

L3A REMOTE WORK POLICY

Disclaimer

The present Remote Work Policy is provided as a template for informational and guidance purposes. Each organization's circumstances, legal requirements, and operational context are unique and must be assessed on a case-by-case basis.

The Remote Work Policy does not constitute, and should not be relied upon as, legal advice. This is not intended to replace professional legal counsel tailored to your specific situation. Users of this template are strongly advised to seek independent legal advice from qualified legal professionals before implementing any policies or procedures based on this document.

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1. Purpose and scope

This policy contains the standards and guidelines adopted by [***] (the “**Company**”) with regards to remote work (the “**Policy**”). Remote work refers to any work performed outside of the premises of the Company. This Policy is not enforced when there is a Business Continuity Plan or a Disaster Recovery Plan **[as defined in CSSF Circulars 12/552 on Central administration, internal governance and risk management and [***]]** and it does not apply to employees seconded abroad.

The main purpose of this Policy is to promote consistency, transparency, compliance and adherence to Luxembourg labour laws and legislations as well as in-house regulations and standards.

This Policy aims at:

- Providing clear information for working remotely.
- Creating consistency throughout the Company.

The Policy is compliant with the CSSF Circular 22/804 on governance and security requirements for Supervised Entities to perform tasks or activities through telework (“**CSSF Circular 22/804**”) and the Collective Bargaining Agreement of 20 October 2020 relating to the legal regime of remote working declared as generally binding through Grand-Ducal Regulation dated 22 January 2021 (hereinafter the “**Telework Agreement**”).

The key principles are to ensure that the Company always maintains a robust central administration in Luxembourg, ensuring that activities continue in an effective and secure manner and that the internally defined framework for controls (“**Internal Controls Framework**”) remains operational

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(covering items such as badge access, desk occupation, country risk, a minimum of employees being on site, etc.). This also includes protecting the confidentiality, integrity and availability of the Company's IT systems and data.

This Policy does not form part of employment contracts, and it is not envisaged unless there is a specific legislative requirement.

The Company reserves the right to amend this Policy and will amend the Policy if needed in case of tax and social security changes.

The Company reserves the right to terminate this Policy in a discretionary manner subject, however, to the powers of the staff delegation if any.

2. Definition of remote working

Remote working is carried out on a voluntary basis. Remote working is a form of organising and/or carrying out work, using information and communication technologies within the framework of an employment contract authorising work, which would ordinarily be carried out in the Company's premises, to be performed outside the premises of the employer. The following cumulative criteria must be met so that a work relationship may be qualified as "Remote Working":

- Work must be delivered by means of information and communication technologies based on a previous approval by the Company;
- Work must be performed on a regular or occasional and voluntary basis and within the defined working hours at a predetermined place that is different from the Company's premises.

3. Eligible employees

All employees of the Company are eligible to request remote work, subject to the limitations set in force in the below Policy (the "**Eligible Employees**").

Eligible Employees must:

- 1) have signed a Luxembourgish employment contract with the Company;
- 2) have signed a written document with the Company allowing them to work remotely; and
- 3) not be a member of an on-site office-based team as described in and without prejudice to clause 14 of this Policy.

Authorized managers are considered Eligible Employees but will need to ensure that at minimum, one authorized manager be on-site.

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New joiners and trainees must work mainly from the registered office of the Company during their probation period to receive the full benefits of training and coaching given by their colleagues, while ensuring a good integration in their team.

New joiners and trainees may be permitted to work remotely on an exceptional basis subject to the prior approval of their Head of Department with the limitation of 1 day per month maximum, subject to the Tax Tolerance Thresholds and to any limits established by applicable other local jurisdictions and offices related to business continuity and phased staffing situations.

Students are excluded from remote working.

Eligible Employees must adopt a flexible attitude to remote working. Even if a remote working day has already been approved, Eligible Employees may be requested to cancel it due to business imperatives as listed below (non-exhaustive list):

- Unexpected absence of a team member, where presence at the office or at client site is required.
- Exceptional and urgent client request, which cannot be postponed and requires the Eligible Employee's presence in the office or at the client's premises.
- Any other situation where the presence of the Eligible Employee is required, based on the assessment of the Line Manager.

While homeworking is a work flexibility granted by the Company, it always remains possible for an employee not to opt for it. It is recommended to have a transparent discussion with the management to agree on the best working arrangement for the employee

4 Eligible places

Remote working must be strictly carried out at a pre-approved address (such as the residential address) of the Eligible Employees located in Luxembourg or France, Germany, or Belgium (the "**Neighbouring Countries**"), provided that:

- The location allows the remote worker to return to the Company's premises on short notice i.e. within two hours;
- The remote work is performed in a restricted space guaranteeing confidentiality requirements; and
- The location has high speed internet connection.

