YOUR BRIDGE TO LIFE

Investor Presentation

BANQUE ET CAISSE D'EPARGNE DE L'ETAT, Luxembourg
(Spuerkeess)

September - 2026

SPUERKEESS.LU

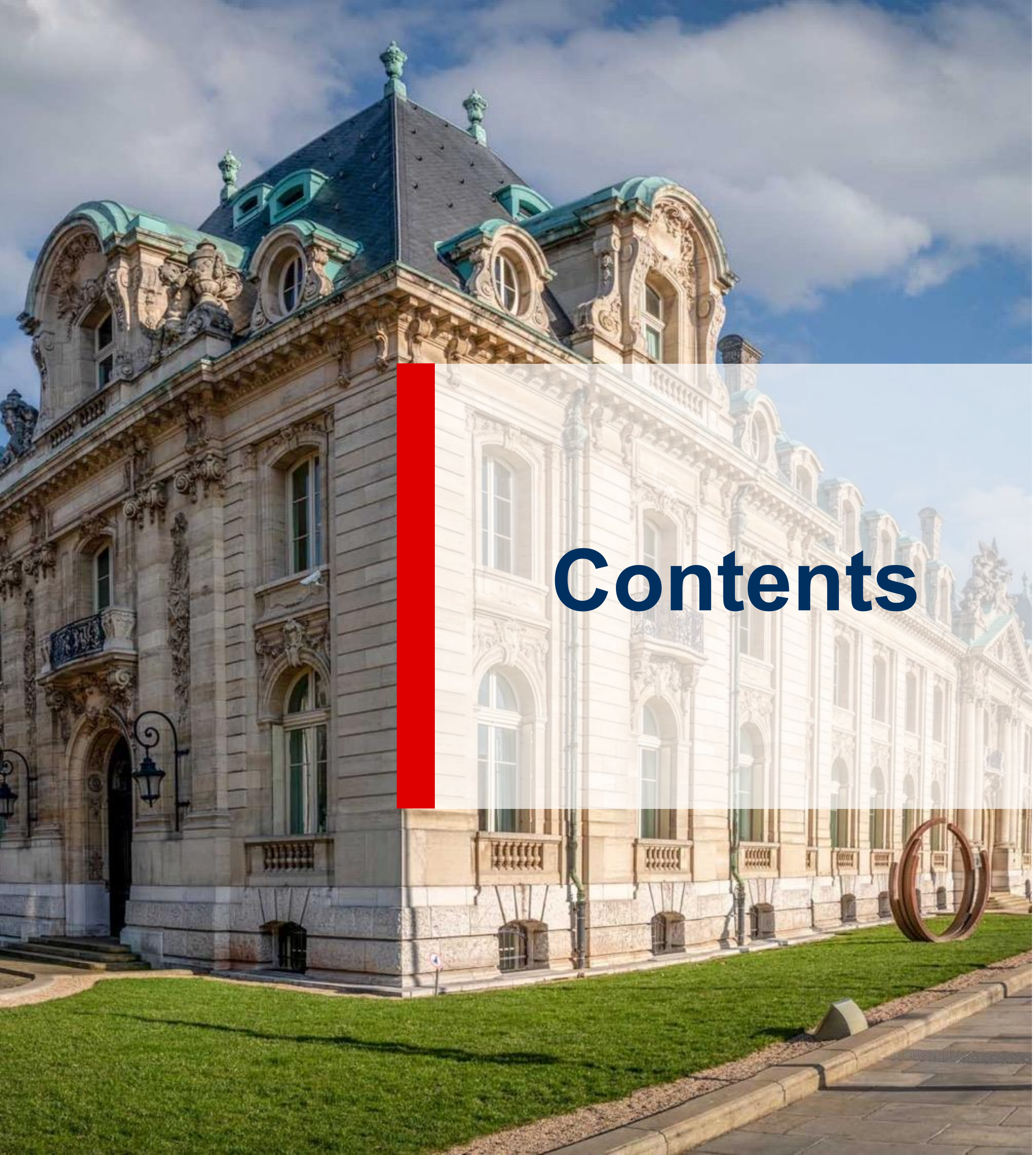
Disclaimer

This presentation does not, in any jurisdiction, including without limitation in the U.S., constitute or form part of, and should not be construed as, any offer for sale of, or solicitation of any offer to buy, or any investment advice in connection with, any securities of Banque et Caisse d'Epargne de l'Etat, Luxembourg (hereafter "Spuerkeess"), nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. It is not intended to be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs.

No representation or warranty, express or implied, is or will be made by Spuerkeess, its directors, officers or advisors, or any other person, as to the accuracy, completeness or fairness of any information, including projections, estimates, targets and opinions, contained in this presentation, and any reliance you place on them will be at your sole risk. No liability whatsoever is accepted as to any errors, omissions or misstatements contained herein.

This presentation includes or may include "forward-looking statements" relating to the business, financial performance and results of Spuerkeess and/or the business activities in which Spuerkeess operates. All statements other than statements of historical fact included in this presentation, including without limitation those regarding Spuerkeess's financial position, business strategy, plans and objectives are forward-looking statements. Such forward-looking statements, including assumptions, opinions and views of Spuerkeess or cited from third-party sources, involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Spuerkeess to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions and such assumptions may or may not prove to be correct. These forward-looking statements speak only as at the date of this presentation. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Spuerkeess, its directors, officers and advisors, or any other person, do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Spuerkeess makes every effort to ensure the contents of this presentation have been compiled from sources believed reliable. Opinions, estimates and projections contained in this presentation are those of Spuerkeess as of the date of establishment of the presentation and may be subject to change without notice. This presentation or any part of it may not be reproduced, distributed or published without the prior written consent of Spuerkeess.



Contents

01. Overview

Overview - History at a glance

1856 — **Founding** of the country's first and only Savings Bank (Caisse d'Epargne) on the 21st February 1856

1900 — Expansion of the services provided by the Savings Bank through the creation of the **Mortgage Bank** (Credit Foncier)

1928 — **Founding member & principal shareholder of the Luxembourg Stock Exchange** (LuxSE); as of today Spuerkeess remains the largest shareholder of LuxSE

1959 — The savings Bank is involved in creating the **first Luxembourg investment fund**, EURUNION, in 1959

1989 — Adoption of **« Banque et Caisse d'Epargne de l'Etat, Luxembourg»** (BCEE) as a **new name** (Law 24th March 1989), with a focus on the commercial orientations and universal banking

1994 — BCEE is rated by S&P and Moody's **among the world's highest rated banks**

2014 — BCEE is under the **European Central Bank's direct banking supervision** following the implementation of the Single Supervisory Mechanism (SSM)

2020 — **New corporate identity**, new logo and focus on the trade name **Spuerkeess**

2021 — Spuerkeess joins the **Net-Zero Banking Alliance** established by UNEP FI*

2025 — **Creation of Spuerkeess Foundation**, supporting the social inclusion of young people, financial education and the promotion of Luxembourg's artistic heritage

** Although the NZBA ceased its activities in October 2025, Spuerkeess maintains its climate ambitions, in line with the guidelines and recommendations initially established.*

Overview - About us, your bridge to life

- A trusted partner: tradition and banking innovation since 1856
- A partner of proximity: the largest network of bank branches and self-banking spaces in Luxembourg
- Designated O-SII in Luxembourg
- 100% owned by the State of Luxembourg
- Universal bank covering the whole range of banking activities
- Very strong credit ratings (AA+ by S&P and Aa3 by Moody's), further strengthened by the addition of a Scope rating (AA) in 2026.
- Focused on Luxembourg and its surrounding regions for B2B and B2C activities
- 2028 employees to meet and exceed expectations of our customers
- Digital banking leader in Luxembourg and excellent international ranking through constant digital innovation
- Awards: "Sustainable Finance" Award 2024

  "Best Bank in Luxembourg" Award 2024

Overview - Strategy

Spuerkeess's strategic vision is structured around three key priorities as reflected in its strategic plan « Spuerkeess 2030 », approved by the Board of directors in January 2026.

Strengthen the resilience of our business model

Strengthen the resilience of our operating model, internal control and risk management framework

Strengthen the commitment and engagement of the Bank's employees.

- **remain financially robust**
- **confirm and strengthen our position as a leader** and **a leading reference player in the Luxembourg market** and remain a partner of choice for customers in all business segments
- **deliver value-added services that meet client expectations**
- **expand and improve our digital offer and distribution channels**
- **be operationally robust, efficient, and technologically advanced** in order to reduce operational costs and prepare the bank of tomorrow
- **be driven by highly engaged talents**

« ***Your Bridge to Life – Where innovation meets purpose*** »

meaning

« ***Spuerkeess, a trusted partner, the bank of reference, efficient and human-centered*** »

Overview - Business model & commercial activities

Spuerkeess has continuously played an important role in the country's economic and social development. Its mission statement is defined by the Organic Law of the 24th March 1989 and requires Spuerkeess

- i) *to contribute through its financing activities to the economic and social development of the country and*
- ii) *to promote all forms of savings.*

Retail & Private Banking

- Spuerkeess is the leading player for retail banking services in Luxembourg (48,7% of market share)(1)
- Socially responsible lender -> #1 Bank in the local retail mortgage market (52% of market share)(1)
- Full range of daily banking services as well as tailor made investment and lending services for Retail and Private Banking clients
- Strong internal and external digital innovation culture to improve customer experience and simplify work processes
- Multi-channel points-of-entry (S-Net; Spuerkeess Direct; Branches; ATMs) - 100% online account opening
- **2025 : new client acquisition (+20.463), new investment offers & solutions**

SME & Corporate Banking

- Highest market share for SME banking services (30% of market share)(2)
- «One-stop shop» for SMEs & Corporates providing daily management, financing, investment and cash management services
- Tailor made advice and support throughout the company lifecycle
- Long-term reference partner for local and international SMEs & Corporates offering customized and flexible financing solutions
- **2025 : 1.337 new relationship entries, new digital solution S-Net Business, "transition enabler" program for corporate customers**

Institutional & Public Sector Banking

- Long lasting relationships with international and local institutional customers and public-supranational institutions
- Extensive experience in servicing institutional clients, offering innovative and diversified solutions to a broad range of fund regimes, Asset and Wealth Managers as well as Financial Market Intermediaries (i.e. insurance companies; Family Offices; specialized investment vehicles)
- Strong local anchor among the public sector and supranational institutions, while maintaining an international perspective
- Tailormade solutions such as custody, payment services and brokerage
- **2025 : Strong growth with AuCs above EUR 125 bln, new & improved onboarding process**

Global Markets

- Dedicated solutions for financial markets professionals
- Strong position of Spuerkeess as a trusted partner with value added services, stretching from traditional capital market products to complex derivatives and structured products. Spuerkeess Global Markets is positioned as a one-stop-shop for clients, encompassing execution, structuring-financing, clearing, custody and reporting

(1) TNS ILRES Bank 2025
(2) TNS ILRES 2024 for SME

Overview – S1 2026 Key figures(1)

62
EUR billion

Total Balance sheet size
+3.98% as compared
to Dec 2025

295,9
EUR million

Net Income after tax(2)
-7% as compared
to June 2025

45,9
EUR billion

Client deposits
+6% as compared
to Dec 2025

481,4
EUR million

Net Interest Margin
+6.4% as compared
to June 2025

29,2
EUR billion

Client loans
-0.2% as compared
to Dec 2025

112,9
EUR million

Net Fees & Commissions
+0.0% as compared
to June 2025

27,47
Capital ratio %(3)

Common Equity Tier 1
+0.60pp as compared
to Dec 2025

Spuerkeess(4)

#1 Retail Bank in Luxembourg

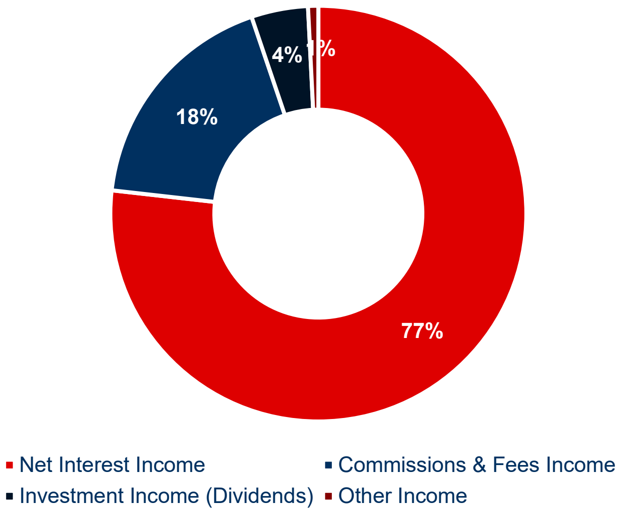
Sustainable Finance Award 2024"
by Global Finance

"Best Bank Awards 2024"
by Global Finance

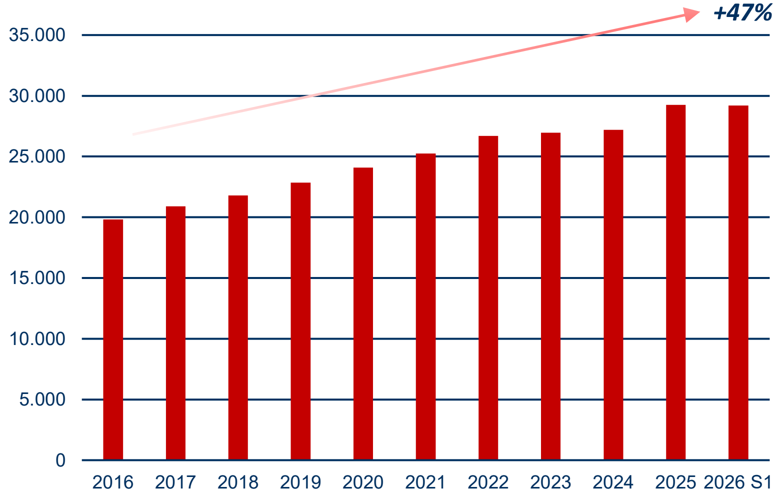
(1) S1 2026 Consolidated Balance sheet data
(2) Net income after minority interest
(3) Pillar 3 Non-consolidated Report as of 30/06/2026, excluding 2026 net profit
(4) TNS ILRES Banking survey 2024 / Global Finance

Overview – 2026 S1 Commercial activities (1)

