position. Staff replenishment can be carried out with or without a trial period. An employment contract for a specified period or an open-end employment contract can be concluded with employees. In the event of the expiration of an employment contract signed for a specific period, the contract may be extended or terminated. The term and conditions for the extension of employment contracts concluded with the Chairman and members of the Executive Board, as well as with the employees of internal audit, are established by the Board of the Bank.

An employee quits his/her job as a result of the termination of an employment contract. An employment contract can be terminated in the cases stipulated by RA labor legislation and the employment contract.



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The procedure for the replenishment and dismissal of staff positions is determined by the Bank subject to the "Staffing procedure". Planned costs associated with staffing should be indicated in the budget line of the Bank "Costs for staffing and staff certification".

#### 4.2.5 Determination of working hours

A five-day working week with two days-off (Saturday - Sunday) is established at the Bank. Holidays and days of remembrance established by the RA legislation are also considered non-working days. The procedure for remuneration for non-working days is defined by the "Procedure for employee remuneration".

The Bank's working hours are established by the relevant internal legal acts of the Bank. Depending on the nature of the activities of the subdivisions, individual work schedules can be established for individual subdivisions. In this case, Saturday and Sunday, as well as holidays and days of remembrance defined by RA legislation are considered as ordinary working days, but the total number of working hours per week cannot exceed forty hours, unless otherwise provided by RA legislation.

#### 4.2.6 Secondment of employees

Secondment of the Bank employees is carried out subject to the "Business Travel Procedure" of the Bank for the purpose of internship, retraining or exchange of experience.

#### 4.2.7 Temporary relocation of staff

In order to exchange experience, reduce operational risks and/or ensure temporary interchangeability, the Bank uses a temporary transfer system for employees. The transfer is carried out by means of a temporary transfer of an employee occupying the same or virtually similar position from one division of the Bank to another.

Temporary movement of employees is carried out in accordance with the requirements of the "Procedure for the temporary movement of employees" of the Bank. Employee relocation applies to lower-level employees and managers of subdivisions. By decision of the Executive Board, the managers of the Bank's territorial subdivisions may also be included in the given program. The transfer should be carried out on the basis of the relevant decree of the Chairman of the Executive Board. The employee's salary cannot be reduced as a result of such transfer. The process of moving employees must fully comply with the requirements of the Bank's "Internal Control System Policy".

#### 4.2.8 Training and retraining of employees

The Bank conducts an annual training and retraining program aimed at improving staff qualification and continuous progress of human resources through the development of professional knowledge and skills and exchange of experience. The Bank pays special attention to the organization of trainings aimed at explanation and full application of internal legal acts.

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Training and retraining process is carried out through internal and external annual retraining programs in accordance with the requirements arising from the tasks stipulated by the strategic programs and programs of the Bank's subdivisions. The amount allocated to finance the annual educational program is reflected in the Bank's budget as a separate line. Savings under this budget line are not encouraged.

The procedure for the preparation and implementation of annual training and retraining programs is determined by the "Procedure for training and retraining of employees"

#### 4.2.9 Employee certification

Employee certification is checking of professional knowledge, qualifications, skills (abilities) of the Bank staff and is carried out in order to verify the suitability of the employee for the given position.

The certification is carried out in two main areas:

- 1) Testing of professional knowledge and qualification
- 2) Checking the knowledge of the Bank's internal legal acts that are directly related to such employee.

The certification is carried out by the Certification Commission approved by the Executive Board or a specialized organization. In the latter case, the certification commission also summarizes the results of certification. Based on the results of certification, the certification commission gives one of the following assessments:

- a) positive - meets the requirements of the position held,
- b) negative - does not meet the requirements of the position held.

The procedure for attestation, assessment, as well as the formation and activity of the Attestation Commission is determined by the Bank in accordance with the "Procedure for Staff Certification". Planned costs associated with such appraisal of knowledge should be indicated in the line "Costs for staffing and certification of employees" in the Bank's budget.

#### 4.2.10 Employee assessment

The Bank attaches high importance to the employee appraisal process, as it explains ways to increase productivity of work, provides feedback between managers and employees, allows managers to identify the professional skills and shortcomings of employees, and identify ways to eliminate such shortcomings. Employee assessment is the basis for making decisions on employee remuneration, reward and promotion.

The assessment of employee performance is based on work planning and performance, as well as the level of employee compliance with the job description. During the assessment of an employee, the results of certification, as well as complaints and suggestions of the Bank customers regarding employee work are considered.

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The assessment of employee performance includes assessing the volume of performed work and measuring the results of such work. Individual-team approach is used during the assessment. Employees are assessed on a qualitative and/or quantitative basis. Details of employee assessment are provided in the "Procedure for Employee Performance Assessment".