Any request to work at an alternate location outside the Eligible Employee's residence address is subject to review and prior validation based on country risk, duration, and exception reason which is separately approved by the Head of Department and HR.

The Company retains the right to request Eligible Employees working in an alternate location to return to the Company's premises based on business needs. Return travel to the Company's premises will be at the Eligible Employee's own expense.

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5 Eligible technologies

The Company will supply Eligible Employees with essential homeworking equipment.

The Eligible Employees must use IT equipment provided by the Company **[in accordance with the Company's IT charter and Telework security policy. Breach of the Company's IT charter may lead to sanctions up to [***/ the dismissal].**

Any equipment provided by the Company remains property by the Company, who will bear any costs related to this equipment and replace it if necessary.

The Eligible Employees undertake to handle the equipment carefully and shall be held responsible for any improper use of the equipment. Equipment provided should not be used by anyone else other than the Eligible Employees.

The Eligible Employees undertake to immediately inform the Company in case of technical issues, damage, or defect of the equipment, as well as any security breaches. If the Eligible Employees are not able to work due to IT or connectivity issues, they must immediately go to the premises of the Company.

When remote working, the Eligible Employees undertake to comply with the security measures in force – including but not limited to, use of a password, locking the computer when leaving it unsupervised – and with all the internal rules of the Company (**telework security policy, IT charter, IT security, ...**). The Eligible Employees are not allowed to download or use any software on the homeworking equipment provided.

The equipment provided to the Eligible Employees must immediately be returned to the Company, either upon request, or during the period of suspension of the employment contract, including but not limited to notice period with exemption from work and termination of employment contract.

6 Regulatory limits

As a preamble, it is to note that any day involving remote work is treated as a full remote workday.

6.1. Non-Luxembourg residents

Eligible Employees working in Luxembourg, with a residential address in the Neighbouring Countries are required to comply with all limitations for tax and social security.

Social security sets the limit to a maximum of 24,99 % remote working (or 49.99% if the Framework Agreement on the application of Article 16 (1) of Regulation (EC) No. 883/2004 in cases of habitual cross-border telework" is applied (the "**Framework Agreement**")) in the country of residence;

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however, the Eligible Employees are reminded that the taxation of salaries is linked to the location where work is carried out under their employment agreement.

Any remote working activity regularly carried out by an Eligible Employee not residing on Luxembourg territory will have to be declared to the “Centre Commun de la Sécurité Sociale (CCSS)” via the application “SECULine” by the Employer. Please note that there may be additional reporting obligation in the Eligible Employees’ country of residence.

The Neighbouring Countries have concluded specific tax agreements allowing the worker to perform some remote work without changes in income tax, limited to a certain number of days (the “**Tax Tolerance Thresholds**”). Subject to change, the Tax Tolerance Thresholds are limited annually to a maximum of:

- Belgium 34 days (FTE, i.e. prorated based on part-time)
- France 34 days (FTE, i.e. prorated based on part-time)
- Germany 34 days (no proration necessary)

These Tax Tolerance Thresholds also apply to business trips, client meetings or trainings held outside of Luxembourg. Controls of remote work per Eligible Employees will be operated.

For social security purposes, Eligible Employees must spend less than 25% (or less than 50% if the Framework Agreement is applied) of their working time in their home country to stay on Luxembourgish social security.

Non-Luxembourg resident Eligible Employees:

- Agree to never exceed the tax thresholds applicable (i.e. 34 days per annum).
- Agree to be at all times solely responsible towards the tax and social security authorities of their country of residence; and
- Undertake to comply with their tax and social security obligations and in particular to take the necessary steps in their country of residence, and, where applicable, in any other country where they carry out their activities.
- Agree to release and hold the Company harmless from any obligations linked to the payments of taxes and/or social security contributions due by the Eligible Employees in their country of residence.

The Company will not bear any liability with regards to social security and/or taxation due by the Eligible Employees and shall in no event be held liable for the non-resident Eligible Employees’ failure to comply with their tax and social security obligations.

6.2. Luxembourgish residents

Without prejudice to clauses 8 of this Policy, the regulatory limits set out in clause 0 of this Policy are not applicable to Luxembourgish residents.

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For tax purposes, Eligible Employees residing in Luxembourg have to stay at least 183 days in Luxembourg to stay taxable in Luxembourg. Specific double tax treaties need to be considered as the rules may vary from country to country.