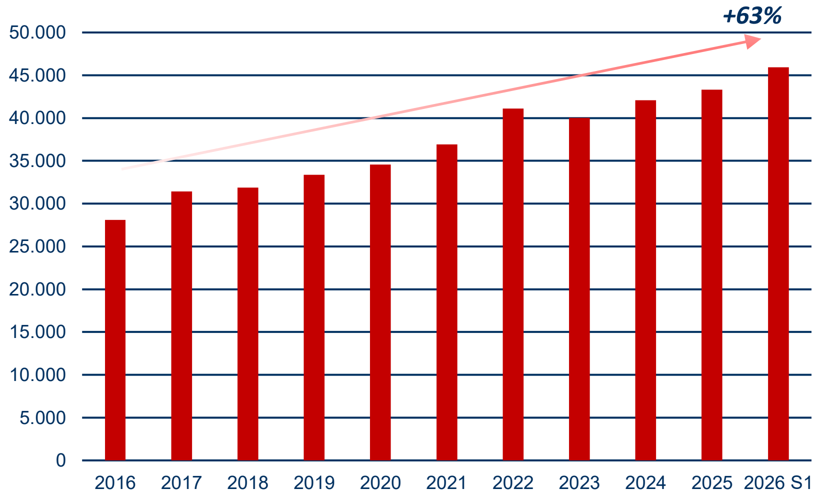
Revenues S1 2026



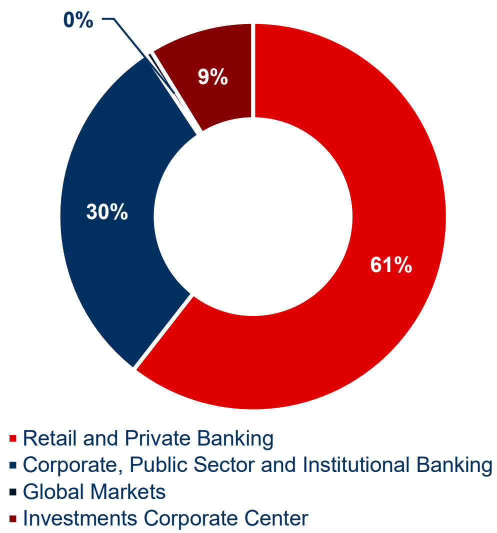
Loans - Customers (in EUR million)



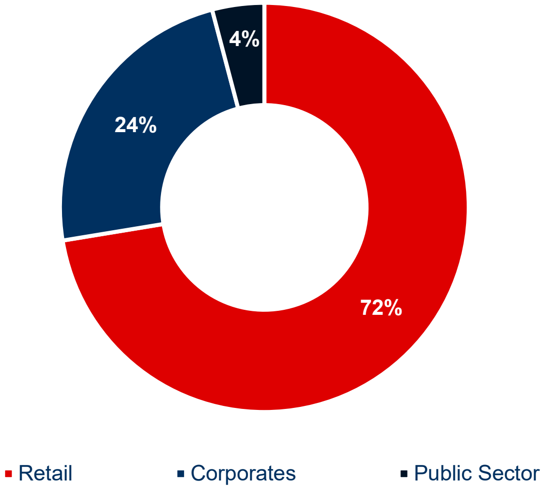
Deposits - Customers (in EUR million)



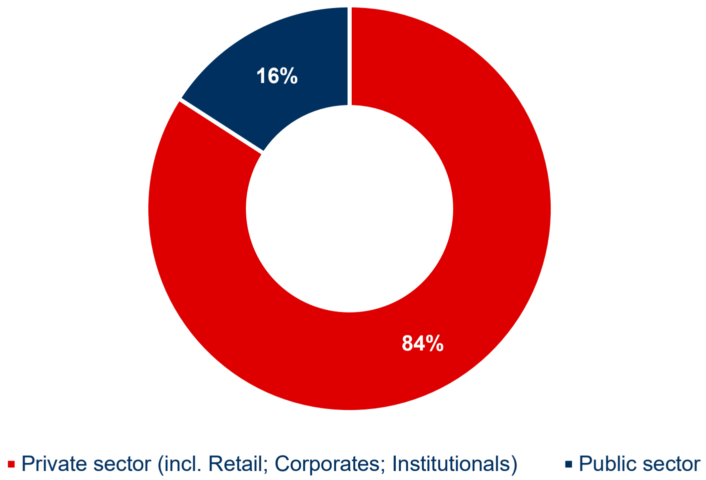
Revenues S1 2026 by customer segment



S1 2026 - Loans by customer segment



S1 2026 - Deposits by customer segment



(1) S1 2026 Consolidated Balance sheet data

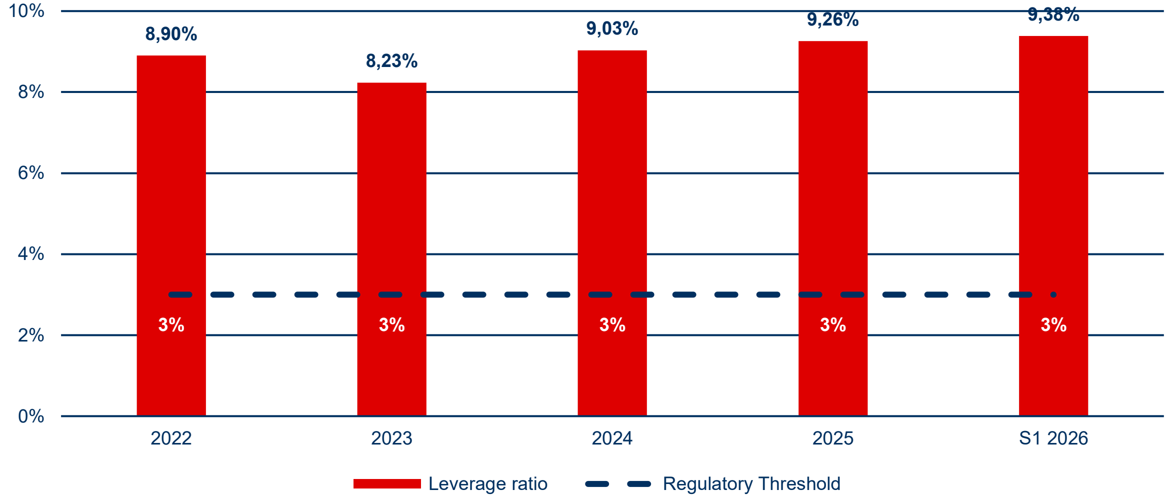
02. Solvency & Liquidity

Solvency & Liquidity – Capital position(*)

(*) Solvency & Liquidity information based on non-consolidated balance sheet data

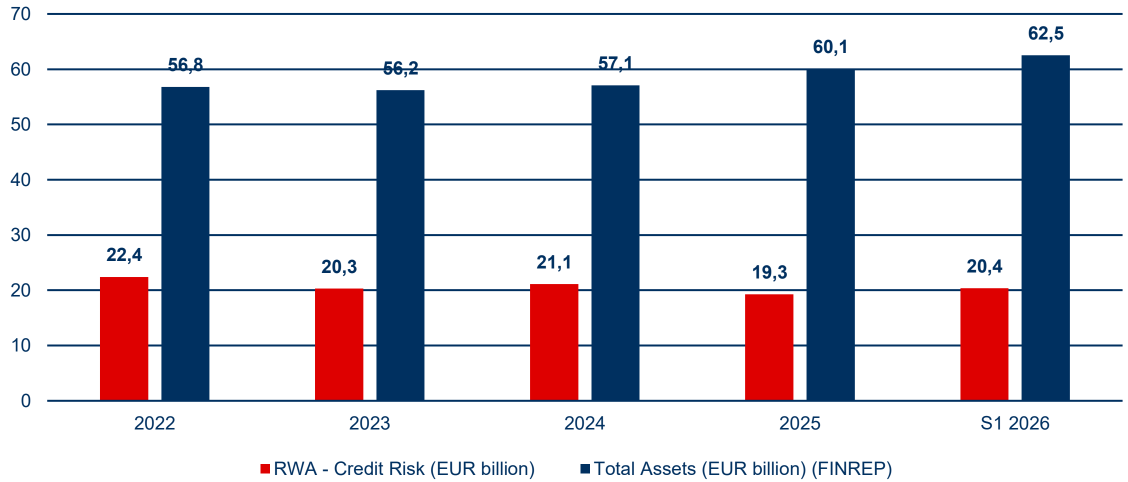
	2023	2024	2025	S1 2026
Total Capital (EUR mln) (1)	**4.816**	**5.412**	**5.847**	**6.282**
Common Equity Tier 1 (EUR mln)	4.816	5.367	5.805	6.237
Total Capital as % of Total Assets	8,6%	9,5%	9,7%	10%
Risk Exposure (EUR mln) (2)				
Total Weighted Risk Exposure	22.115	23.382	21.605	22.710
Solvency ratios				
CET 1 ratio	21,78%	22,95%	26,87%	27,47%
Total capital ratio	21,78%	23,15%	27,07%	27,66%

(1) *Non-consolidated data Pillar III disclosures. Totals may differ due to rounding.*



Total Regulatory capital increased by EUR 434 million in S1 2026. The increase is mainly explained by:(2)

- + 319 million added to reserves (2025 profit after dividends);
- + 93 million in revaluation reserves on strategic holdings ;
- + 20 million related to a reduction of the amount to be deducted related to the prudential filter on non-liquid participations.



- The increase in Credit risk and Counterparty credit risk RWA is mainly driven by the implementation of a new probability of default (PD) model for SME exposures and by higher equity exposures treated under the Standardised Approach. The increase also reflects a change in the allocation of the Bank's excess liquidity, with funds increasingly placed through reverse repo transactions with banking counterparties rather than deposited with the central bank.

(2) *Non-consolidated balance sheet data and Pillar III EU CC1 report as of 31/12/2023, 31/12/2024, 31/12/2025 and 30/06/2026.*

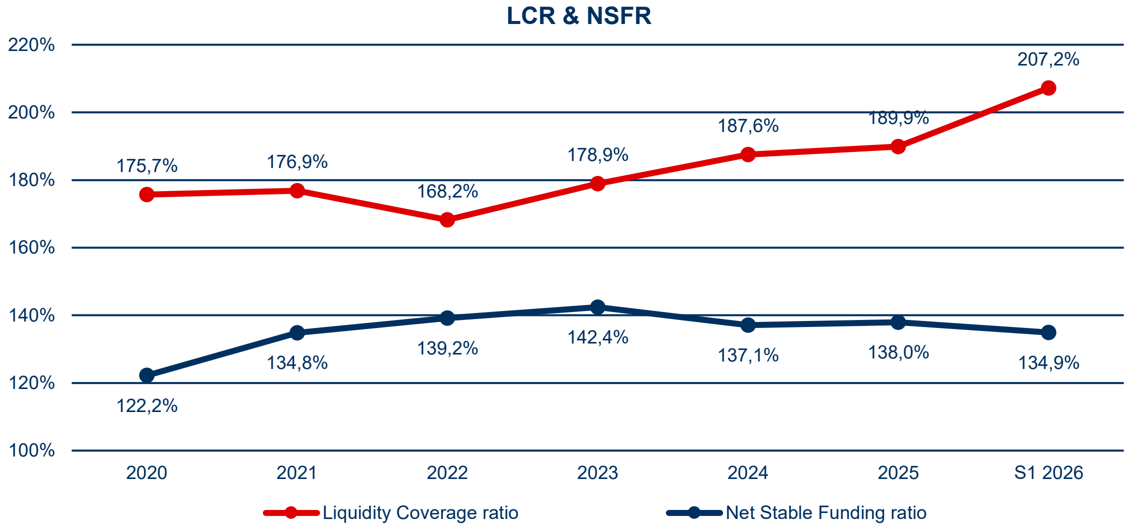
Solvency & Liquidity – Liquidity position

HQLA PORTFOLIO(1)
15,8
EUR billion as of 30/06/2026
76% are Hold-To-Collect

Cash deposited at Central Banks(2)
4,8
EUR billion as of 30/06/2026

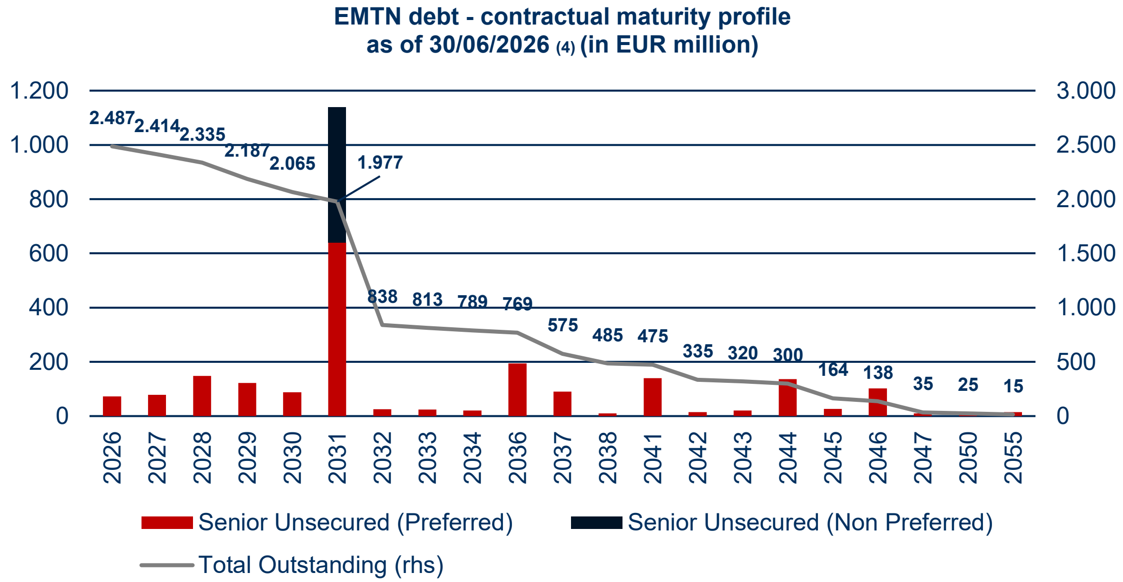
Loan-to-Deposit(3)
63,6%
as of 30/06/2026

(1) LCR report C.72 as of 30/06/2026, after haircut and including cash deposited with central banks
(2) Consolidated Balance sheet data as of 30/06//2026
(3) Customer Loans to Customer deposits from Consolidated Balance sheet data as of 30/06/2026



Spuerkeess has a stable and diversified liability base, notably in the form of a :

1. Solid customer deposit base (Retail; Corporate-SME; Public sector); non wholesale funding represents 74% of the liability base as of 30/06/2026
2. Wholesale customer deposit base (Institutional and interbank funding)
3. Commercial Paper Programme – Maximum outstanding of USD 8 billion
   - Euro Commercial Paper (ECP) – USD 5 billion - rating A-1+/P-1
   - US Commercial Paper (USCP) – USD 3 billion - rating A-1+/P-1
4. EMTN Programme – Maximum outstanding of USD 8 billion(4)
   - Senior Preferred Debt (AA+/Aa3)
   - Senior Non Preferred Debt (AA)
   - Subordinated Debt (A3)
5. Covered Bond Programme – Maximum outstanding of EUR 7,5 billion – Expected Aaa



(4) No Subordinated Notes outstanding as of 30/06/2026. First Senior Non-Preferred issuance in S2 2025

03. Sustainability

Sustainability – Our ambition

- A core pillar of Spuerkeess' strategic plan is to **enable the financing of the sustainable transition** while **ensuring the resilience of its business model** to sustainability-related challenges. At the same time, Spuerkeess remains **firmly committed to social responsibility** as a key driver of long-term value creation.

