

APPROVED

By decision of the “ACBA-CREDIT AGRICOLE BANK”
CJSC’s shareholders annual general meeting of
23/04/2006 (*Minutes N 2*)

AMENDED

By decision N 8 of the Bank’s Shareholders Annual
General Meeting of 14/04/2011.

By decision N 11 of the Bank’s Shareholders Annual
General Meeting of 23/04/2014.

By decision N 13 of the Bank’s Shareholders Annual
General Meeting of 28/04/2016.

By decision N 17-5 of the Bank’s Shareholders Annual
General Meeting of 25/04/2019.

By decision No 18-6 of the Bank’s Shareholders
Annual General Meeting of 26/05/2020.

By decision No 19-4 of the Bank’s Shareholders
Annual General Meeting of 30/04/2021.

By decision No 20-3 of the Bank’s Shareholders
Extraordinary General Meeting of 07/12/2021.

By decision No 23-5 of the Bank’s Shareholders
Annual General Meeting of 25/05/2023.

By decision No 25-2 of the Bank’s Shareholders
Extraordinary General Meeting of 21/11/2024.

By decision No 25-3 of the Bank’s Shareholders
Extraordinary General Meeting of 21/11/2024.

Board Chairman

Rafayel Sargsyan /signature/

CEO Hakob Andreasyan /e-signature/

REGISTERED

in the Central Bank
of the Republic of Armenia

Chairman
of the Central Bank of the Republic of Armenia
Martin Galstyan /e-signature/

Registered on 25/12/2024

CHARTER

OF THE “ACBA BANK” OPEN JOINT STOCK COMPANY



(NEW EDITION)

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(Amended by decision N 13 of the Shareholders annual general meeting of 28/04/2016)

1. GENERAL PROVISIONS

- 1.1. The Cooperative Bank “Agricultural Cooperative Bank of Armenia” was founded on the basis of the decision of the General meeting of 28.08.1995 and a Founding Agreement of 01.12.1995. The Cooperative Bank “Agricultural Cooperative Bank of Armenia” was reorganized and renamed into “ACBA-CREDIT AGRICOLE BANK” CJSC, pursuant to the decision of the General meeting of 09.09.2006. “ACBA-CREDIT AGRICOLE BANK” closed joint-stock company has changed its legal form and has been renamed to as “ACBA BANK” open joint-stock company (hereinafter referred to as “the Bank”) according to the General meeting decision of 26.05.2020.
“ACBA BANK” OJSC is a universal bank.
- 1.2. “ACBA BANK” OJSC is a commercial organization and pursues an aim to gain profit by its activity.
- 1.3. The main goal of the Bank’s activity is to promote the development and strengthening of the economy, small and medium business, and agriculture.
- 1.4. The founding document of the Bank is this Charter that is binding for Bank's shareholders and managing bodies. The Bank is guided by the legislation of the Republic of Armenia, this Charter, and internal legal acts.
- 1.5. In its activity the Bank is independent from the State. The share equity of the Bank is divided among the shareholders into definite numbers of shares, ensuring their obligation rights.
The Bank receives the status of a legal entity from the moment of the registration by the Central Bank of the Republic of Armenia (hereinafter referred to as “the Central Bank”).
- 1.6. The Bank may join unions, founded for coordination of the banks activities, defense of interests, exchange of information, staff trainings and banking policy development.
- 1.7. The Bank owns separate property, is accountable for its obligations with that property, can acquire and exercise both property and personal non-property rights, bear responsibilities in its name, and participate as a plaintiff or defendant in legal proceedings.
- 1.8. The Bank carries out all banking operations on its behalf, within the framework of the banking license and in accordance with the legislation of the Republic of Armenia.
- 1.9. The legal address of the Bank is: **82-84, Aram Street, premises N 89, 99, 100, Yerevan, Republic of Armenia.**
- 1.10. The Bank has a round seal with an image of its trademark and its brief name in Armenian and English languages; as well the Bank has its trademarks, stamps and blanks.
- 1.11. The full name of the Bank is:
In Armenian: «ԱԿԲԱ- ԲԱՆԿ» բաց բաժնետիրական ընկերություն
In English: “ACBA BANK” OPEN JOINT STOCK COMPANY
Brief name of the Bank is
In Armenian: «ԱԿԲԱ ԲԱՆԿ»
In English: “ACBA BANK”
- 1.12. The Bank may have branches and representative offices registered in the Central Bank in the territory of the Republic of Armenia. The branches and representative offices of the Bank operate pursuant to the Charter of the Bank, internal legal acts and charters of branches and representative offices. The branches and representative offices of the Bank are not considered as legal entities.
- 1.13. The creation of branches and representative offices is made in accordance with the procedure stipulated by law. Termination of activity of branches and representative offices is made in accordance with procedure stipulated by law.
- 1.14. The Bank is responsible for its own obligations and those of its branches and representative offices. The Bank is not responsible for the obligations of the State, and the State is not

responsible for the obligations of the Bank, except for the cases when the Bank or the State have undertaken such obligations. The Bank is not responsible for the obligations of its shareholders. The shareholders are not responsible for the obligations of the Bank, and they bear the risk of losses related to the Bank's activities within the limits of the value of the shares they own.

(1st Section was amended by decision N 13 of the Shareholders annual general meeting of 28/04/2016; Redrafted by decision N 17-5 of the General meeting of 25/04/2019, amended by decision N 18-7 of the General meeting of 26/05/2020)