For social security purposes, Eligible Employees have to stay at least 25% of their time in Luxembourg to stay on Luxembourgish social security.

7 Monitoring

To maintain a robust central administration, the Company will keep an up-to-date record of all Eligible Employees working remotely, enabling the monitoring of the compliance with the Policy.

The Company should, upon request, make available this document to the CSSF; either the full evidence mentioned in the preceding sentence, or relevant parts thereof allowing demonstration of compliance with the present requirements, in a processable electronic form.

The Company should also, upon request, make available to the CSSF all other information necessary to enable the CSSF to execute effective supervision of the Company, including, where required, this Policy.

In order to comply with regulatory requirements and to ensure Eligible Employees are in compliance with this Policy, regular controls of remote work are performed. The following data is used in order to put the controls in place: extract of Eligible Employees badging, extract of all types of leaves of Eligible Employees recorded in the **[HR application / time off planning]**, extract of telework recorded in **[HR application / time off planning]**. In case of suspicion of an Eligible Employees not being in the location they declared, the Employer can control the Eligible Employees logs via IT Security where it is checked if the Eligible Employees works from the notified IP address. Those controls are in place to monitor the proper execution of work performed by the Eligible Employees during remote work.

8 Practical modalities

Eligible Employees can work remotely up to a maximum of 24,99 % (or 49.99% if the Framework Agreement is applied) of their working time, taking into consideration their residential address, applicable Tax Tolerance Threshold (i.e., non-Luxembourg residents should work outside of Luxembourg for a maximum of 34 days per annum) and social security limits (i.e. less than 25% of the working time in the home country, or 49.99% if the Framework Agreement is applied).

Unless otherwise approved, Eligible Employees shouldn't be out of the office for more than 4 continuous weeks (annual leave and remote working combined).

Full autonomy is given to Head of Departments to discuss with their teams who works in the Company's premises vs remotely and when.

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Eligible Employees at home or in the office may be reshuffled, and Head of Departments may continue to request Eligible Employees to come to the office depending on business requirements, projects and / or more efficient teamwork.

The Company reserves the right to require an Eligible Employee to revert to a traditional working arrangement at any time if business needs so demand, or if the Eligible Employee fails to comply with this Policy, subject to any future amendments, in particular the rules on health and safety, working hours, data confidentiality or the use of the equipment.

The Company and the Eligible Employees agree that they may terminate by mutual agreement, and at any time, their remote working arrangement and return to the traditional work scheme (i.e. performance of work at the registered office of the Company only).

9 Authorisation process

All remote work is carried out on a voluntary basis, subject to a prior discussion and authorisation from the Head of Department. When authorisation is not granted and / or cancelled due to business imperatives, the Eligible Employees is not allowed to work remotely as initially requested.

Authorisation for remote work is to be requested in advance by the Eligible Employees in the **[HR application / time off planning]** indicating where they will be working (either from their residence address or another address to be indicated and separately approved).

Remote working does not constitute an individual or vested recurring work organisation right and cannot constitute an acquired right for an employee.

10 Responsibilities of the remote worker

10.1. Fundamentals

Eligible Employees who chose to work remotely are responsible to:

- Work collaboratively with the Head of Department and other team members (if appropriate) to ensure that remote work does not negatively impact the level of customer service.
- Make themselves aware of any specific remote work requirements in respect of compliance, data security or Health & Safety
- Comply with the Company's rules on data protection and on the security and confidentiality of information.
- Ensure, under any circumstance, that no unauthorised person has access to the Company's information or documents.
- Comply with health and safety measures at work, particularly with regard to display screens, and ensure they work in a healthy and safe environment.
- Remain available and contactable during their agreed working hours.

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- Work during their working hours as specified in their employment contract. For organisation purposes, remote work is not allowed before 06.00 am and after 22.00 pm.
- Arrange, if they are working outside of Luxembourg, to initiate an A1 form through HR for notification to the CCSS, Dates of travel and location of business event and or hotel. It might be useful to request an annual A1 if they already know that they will be travelling frequently.
- Keep their data with HR up to date on residential location.
- Track working from home days and location in appropriate work tool and Outlook Calendar.
- Complete Appendix B with Head of Department and send to HR.
- Conduct a risk assessment at their remote working location as per Appendix B.
- Notify the Company immediately in the event of a breakdown or malfunction of the work equipment.
- As non-Luxembourg resident,
 - Note that business trips outside of Luxembourg are deducted from the Neighbouring Countries' relevant Tax Tolerance Threshold.
 - Maintain the numbers of days working remotely under the Tax Tolerance Thresholds defined by the respective Neighbouring Countries.
 - Note that any work in the country of residence is considered as a full day for the Tax Tolerance Threshold.