- To deliver on our sustainability ambitions:

Risk management	Transition Enabler	Leading by example
We are continuously enhancing our risk management framework to more effectively identify, assess and address sustainability-related risks and their potential impacts on the Bank's business model.	**We actively support our customers** in adapting to emerging and future sustainability challenges and requirements, in supporting projects that contribute to the sustainable transition.	**We strengthen Spuerkeess' positioning** as an employer of choice by implementing policies and initiatives that foster financial education, promote social inclusion, and combat all forms of discrimination.

- To implement its strategy, Spuerkeess:
  - ✓ Fully embeds sustainability considerations into its **governance framework;**
  - ✓ Offers **financing and investment solutions** featuring ESG characteristics;
  - ✓ Deploys targeted measures to **reduce both its financed emissions** and those **from its own operations;**
  - ✓ Develops and provides **dedicated training programmes** for all employees to strengthen internal capabilities.

Sustainability – Our ambition

- Our ambition is to **raise awareness** among our customers (lenders and investors) and support them in their projects towards a **more sustainable economy** as well as to improve their **resilience** to climate risks (risk mitigation) with regard to climate change.

- To achieve our ambitions and based on the results of our **double materiality analysis and our strategy**, we have identified relevant issues or priorities to focus our efforts on. These priorities are necessary to achieve our strategic objectives but also to address the concerns of our stakeholders.

- Spuerkeess will continue to encourage **the stakeholders** within its sphere of influence to gradually shift towards new business models and become more sustainable companies.

Sustainability – Governance bodies and oversight

Sustainability is embedded in the Bank's two-tier governance, from Board approval of the ESG strategy down to the three lines of defence.

9
Board members
two staff representatives, two for the State, five independent

56%
independent
women represent 44% of the Board, unchanged versus 2024

2025
Sustainability Committee
established at the start of the year as the central steering body

Quarterly
ESG Progress Report
to the Board, covering decisions, positions and recommendations

Governance architecture for sustainability

Board of Directors | Risk Committee · Audit & Compliance Committee

Management Board (5 executives) | Extended Management · ExCo + 11 department heads

Sustainability Committee
Reports directly to the Management Board · Secretariat provided by the Strategic and Sustainability Office

First line of defence
Business departments and the Strategic and Sustainability Office — execution, data collection, first-level controls

Second line of defence
Risk Management and Compliance — ESG risk identification, methodologies, regulatory and reputational oversight

Third line of defence
Internal Audit — 2023–2026 plan covers ESG internal governance, ESG product governance and ESG reporting

The Bank also relies on the Risk Oversight Committee and, where required, on external expertise — consultants, auditors, regulatory specialists and trainers.

Board of Directors

- Approves the ESG strategy, objectives and associated policies, and their subsequent adaptations
- Oversees the integration of material impacts, risks and opportunities into the overall strategy
- Approves the sustainability report
- Informed quarterly through the ESG Progress Report, including the status of strategic, operational and regulatory initiatives

Board committees

- Risk Committee — examines the exposure to sustainability risks and their potential impact on the business model, and the continuous adaptation of the risk framework
- Audit and Compliance Committee — follows the preparation of the sustainability report and the external assurance engagement

Management Board

- Formulates proposals to the Board, drives operational implementation, and approves the transition plan

Sustainability – The Sustainability Committee and the operating model

Established in early 2025, the Sustainability Committee is the central body steering the operational implementation of the ESG strategy.

9
Committee members
two Management Board members, six department heads and the Head of Sustainability

Quarterly
meetings
reporting to both the Management Board and the Board of Directors

1.828
employees trained
mandatory ESG training in three modules: environment, social, governance

67.000
training hours in 2025
across the workforce, an average of 34,2 hours per employee

Mandate of the Sustainability Committee

- Coordinates, monitors and maintains the overall consistency of every sustainability initiative across the Bank, in line with the objectives set by the Board and the Management Board in the strategic plan
- Issues opinions and recommendations on the operational implementation of the ESG strategy and on partnerships in the field
- Reviews the ESG training plan and the ESG policies
- Informs the governance bodies quarterly of the information, recommendations and decisions discussed, and escalates the points requiring a decision by the Management Board or the Board
- Ensures alignment between the Bank and its subsidiary Spuerkeess Asset Management, securing consistent governance at group level

Six workstreams

Voluntary commitments	Transition plan	Sustainability report
ESG training plan	Regulatory watch	Operational implementation

Spuerkeess AM operates its own cross-functional ESG Committee, with dedicated voting and veto rights, meeting monthly.

Strategic and Sustainability Office

- ESG competence centre for the Bank, within the General Secretariat; secretariat of the Sustainability Committee
- Applies and controls ESG requirements — exclusion policy, ESG data collection — as first line of defence
- Steers the sustainability report, the Transition Plan and, with HR, the ESG training plan

Escalation and reporting

Body	Receives	Frequency
Management Board	Committee decisions and proposals	Quarterly
Board of Directors	ESG Progress Report	Quarterly

Incentives and remuneration

- No sustainability objective is currently embedded in the remuneration policies of the administrative, management or supervisory bodies
- Contribution to ESG initiatives may be recognised through the extraordinary work allowance, on qualitative criteria only — not commercial performance or risk-taking

Sustainability – Ambition, framework and portfolio alignment

Carbon neutrality by 2050 at the latest, steered through quantified 2030 sector targets, an exclusion policy and dedicated risk indicators.

2050
Carbon neutrality
Own operations and banking activities; 2022 baseline year

>78%
of climate-relevant assets
covered by five priority sectors (41% of financed emissions)

EUR 1bn
Sector exposure cap
across the seven NACE sectors most exposed to transition risk

5,9%
Exposures in flood zones
physical risk indicator monitored in the Risk Appetite Framework

2030 sectoral interim targets — TPI methodology, IEA and PNEC scenarios

Sector / activity	Metric	2022	2025	vs traj.	2030	Distance
Power generation	gCO_2e/MWh	0,16	0,14	−61,1%	0,19	−26%
Oil and gas	gCO_2e/MJ	71,05	74,97	+23,5%	54,26	38%
Automotive	gCO_2e/km	129,60	119,62	+4,8%	85,99	39%
Aviation — passenger	gCO_2e/RTK	1.052	912	+9,8%	692	32%
Aviation — freight	gCO_2e/FTK	488,0	518,2	+3,9%	415,2	25%
Residential mortgages	$kgCO_2e/m^2$	28,89	35,49	n.a.	24,10	47%

Below trajectory | <10% above | >10% above

- Power generation is below its 1,5°C trajectory and already ahead of the 2030 target; automotive and passenger aviation have improved 8,3% and 15,4% since 2022
- Oil and gas is the only sector materially above trajectory — carrying amount EUR 28m, with no replacement permitted under the 2025 exclusion policy
- Own operations: Scope 1 down 7%, Scope 2 location-based down 38%, 100% renewable electricity since 2018

Reporting and assurance

- ESRS applied voluntarily — the CSRD is not yet transposed in Luxembourg and Omnibus I has narrowed the mandatory perimeter
- FY2025 report subject to limited assurance by an authorised auditor
- PCAF for financed emissions, TPI for alignment, NGFS for scenarios

Climate in the risk framework

- RAF indicators on EPC distribution, transition-sensitive sector exposure and corporate carbon intensity; ESG Risk Framework and Report

Sustainability – Exclusion policy and sector limits

Sector exclusions

- **Coal** — companies deriving more than 10% of revenue from coal production or coal-fired power generation
- **Unconventional fossil fuels** — more than 5% of revenue from oil sands or shale gas
- **Palm oil** — non-RSPO-certified share above 10% of revenue
- **Deforestation** — forestry and paper operators without sustainable offsetting practices
- **Controversial weapons** manufacturers

Controversy-based exclusions

- Screening of major ESG controversies against the UN Global Compact and the OECD Guidelines
- Exclusion of companies involved in severe or repeated breaches of human rights, labour, environmental or anti-corruption principles
- Policies reviewed annually; the same exclusions apply at Spuerkeess Asset Management (SAM)

Strengthened in 2025 — oil and gas

- For own-account investments, exclusion now covers companies active in the exploration, production or expansion of conventional or unconventional oil and gas
- And companies developing new fossil projects, including infrastructure, pipelines, LNG terminals and additional extraction projects
- Existing exposure runs off; it is not replaced

Exposure limit on transition-sensitive sectors

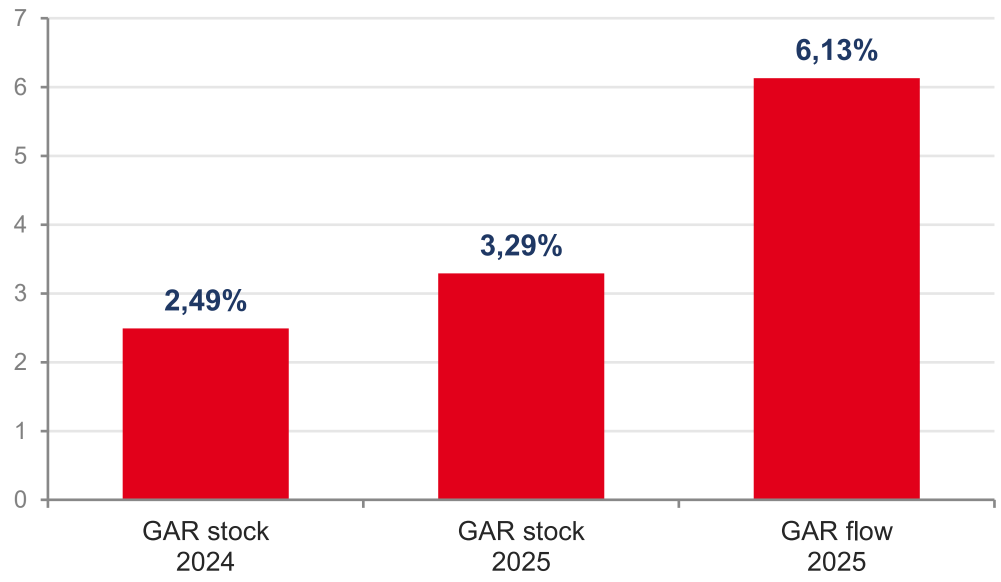
EUR 1bn

aggregate cap across the seven NACE sectors identified as most vulnerable to transition risk, drawing on the ECB classification of climate-sensitive sectors.

B — Mining and quarrying · C20 — Chemicals · C23 — Other non-metallic mineral products · C24 — Basic metals · C25 — Fabricated metal products · D35 — Electricity and gas supply · H50 — Water transport

Sustainability – EU Taxonomy and Green Asset Ratio

New production is decarbonising materially faster than the existing balance sheet: the flow GAR is close to twice the stock GAR.



Key performance indicator	Turnover	CapEx	Coverage
GAR — stock	**3,29%**	3,53%	93,5%
GAR — stock (2024)	2,49%	2,76%	—
GAR — flow	**6,13%**	6,22%	42,8%
Spuerkeess AM portfolios	3,22%	4,88%	—

EUR 1,75bn

Taxonomy-aligned assets

Stock KPI, Article 8 Taxonomy Regulation

What drove the increase in 2025

- Better ESG data availability and coverage from large corporates
- Alignment data on the four non-climate environmental objectives
- Continued collection of Energy Performance Certificates

Methodology — climate change mitigation is the Bank's primary environmental objective. Aligned mortgage lending covers EPC A or A+ properties built before 31 December 2020, properties built in 2020 within the top 15% of the national building stock, and post-2021 buildings at least 10% below the national NZEB primary energy threshold, in each case where an EPC is held. Motor vehicle loans, renovation loans and renewable energy loans are not assessed for alignment given data availability.

Sustainability – Green bond framework

The funding-side expression of our sustainability strategy, anchored in the largest residential mortgage book in Luxembourg.

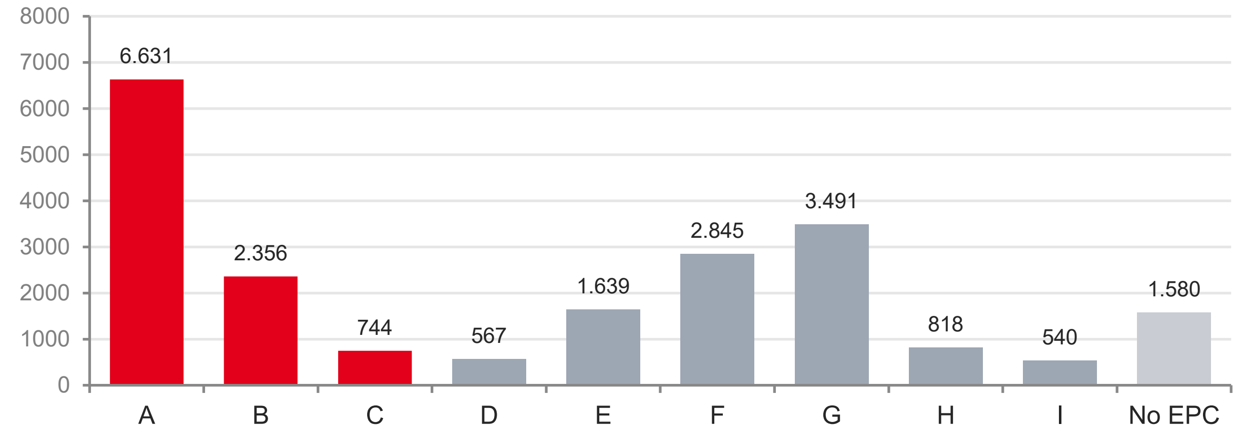
EUR 510m
issued in 2025
Two green bonds, including a senior preferred benchmark in March 2025

46%
of the mortgage book
in EPC classes A, B and C — class A alone represents 31%

+195%
total debt issuance
EUR 0,8bn increase in 2025, of which the green benchmark

2026
First Green Bond Report
allocation and impact, one year after the inaugural issuance

Residential mortgage portfolio by energy performance certificate (EUR m, December 2025)



Framework

- Published in 2025, aligned with the ICMA Green Bond Principles (2021)
- Use of proceeds: buildings in the top 15% most energy-efficient assets of the Luxembourg national building stock — the same threshold logic as EU Taxonomy alignment
- An EPC is now mandatory for every new Spuerkeess mortgage
- Green issuance is a structural component of the EMTN programme, not a one-off transaction
- Second Party Opinion from Sustainalytics

Reporting commitments

- Annual allocation reporting: amount allocated, unallocated balance, breakdown by category and vintage, financing versus refinancing
- Impact reporting alongside allocation, in line with the ICMA harmonised framework, with methodology and limitations disclosed

Sustainability – Green Loan methodology and eligible assets

The eligible pool sits inside the largest residential mortgage book in Luxembourg, and new production is concentrating in the highest energy classes.