2. SHARE EQUITY AND RESERVE FUND OF THE BANK

- 2.1. The Bank has a share equity that is equal to the amount of nominal value of all outstanding shares.
- 2.2. The share equity of the Bank amounts to 89,775,000,000 (eighty-nine billion seven hundred seventy-five million) AMD. The share equity of the Bank is divided into 5,985,000 (five million nine hundred eighty-five thousand) common ordinary shares, the nominal value of each share is 15,000 (fifteen thousand) AMD.
- 2.3. The number of the Bank's authorized ordinary shares subject to additional issuance is 2,500,000 (two million five hundred thousand). These are the shares that the Bank may issue, in addition to the outstanding shares.
- 2.4. No maximum amount of voting shares of the Bank belonging to a shareholder is determined in the share equity of the Bank.
- 2.5. The register of shareholders of the Bank is maintained by the Central Depository.
- 2.6. The Bank is entitled to increase its share equity through an increase of the nominal value of shares or through issuance of additional shares, if previously issued shares were fully paid. The Bank is not entitled to increase the nominal value of the shares more than the value of the net assets fixed by the results of the last balance sheet and last audit approved by the General meeting of shareholders.
- 2.7. The decrease of actual paid share equity of the Bank during its activity through distribution of dividends at its expense or in a any other way is prohibited except for the cases stipulated by the law on "Banks and Banking Activity" of the Republic of Armenia.
- 2.8. In cases stipulated by the law the Bank may buy back its own shares. In the case of buyback of its own shares, the decision on the share equity decrease of further resale of those shares is made by the General meeting of the Bank's shareholders with 3/4 of votes of the participating voting share owners, but not less than 2/3 of votes of the voting share owners. Moreover, the prior consent of the board of the Central Bank is requested for the buyback of the shares. The Bank is obliged to resale its own shares within at least a 2-months period from the moment of obtaining the right of ownership of those shares.
- 2.9. The total equity of the Bank is formed from the sum of the main and additional equities that include the share equity, general reserve, undistributed profit, and other reserves and sources, not restricted by law.
- 2.10. A reserve fund (general reserve) in the amount of 15% of the share equity has been created in the Bank. If the reserve fund is smaller than the size specified in this point, then allocations to this fund shall be made in the amount of at least 5% of profit, as well as from the funds obtained from the difference between the cost of issuing new shares and their nominal value. The reserve fund shall be used for the purposes defined by the law.
- 2.11. Income derived from share premium can be used only in the event of decrease of the share equity in accordance with the article 36 of the Law of the Republic of Armenia "On Banks

and Banking Activity" or for the purpose of covering losses in the event of the Bank's insolvency, or it can be directed to increase the nominal value of the Bank's shares.

(2nd Section was amended by decision N 11 of the Shareholders annual general meeting of 23/04/2014; redrafted by decision N 13 of the General meeting of 28/04/2016; redrafted by decision N 17-5 of the General meeting of 25/04/2019, amended by decision N 18-7 of the General meeting of 26/05/2020, amended by decision N 19-4 of the General meeting of 30/04/2021, amended by decision N 20-3 of the General meeting of 07/12/2021, amended by decision N 23-5 of the General meeting of 25/05/2023, amended by decision N 25-2 of the General meeting of 21/11/2024)

3. THE SHARES OF THE BANK

- 3.1. The Bank may issue common (ordinary) as well as preferred shares of one or more types. The Bank carries out open or closed subscriptions of its issued shares by decision of the General meeting. The Bank's shares are non-documentary. In case of allotment of shares in the form of open subscription, the Board of the Bank approves the prospectus of shares issuance, which is subject to approval by the Central Bank of Armenia. The total nominal value of preferred shares issued by the Bank shall not exceed 25% of its share equity.
- 3.2. The Bank's share is indivisible.
- 3.3. It is prohibited for the Bank to discount, buy or otherwise acquire its shares, giving a loan while accepting its shares as collateral, except for the cases provided by law.
- 3.4. The shareholders of the Bank have the right to alienate their shares without the consent of the other shareholders.

(3rd Section was amended by decision N 18-7 of the General meeting of 26/05/2020)

4. THE RIGHTS AND OBLIGATIONS OF THE BANK SHAREHOLDERS

- 4.1. Each share of the Bank provides its owner with the same rights. Each shareholder has the following rights:
- 1) to participate in General meeting of the Bank's shareholders with voting right on all the matters within the mandate of the General meeting pro rate of the owned shares;
 - 2) to participate in Bank's governance;
 - 3) receive dividends from the profit of the Bank's activity;
 - 4) have the preemptive right to purchase the shares distributed by the Bank;
 - 5) to receive any information on the activities of the Bank including the access to the balance sheet, reports (this information is provided to the Bank's shareholders free of charge on the basis of their written application within three working days period);
 - 6) the Bank's shareholders owning at least 5% of voting shares in the share equity of the Bank have the right to request an external audit of the financial and economical activities of the Bank. In this case the shareholders requesting the audit shall choose the person conducting the Bank's external audit, sign the audit agreement, and pay for the services. Moreover, they can demand compensation for the expenses incurred by them, if the audit was justified for the Bank by the decision of the General meeting;
 - 7) to authorize a third person to present its rights in the general meeting of the shareholders;
 - 8) to make recommendation at the General meeting of the shareholders;
 - 9) to vote pro rate to the fully-paid shares voting shares belonging to them;
 - 10) to fill a claim with the court in order to appeal the decisions made by the General meeting of the shareholders that contradict existing laws and other legal acts;

- 11) to receive the due part of the property in case of Bank's liquidation and
 - 12) to have other rights provided by the law and this Charter.
- 4.2. The Bank's shareholders are obliged to:
- 1) to ensure the investment of the amount of the declared shareholding participation in the share equity of the Bank within the specified period;
 - 2) not to publish confidential information about the Bank's activities;
 - 3) perform other duties as provided by the law.

(4th Section was amended by N 13 of the Shareholders annual general meeting of 28/04/2016; redrafted by decision N 17-5 of the Shareholders annual general meeting of 25/04/2019)