10.2. Availability

Remote workdays are viewed as normal business days and coordinated with the Head of Department to ensure sufficient client coverage is available on-site if needed. The remote workday corresponds to the regular working hours. As such, Eligible Employees must remain available as if they were working on-site, which means being available for any video calls, other calls, meetings, or interactions with internal and external parties during the usual working hours. Where applicable, the Eligible Employees are asked to forward their desk phone to their mobile phone. Information is to be shared with other team colleagues as needed to ensure proper client and business need coverage.

If the Eligible Employee is unable to work from home or cannot guarantee the safety of the remote working place, he / she must immediately go to the place of work (i.e. registered office of the Company). The time spent commuting to the office is not considered as working time.

Overtime should not be performed while working remotely, except if formally requested and approved.

10.3. Suitable working environment

The Eligible Employees undertake to only work in a safe environment and designated space that permits that IT resources, client and employee data remain protected and inaccessible to any unauthorised third party. The Company and the Eligible Employees will take steps to ensure protection

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of data used, and while remote working, that **standard IT protocols on authorisations and accesses are followed (ref. Policy)**.

11 Responsibility of Head of Departments

11.1. Fundamentals

Head of Departments are responsible to ensure that:

- They initiate discussion with Eligible Employees regarding their remote work and agree on a schedule and complete Appendix B in the Policy together with the Eligible Employees.
- Business continuity and operational needs are fulfilled as a priority.
- Case loading is considered carefully when agreeing remote working arrangements.
- Colleagues maintain the total number of hours worked according to their employment contract.
- On-boarding of new colleagues are not negatively impacted.
- Any specific Health & Safety or compliance issues that might uniquely impact Eligible Employees are followed up on in a timely way.
- Identified roles should be kept under active review to ensure that client service and operations are not being adversely impacted.
- Minimum physical meetings between line manager and team colleagues to be held on-premises, at least one a quarter a physical meeting on site.
- Regular communication between the colleagues, and Team including assessment of tasks and objectives.

11.2. Maintenance of sufficient substance on-site

Head of Departments have the responsibility to maintain sufficient staff with the necessary skills, knowledge, and expertise on premise to ensure any emergencies and time-critical issues can be dealt with in an adequate, timely, and secure manner. Additionally, Head of Departments will pay attention that no additional burden is created for the staff remaining on-site and will therefore carefully consider any remote work request in light of operations planning. In order to allow each Eligible Employee to benefit from remote work, it is recommended to limit the number of remote workdays per week that can be taken consecutively and to schedule Eligible Employees remote days as per of regular resource planning.

The Head of Department is entitled to define whether certain days or periods are to be excluded and not open to remote work due to operational requirements, client delivery commitments, training courses, holiday seasons, etc. If any exclusion period is determined, the Head of Department will ensure proper communication to his / her team sufficiently in advance.

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To ensure the maintenance of a central administration and sufficient substance on-site, the number of Eligible Employees remote working concurrently can be planned subject to maintaining a minimum of 25% on-site depending on business and client needs.

11.3. Supervision of remote workers

Remote workdays are viewed as normal business days, and any tasks and activities done through remote work need to be carried out under the usual internal control framework (multi-eyes review, checklist completion, etc.). The Head of Department will ensure that effective supervision of the Eligible Employees' activities can be done as if the Eligible Employees were on-site.

The Head of Department will ensure their Eligible Employees attend any mandatory training on risk awareness, IT security and data protection.

12 Responsibility of the Company

The Company is responsible to:

- Review all the team allocations and scheduling to ensure a fair and consistent application across the Company.
- Keep scheduling arrangements or agreements simple so they are easy to implement, communicate and manage.
- Inform the Eligible Employees on the Company's policy on Health and Safety at work.
- Provide support and guidance to Head of Departments, when required, for best practice and application of Policy for their team.
- Ensure processes are in place to foster constant communication and effective engagement and collaboration across the teams.
- Provide the essential home working tools to perform effectively while working remotely.
- Bear the costs directly related to the Eligible Employees' performance of their duties from the remote working place, in particular expenses related to communications, maintenance, repair and/or replacement of the equipment, as the case may be.
- Maintain a high level of security and availability of the Telework infrastructure over time.
- Ensure Eligible Employees have same rights as office-based colleagues.
- Monitor the use of remote working and collecting electronic data to provide supporting evidence of defined rules to third parties e.g., CSSF, ITM Tax Administration and for internal use i.e., occupancy analysis.
- Provide a risk assessment and an annual report to include statistics and any incidents.
- Keep the Policy under review and in line with evolving local legislation.
- Provide secured IT access [see Appendix C]
- Ensure minimum one authorized manager to be on-site.