Eligible projects (at 30 June 2026)

Green Buildings – Single Family House

- **Type of loan:** Residential Mortgage Loan
- **Purpose of transaction:** Acquisition or construction
- **Country:** Luxembourg
- **Energy Class:** A+ or A
- **Construction year:** ≥ 2020 matching with RGD 2019 or higher
- **# of units:** 5.218
- **Outstanding (EUR):** 1.895 mln
- **Floor area (m²):** 966.443

Green Buildings – Multi Family House

- **Type of loan:** Residential Mortgage Loan
- **Purpose of transaction:** Acquisition or construction
- **Country:** Luxembourg
- **Energy Class:** A+ or A
- **Construction year:** : ≥ 2022 matching with RGD 2021 or higher
- **# of units:** 2.340
- **Outstanding (EUR):** 759 mln
- **Floor area (m²):** 199.279

EUR 21,2bn

Residential book

Total gross carrying amount

46%

in EPC A, B and C

of which class A alone: 31%

7%

without an EPC

An EPC is now mandatory for every new Spuerkeess loan

#1

Market share

#1 lender in the Luxembourg retail mortgage market

Spuerkeess aligns with the **ICMA "Green Bond Principles 2021",** ensuring its Green Buildings are part of **the top 15% most energy-efficient buildings** of the national building stock.

Commercial mortgage loans are also planned as an Eligible Category within the GBF. However, they have not been applied initially. The corresponding methodology will be introduced at a later stage.

Sustainability – Allocation and Impact Report

The first Green Bond Report has been published in 2026, one year after the inaugural issuance, covering both allocation and impact.

Allocation reporting

Amount allocated and unallocated balance

Breakdown of the eligible portfolio by asset category

Share of financing versus refinancing

Annual publication for as long as the bonds remain outstanding

Impact reporting

Reported in line with the ICMA harmonised framework for impact reporting

Metrics published alongside allocation

Methodology, scope and any limitations disclosed

External review

Framework reviewed by an external second party opinion provider prior to issuance

Verification of the impact and allocation report by an independent external auditor

Publication on the Spuerkeess website alongside the framework

Indicative impact metrics for the buildings category*

Metric	Unit	2025
Green Bond Outstanding*	EUR	510.000.000
Floor area of eligible buildings	m²	221.722 m²
Number of eligible buildings	#	1.431
Estimated energy savings	MWh	32.124
Estimated annual emissions avoided	tCO_2e	6.030

Why impact matters here

- Allocation reporting demonstrates where the money went; impact reporting demonstrates what it changed
- Publishing both is what distinguishes a credible programme in the current market
- The metrics feed directly into the residential mortgage decarbonisation target (24,10 $kgCO_2e/m^2$ by 2030)

** The following figures are calculated on a pro-rata basis using the Green Bonds outstanding, given that a portfolio approach is applied. Further metrics could be found in the Green Bond Report published on Spuerkeess' website.*

Sustainability – ESG Risk Management

Identification and assessment of the ESG risk drivers relevant for the Bank

As climate risks become increasingly relevant, Spuerkeess has started to identify and evaluate their potential negative impacts on the Luxemburgish economy, clients, and business model. These climate-related risks are not viewed as stand-alone risks but as factors impacting traditional risks like **credit, liquidity, market, operational, and reputational risks.**

The Bank's approach to identifying and assessing climate and environmental risks focuses on three main pillars:

1. the national portfolio (including retail clients, mortgages, domestic corporate finance, and listed equity),
2. the international portfolio (including investment portfolio and depository bank),
3. the Bank's own activities.

Risk management initiatives and policies

- ✓ Spuerkeess conducted a **risk analysis to define its material challenges** and implemented an **exclusion policy** to avoid investments in sectors with high climate and environmental risks.
- ✓ In 2023, Spuerkeess developed a **climate risk policy**, defining roles and responsibilities for evaluating and managing climate and environmental risks and enhancing its **models for credit risk parameters and employing stress tests and scenario analyses**. Initial results from the ECB's climate stress test showed a low impact on the Bank's risk profile.
- ✓ The bank is committed to aligning with the Paris Agreement and Luxembourg's National Energy and Climate Plan by **joining the Net Zero Banking Alliance and the UN Principles for Responsible Banking**.

Concerning the **risk analysis of a strategic segment for the Bank**, the residential real estate portfolio:

Physical risk indicator:

5,9 % of exposures are located in **flooding zones** (in December 2025).

Transition risk indicator:

54 % of volumes belong to the **less performing energetic classes** (meaning below the A, B or C classes).

Sustainability – ESG Risk Management Framework

1.

Risk identification and materiality analysis

1. Geographical and sectoral analysis of the portfolio's exposures to ESG risks.
2. Identification of ESG risk drivers and analysis of their transmission channels, i.e. how they affect classic risks.
3. Analysis of ESG risk indicators and classification of exposures through five levels of risk (very low to very high risk).
4. Materiality assessment using a risk matrix combining probability and impact levels.

2.

Scenario analysis and stress testing

1. Analysis using scientific data such as NGFS[1] projections or CRREM[2] (for real estate portfolio for example).
2. Stress testing of material ESG risks to evaluate how they impact the institution over different time horizons.
3. Spuerkeess follows the EBA guidelines on ESG scenario analysis, which require the testing of the bank's resilience, both on the short-term financials as well as the long-term business model.

3.

Capital and liquidity planning

1. Scenario outputs are integrated into the ICAAP and ILAAP[3] processes to assess the bank's capital and liquidity needs.

4.

Informing risk appetite and management action

1. The results of the ESG risk analysis guide the adjustments in the risk appetite and the management actions aligned with the strategic objectives and vulnerabilities of the Bank.
2. ESG Key Risk Indicators (KRIs) are integrated and regularly monitored in the bank's Risk Appetite Dashboard.

[1]NGFS : Network for Greening the Financial System
[2]CRREM : Carbon Risk Real Estate Monitor
[3]« Internal Capital Adequacy Assessment Process (ICAAP) » and « Internal Liquidity Adequacy Assessment Process (ILAAP) »

04. LU Covered Bond Law

LU Covered Bond law – New Framework

Previous regime – Banking Act 1993

Prior to 8 July 2022

Only specialized covered bond banks

- **Specialty principle** (Spezialbankenprinzip)
- Main object : issuance of covered bonds
- Other activities : expressly restricted and ancillary to issue covered bonds

➔***High cost*** *related to the set-up of the ad-hoc bank*

➔***Non-CRR compliant*** *framework limiting interest from banks & insurance counterparties*

New regime – Law of 8 December 2021

As of 8 July 2022

All universal and specialized covered bond banks

- Revamping of legal regime to **implement the European covered bond framework** (i.e. Directive 2019/2162 and regulation 2019/2160)
- **Opening of market** to all credit institutions
- Specialized covered bond bank's status remains
- **20% limit** : aggregate pools of cover assets should represent not more than 20% of the bank's total commitments (including own funds, but deducting eligible deposits).
- Subject to license approval by CSSF

LU Covered Bond law – Taxonomy

EU — European covered bonds or obligations garanties

European covered bonds collateralized by:

- loans secured by **physical assets** (e.g. real estate) subject to **public registration** , or
- loans granted to or secured by **public sector entities** , or
- **exposures** to (e.g. debt securities issued by) public sector entities or entities subject to public supervision

‘**Premium’ European covered bonds** collateralized by:

- high quality “eligible assets” under Art. 129 of CRR , and
- meeting the criteria of Art. 129 CRR in respect of valuation and monitoring of “eligible assets”.

LU — ‘traditional’ covered bonds or Lettres de gages

Mortgage covered bonds collateralized by loans secured by rights *in rem* (e.g. mortgages) over real estate.

Public covered bonds collateralized by loans granted to or secured by public sector entities.

Movable assets covered bonds collateralized by loans secured by rights in rem over aircrafts, ships and trains.

Renewable Energy covered bonds collateralized by loans secured by rights in rem or charges over assets generating renewable energy

➔ Spuerkeess has chosen for a Premium **EU covered bonds programme collateralized by Residential mortgages**.

LU Covered Bond law – Key Features

Dual recourse
- Privileged claim against the relevant cover pool
- Ordinary claim against the bank's general estate

Bankruptcy remoteness
- No automatic acceleration in case of insolvency or resolution

Coverage and liquidity requirements (see also next slide)
- Overcollateralization of minimum 5%
- Liquidity buffer : liquid assets in cover pool to cover the net liquidity outflow of the program for 180 days

Investor information
- Information on value of cover pool, geographical distribution of assets, valuation methods, etc.

Special statutory auditor
- To be approved by the CSSF and different from Spuerkeess' ordinary auditor
- Review of asset registration, asset valuation and overcollateralization level, etc.

Public supervision and approval
- CSSF: competent authority in respect of covered bonds and approvals of programs
- Reporting at least on quarterly basis

LU Covered Bond law – Tests/Limits

Law	Test	Description
Art. 2 (2)	**20% limit**	Cover pool must not exceed 20 per cent of the bank's total liabilities (including own funds after deduction of eligible deposits.)
Art. 6	**OC Test > 105%**	LU law refers to article 129 EU n° 575/2013. Covered bonds shall be subject to a minimum level of 5% of overcollateralization ('nominal principle') Except for LU "Lettres de Gages publiques" / Public covered bond for which OC >110%
Art. 6	**NPV test > 100%**	The Net Present Value of the assets in the cover pool must be at least equal to the NPV of the covered bond liabilities
Art. 6 (6)	**Substitution assets < 20%**	Primary assets can be replaced by substitution assets up to 20% of the nominal value of issued covered bonds
Art. 8 (3)	**Assets under construction < 20%**	Primary assets can be composed of maximum 20% of assets under construction
Art. 9	**180 Days liquidity test**	Cover assets must at any time generate sufficient cash flow or contain sufficient liquid assets to cover the maximum cumulative net liquidity outflow over the next 180 days Extended maturity of the covered bonds is not taken into account in the calculation, meaning the principal of the covered bond is included in the denominator of the ratio

LU Covered Bond law – « Loan-to-Value » limits

LU law Art. 8

LU law based on similar principles to those of the covered bond directive (EU 2019/2162, Art. 6) to **limit the coverage of the liabilities attached to the covered bond with the Loan-to-Value of the loan**.

Cover assets value = min [principal amount* ; XX% x value of those physical collateral assets]

**of the liens that are combined with any prior liens*

- Mortgage covered bond : **max 80% LtV for RRE and 60% for CRE**
- Public covered bond : N/A
- Movable assets covered bonds : max 60% LtV
- Renewable Energy covered bonds : max 50% LtV
  60% when the value is based on a regulated and fixed remuneration, or the project operates using free renewable energy resources.
  70% if both conditions are met.
  Limits may be increased by 10% if construction phase has been completed.
- EU covered bonds & EU covered bonds (premium) : according to Article 129 of UE 575/2013

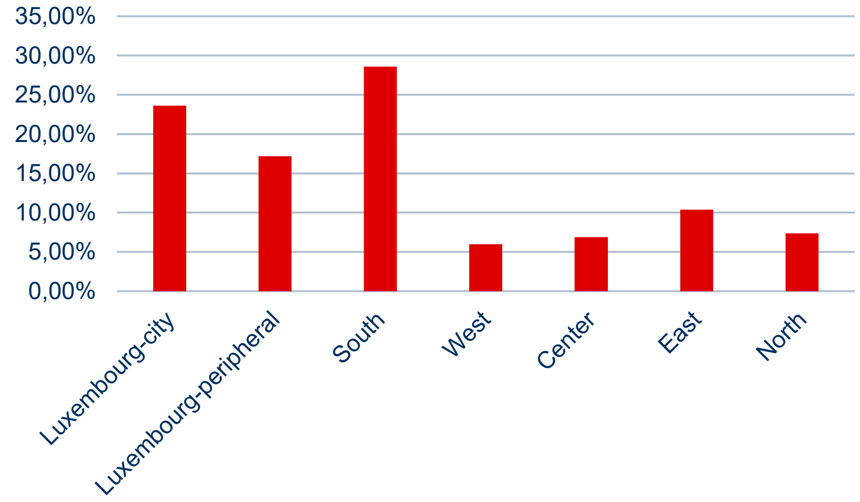
Provisional Pool Summary

SUMMARY

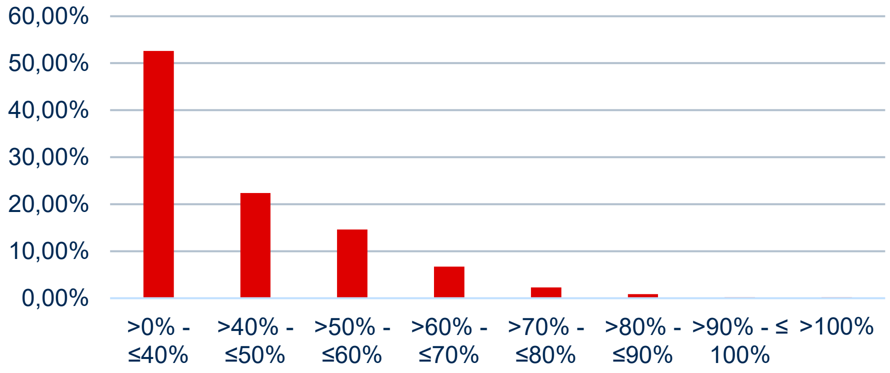
Total Cover Assets (Nominal)	EUR 600 100 000
Cover Pool Size (NPV)	EUR 579 400 000
Cover Pool Weighted Average Life	8,6 years
Number of Mortgage Loans	3.465 Residential Loans
Number of Borrowers	3.117
Weighted Average Indexed LTV (CLTCV)	39,5%
Weighted Average Unindexed LTV (CLTOV)	52,1%
Geographical Distribution of Mortgages	100% Luxembourg
Cover Pool Repayment Type	100% Amortising
Cover Pool Interest Rate Type	100% Fixed Rate (81% with resettable fixed rate)
No Forex Risk	Only EUR denominated
No Derivatives	Interest rate risk hedged through natural hedging and over-collateralisation

