



RECRUITMENT POLICY



EXECUTIVE SUMMARY

Objective

The Recruitment Policy aims to ensure that talent acquisition is conducted in a fair and transparent manner offering an effective talent approach to the business and ensuring a positive experience for candidates.

This policy facilitates the sourcing and selection of the most suitable candidate through different channels: accessing the external market as well as making most of our internal talent pool.

This policy shows BIL's strong commitment as a responsible employer to develop and communicate procedures and policies, in consultation with relevant stakeholders, that promote equitable and transparent recruitment practices.

Hiring Managers are empowered to take responsibility for the recruitment and selection of their direct reports while the Human Resources team is here to help and guide them through the process and systems.

General framework

This policy is relevant to BIL HQ but also BIL Branches, Subsidiaries and Representative Offices (hereinafter "**BIL Group**") unless differently indicated and in case of different local regulatory requirements - in accordance with the PCC Governance Policy related to Branches, Subsidiaries and Representative Offices.

BIL Group will always comply with applicable laws and Collective Labor Agreements that are in force.

Principles

The success of our business is driven by the people who work for us, our human capital. Our goal is to bring and appoint the best suitable candidates to the given job.

Our aim is for our recruitment process to be transparent and effective to make sure we recruit individuals with the right competencies, values and behaviors who possess relevant skills, knowledge, and qualifications. This includes the possibility to appoint current employees to new open positions, hence we encompass both external and internal recruitment, by encouraging internal mobility of our employees.

Finally, we are committed to regularly monitor and assess the effective application of recruitment mechanisms and ensure continuous improvement together with our employees and employee representatives.

Commitments

As a signatory of the UN Principles of Responsible Banking, BIL Group is committed to handing over a responsible and **sustainable** bank to future generations.

BIL Group is firmly of the opinion that **diversity & inclusion** contribute towards increasing the collective performance of the bank. BIL Group is committed to our equal opportunity policy at every recruitment stage. Hiring teams should aim for a well-planned and discrimination-free hiring process.

1. INTRODUCTION

To achieve its goals, BIL Group wants to secure access to the necessary People competencies.

Recruiting refers to the process of attracting, selecting, and hiring the best-qualified candidates for available positions within our organization in a timely manner.

This policy illustrates the principles and the different steps to recruit and hire new employees (excluding Executive Committee members) and trainees.

2. SOURCING

When there is a job opening (being it a vacant position or a new position) the job is posted to get visibility and candidates have the possibility to apply. With this purpose, different channels are exploited:

- ADEM: For job opening in Luxembourg, it is mandatory to first submit a declaration of vacant position to the National Employment Agency (ADEM)
- BIL Career site: The BIL career website is the centralized platform where candidates will find all our job openings
- External Jobboards: Relevant jobboards both local and international (such as LinkedIn for instance)
- Internal Talent Market Place: all the positions that are published externally are systematically advertised also internally in BIL 's intranet, also called Talent Marketplace.

As an organization with focus on employee`s long term development, it is in fact important to create transparency for all our employees about possible career opportunities to which they can apply for them to follow their ambitions and enrich their skills and competencies as the occasions raise within the Group.

As part of the sourcing process, the HR team can also use the recruitment database to search for potential candidates and the Hiring Manager activate its own network.

BIL Group participates to different job fairs locally and abroad to meet potential candidates and present our job opportunities.

BIL Group has set up a referencing system called the Employee Referral Program with a view to attracting the best candidates on the labor market. Employees are awarded when they refer external candidates whom the bank goes on to recruit.

Depending on the recruitment need, BIL Group may seek the assistance of a recruitment agency / headhunter in line with our agency framework and with the needed approval.

3. SELECTION

Screening:

To ensure a consistent and objective approach, all people involved in the selection (HR and Hiring Managers) are made clear about the specific requirements of BIL Group so that candidates are measured against appropriate standards identified for the role.

The HR team screens all the CVs received for the specific position and indicates the relevant ones to the Hiring Manager. The Hiring Manager does a further screening and informs the HR team on preferred ones.

BIL Group is committed to have a process that is free from bias and envisage Hiring Managers and HR cooperation in forming and discuss opinions through each stage of the recruitment process to shortlist a diverse pool of candidates.

Interviews:

Interviews are a core part of the selection process and aim to assess how the candidate has demonstrated the skills, specific technical knowledge, experience, and behaviors required for the role.

All interviews will include technical and behavioral competency-based questions relevant to the specific role requirements.

In general, the first interview is done by a HR representative and the second interview with the Hiring Manager. For specific cases, some additional business interviews will take place.

To ensure BIL Group is conducting interviews in a consistent, fair, and inclusive manner, Hiring Managers can rely on the Recruitment Guide to understand their role in the Recruitment process and gain the “how to” perform effective recruitment interviews.

Assessment:

During the selection process, assessment can be done depending on the position to be filled and the managerial skills required to assess candidate's:

- Motivational intelligence and/or
- Adaptive intelligence and/or
- Emotional intelligence

The candidate is asked to complete online tests & questionnaires. A summary report is drawn up and debriefed with the Hiring Manager & the HR team. The report is also shared with the candidate.

Those assessments help with the recruitment decision as a recommendation and decision guidance.

4. BACKGROUND CHECK

Before proceeding with a job offer, the preferential candidate is subject to background checks to verify the validity of the information provided and to ensure that the candidate has the regulatory prerequisites for the given position.

Candidates are informed by the HR contact that a background check may be carried out during their recruitment process.

The background check covers publicly available information and is strictly regulated by data protection laws which require transparency and proportionality. The background check must only cover information directly related to the professional lives of candidates, who must be informed in advance of BIL's verification procedures.

In accordance with the BIL Group Code of Ethics, no employee may carry out, directly or through an intermediary, a professional activity or other occupation that is incompatible or in competition with the employment contract. When a potential conflict arises, it should be discussed it with the Hiring Manager and Head of Business Partnership for an opinion and decision.

5. OFFER AND CONTRACTS

Once the candidate has accepted the job offer, the contractual phase starts. There are three types of contracts.

Permanent contract:

When BIL Group is willing to recruit a new employee in response to a lasting need for personnel as part of the normal and permanent activity of the business, a permanent employment contract will be offered.

Fixed-term contract:

BIL Group can offer fixed-term contract in exceptional cases, for a specific and temporary task.

Internship:

BIL Group recognizes the importance of providing internship opportunities that enable students to gain skills and experience as part of their educational background.

The internship openings are advertised at relevant points in the calendar year.

6. ONBOARDING

The New Joiners are welcomed twice a month, every 1st and 15th by the People, Culture & Communication department.

The objective is to provide them with the key information to start at BIL and offer programs to expand their knowledge, including regulatory trainings.

7. ROLES AND RESPONSIBILITIES

Recruitment Manager: policy owner, responsible for the overall approach, process design and continuous improvements.

HR Business Partnership team: partners with Hiring Managers to fill roles and provides support to candidates during the process.

Hiring Manager: accountable for the job requirements and for final decision. Works in partnership with the HR team to conduct the recruitment/selection process in a fair and transparent manner

Employees: adhere to all aspects of the talent acquisition policy when seeking a mobility move within the bank or when referring a candidate.

Business interviewers: conduct the recruitment interviews in a fair and transparent manner & select the best candidate for the role.

Global Head of People, Culture & Communication manages the execution of the HR strategy.