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# GREEN INVESTOR PRESENTATION

## BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG





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# 1. Sustainability at Spuerkeess





# Sustainability – Our ambition<sup>(1)</sup>

- One of the main pillars of our “Spuerkeess 2025” strategic plan is to act as a *Transition Enabler*. Our ambition is to raise awareness among our customers (lenders and investors) and support them in their projects towards a more sustainable economy and, with regard to climate change, to improve their resilience to climate risks (risk mitigation).
- In order to achieve our ambitions, and based on the results of our materiality analysis, our strategy and the Sustainable Development Goals (SDG), we have defined 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.

Our priorities are the following:

1. **Our impact on climate**
2. **Our human capital**
3. **Customer centricity**
4. **Biodiversity**
5. **Community**
6. **Business ethics**

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

(1) Sustainable Development Report 2023





# Sustainability – Environmental Impact

Our own operations carbon footprint

In tonnes of CO <sub>2</sub> e	2021	2022	2023	Change as % (2023/2022)
Scope 1 direct emissions	1.873	1.639	1.305	-20,4%
Scope 2 indirect emissions (market-based)	85	132	106	-19,7%
Scope 3 other indirect emissions	1.640	1.502	1.649	+9,8%
Total (market-based) – same coverage as in 2021 and 2022	3.599	3.271	3.060	-6,5%
Total (market-based) – including employee commuting	3.599	4.082	3.882	-4,9%

## Targets Scope 1 emissions:





# Sustainability – Environmental Impact

Our banking activities carbon footprint

Exposures per asset class	Financed absolute GHG emissions 2023 from our banking activities					
	Gross carrying amount (in mio €)	Scope 1 & 2 (in tons of CO2e)	Scope 3 (in tons of CO2e) <sup>6</sup>	PCAF coverage (in %) <sup>7</sup>	Average data quality score	Financial intensity "Scope 1 & 2" (t Co2e/mio EUR)
<b>Total climate relevant sectors - Non-financial corporations (included in GHG calculations)</b>	<b>24.019</b>	<b>1.137.102</b>	<b>3.452.749</b>		<b>3,20</b>	
of which corporate bonds (without Green Bonds) <sup>*</sup>	2.484	164.468	1.884.662	100%	2,02	66,21
of which exposures from automotive sector	190	1.982	331.438			
of which exposures from power generation sector	151	23.913	85.828			
of which exposures from oil & gas sector	220	57.758	588.014			
<b>of which corporate equities</b>	<b>831</b>	<b>416.428</b>		<b>93%</b>	<b>1,55</b>	<b>492,27</b>
of which exposures from passenger airline sector	422	53.379				
of which exposures from freight airline sector	349	363.049				
<b>of which national residential mortgage loans</b>	<b>15.908</b>	<b>89.262</b>		<b>100%</b>	<b>2,93</b>	<b>5,61</b>
<b>of which business loans</b>	<b>4.796</b>	<b>466.944</b>	<b>1.568.087</b>	<b>100%</b>	<b>5,00</b>	<b>97,36</b>
of which exposures from construction sector	1.470	36.567	1.011.216			
of which exposures from transportation & storage sector	510	133.010	125.226			
of which exposures from manufacturing sector	398	110.760	229.735			
of which exposures from electric utilities sector	325	114.486	62.842			
<b>Total climate relevant sectors - Non-financials corporations (not included in GHG calculations)</b>	<b>1.948</b>					
<b>Total non-climate relevant sectors</b>	<b>30.570</b>					
of which financials	21.513					
of which governments	4.134					
<b>Total Gross Carrying Amount</b>	<b>56.537</b>					