Mortgage Loan Stratifications

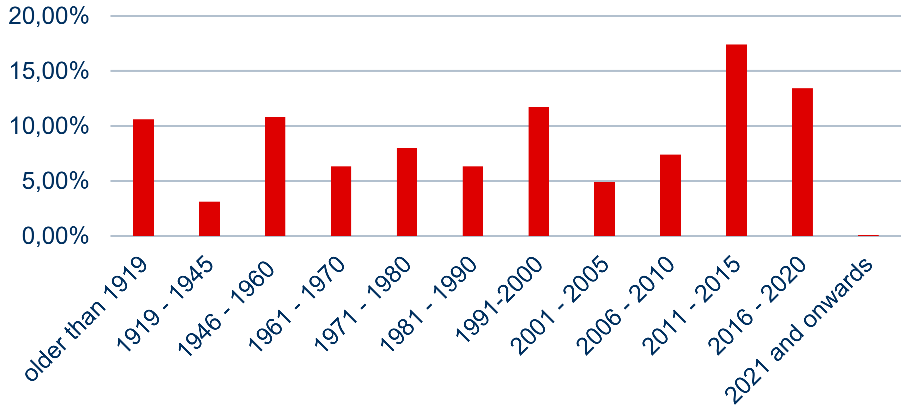
Geographical Distribution



Loan to Value (CLTCV)

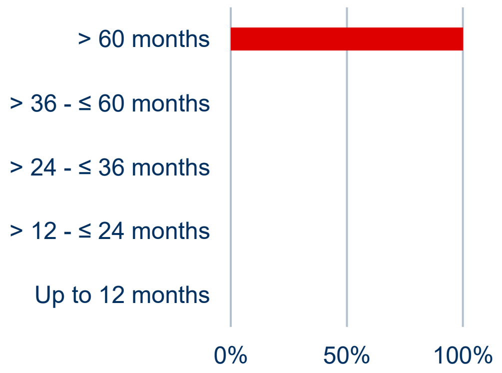


Property Age Structure

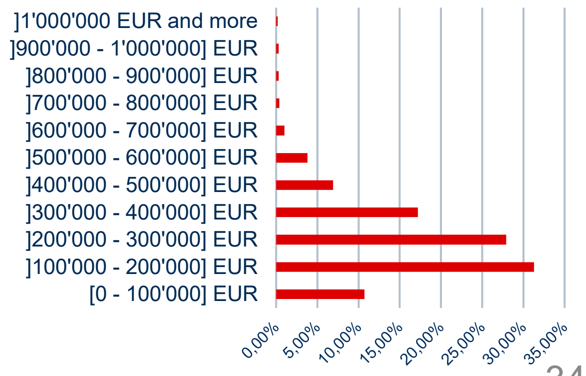


Other Data

Seasoning



Loan size



Additional Covered Bond information

Covered Bond Expected Rating

Aaa

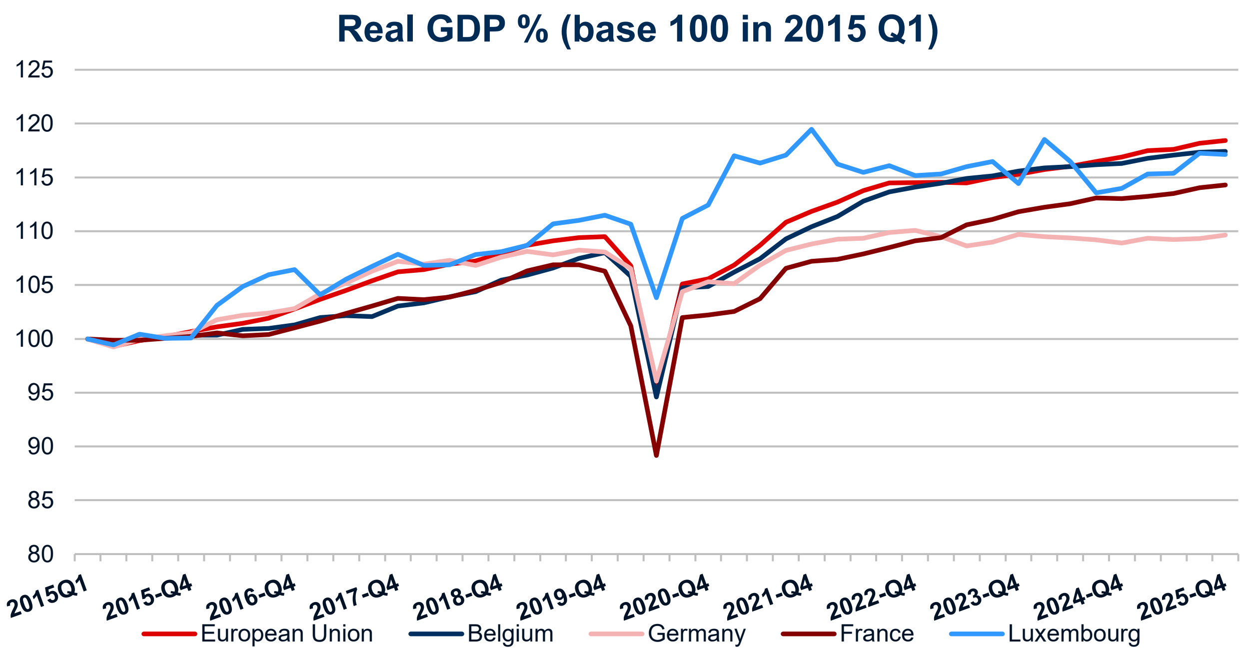
Moody's

Covered Bond Label

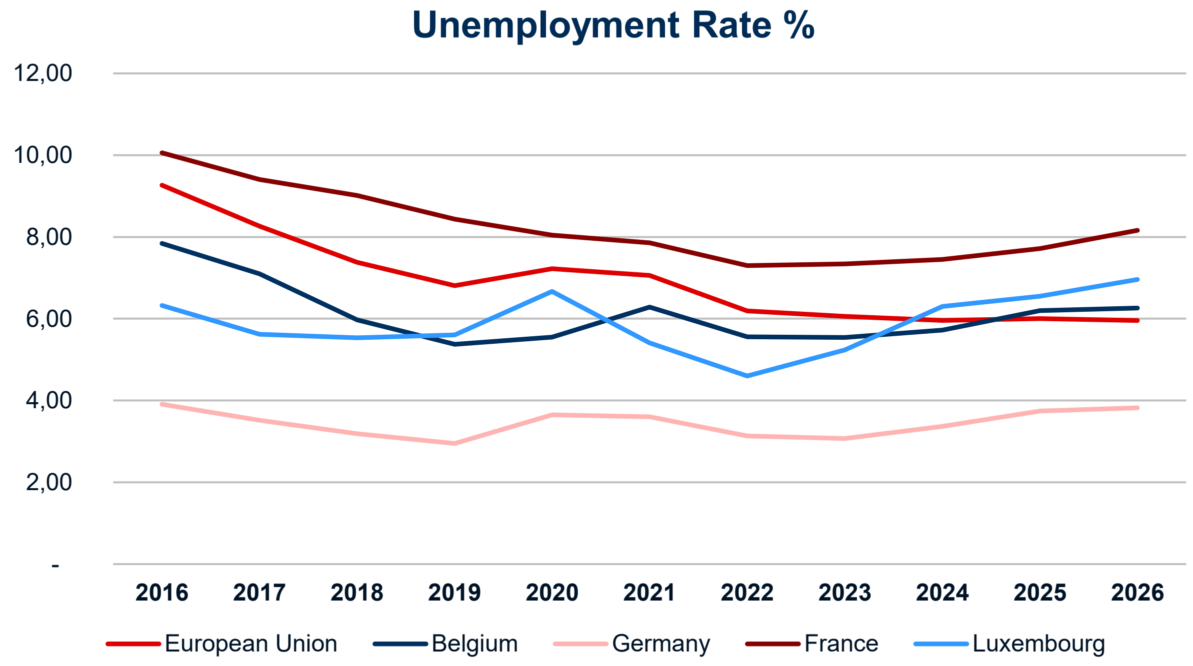
The ECBC Label is a quality and transparency label created by the European Covered Bond Council. It is awarded for programmes that comply with defined standards and provide investors with regular, harmonised disclosure on their cover pool and bond characteristics

05. LU Macro Housing Market

LU Macro – GDP & Unemployment rate



Source: EuroStat - Chain linked volumes



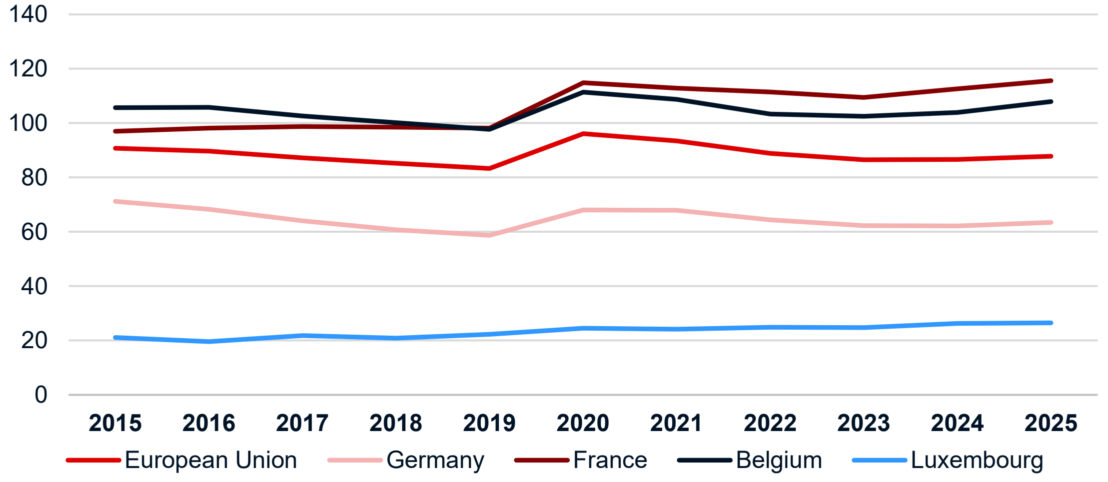
Source: EuroStat

- **Post COVID Bounce:** LU rebound in 2021 outpaced many EU peers (service-oriented economy, quick and targeted fiscal stimulus).
- In 2025 GDP grew by 2.3%.
- LU projected to grow by +1.6% in 2026, **ahead of the Eurozone** average of +0.8%.
- Inflation : stabilized at 2.5% in 2025 in line with Eurozone average.

- Unemployment rose over 2023-2024 mainly due to the private sector, esp. construction activity. Activity level in this sector still below pre-pandemic and pre-energy crisis levels.
- In 2025 and 2026, LU rate was **slightly above Eurozone** average.

LU Macro – Governement & Household Debt

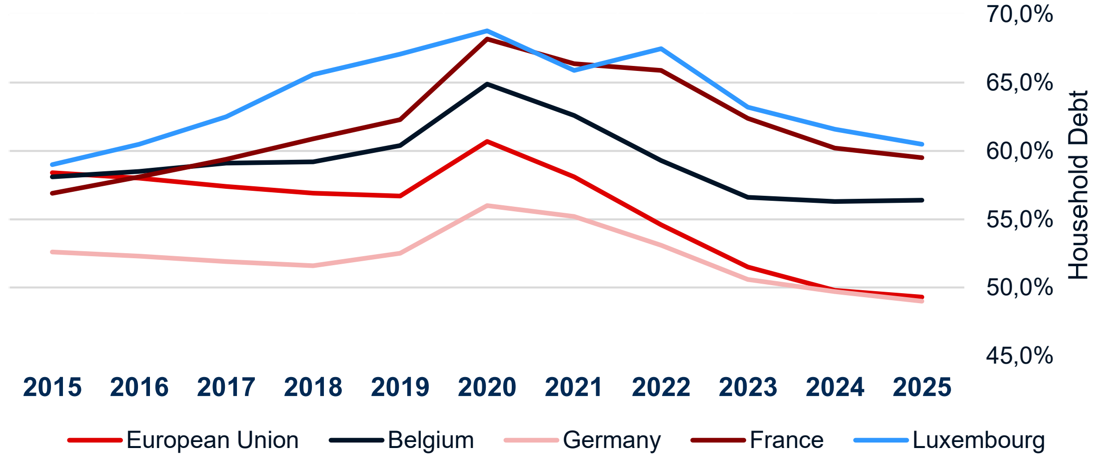
Gross Government Debt as % of GDP



Source: EuroStat

- **Consistently low Debt-to-GDP ratio**, averaging around 20-26% over the past 10 years
- **LU GDP projected to grow by +1,9%** in 2026 (+2.2% in 2027), **slightly ahead of the Eurozone average** of +1,2.
- **Strong Fiscal Balance** : LU's -1,8% deficit is modest compared to broader Eurozone fiscal tightening, allowing (i) to invest in innovation, (ii) proactive governance and (iii) to enhance economic resilience.
- **AAA credit rating** reflecting credit strength.

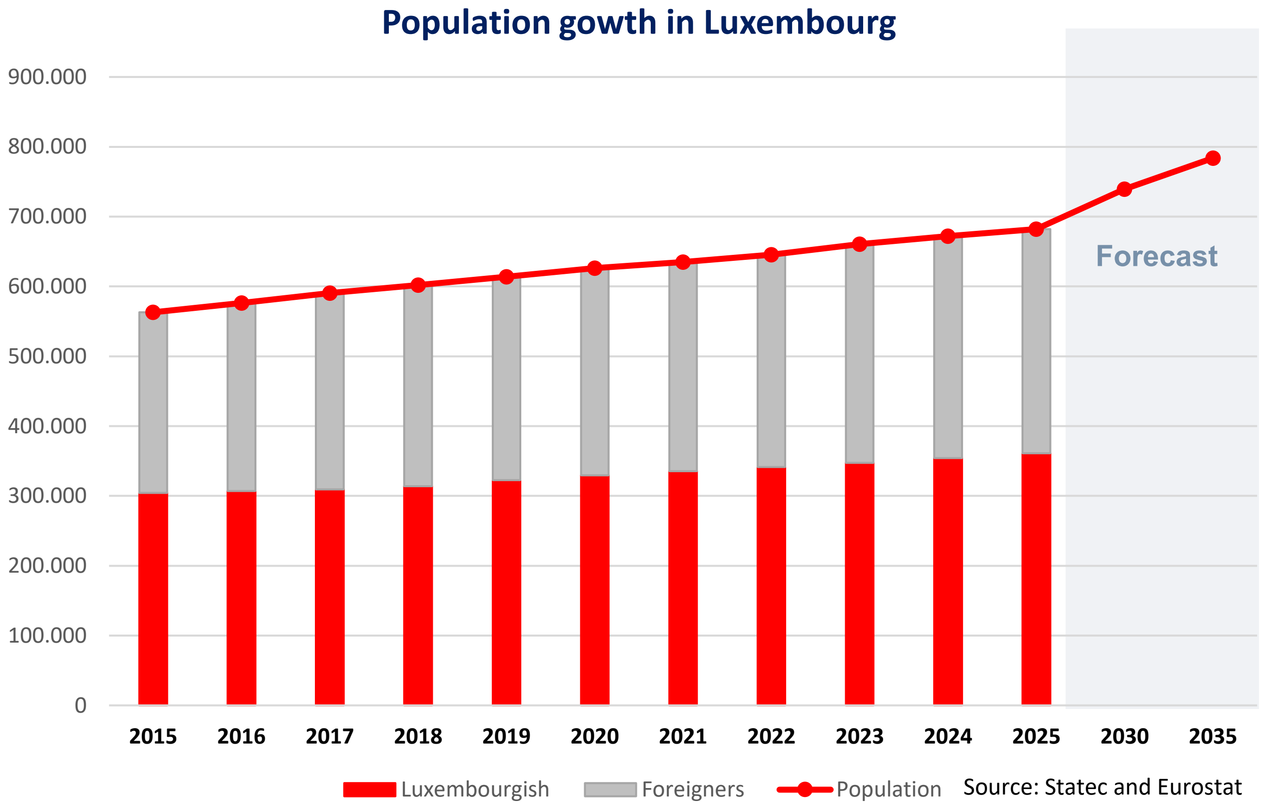
Household dynamics in Luxembourg



Source: EuroStat

- Household debt-to-GDP ratio at 61% **higher than the Eurozone average**, also reflecting strong consumer confidence and broad access to credit.
- LU households among **the wealthiest in the EU**, supporting a higher debt capacity backed by a solid asset base.
- **High homeownership rates** (68% vs EZ 44%), combined with favorable tax incentives, have supported wealth accumulation and financial stability.
- Macroprudential measures (e.g. LTV caps) implemented to ensure **responsible and sustainable borrowing**.
- The mortgage market demonstrated **strong resilience during the COVID crisis**, very low default rates.