5. THE OPERATIONS OF THE BANK

- 5.1. In accordance with the procedure established by the laws of the Republic of Armenia and other legal acts, the Bank can carry out the following operations:
- 1) accept demand and term deposits;
 - 2) provide loans, financing of the debt and commercial transactions, factoring;
 - 3) provide bank guarantees and open or implement settlements with letters of credit ;
 - 4) provide settlement services, open, maintain and serve bank accounts, including correspondent accounts of other banks;
 - 5) issue, buy (discount), sell and serve securities, payment documents, travel's checks, cards and other instruments, and perform other similar operations;
 - 6) carry out investment and subscription activities;
 - 7) provide services of a financial agent (representative), manage the securities and investments owned by other persons (trust management);
 - 8) buy, sell off and manage precious metals, bank gold, standardized bullions and commemorative coins;
 - 9) buy and sell (exchange) foreign currency, including concluding AMD and foreign currency futures, options and other similar transactions;
 - 10) perform financial lease;
 - 11) take into custody precious metals and cards, jewelry, securities, documents, and other valuables;
 - 12) provide financial and investment consulting;
 - 13) create and maintain the information system of customers' creditworthiness and carry out debt collection activities;
 - 14) perform other operations not prohibited by the law.
- 5.2. The Bank can also carry out activities or operations provided by law as well as those permitted by the Central Bank but not directly determined by Law. The process of outsourcing the operations by the Bank is carried out with the procedure established by the legislation.
- 5.3. The Bank may conclude any civil and legal transactions that are necessary and appropriate for carrying out its activities permitted by the Legislation of RA and the Charter.
- 5.4. The Bank carries out its financial operations in Armenian drams (AMD) and in foreign currency, except for the cases provided by the law.
- 5.5. The Bank cannot perform industrial (production), commercial and insurance activities unless otherwise specified by law.

(5th Section was redrafted by decision N 17-5 of the Shareholders annual general meeting of 25/04/2019)

6. THE GOVERNANCE OF THE BANK

6.1. The governance bodies of the Bank are as follows:

- 1) The General meeting of Bank's shareholders (hereinafter referred to as "the General Meeting");
- 2) The Board of the Bank (hereinafter referred to as "the Board");
- 3) The Chief Executive Officer of the Bank (hereinafter referred to as "the Chief Executive Officer").

The Board and the Chief Executive Officer manage the activities of the Bank within the framework of the authorities provided to them by this Charter.

The Bank has a Chief Accountant, an Internal Audit unit, a person responsible for the Risk Management function, a person responsible for the Compliance function and a Corporate Secretary.

(6th Section was redrafted by decision N 17-5 of the Shareholders annual general meeting of 25/04/2019)

7. THE GENERAL MEETING OF BANK'S SHAREHOLDERS

7.1. The General meeting is the highest governance body of the Bank.

7.2. The general meeting has the exclusive authorities on the following matters:

- 1) approval of the Bank's charter (including change of legal form, change or extension of term, transfer of the registered office), making changes and amendments to it and approval of the charter with a new edition;
- 2) reorganization of the Bank (merger, demerger, restructuring), change of the tax residency or corporate form;
- 3) liquidation of the Bank, voluntary dissolution and/or liquidation, partial contribution of assets, business-leasing or transfer of a going concern;
- 4) approval of summary, interim and liquidation balances, and appointment of liquidation committee;
- 5) any decision regarding reducing or increasing the number of board members composing the Board, election of the Board members and early termination of their powers, except for the cases provided by law, when the General meeting does not have the authority to elect Board members or to terminate their powers. The matters of determining the quantitative composition of the Board and election of Board members are discussed exclusively at the annual General meetings. The matter of the election of the Board members can be discussed at the extraordinary General meeting, if a decision was made about early termination of the powers of the Board or its individual members;
- 6) determining the maximum volume of authorized shares;
- 7) appointment and removal of statutory auditors of the Bank the submission;
- 8) decrease of share equity of the Bank by reducing the nominal value of shares, by purchasing the Bank's outstanding shares in order to reduce the total number of shares, as well as by redeeming the shares purchased or repurchased by the Bank;
- 9) any transaction resulting in the transfer or purchase of significant assets above the threshold of 20% of total shareholders' equity of the Bank with one company or group of companies over one-year period;
- 10) granting of security interests, guarantee or collateral over the assets (including any shares or other interest) of the Bank above the threshold of 20% of total shareholders' equity over one-year period;

- 11) any decision relating to any sale, transfer, assignment or licensing concerning any intellectual property rights that belong to the Bank and are required for current or future operations of the Bank;
 - 12) approval of annual financial statements;
 - 13) any change to the year-end date of the financial year;
 - 14) allocation of profits and losses, adoption of decisions on the payment of annual dividends, approval of the amount and conditions of their payment, which are discussed exclusively at the annual General meetings;
 - 15) approval of procedure of conduct of the General meeting;
 - 16) formation of the counting committee,
 - 17) consolidation and division of shares;
 - 18) making decision not to apply the pre-emptive right of the acquisition of shares in cases provided for by the law;
 - 19) increase of share equity through allotment of additional shares, issuance of equity or debt securities and/or securities granting access to a portion of the share capital or voting rights of the Bank, including any options, warrants, as well as any profit-sharing plan for employees and senior managers excluding convertible subordinated loans to the extent the conversion is required for including the loan in the Bank's capital calculations per the Central Bank of Armenia prudential regulations or the issuance of placement of securities pursuant to mandatory conversion. For the purpose of this paragraph mandatory conversion means the conversion of a loan made to the Bank into share capital as required by an order of the Central Bank of Armenia and/or according to prudential regulations of the Central Bank of Armenia;
 - 20) any decision relating to a public offering, listing or delisting of securities, including determining the terms and conditions for such listing, the choice of listing market. Within the meaning of this sub-clause, the securities mean any share or other security issued or to be issued by the Bank or, more generally, all other rights which give or could give access, directly or indirectly, immediately or in the future, to a fraction of the share capital, profits, liquidation surplus or voting rights of the Bank, and any division of those securities;
 - 21) entering into or amendment of any agreement with a Bank related person whether directly or indirectly if the transaction or a series of related transactions are entered into for the purpose of distributing voting shares of the Bank or other securities of the Bank convertible to voting shares, the amount of which exceeds 2% of the outstanding voting shares;
 - 22) any decision relating to an investment in, a country where the Bank and its subsidiaries (hereinafter “the Bank’s Group”) did not previously operate any significant activities or any change in country of incorporation of one of the Bank's Group companies with the exception of investments in foreign government and corporate securities, cross-border transactions with other financial institutions, including but not limited to correspondent accounts and their balances, brokerage accounts, deposits, swaps, repurchase agreements and financial derivatives;
 - 23) approval of the Bank’s employee share ownership plans, as well as any decisions related to or derived from such plans;
 - 24) other matters within the scope of the approved agenda considered as exclusive authority of the General meeting by the law.
- 7.3. The adoption of decisions regarding the matters mentioned in article 7.2 of this Charter is reserved for the exclusive authority of the General meeting and cannot be transferred to

other governance bodies of the Bank. The General meeting cannot discuss and make a decision on matters that are not within its authorities.