Sector / Activities	Outstanding Amount (in mio EUR) 2023	Metric	Pathway / Scenario	Baseline 2022		2023		2025 Target	Target 2030
				Portfolio Value	Pathway Value	Portfolio Value	Alignment	Pathway Value	Pathway Value
Oil & Gas	220	gCO2e/MJ	IEA 2°C	71,05	62,88	70,01	● 11,34%	55,91	52,76
Power generation	151	gCO2e/Mwh	IEA 1,5°C	0,16	0,35	0,16	● -54,29%		0,14
Automotive	190	gCO2e/km	IEA 2°C	129,60	127,94	125,00	● -2,30%	85,69	80,91
Cargo airlines	349	gCO2e/FTK	IEA 1,5°C	488,00	673,80	513,00	● -23,86%	643,00	370,00
Passenger airlines	422	gCO2e/RTK	IEA 1,5°C	1.052,00	1.123,00	1.004,00	● -10,60%	1071,00	616,00
Mortgage loans	15.908	kgCO2e/sqm	NPCE 1,5°C	28,89	/	28,43	/		24,10
						<b>Value 2023</b>	<b>Target 2025</b>		<b>Target 2030</b>
Own operations	/	tCO2e / FTE	/	1,17	1,02		1,00		/

## Approach:

- Measuring exposition to the climate relevant sectors (according to the Regulation EU 2020/1818) : **46% in 2023**.
- Measuring our emissions by applying the Global GHG Accounting Reporting Standard from PCAF. It covered **93%** of the climate relevant exposures.
- Materiality analysis identified the most exposed sectors: oil and gas, power generation, aviation, automotives and mortgage loans activities.
- Selected TPI values (Transition Pathway Initiative) to define the transition pathway for these sectors (except mortgage loans).

**Goal:** Align financed GHG emissions with credible and scientifically recognised transition pathways to limit global warming to 1.5°C and become net-zero by 2050, as a member of NZBA.



# Sustainability – Reducing Emissions

## Regulatory requirements

### Taxonomy Regulation:

- Eligibility rate for FY 2023: 32%
- Taxonomy eligibility reports for the first two climate objectives: « Climate change mitigation » and « Climate change adaptation ».
- Collaboration with Greenomy to produce the reports and to calculate the GAR.
- BTAR is calculated for its corporate bond portfolio
- Aim: To account for the remaining four environmental objectives by 2025 (for FY 2024 data) for eligibility and by 2027 (for FY 2026 data) for alignment.
- Starting in 2024, corporate customers subject to the Non-Financial Reporting Directive (NFRD) will complete a Taxonomy questionnaire on the Greenomy platform.

### SFDR and MIFID II:

- Aligning with new EU regulations: SFDR (Article 8 and Article 9 funds) and MiFID II.
- SPK promotes its green funds and its Activmandate Green, a green discretionary portfolio management product, which is mostly composed of investment funds that are consistent with Article 9 of SFDR.

### CSRD:

- 2024: Sustainable Development Report aligned with GRI standards
- 2025: report aligned with ESRS standards of the CSRD

## Spuerkeess Green Asset Ratio (Situation 31/12/2023)

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	€607.215.478,39	1,17%	1,35%	92,26%	42,12%	7,74%
Additional KPIs	GAR (flow)	Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
	Financial guarantees	€0,00	0,00%	0,00%			
	Assets under management	€11.981.611,18	3,04%	7,26%			

\*\*\*% of assets covered by the KPI over banks' total assets  
 \*\*\*\*based on the Turnover KPI of the counterparty

\*\*\*\*\*based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used  
 Note 1: Across the reporting templates: cells shaded in black should not be reported.  
 Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026. SMEs' inclusion in these KPI will only apply subject to a positive result of an impact assessment

## Voluntary requirements

- At the end of 2021 Spuerkeess joined the **Net-Zero Banking Alliance (NZBA)** to commit to a net-zero economy by setting objectives and developing a transition plan to decarbonise the most climate-relevant sector exposures on our balance sheet.
- Since 2019, Spuerkeess is signatory of the United Nations Environment Program Finance Initiative's **Principles for Responsible Banking (UNEP FI PRB)**

[Link to our reports: Spuerkeess: Rapports RSE de Spuerkeess](#)