LU Macro – Demographic Trend



Source: Statec and Eurostat

YoY change	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total population	+2,4%	+2,4%	+2,5%	+1,9%	+2,0%	+2,0%	+1,4%	+1,7%	+2,4%	+1,7%	+1,5%

- **Population Growth and composition:** Steady population growth over the past decade (nearly +20%), driven by dynamic net migration and an increasing foreign workforce, reinforcing domestic demand, housing needs, and long-term investment opportunities.
- **Composition** : Foreign nationals make up 47,3% of the population, with Portuguese, French and Italian communities being the largest.
- **Migration Trends:** International migration remains the main driver of population growth. In 2024, Luxembourg recorded 25,725 arrivals and 16,444 departures, with a net migration gain of 9,281 people. The majority of immigrants were from EU countries, particularly Portugal and France.

➔ Strong and sustained population growth supporting long-term economic expansion and demand.

LU Housing Market – Offer vs demand

Real Estate Supply Fails to Keep Up with Soaring Demand

- **Rapid population Growth:** +/- 2% annually, driven by immigration and job creation, while housing construction lags behind:
- **Decline in building permits:** Sharp drop since 2022, despite rising housing needs.
- **Tight rental market:** increasing trend in rents and shortage of available units, especially for middle-income households.
- **Insufficient supply in high-demand areas** (e.g. Luxembourg City, Belval): spatial mismatch between jobs and housing.
- **Long project delivery times:** New developments take years to complete, worsening the imbalance.
- **Structural housing deficit:** Thousands of units are missing to meet future population needs.
- **Gap between public policy and actual construction pace:** ambitious targets hindered by regulatory, administrative, and land availability constraints

Households & Housing Needs by 2060

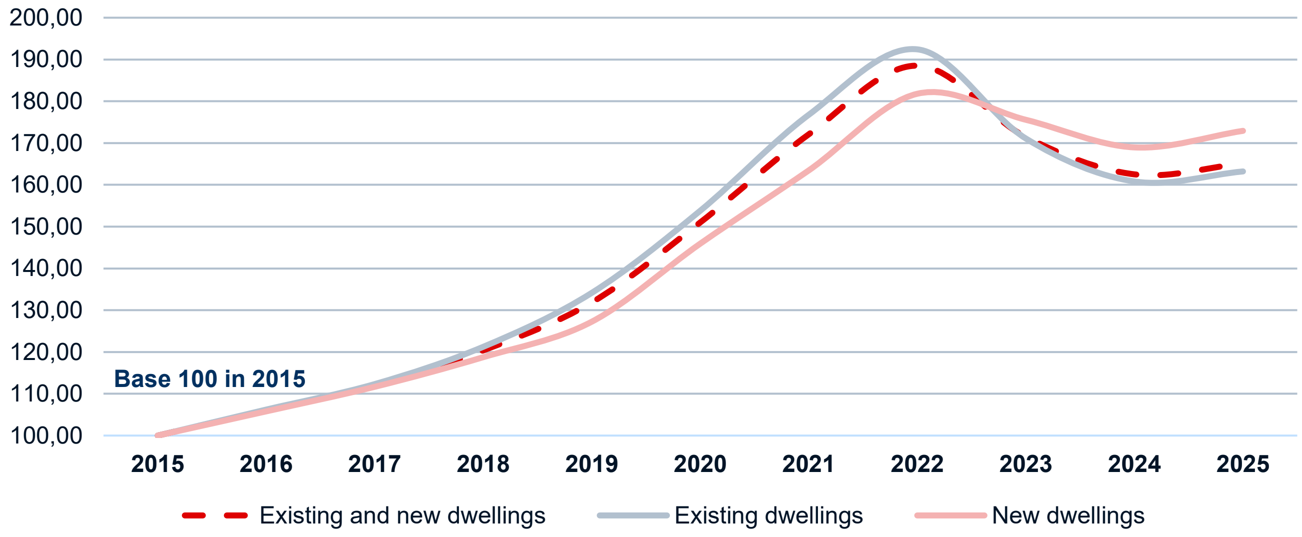
	Number of Households	Housing Needs	
Scenario		**Total**	**Yearly requirement**
GDP 0%	462.360	243.066	5.653
GDP 1.5%	480.363	262.100	6.095
GDP 3%	504.896	288.046	6.699
GDP 4.5%	538.547	323.608	7.526

Source: STATEC

→ **With an average of 3.800 housing units completed per year, the housing production doesn't meet the demand projected in STATEC's scenarios (a gap of +/- 1.800 units annually)**

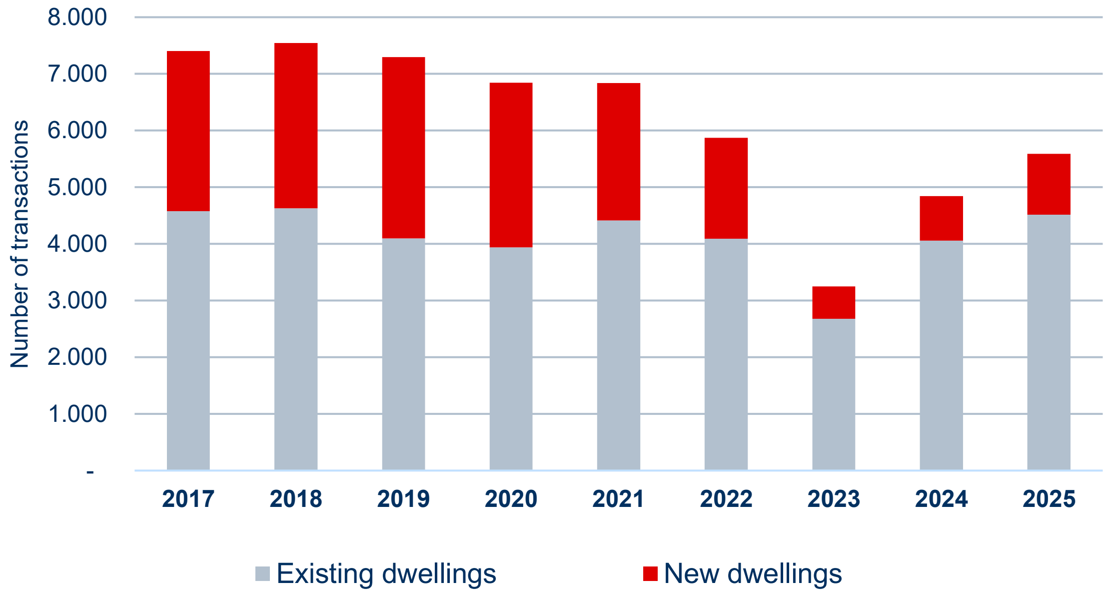
LU Housing Market – Prices Evolution

Acquisition price for dwellings



Source: STATEC

Transaction volume



Source: STATEC

Annual % change	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Existing dwellings	+3,9%	+6,2%	+5,7%	+7,8%	+10,9%	+14,7%	+14,9%	+8,8%	-11,1%	-6,1%	+1,5%
Of w.Houses	+4,4%	+6,0%	+5,7%	+7,2%	+11,1%	+13,5%	+15,3%	+9,5%	-13,9%	-5,9%	+1.5%
Of w. Apartments	+3,4%	+6,5%	+5,7%	+8,5%	+10,6%	+16,3%	+14,5%	+8,1%	-7,8%	-6,2%	+1,5%
New dwellings	+8,2%	+5,6%	+5,5%	+5,6%	+8,5%	+14,5%	+11,9%	+11,3%	-3,5%	-3,8%	+2,3%

- **Decline in housing prices over 2023-2024** due to high inflation and sharp increase in interest rates, leading to a very low transactional volume.
- Prices **have stabilized since 2024** and have started to pick up in 2025.
- In 2025, the index for existing apartments was up by 1,5% over 12 months. The existing house segment shows a similar pattern with a YoY increase of 1,5%.
- In the new apartment (VEFA) segment, prices progressed 2,3% YoY.

- **2023 slowdown** in transactional volume mainly due to new buildings (low construction volumes due to construction price increase).
- In **2024**, the volume of existing dwellings saw an annual increase of +45% despite a decline in prices compared to 2023 , **indicating a recovery**.
- In **2025, secondary market was very dynamic** and above pre-covid levels, **while new construction was still lagging**.

LU Housing Market – Residential Mortgage Loans

Types of loans

- Conventional mortgage loans – typically max. 35 year-maturity
- Bridge loans – typically 1 to 2-year maturity in bullet format (reimbursement with proceeds of sale)
- Energy-efficient mortgage loans – for renovations that improve energy efficiency
- Building savings loan (“Bauspar” loan) – committing savings in advance
- Owner-occupied or buy-to-let loans

Types of interest rates

- Fixed-rate loans – e.g. 20-year fixed rate on a 20-year loan
- Resettable fixed-rate loans – e.g. 10-year fixed rate on a 30-year loan
- Variable-rate loans

Amortisation schedules

- Predominantly amortising loans - with constant monthly payments (i.e. principal and interest)
- Bullet loans – interest-only or capitalised until maturity – "Exception under Strict Criteria"

Guarantees

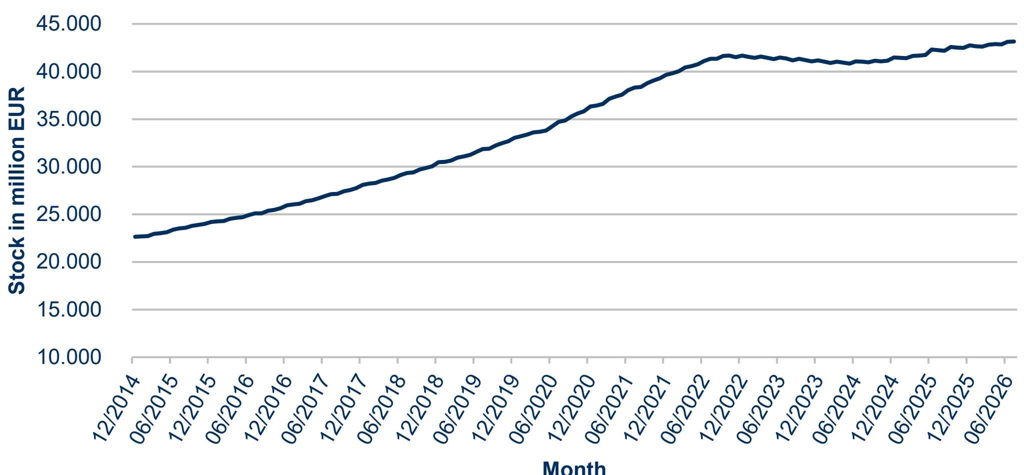
- Mostly legally registered mortgages – different ranks in terms of seniority
- Pledges on financial assets
- Personal guarantees
- LTV caps defined by CSSF depending on use – e.g. buy-to-let 80%, second-time buyers 90%, for first-time buyers 100%

Loan prepayments

- Penalties in case of lost revenue for the bank partially capped to 6 months worth of interest by law – applied to up to EUR 450.000 of the notional amount, subject to 2-year owner-occupation rule

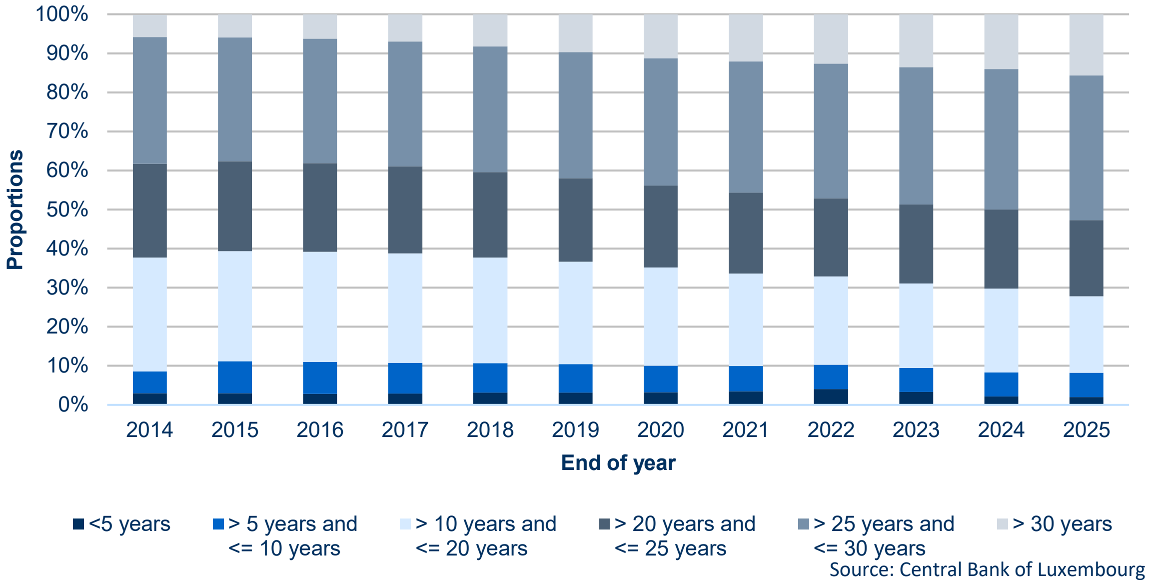
LU Housing Market– Residential Mortgage Loans