- 7.4. The following persons have the right to participate in the General meeting:
- 1) Shareholders owning common (ordinary) and preferred shares of the Bank by the number of votes they own, as well as the nominees of those shares;
 - 2) Members of the Board and Executive body (Chief Executive Officer, its deputies, Chief accountant of the Bank) who are not shareholders of the Bank with a right of consultative vote;
 - 3) The members of the Internal audit unit of the Bank as observers;
 - 4) The external auditor of the Bank as an observer (if its conclusion is included in the agenda of the General meeting);
 - 5) The representatives of the Central Bank as observers;
 - 6) Other invited people, if necessary.
- 7.5. The list of shareholders of the Bank who have the right to participate in the General meeting is drawn up based on the data of the register of shareholders of the Bank as of the year, month and date determined by the Board.

The year, month and the day of drawing up of the list of shareholders with the right to participate in the General meeting shall not precede the day of adopting the decision to convene a general meeting, and the period between the day of drawing up this list and the date of holding the general meeting shall not exceed 45 days.

If the general meeting is convened by remote voting, the year, month and the date of drawing up the list of the shareholders with the right to participate in it shall be set at least 35 days prior to the day of convening the General meeting.

The bank shall inform the Central Bank about the convening General meeting at least 15 days before its holding.

In order to draw up the list of Bank shareholders with the right to participate in the General meeting the nominee of the shares shall present data about those parties in the interests of which it is disposing the shares.

The list of Bank participants entitled to participate in General meeting must contain information about the name (legal name), location (residence) of each participant of the Bank, and participation in share equity of the Bank according to the types and classes of shares.

The list of participants of the Bank entitled to participate in the General meeting should be provided for familiarization purposes to those participants of the Bank who are registered in the register of participants of the Bank.

At the request of the participant of the Bank, the Bank is obliged to provide a reference about the inclusion of the latter in the list of participants entitled to participate in the General Meeting.

Changes to the list of participants of the Bank entitled to participate in the general meeting can be made only in order to correct the mistakes made during the compilation of the list or to restore the violated rights and legal interests of the participants of the Bank who are not included in it.

- 7.6. The General meeting is convened at least once a year. The General meeting is considered competent, if at the time of completion of the registration of the participants of the General Meeting, the shareholders of the Bank, who jointly own more than 50% of the outstanding voting shares of the Bank, have been registered.

- 7.7. The shareholders are invited to the General meeting individually. The agenda of a General meeting is approved by the Board.
- 7.8. The shareholders must be notified about the convening of the General meeting at least 15 21 days before the day of convening the General meeting. The notice must contain at least the information required by the law. The notice of convening and voting ballots, upon the decision of the Board, can be sent by registered letters or by hand delivery or by means of electronic communications, including e-mail, software and application platforms (including mobile applications). The announcement about convening the General Meeting is also published on the Bank's webpage and in the press.
- 7.9. During the preparation of the General meeting, the Board decides:
- 1) The time, place and format of convening the General meeting;
 - 2) The agenda of the General meeting;
 - 3) The date of drawing up the list of shareholders participating in the General meeting;
 - 4) The methods and procedure of notification to the shareholders;
 - 5) The list of information provided to shareholders;
 - 6) The form and content of voting ballots, as well as the procedure and deadlines for submitting the ballots, if the voting will be done with ballots.
- 7.10. The General meeting can be convened by remote voting (poll), including voting ballots. In case of holding a remote General meeting, the agenda of the General meeting is sent to the shareholders having the right to participate in the General meeting at least thirty days in advance, by sending in person or by means of electronic communications, including e-mail, software and application platforms (including mobile applications), and their opinions are obtained on each item of the agenda. In case of remote voting the ballots must be provided to shareholders at least 30 days before the completion of acceptance of the filled ballots by the Bank. In the case of voting by means of electronic voting, electronic teletype or telephone communication, the ballots (including electronic ballots) must be provided to the shareholders at least 7 days before the meeting is held.
- 7.11. The General meeting may also make decisions so that during the General meeting all the shareholders can communicate with each other by the means of telephone, video connection, or other means of communications, including e-mail, software and application platforms (including mobile applications) in real-time mode. Such a General meeting is not considered held by remote voting (poll). At such General meetings the decisions can be made only on matters not prohibited by law. In the case of convening a General meeting by voting by other means of communication, including e-mail, software and application platforms (including mobile applications) the decision of the Board can stipulate that the voting process may last more than one day. In that case, the results of the voting shall be summarized within five working days after the end of the period provided for it. Moreover, if some participants provide filled ballot more than once, the ballot and/or the position submitted the latest shall be taken into account.
- 7.12. A Counting committee is established in the Bank, whose quantitative composition and members, as well as the terms of their duties, are determined by the decision of the General meeting, upon the suggestion of the Board. The composition of the Counting committee cannot be less than three members. The members of the Board, the members of the Internal Audit unit, the Chief Executive Officer and its deputies, including the interim directors and the candidates for those positions cannot be members of the Counting committee. The performance of the functions of the Counting committee can be assigned to the specialized registrar of the Bank. The Counting committee determines the quorum of the meeting, gives explanations to the shareholders and to their representatives about the procedure of voting on items included in the meeting agenda, ensures the appropriate

process of voting and the right of shareholders to participate in the voting, carries out the counting of the votes, summarizes the voting results and draws up minutes on it, and archives the ballots.

- 7.13. The General meetings are minuted. The minutes are drawn up after the end of the General meeting, within 5-days period, in at least two copies. The minutes are signed by the chairman and secretary of the General meeting. The chairman is responsible for the accuracy of information contained in the minutes of the General meeting.

The following information is mentioned in the Minutes:

- 1) The year, month, date, time and venue of convening the General meeting;
- 2) The total number of votes of outstanding voting shares of the Bank;
- 3) The total number of votes belonging to the shareholders who participated in the general meeting;
- 4) The names of the chairman, secretary and the agenda of the General meeting.