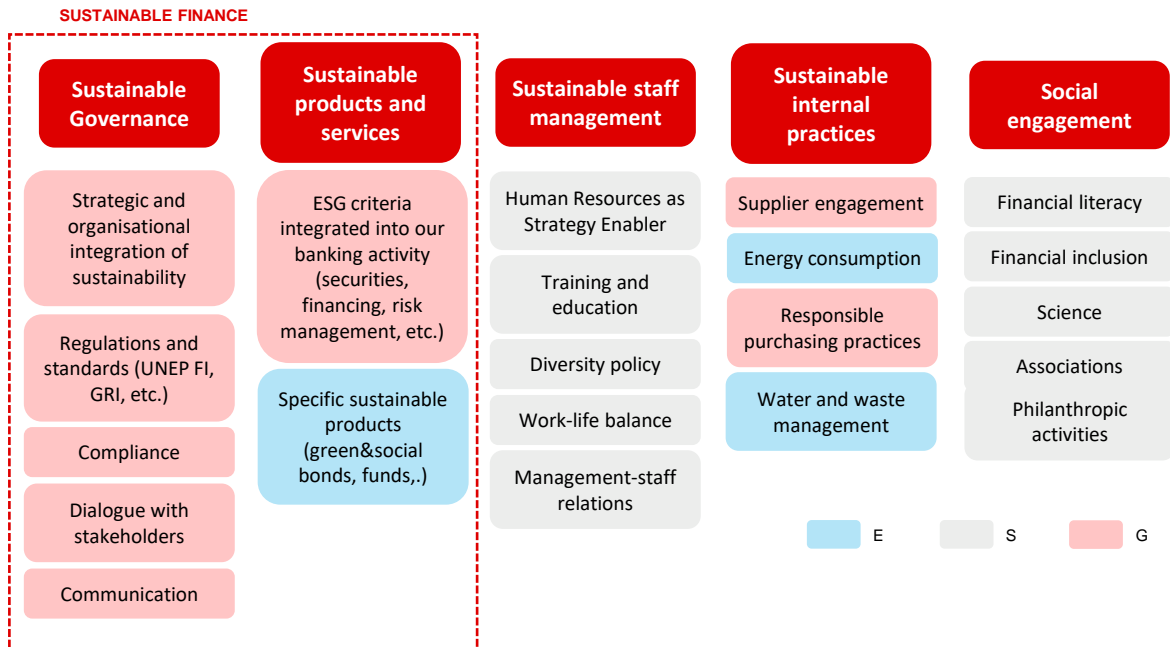




# Sustainability – Reducing Emissions

The Bank’s strategy is to take environmental, social and governance concerns into account so they can be incorporated into its actions, products and services, as well as its projects.

Spuerkeess’ ESG strategy is based on five pillars:





# Sustainability – ESG Risk Management

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:

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

For each pillar, Spuerkeess assesses

- **physical** and **transition** risks,
- identifies their **direct** and **indirect** impacts on counterparties and assets and the transmission channels on traditional financial risks,
- estimates the time frame for potential materialization of these risks (**short, medium, or long term**).

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.

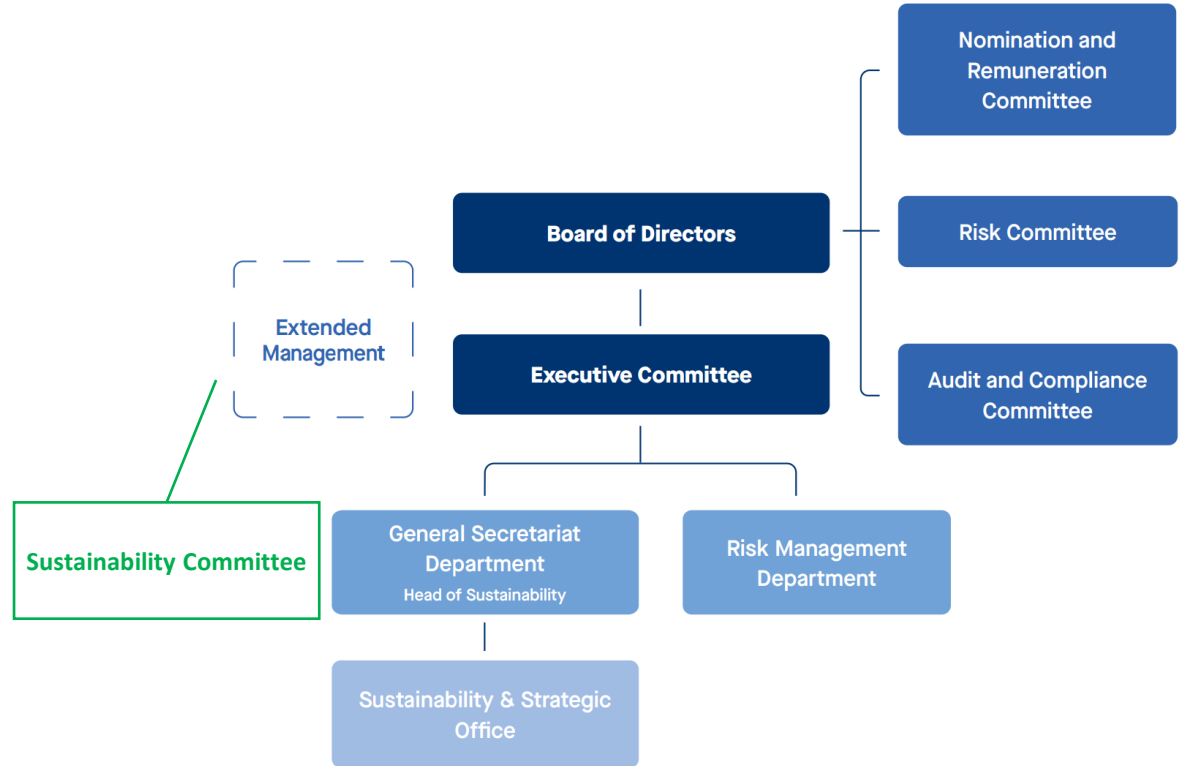
The bank is committed to aligning with the Paris Agreement and Luxembourg's National Energy and Climate Plan by joining the Net Zero Banking Alliance and the UN Principles for Responsible Banking.