Stock of outstanding mortgage loans



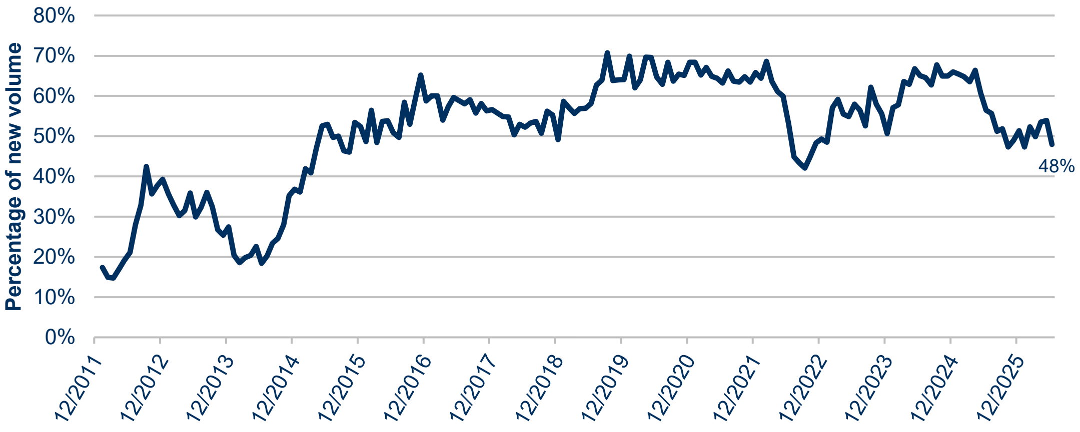
Source: Central Bank of Luxembourg

Proportions of initial maturities within total stock of outstanding mortgage loans



Source: Central Bank of Luxembourg

Proportions fixed-rate mortgage loans as a percentage of new loans



Source: Central Bank of Luxembourg

- **Loan volume** stabilized in 2022-2023 due to the sharp increase in interest rates. Stock picking up again in 2025.
- **Shift towards Fixed rates** : Share of fixed-rate loans increasing over the past years and now representing 50-60% of the stock
- **Preferred maturities** : Most residential loans span 25 to 30 years, with banks now offering loans up to 40 years.

LU Housing Market – Regulatory LTV limits

Regulatory LTV Thresholds for Housing loans

Borrower Type/Loan Purpose	Maximum LTV	Portfolio Allowance	Notes
First-time buyers (main residence)	≤100%	None –all loans must comply	No exception allowed
Non-first-time buyers (main residence)	≤ 90%	Up to 15% of new loans may exceed 90% (max 100%)	Exceptions allowed within portfolio limit
Buy-to-let /Other residential loans	≤80%	Up to 10% of new loans may exceed 80% (max 95%)	Exceptions allowed within portfolio limit
Bridge loans	Varies	Must meet both global and final LTV requirements	Maturity ≤18 months (24 months for new construction)
Collateral/Guarantees	Counted as own funds only if LTV < 100%	-	Includes cash collateral and State guarantees

LU Macro & Housing Market – Takeaway

Macro Key-Takeaways

- **Strong population Growth**
  - *Driven by immigration and growing expatriate workforce*
  - *Annual population increase among the highest in the EU*
- **Solid GDP & High Purchasing power**
  - *One of the highest GDP per capita in the world*
  - *Stable employment and strong wage levels*
  - *According to STATEC, LU projected growth over 2025-2026 outpaces the Eurozone, supported by strong fundamentals and investors confidence*
- **Stable Political and Economic Environment**
  - *Attracts both local and foreign investors*
  - *AAA-rated economy, strong financial and legal institutions*
  - *Stable and transparent governance in LU*

Housing Key-Takeaways

- **Strong resilience** *demonstrated during market stress (e.g. COVID crisis), with low default rates.*
- **High ownership rates & wealthy households**
- **Strong consumer confidence and broad access to credit**
- **Responsible and sustainable borrowing** *ensured by macroprudential measures (e.g LTV caps).*
- **Policy support**
  - *Tax credits (e.g. Bëllegen Akt), reduced VAT (3%) for main residences*
  - *Support for first-time buyers and energy-efficient renovations*

Key – Takeaways for investors

- **Conservative bank with a strong solvency profile**
- **The programme is supported by a strong legal framework complying with the strongest market standards**
- **100% owned by the Luxembourgish State, a sovereign rated AAA/Aaa (stable) by all major rating agencies**
- **Strong and growing economy**

Thank you

1, Place de Metz L-1930 Luxembourg

(+352) 4015-5270

SPUERKEESS.LU

Follow us

Contacts

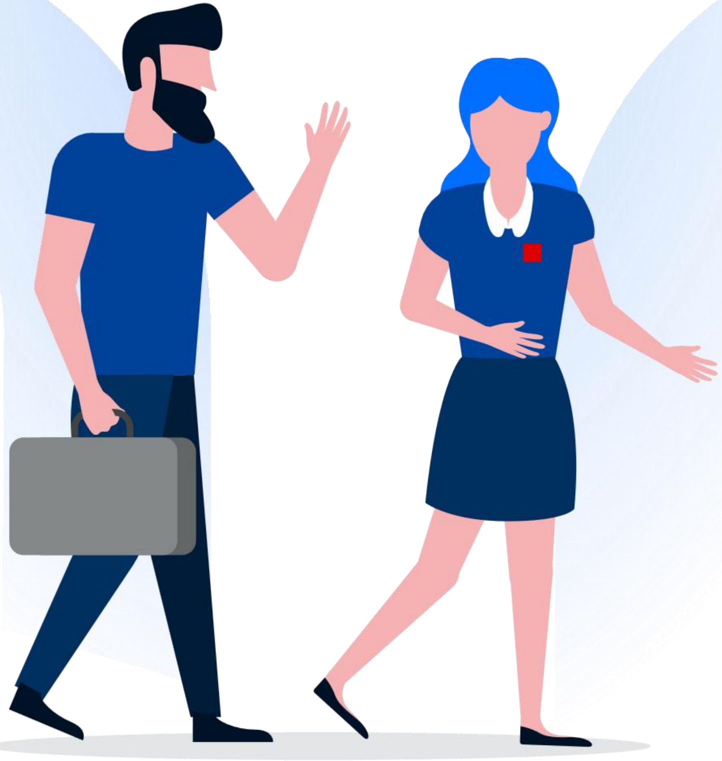
Doris Engel
Member of the Executive Committee and Chief Financial Officer
T : (+352) 4015-2000
d.engel@spuerkeess.lu

Claude Origer
Senior Vice President & Member of Extended Management - Global Markets
T : (+352) 4015-5201
c.origer@spuerkeess.lu

Julien Kohn
Investor Relations Manager - Financial Markets
T : (+352) 4015-5217
julien.kohn@spuerkeess.lu

Sébastien Caspar
Head of Business Unit - Financial Markets
T : (+352) 4015-2548
s.caspar@spuerkeess.lu

Julien Froumouth
Deputy Head of Business Unit – General Secretariat
Head of Sustainable Finance
T : (+352) 4015-2083
julien.froumouth@spuerkeess.lu



Appendix 1

Deep Dive – Financial Performance

Financial Performance – Income Statement (1)

Consolidated Income Statement - in EUR million	Jun-25	Jun-26
Interest income	452,6	481,4
Income from securities	33,2	27,6
Fees and commission income	112,9	112,9
Income from interest, dividends and commissions	**598,7**	**622,0**
Other Income (i.e. Income from financial instruments & Exchange Gains/Loss)	2,5	-0,4
Other Operating Income - Expenditures	0,8	5,4
Bank Margin	**602,0**	**627,0**
Operating Expenses (Staff ; General & Admin; DGS; Allowances)	-253,2	-286,8
Income after General Expenses	**348,8**	**340,2**
Net allowances for impairment & Provisions	20,8	-10,6
Profit from equity-accounted associates	31,6	31,8
Income before Taxes and Non-Current Assets	**401,2**	**361,4**
Taxes, Non-Current Assets & Minority Interests	-83,1	-65,5
Net Income for the Year (after minority int).	**318,1**	**295,9**
Cost-income ratio	42%	46%

As of June 2026, Spuerkeess' Bank Margin, at EUR 627 million, was up EUR 25 million (+4,1%) as compared to June 2025.

Core business revenues increased in 2026, mainly driven by interest income. The Bank's Net Interest Margin rose by 6,4% or EUR +28,9 million and is explained by the business development of activities during the first half of 2026.

Net fee & commission income remained stable. The decrease in loan fees was offset by the increase in fees for market activities as well as for UCI administration activities and custody for securities.

Other income decreased by 2,9 million, mainly due to the valuation result on financial instruments (economic and accounting hedges).

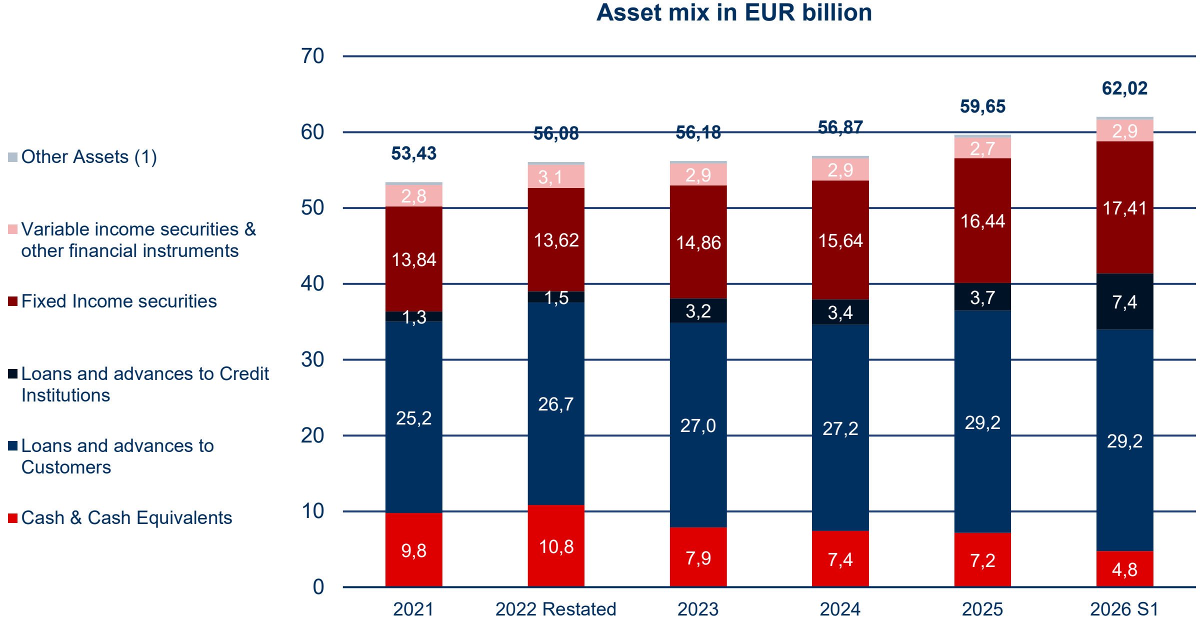
Operating expenses increased by EUR 33,6 million (+13,3%), mainly driven by staff expansion, salary increase & indexation, higher IT amortization for cybersecurity and digital services.

Net allowances for impairments and provisions decreased by 31,4 million. The variance mainly reflects higher management overlays reflecting the potential impact of the conflict in the Middle East on the economy, particularly through rising oil prices.

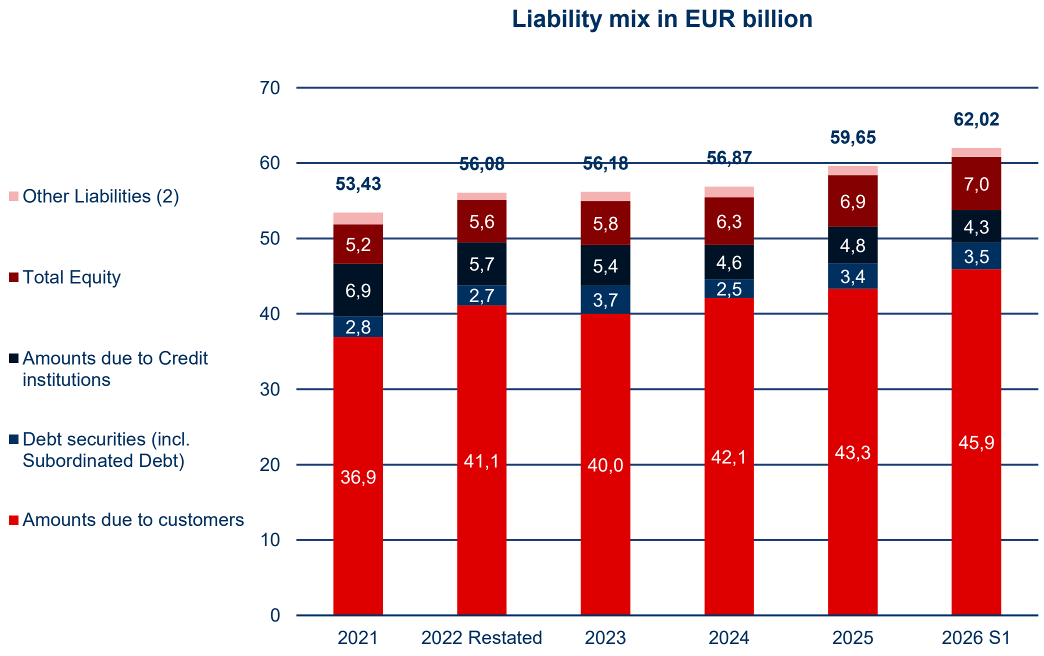
Net Income for S1 2026 decreased to EUR 295,9 million (after minority interests) and is down by 22,1 million (or -7,0%) compared to S1 2025 (EUR 318,1 million.

(1) Consolidated data as of 30/06/2025 and 30/06/2026. Totals may differ slightly due to rounding.