The minutes should contain the main provisions of speeches made during the General meeting, the items put to the vote, voting results on those items, and the decisions made. The Bank shareholders have the right to familiarize themselves with the minutes of the General meeting.

- 7.14. The minutes of the General meeting held in accordance with the procedure mentioned in article 7.10 of this Charter are drawn up based on the summary of the opinions received on the items of the agenda.

- 7.15. The decisions on matters in sub-clauses 1, 2, 3, 4, 6, 8, 9, 17 and 23 of article 7.2 of this Charter require a 3/4 majority of voting shares participating in the General meeting. For matters in sub-clauses 3, 8, 17 and 23 a 3/4 majority is also required, but with a minimum of 2/3 of the votes of voting shares participating in the General Meeting. All other matters are decided by a simple majority of votes, unless a higher threshold is mandated by law.

- 7.16. The General meetings are chaired by the chairman of the Board. If the Chairman of the Board is absent, the Board shall elect a Chairman of the General meeting.

- 7.17. During the vote each shareholder has a voting right, depending on the size of his shareholding in the authorized equity. Voting in the meeting is carried out on the basis of "one voting share = one vote" principle. The shareholders of the Bank can exercise their right to participate in the meeting personally or through an authorized representative. The shareholder has the right to change their authorized representative or to attend the meeting in person at any time.

- 7.18. Other matters related to the Annual and extraordinary general meeting of the Bank, submission of proposals on the meeting agenda by the shareholders, participation of shareholders in the meeting and voting, including the procedure of preparation and holding the General meeting which were not provided for by this Charter, are regulated by the provisions of the laws on “Banks and Banking Activity” and “Joint-Stock Companies” of the Republic of Armenia.

(7th Section was amended by N 13 of the Shareholders annual general meeting of 28/04/2016; redrafted by decision N 17-5 of the General meeting of 25/04/2019, amended by decision N 20-3 of the General meeting of 07/12/2021, amended by decision N 25-3 of the General meeting of 21/11/2024)

8. THE BOARD OF THE BANK

- 8.1. The Board of the Bank performs general governance of Bank activity within the limits of matters reserved to the authority of the Board by law.
- 8.2. The Board of the Bank is composed of 11 members.

8.3. The Board of the Bank is composed of the representatives of shareholders and may also have independent members. Those shareholders of the Bank who own 10% and more of the outstanding voting shares of the Bank as of the date of drawing up the list of members with the right to participate in the General meeting, can appoint their representative in the Board of the Bank without the election by the General meeting.

The shareholders of the Bank who own less than 10% of outstanding voting shares of the Bank as of the date of drawing up the list of members with the right to participate in the General meeting may unite and, in case off exceeding 10% or more of the outstanding voting shares of the Bank, they can have a representative in the Board without election by the General Meeting. The appointment of the representative of the united shareholders is done only in the case of the existence of a corresponding agreement for the establishment of the Bank's shareholders' group and informing the General Meeting about this agreement. Requirements of this agreement are defined by law.

All the shareholders of the Bank who own less than 10% of outstanding voting shares of the Bank as of the date of drawing up the list of members having the right to participate in the General meeting, but have not united in order to appoint their representative in the Board in accordance with the procedure specified in the second paragraph of this article, may elect their own representative and include in the Board without election by the General Meetings. Only the minority shareholders or their representatives, even if their number is one, take part in the election of that representative, and the joint representative is elected by a simple majority of voters' votes. The information required by law about the representative nominated by minority shareholders is presented by the Board to all participants of the General Meeting, and in the case of remote voting, at least 30 days before the last day of the deadline for accepting the completed ballots by the Bank.

8.4. Those members of the Board who are not elected in accordance with article 8.3 of this Charter are elected by the shareholders present at the annual General Meeting of the Bank, and in case of early termination of the powers of the Board member, by the shareholders present at the extraordinary General Meeting, by a simple majority of voters' votes.

8.5. The independent Board member does not represent the interests of any shareholder or beneficiary; demonstrates impartiality and impartiality in its services, is called to provide professional services to the Bank. An independent Board member shall be elected by the Shareholders' General Meeting by a majority vote.

8.6. The shareholders of the Bank and the Board itself can submit proposals regarding the candidates for the members of the Bank's Board at the General Meeting (except in the case of the Board's formation for the first time). Moreover, the Board regulation may provide special regulations about the nomination process of the independent Board members.

8.7. Board members must not be affiliated with each other. Board members and members of the Bank's executive body cannot be affiliated.

8.8. In the event of early termination of the powers of a Board member of the Bank, a new member is appointed in accordance with the procedure set forth in articles 8.3, 8.5 and 8.6 of this Charter.

8.9. The Board members of the Bank are remunerated for participating in the meetings of the Board. The amount and the procedure of Board members remuneration are defined by the Board.

8.10. The Chairman of Board of the Bank is elected by the Board from among the members of the Board.

The Chairman of the Board of the Bank:

1) organizes the works of the Board;

- 2) convenes and chairs at the meetings of the Board;
- 3) organizes the minutes-taking of the Board meetings;
- 4) chairs at the General meetings;
- 5) organizes the works of the Board committees, if such exist.