#### 4.2.11 Career opportunities (staff promotion)

Providing career opportunities for employees has three main goals:

- 1) ensure the most complete applicability of professional skills and potential of employees,
- 2) reduce employee flow,
- 3) promote labor competition.

The basis for staff promotion is the assessment and certification of their work. Each employee must rest assured that his/her work and knowledge will not remain unnoticed and will be appreciated.

#### Employee payment

The Bank strives to make its employee remuneration system fair and competitive. Employee pay is formed from monthly salaries and bonuses. The details of the employee remuneration system are defined in the Bank's "Procedure for Employee Remuneration".

#### Salary

Monthly salary of an employee is the amount paid for an employee's work. The procedure for salary accounting is defined by the Bank "Procedure for Payment to Employees".

Monthly salary of the Bank employees is paid in two installments - on the 15th day of the given month and on the last working day of the month. If the 15th day of the month is a non-working day, the salary is paid on the previous working day. The employee's monthly salary and equivalent payments are credited to the employee's card account.

#### Allowances

The Bank pays the following allowances to its employees:

- 1) financial assistance,
- 2) bonus on holidays,
- 3) quarterly, semi-annual and annual bonuses,
- 4) bonus and incentive payments,
- 5) If appropriate, various bonus and preferential payments.

The Bank pays financial assistance for a family event of an employee. Financial assistance is paid by the decision of the Executive Board. The amount of financial assistance is determined based on a specific situation but cannot exceed AMD 1,000,000 (one million). This allowance has nothing to do with the position or salary of the person receiving it. The amount of gross financial assistance paid during the year is determined by the Bank's annual budget. The unused portion of gross financial aid is considered as a saving.

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The allowances granted in view of national holidays are paid subject to the order of the Chairman of the Executive Board. They are paid either to all employees, without exception, or to employees of a certain group, without exception. At the same time, in case of a shortage of funds, the payment starts from the lowest categories of employees. The amount of allowances paid on holidays is determined based on the financial situation of the Bank. This allowance has nothing to do with the position or salary of the person receiving it. The gross amount of these allowances paid during the year is determined by the Bank's annual budget. The unused portion of such budget amount is considered as a saving.

Quarterly, semi-annual and annual bonuses are paid in case of overfulfillment of financial results planned for the indicated periods. Bonuses can be universal or targeted and are provided at the suggestion and decision of the Executive Board. The amount of bonuses is determined on a case-by-case basis and directly arises from the salary applicable to the given position and employee performance holding such position. The amount of the bonus payment is not initially provided for in the budget.

Individual bonus and incentive payments are paid to a specific employee for the performance of certain (target) tasks or in the case of special labor and/or professional achievements (academic degree, laureate of a professional competition, etc.). These allowances are established by the decision of the Chairman of the Executive Board. The amount of individual bonuses and incentives is determined based on the financial position of the Bank. This allowance has nothing to do with the position or salary of the person receiving it. The gross amount of these payments for the year is determined by the Bank's annual budget. The unused portion of the total budget amount is considered as a saving.

In view of the changes in the Bank's business environment and the strategic goals established by the “Prospective Development Program” and, where appropriate, the Bank can apply various bonus systems and provide benefits. The introduction of bonus systems or the provision of any benefits must be fully justified and balanced in accordance with the requirements of the current legislation of the Republic of Armenia. Any bonus system or benefit can only be introduced pursuant to internal legal act as approved by the Board detailing its application.

#### 4.2.12 Granting leave to employees

The employee is granted annual leave of 20 working days and additional annual leave of 4 working days annually. The minimum annual leave is added to the annual minimum leave and can be provided together with the leave or separately. By agreement of the parties, a leave can be granted in parts and one of such parts must be at least 10 working days. The leave is provided in accordance with the legislation of the RA.

A leave for the first year of work is granted after six months of continuous work at the Bank, except as otherwise provided by law. The transfer of annual leave is allowed only upon

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written request or consent of the employee. An employee may be recalled from annual leave only upon his/her consent provided that the unused days will be used in the future. Replacement of annual leave with monetary compensation is not allowed. If the employee cannot be granted annual leave due to termination of the employment contract or the employee does not want to be granted such leave, he/she will be paid monetary compensation.

In the event of death of close relatives (parent, spouse, child, brother, sister, parent of the spouse, grandmother, grandfather) or marriage of the employee, an additional paid leave of 5 (Five) working days is provided.

Maternity leave is granted to women. Such leave is paid in accordance with the RA legislation. At the request of the employee, targeted parental leave without pay can also be granted until the child reaches the age of three.

Unpaid leave is granted in cases stipulated by the legislation of the Republic of Armenia or at the initiative of an employee if his/her absence does not interfere with the normal business of the Bank. The Employee may be granted unpaid leave of no more than 60 (sixty) days per year.