Financial Performance – Balance sheet (*)



(1) Other Assets; Tangible & Intangible Assets, Taxes



(2) Other Liabilities; Pension Fund Liabilities; Taxes; FVPL Fin.Liabilities, Derivatives, Provisions

- Loans & advances to customers decreased by EUR 0,05 billion (-0,2%) in S1 2026. New production of housing loans remains affected by an unfavourable market environment driven by the combined effect of the broad-based rising interest rates across the financial markets and the expiry of housing support tax measures at the end of the first half of 2025.
- Fixed Income securities recognised at amortised cost have increased by EUR 0,97 billion (+5,9%). Spuerkeess has a prudent investment strategy.
- Loans to financial institutions increased by EUR 3,73 billion, mainly due to the increase in reverse repurchase agreements in Q2 2026 and directly linked to the decrease in cash balances at central banks. In response to the recent geopolitical tensions, particularly the conflict in the Middle East, the liquidity and interest management strategy had to be adjusted to minimize the risks. The increase in reverse repos is a result of this strategic shift.
- Cash & Cash Equivalents decreased by EUR -2,42 billion (-33,7%), mainly cash deposited with central bank.

- Amounts due to customers increased by EUR 2,61 billion (+6%), mainly driven, among other factors, by growth in retail & corporate deposits (increase in current accounts & savings deposits) further confirming the strength of our core sources of stable funding.
- Amounts due to credit institutions decreased by EUR -0,46 billion (-9,7%)
- Debt issuances increased by EUR 0,07 billion (+2%)
- Total Equity continued to grow (+0,18 billion / +2,6%).

(*) Consolidated Balance sheet data as of 31/12/2021 , 31/12/2022, 31/12/2023, 31/12/2024, 31/12/2025 and 30/06/2026. Totals may differ slightly due to rounding.

Guidelines for profit distribution

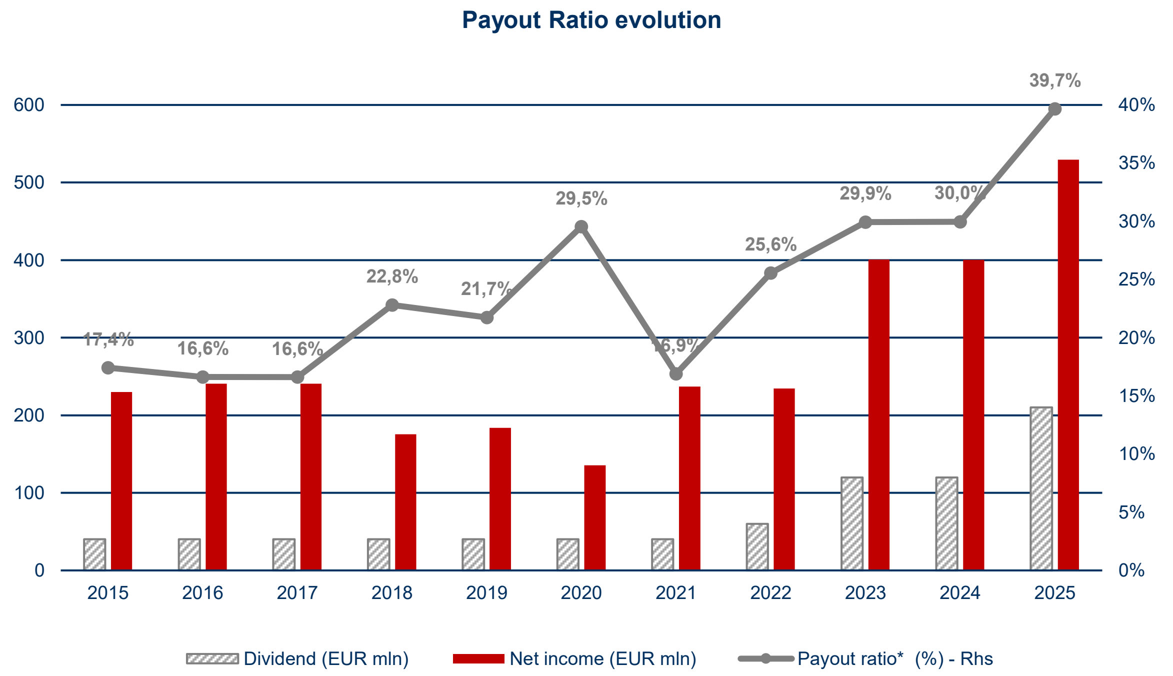
The Board of Directors of Spuerkeess, in its meeting of July 13th 2022, set the following guidelines for its yearly proposal on profit distribution to the Government Council for approval. Reinforcement of equity capital to guarantee an appropriate level of regulatory capital to support the evolution of the Bank's activities are key considerations of these guidelines to set the level of profit to be distributed to the State of Luxembourg.

A proposal for a profit distribution in a range between 25% and 50% of net profit in annual accounts is targeted if:

1. **the Bank's own funds' ratio is equal to or greater than 20%;**
2. **the Bank's CET1 ratio is equal to or greater than 18%;**
3. **the Bank's stressed own funds' ratio remains equal to or greater than 15% after applying a stress scenario of a depreciation of the Bank's fair value accounting assets;**

and considering, among others, the background of the prevailing macro-economic scenario and the Bank's budget forecasts and multiannual estimates.

- The range for profit distribution needs to be reassessed on a case by case basis if one or more of the preconditions set by the guidelines are not fulfilled.

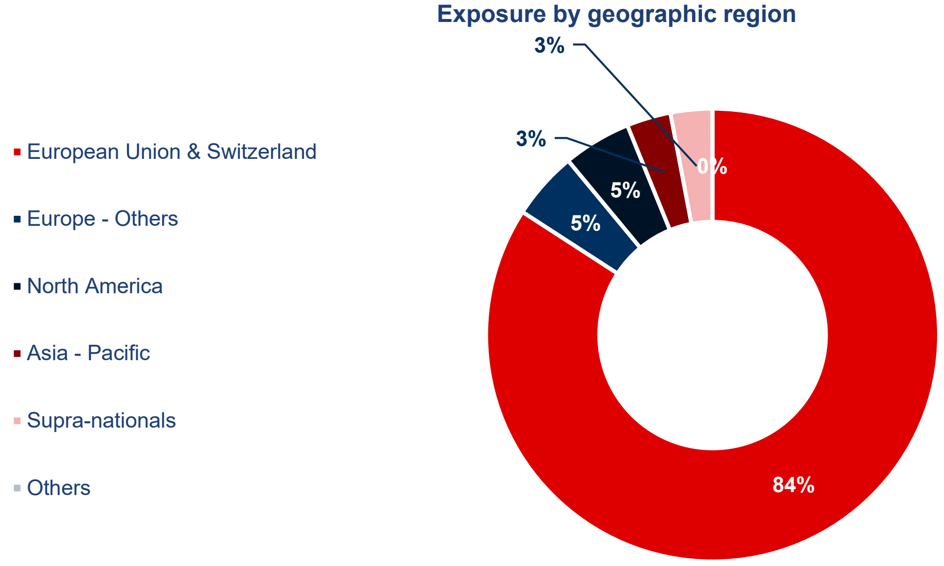


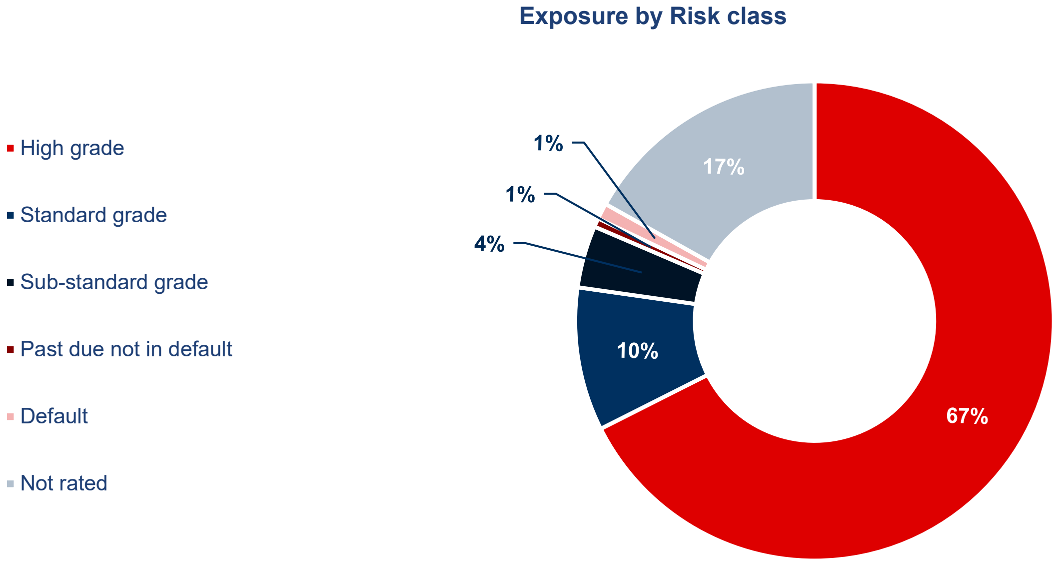
** Payout ratio decided and computed based on standalone net income*

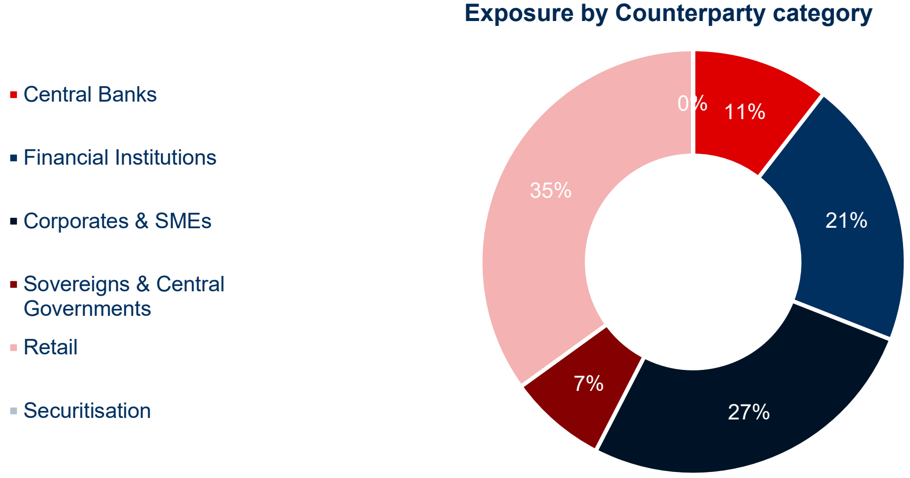
Appendix 2

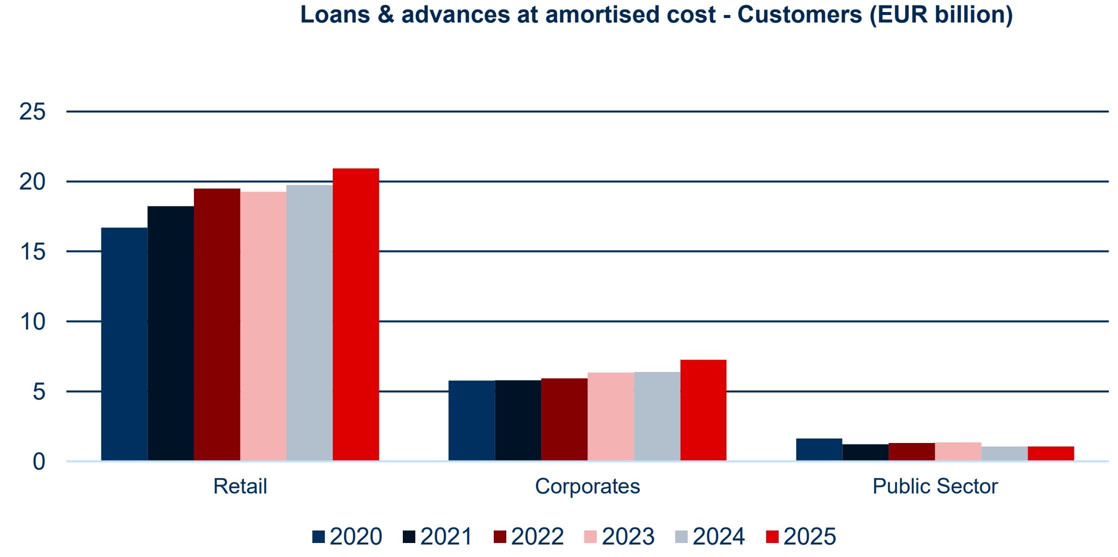
Deep Dive – Asset Quality

Asset Quality – 2025 Exposure (no update as of 30/06/2025) (1)









(1) Asset Exposure breakdown – Consolidated balance sheet data as of 31/12/2025
(2) Loans and advances to customers - Amortised cost – Consolidated balance sheet data as of 31/12/2025

Asset Quality – Performance

IFRS Stage	Impairment of Loans and Advances - Customers (in EUR million)	2021	2022	2023	2024	2025	S1 2026	S1 2026 coverage ratio
Stage 1	Retail	4,3	11,6	12,3	26,1	31,3	11,1	0,06%
	Corporate	25,4	29,8	30,6	21,5	24,8	31,6	0,68%
	Public Sector	0,07	0,1	0,5	0,1	0,0	0,2	0,02%
Stage 2	Retail	17,5	26,4	44,4	84,8	48,5	80,2	3,52%
	Corporate	16,5	33,3	39,8	111,0	120,8	134,2	6,42%
	Public Sector	0	0,1	0,1	0,1	0,1	0,1	0,16%
Stage 3	Retail	10,6	16	53,1	65,5	93,6	78,9	30,63%
	Corporate	38,2	38,1	96,9	119,2	146,7	119,8	28,21%
	Public Sector	0	0	0	0	0	0	n.a.
	Total Impairment	**112,6**	**155,4**	**277,5**	**428,2**	**465,8**	**456,1**	**1,54%**
	Outstanding amounts covered by provisions	**25.359**	**26.861**	**27.245**	**27.619**	**29.714**	**29.657**	

The mortgage activity and the credit risk related to Retail clients have improved since 2025 leading to a slightly further improved annualised cost of risk for Retail clients in S1 2026 (-2 bps). The increase in mortgage activity was still mainly related to existing real estate objects. The situation for real estate developers and commercial real estate projects remains deteriorated in S1 2026 (annualised Corporate loans and advances cost of risk of +26bps in S1 2026). In an increasing interest rate environment, we could expect some further migrations to stage 3 for these sectors in the second half of 2026.

Appendix 3

Outstanding Bonds

Outstanding Spuerkeess Bonds

Ticker	Issue Date	Notional	Maturity	Coupon	Currency	Spread at Issuance	Format	ESG
BCEE 3 ¼ 03/19/31	19/03/2025	500’000’000	6Y	3,25%	EUR	MS + 80 bps	SP	Green
BCEE 3 ¼ 11/20/31	20/11/2025	500’000’000	6Y	3,25%	EUR	MS + 90 bps	SNP	/

Appendix 4

Cover Pool – Geographical Distribution

Mortgage Loan Stratifications

Cover Pool Geographical Distribution