8.11. The authorities of the Board are as follows:

- 1) determining the main directions of the Bank's activity, including approval of the Bank's strategic development plan;
- 2) performing any material operation by the Bank's Group companies outside their respective businesses or changes of the business or activities of the Bank's Group companies, excluding performance of any new operation by the Bank that is permissible under its banking license and performance of any new operation by its financial institution subsidiary that is covered by its credit institution license;
- 3) convening the annual and extraordinary General meetings of shareholders, approval of the agenda, as well as ensuring the implementation of preparatory works in connection with the organization of their convening and holding;
- 4) appointment, compensation (including any benefits in-kind and profit-sharing scheme), revocation and amendment of the terms of office of the Chief Executive Officer, the deputies, and other members of the executive body of the Bank's Group companies;
- 5) recruitment, compensation (including any benefits in-kind and profit sharing scheme), dismissal and amendment of the employment agreements of the employees and/or executives of the Bank's Group companies for whom the gross annual compensation (fixed and variable) exceeds AMD 120,000,000 (one hundred and twenty million) per year;
- 6) establishment of internal control standards of the Bank, formation of Internal audit unit of the Bank, approval of its annual working program, early termination of powers of Internal audit employees and approval of their remuneration terms;
- 7) approval of the Bank's annual budget and its performance;
- 8) approval of the Bank's administrative-organizational structure;
- 9) submitting of proposals to the General meeting regarding the payment of dividends, their amount, terms and conditions of payment, including drawing up the list of shareholders of the Bank having the right to receive dividends for each payments, which should include those shareholders of the Bank who were included in the register of shareholders of the Bank as of the date of compiling the list of shareholders entitled to participate in the Bank's annual General meeting;
- 10) approval of any changes to the Bank's dividend policy;
- 11) preliminary approval of annual financial statements of the Bank and their presentation to the General meeting;
- 12) presentation of the external auditor of the Bank to the approval of the General meeting;
- 13) approval of the amount of the payment to the Bank's external auditor;
- 14) initiation of measures aimed at elimination of the deficiencies detected as a result of audit or other inspections carried out in the Bank, and oversight over the implementation, if necessary;
- 15) adoption of policies determining the procedure of carrying out financial operations by the Bank;
- 16) approval of charters of territorial and independent structural units of the Bank, the distribution of operational functions between the independent structural units of the Bank;

- 17) approval of decisions on the allocation of securities granting access ultimately, to a portion of the share capital or voting rights, of the Bank’s Group companies, including, any options, warrants, as well as any profit-sharing plan for employees and senior managers;
- 18) formation, replenishment and use of the reserve and other funds of the Bank;
- 19) establishment of branches, representations and offices of the Bank;
- 20) approval of Bank’s Group companies accounting policies, approval and any changes to the principles, methods, basics, modes, rules, forms and procedures of accounting and financial reporting;
- 21) establishment of subsidiaries or dependent companies;
- 22) entering into or amendment of any partnership agreement, any joint venture agreement or other profit-sharing relationship by the Bank’s Group companies with a company of the same business sector with the exclusion of agreements that relate to the products;
- 23) participations in subsidiaries or dependent companies, changes and terminations of participations;
- 24) establishment of unions of commercial organizations, banking unions and associations;
- 25) participation in the unions of commercial organizations, banking unions and associations;
- 26) increase of share equity through increase of nominal value of the shares;
- 27) any decision relating to the choice of investment bank or underwriter by the Bank’s Group companies, including determining the terms and conditions for such choice;
- 28) entrance by the Bank’s Group companies into one or several transactions with one company or group of companies over one-year period resulting in the transfer or purchase of significant assets above the threshold of 10% and up to 20% of their total shareholders’ equity;
- 29) entrance by the Bank’s Group companies into or amendment of any agreement, which by its nature is outside the ordinary course of business;
- 30) any engagement, compensation, termination and amendment of the terms of any external services provider for the Bank’s Group companies entitled to gross annual compensation (fixed and, where applicable, variable) in excess of AMD 300,000,000 (three hundred million) per year;
- 31) approval of obtaining convertible subordinated loans by the Bank, to the extent the conversion is required for including the loan in the Bank’s capital calculations per CBA prudential regulations;
- 32) entering into any agreement by the Bank where conflicts of interests exist in terms of law;
- 33) entering into or amendment of whether any agreement by the Bank with bank-related persons in accordance with the law on “Banks and banking activity of RA”, or any approval of any internal legal acts defining the conditions for such transactions;
- 34) entering into or amendment of whether directly or indirectly, any agreement by the Bank’s Group companies with their related persons, any approval of any internal legal acts defining the conditions for such transactions. Within the meaning of this sub-clause, the following persons shall be considered as related persons for the Bank’s Group companies: a qualifying shareholder, a director, a CEO, deputy CEO, head of internal audit, an officer, a member of a governing or management body of such person, or a member of the same family of such person or of persons;
- 35) granting of security interests, guarantee or collateral over the assets (including, for the avoidance of doubt, any shares or other interest) of the Bank’s Group companies

- above the threshold of 10% and up to the threshold of 20% of total shareholders' equity of the relevant company over one year period;
- 36) any decision regarding the appointment of a financial intermediary or investment bank or similar in the context of an exit of a shareholder that has a shareholding above 5%;
- 37) any other decisions provided by the law.
- 8.12. For the effective organization of its work, the Board of the Bank may create committees which may include members of the Board, other managers and employees of the Bank. The decisions of committees are of a consultative nature.
- 8.13. At least once a year the Board must discuss at its meeting the report of the external auditor (management letter), as well as discuss and, if necessary, review the main directions of the Bank's activity, strategy, procedures and other internal legal acts.
- 8.14. The Board must discuss at least quarterly the reports of the Internal audit unit of the Bank, the Chief Executive Officer and the Chief accountant according to the form and procedure the Board had determined.
- 8.15. The meetings of the Board are held at least once every two months.
- 8.16. The members must be notified about the convening the Board meetings at least three days before the day of convening the meeting. The notice must contain at least the information required by the law. The notice can be sent by sending either through registered mail or by hand delivery or by means of electronic communications, including e-mail, software and application platforms (including mobile applications).
- 8.17. The Board meetings are convened by the Chairman of the Board at the written request of itself, a member of the Board, the Chief Executive Officer, the head of Internal audit, the Bank's external auditor, the Board of the Central Bank, as well as the participant(s) holding 5% or more of the Bank's voting shares.
- 8.18. The quorum of Board meetings cannot be less than half of the number of Board members.
- 8.19. The decisions mentioned in the article 8.11 of this Charter are adopted as follows:
- 1) Decisions in sub-clauses "2", "4", "5", "10", "17", "20", "22", "27", "28", "29", "30", "31", "32", "33", "34", "35" and "36" of article 8.11 require a positive vote of at least 7 (seven) out of 11 (eleven) Board members, including the consent of at least 2 (two) Board members not appointed by or at the request of "ACBA FEDERATION" CJSC. Additionally, the decision in sub-clause "10" requires the approval of Proparco's (Société de Promotion et de Participation pour la Coopération Economique) representative on the Board.
 - 2) Remaining decisions in article 8.11 require a simple majority.
- 8.20. Each member of the Board has only one vote during voting. The transfer of voice and voting rights to another person (including another member of the Board) is not allowed. In case of equality of votes, the vote of the Chairman of the Board is decisive.
- 8.21. The Board meetings can be convened remotely. In case of holding a Board meeting remotely, the agenda of the meeting is sent to each member of the Board at least one day in advance and their opinions are received on each item of the agenda
- 8.22. The Board can also make decisions in such meetings where all the members of Board can communicate with each other by telephone connection, video connection, or other means of electronic communications, including e-mail, software and application platforms (including mobile applications) in real-time mode. Such a meeting is not considered a meeting conducted remotely (poll). In such meetings decisions can be made only regarding matters not prohibited by law. In case of convening a Board meeting by voting through other means of communication, including e-mail, software and application platforms (including mobile applications), it may be stipulated that the voting may last more than one day. In that case, the results of the voting shall be summarized within five working days