The procedure for granting leave to the Bank employees is determined by the Bank "Procedure for granting leave to employees".

#### 4.2.13 Sanctions against employees

Disciplinary measures may be applied to employees for poor performance and disruptions in work, as well as violations of the rules of work ethics and discipline, if this was done through his/her fault as a result of his/her activities and/or inaction.

When imposing a disciplinary sanction, the employee's behavior, the nature of the violation and its consequences, the circumstances in which the violation was committed are considered.

Disciplinary penalties are imposed upon prior acquaintance with the employee's explanatory document. If an employee does not provide an explanation without a valid reason within a reasonable period prescribed by the Chairman of the Executive Board, disciplinary measure may be imposed without explanation. The penalty is imposed pursuant to the decree of the Chairman of the Executive Board, one copy of which is issued to the employee. The existence of a disciplinary sanction is considered when evaluating an employee's work. In case within one year from the date of disciplinary sanction a new disciplinary sanction is not applied to the employee, it shall be considered redeemed.

#### 4.2.14 Work ethics and discipline rules

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The employee is obliged to strictly observe the rules of conduct (etiquette) and discipline of employees in force in the Bank, which are stipulated by the “Administrative Act on Work Ethics and Disciplinary Rules” of the Bank.

#### 4.2.15 Personal file of the employee

A Personal file is opened in the name of each employee of the Bank consisting of a complete package of documents relating personally to such employee and summarizes the entire history of his work in the Bank. A personal file is opened upon conclusion of an employment contract with such employee, includes all documents and records relating personally to the employee and is closed with a document stating the fact of his dismissal from work. Personal files are opened, maintained, closed and archived by Human Resource Management Division. Personal files are kept in a metal safe specially designated for them.

### 5. POLICY BEARING UNITS

- 5.1 The Policy is binding on all personnel of the Bank. The Executive Board and the Chairman of the Executive Board, the managers of all levels of the Bank are responsible for the formation, operation and efficiency of the human resources management system in the Bank within the framework of their obligations prescribed by the legislation of the Republic of Armenia and internal legal acts of the Bank.
- 5.2 Human Resource Management department and the Training Center of the Bank are liable for the implementation of the Policy in accordance with the internal legal acts governing their activity.
- 5.3 General control over the application of the Policy is exercised by the Board of the Bank. Current control over the application of the Policy is carried out by the internal audit department of the Bank.
- 5.4 The results of the application of the Policy are summarized in reports prescribed by internal legal acts arising from the Policy.

### 6. POLICY RELATED DOCUMENTS

- 6.1 The Policy operates subject to the requirements of the Labor Code of the Republic of Armenia and regulations which ensure its application.
- 6.2 The fundamentals of the Policy are presented in the Bank’s “Quality Management Manual”, “Prospective Development Program” and the “Policy of the Internal Control System Operation”. The policy is directly related to the “Policy for the formation of organizational structure” and all the internal legal acts of the Bank that arise from it.

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6.3 All internal legal acts of the Bank related to human resource management arise from the Policy, including:

- “Procedure for replenishing of positions”,
- “Procedure for temporary relocation of staff”,
- “Procedure for training and retraining of employees”,
- “Procedure for employee certification”,
- “Procedure for the assessment of employee performance”,
- “Procedure for employee remuneration”,
- “Procedure for granting leave to employees”,
- “Administrative act on work ethics and disciplinary rules”.

## 7. POLICY ADMINISTRATION

7.1 The draft Policy was developed by the Human Resource Management Division, discussed by the independent and territorial subdivisions of the Bank and reviewed by the Methodology Unit. The project was approved by the Board decision N \_\_\_\_ dated - ----- 2019. The draft was approved by the Executive Board decision N 2235-L dated December 2012.

7.2 Changes and/or amendments to the Policy can be made only by the decision of the Board of the Bank upon suggestion of the Executive Board or in accordance with the requirement of the current legislation of the Republic of Armenia. The procedure for submitting proposals is determined by the Bank’s “Procedure for Records Management”, while the procedure for its consideration is determined by the Bank “Regulation on Board Activity”.

7.3 The Policy should be revised in parallel with the change in the environment of the Bank, but at least once every 2 years.

7.4 The Policy comes into effect ten calendar days after its approval by the Board.

7.5 Upon this Policy enters into force, version 1.6 of “Human Resource Management Policy” of “ARMBUSINESSBANK” CJSC approved by the decision of the Board of the Bank N 176-L dated September 30, 2010, shall be deemed invalid.

7.6 The Policy is a document for internal use and is available to all personnel of the Bank. Access to the document and to its amendments is provided by the assistant to the Chairman of the Board by posting it to the Information System for the Bank's internal legal acts in accordance with the procedure established by the “Procedure for Records Management”.