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Ensure that there is sufficient presence to perform and always maintain a robust central administration in Luxembourg, ensuring that activities continue in an effective and secure manner and that the Internal Controls Framework remains operational.

- Ensure the following activities are not conducted outside of Luxembourg: signing of contracts, board mandates.
- Comply with the Telework Agreement.

In accordance with Article 5 of the Telework Agreement, the document signed between the Company and the Eligible Employee as referred to in clause 3 of the present policy will state the following:

- the remote working location, i.e. the Eligible Employees' residence address;
- the hours and days of the week during which the Eligible Employee works remotely and must be reached by the Company;
- the arrangements for payment of the connection and communication costs referred to in Article 8 of the Telework Agreement;
- the arrangements for any compensation in respect of benefits in kind in accordance with Article 6 of the Telework Agreement;
- the arrangements for switching to or returning to the traditional working arrangement.

13 Specific rules for privileged users

Privileged users are users with access rights enabling them to carry out sensitive operations, both for ICT operations (e.g., system administrators) and for business operations. These sensitive operations are typically related to the provision of critical activities and should only work from the office or from home within the limit of two hours as defined above. Privileged users will not be allowed to work remotely from other locations.

14 Office based roles

Specific functions may be required to work on-site without remote working capabilities, such as facilities team, reception desk, IT Assets, mailroom, or any team where on-site work must be produced. However, Line Managers of these roles, should be encouraged to collaborate with these employees to allow for some remote working arrangement, where requested and possible.

15 Specific rules for authorized management

Authorised management means persons authorised for day-to-day management or persons authorised to effectively conduct the business.

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15.1. Management of regulated entities

It is expected that 20% of the conducting officers and one board member shall be working from the Company's premises at any time.

15.2. Management of non-regulated entities

For operations: at least Head of Department shall be working from the Company's premises at any time.

For corporate functions: at least one authorised manager shall be working from the Company's premises at any time.

15.3. Board and conducting officer meetings

All conducting officers and board meetings should be initiated from Luxembourg with a majority of members physically present in the Company's premises.

15.4. Critical activities

The execution of activities for which the occurrence of a problem may have a significant impact on the Company's ability to meet regulatory requirements or even to continue its operations, e.g. transaction processing, 4-eye validations, remote administrative access to information and communication technology (ICT) systems by the ICT team, etc. (hereinafter the "**Critical Activities**") shall be continuously guaranteed.

The Company will ensure that Critical Activities can be covered by a sufficiently skilled and responsible employees present at the Company's premises to guarantee the adequate functioning of the activities and controls during business hours.

Therefore, the Company's IT team shall ensure throughout the execution of the remote work that potential disruptions such as connection disruption, do not substantially impair the Company's ability to perform its activities in an adequate, timely and secure manner.

16 Security risk awareness

Eligible Employees' awareness on risks and best practices regarding the use of remote work will be ensured through training sessions and other communications. All Eligible Employees should ensure to attend, at least once a year, a training to update their knowledge on ICT and security risks, as well as on specific behaviours to be adopted, regarding remote work.

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17 Rights and obligations

Eligible Employees are vested with the same rights and are subject to the same obligations, provided for by the relevant Luxembourg applicable laws, as other employees working from the Company's premises.

Except for objective reasons, the Company may not treat Eligible Employees working remotely differently from other employees occupying comparable positions, in particular with regard to employment conditions, working hours, remuneration conditions, conditions of and access to promotion, collective and individual access to continuing professional training, respect for privacy and processing of personal data for monitoring purposes in the context of employment relations. In addition, the Eligible Employee shall receive the same information as other employees.

Remote workers must be compensated for any loss of in-kind benefits to which they would otherwise be entitled, so they are not placed at a disadvantage by participating in a remote working arrangement.

Eligible Employees can request a visit from the Company's health and safety department, the health and safety delegate or the labour inspectorate.

18 Consequence of misuse

Failure to comply with this Policy may lead up to and including dismissal in line with the disciplinary procedure in place.

19 Entry into force

This Policy entered into force on **[date]**. The Company reserve the right to cancel or amend at any time this Policy at its sole discretion.