after the expiration of the period provided for it. Moreover, if the same person submits a ballot filled in more than once, the later submitted ballot and/or position is taken into account.

- 8.23. The discussions of all matters of the Board meetings can take place only with the mandatory presence of the Chief Executive Officer, except for the issues of early termination of the Chief Executive Officer’s powers and approval of its remuneration conditions. The Chief Executive Officer participates in Board meetings with the consultative vote right.
- 8.24. The meetings of the Board are minuted. The minutes are drawn up within 10 days after the end of the meeting.
The Minutes shall contain the following information:
- 1) The year, month, date, time and venue of convening the meeting;
 - 2) The persons who participated in the meeting;
 - 3) The agenda of meeting;
 - 4) The questions put to the vote, as well as the voting results, according to each Board member who participated in the meeting;
 - 5) The opinions of Board members and other persons participating in the Board meeting regarding the questions put to vote;
 - 6) The decisions adopted in the meeting.
- 8.25. The minutes of Board meetings are signed by all the members participating in the meetings who are responsible for the accuracy and reliability of the information contained in the minutes.
- 8.26. The minutes of Board meetings, held in accordance with the procedure mentioned in article 8.21 of this Charter, are drawn up based on the summary of the opinions received on the items on the agenda.
- 8.27. The Board meetings are conducted by the Chairman of the Board, who signs the decisions of the meetings. The Chairman of the Board is responsible for the accuracy of the information contained in the decision.
- 8.28. All matters related to the Board, including the election or appointment of Board members, or early termination of the Board member’s powers, convening and holding of Board meetings, which are not defined by this Charter, are regulated by the provisions of the laws on “Banks and Banking Activity” and “Joint-Stock Companies” of the Republic of Armenia.

(8th Section was redrafted by decision N 17-5 of the Shareholders annual general meeting of 25/04/2019, amended by decision N 20-3 of the General meeting of 07/12/2021, amended by decision N 25-3 of the General meeting of 21/11/2024)

9. THE CHIEF EXECUTIVE OFFICER OF THE BANK

- 9.1. The Chief Executive Officer performs the management of the current activity of the Bank. The Chief Executive Officer may have deputies. The Chief Executive Officer is appointed by the Board, the deputies of Chief Executive Officer are appointed by the Board upon the presentation of Chief Executive Officer. The Deputies CEO of the Bank have the right to issue powers of attorney to perform legal actions on behalf of the Bank and to represent the Bank in courts.
- 9.2. The Chief Executive Officer, as its exclusive authority, represents the Bank in the Republic of Armenia and foreign countries, concludes transactions on behalf of the Bank, and acts on behalf of the Bank without a power of attorney, issues powers of attorney. A facsimile reproduction of the signature of the Chief Executive Officer and/or an electronic digital signature may be used when concluding transactions and issuing powers of attorney.

- 9.3. The Chief Executive Officer:
- a) submits to the Board's approval the internal legal acts to be approved by the Board, regulations of separated divisions, Bank's administrative-organizational structure;
 - b) discusses in advance all the issues to be discussed by General meeting and the Board, for which that necessary documents are prepared, and organizes the implementation of decisions of the General meeting of the shareholders and the Board;
 - c) concludes transactions on behalf of the Bank that are not reserved to exclusive authority of the Board and the General meeting by the law and this Charter;
 - d) manages the Bank's property, including the financial resources, issues orders and instructions within the limits of its authority, issues mandatory directions and oversees their execution;
 - e) approves the jobs, hires and dismisses the Bank's employees, resolves the issues of staff election, reallocation, preparation and training;
 - f) applies the measures of encouragement and disciplinary actions to the Bank employees;
 - g) performs distribution of responsibilities between the Deputy Chief Executive Officers;
 - h) carries out other authorities related to the management of the Bank's current activities provided by the Bank's charter, as well as within the framework of the legal acts approved by the Board.
- 9.4. As a rule, the decisions of the Chief Executive Officer are implemented on the basis of his orders and instructions.
- 9.5. The Chief Executive Officer submits reports on his activities to the Board regularly, but not less than quarterly, in procedure established by the Board.
- 9.6. The adoption of decisions on matters subject to the authority of the Chief Executive Officer cannot be transferred to other Bank governance bodies, the Bank's Internal audit, the Bank's Chief Accountant or any other person, unless the exercise of the Chief Executive Officer's powers has been properly transferred to the person temporarily replacing him. The powers of the Chief Executive Officer can be properly temporarily transferred to the replacing person, if the latter meets the standards of qualification and scientific competence established by the Central Bank.
- 9.7. The powers of Chief Executive Officer are early terminated by the Board, based on its personal request, or if:
- 1) the CEO was recognized as incapacitated or severely incapacitated by a legally binding court decision;
 - 2) During the term of office, such circumstances appeared, by virtue of which the CEO is prohibited from being the Chief Executive Officer (Bank manager);
 - 3) was disqualified or deprived of the right to hold a certain office in accordance with the law.
- 9.8 The powers of the Chief Executive Officer can be early terminated for the remaining period of office, and if that period is more than one year, then on the condition that the Bank compensates the latter the salary for one year.
- The Bank has the right to claim back the salary compensated to the CEO by the first paragraph of this article from the person dismissed from the position of the Chief Executive Officer, by proving in court the case of the Chief Executive Officer's failure to fulfill properly its official duties.
- (9th Section was redrafted by decision N 17-5 of the Shareholders annual general meeting of 25/04/2019, amended by decision N 20-3 of the General meeting of 07/12/2021)***

10. THE CHIEF ACCOUNTANT OF THE BANK

- 10.1. The Chief accountant of the Bank carries out the rights and duties defined for the chief accountant by the law on "Accounting" of the Republic of Armenia.
- 10.2. The Chief accountant of the Bank is appointed by the Board on the recommendation of the Chief Executive Officer.
- 10.3. The rights and duties of the Bank's Chief accountant cannot be transferred to the General meeting, the Board, the members of the executive body, the internal audit unit or any another person.
- 10.4. The Chief accountant of the Bank submits a financial report to the Board and the Chief Executive Officer at least quarterly in the form and contents approved by the Board.
- 10.5. The Chief accountant of the Bank is responsible for the management of the Bank's accounting records, its condition and reliability, the annual report, financial and statistical reports to be submitted to the state administration bodies established by laws and other legal acts in a timely manner, as well as for the reliability of provided financial information to the Bank's shareholders, creditors and on the Bank by other means of the press and mass media.

11. THE INTERNAL AUDIT DIVISION

- 11.1. The Head and members of the Internal audit division are appointed by the Board. The members of governance bodies of the Bank, other managers and employees, as well as persons related to the members of the executive body cannot be members of the Internal audit.
The head and members of Internal audit are obliged to maintain working discipline established for the Bank employees.
- 11.2. The Internal auditor of the Bank, pursuant to the regulations, approved by the Board of the Bank:
 - 1) provides an independent assessment of the quality, adequacy and effectiveness of the Bank's internal control, including risk management systems, the Bank's governance system and processes;
 - 2) gives conclusions and recommendations on the issues presented by the Bank's Board, as well as the issues proposed by personal initiative;
 The matters regarding the authority of Internal audit cannot be transferred to the governance bodies of the Bank or to the other persons.
- 11.3. The Head of Internal audit presents the following reports to the Board and the Chief Executive Officer:
 - 1) regular reports on the results of the audits provided by the annual program;
 - 2) extraordinary reports, if, significant violations are revealed according to the justified opinion of the Internal audit, and if the violations are a consequence of the actions or inaction of the Chief Executive Officer or the Board then the report is submitted immediately to the Chairman of the Board.
 In the cases provided for by this article, the reports are submitted within two working days after the discovery of the violation
- 11.4. In case the Internal audit discovers violations of laws and other legal acts, it is obliged to present them in writing to the Board, at the same time proposing measures to be taken in order to eliminate these violations and not to repeat them in the future.

(11th Section was amended by N 11 of the Shareholders annual general meeting of 23/04/2014; redrafted by decision N 17-5 of the General meeting of 25/04/2019)

12. ACCOUNTING AND THE STATEMENTS

- 12.1. The organization of accounting and presentation of financial statements in the Bank, the criteria for recognition and measurement of assets, liabilities, own funds, income and expenses are carried out in accordance with the Law of the Republic of Armenia "On Accounting", accounting standards, tax legislation, regulations developed by the Central Bank and regulations governing accounting in accordance with the requirements of other normative acts.
- 12.2. The results of the Bank's activities are reflected in the statements submitted by the Central Bank in accordance with the procedure established by the Central Bank.
- 12.3. The Bank prepares, publishes in the press within the terms established by the legislation of the Republic of Armenia and submits annual and quarterly financial statements to the Central Bank in the forms approved by the Central Bank.

(12th Section redrafted by decision N 17-5 of the Shareholders annual general meeting of 25/04/2019)

13. DISTRIBUTION OF THE BANK'S PROFIT

- 13.1. The Bank's profit is generated from its operating income after deducting operating, labor and other expenses.
- 13.2. After fulfilling the obligations to the budget in accordance with the legislation of the Republic of Armenia and making deductions to the reserves, the profit can be left as undistributed profit for the purpose of the Bank's development or directed to the implementation of the Bank's statutory goals. The bank can pay dividends only based on annual results.
- 13.3. It is prohibited to pay dividends to the Bank's shareholders if the Bank's losses (damages) at the time of payment are equal to or exceed the amount of the Bank's available undistributed net profit.

(13th Section was amended by N 13 of the Shareholders annual general meeting of 28/04/2016; redrafted by decision N 17-5 of the General meeting of 25/04/2019)

14. BANK SECRECY

- 14.1. The Bank guarantees its customers and correspondent banks to maintain the confidentiality of transactions, the status of their accounts, investments, as well as technical and other information provided to the Bank.
- 14.2. All the employees, shareholders and their representatives of the Bank are obliged to maintain bank secrecy.

15. THE AMENDMENTS AND MODIFICATIONS TO THE CHARTER OF THE BANK

- 15.1. Amendments and modifications to the Bank's charter, as well as approval of the new edition of the charter, are made by the decision of the General meeting, which is adopted by 3/4 of the total votes of those who participated in it.

16. REORGANIZATION OF THE BANK

- 16.1. The Bank can be reorganized by merging with another bank and through restructuring the bank.
- 16.2. Reorganization of the Bank (change of organizational legal form) is carried out in accordance with the procedure established by the Civil Code of the Republic of Armenia and other laws.
- 16.3. The merger of the Bank is made in accordance with procedure stipulated by law.

17. TERMINATION OF THE BANK’S ACTIVITY

- 17.1. The activity of the Bank is terminated in accordance with the legislation of the Republic of Armenia, the order established by the Central Bank and this Charter.
- 17.2. In case of liquidation of the Bank all the funds, including the income from the sales of its property, after calculation regarding the budget, Bank employees for labor remuneration, depositor citizens, banks and other creditors, are distributed among the shareholders, according to their shares. In the event of liquidation of the Bank, the funds, including the income from the sale of its property, after making calculations with the Bank's employees, depositor citizens, banks and other creditors regarding the budget, labor remuneration, are distributed among the shareholders in accordance with their shares
- 17.3. The announcement about the termination of the Bank's activity is published in the press.