# Sustainability – ESG Governance

Sustainability topics are integrated into Spuerkeess' governance framework.

- 1. Board of Directors:** Prioritizes ESG issues; defines strategic guidelines.
- 2. Executive Committee:** Implements strategic guidelines defined by the Board of Directors.
- 3. Strategic & Sustainability Office:** Ensures sustainability, proposes, oversees and monitors the ESG strategy and is the center of ESG expertise.
- 4. Risk Management Department:** Participates in climate stress tests and performs risk mapping.
- 5. Sustainability Committee:** (As from 2025) oversees the sustainable development strategy and reports progress.





## Development of Key Skills:

- Promotion of initiatives for cross-functional skills acquisition in particular by encouraging internal mobility to facilitate succession planning.
- Create a talent pool to quickly fill unexpected openings.
- Anticipate and prepare for departures with a forward-looking approach.
- Develop a pool of people qualified to hold positions of responsibility or expert positions.
- Highlight future prospects (different types of career plans) at Spuerkeess to increase motivation and retain employees.
- Talent management brings in new talent with career development ambitions.

Turnover rate  
(excluding retirements)



Average hours of  
training



Agents' internal  
mobility:



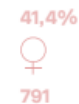
## Performance Management:

- Annual individual interviews to reiterate job descriptions, take stock of work, address well-being, and promote communication.
- Identify employees open to mobility and prepare them for supervisory and functional responsibilities.
- Determine training needs to support career development.

## Diversity:

- Increased recruitment of women (hires rising from 29.50% in 2022 to 37.58% in 2023).
- Number of nationalities increased from 16 to 17, with the addition of the Chilean nationality.
- Minimum representation of the under-represented gender of 40% on management bodies by 2030.
- Increase the under-represented gender in supervisory/functional roles to at least 30% by 2025 and 40% by 2030.

Men/  
Women



Different  
nationalities



Average age





## Product Governance

Spuerkeess commits to responsible management of its financial products and services, ensuring that they are designed, marketed, and delivered to uphold ethical standards and protect customer interests. This encompasses policies against discriminatory lending practices, false marketing, and predatory lending.

Spuerkeess' Corporate Social Responsibility (CSR) policies outline several key areas that reflect its dedication to ethical product governance.

- **Statement of the Fair advertising and marketing policy** : The policy ensures that all advertising and marketing practices are fair, transparent, and not misleading, thereby protecting customers from false information.
- **Statement of the Debt collection policy** : The policy emphasizes ethical practices, ensuring that all collection activities are conducted with respect for the customer's situation and in compliance with legal standards.
- **Statement of the ESG exclusion policy** : The policy outlines the criteria for excluding certain investments or financing activities that do not align with the Bank's ethical standards, thereby ensuring responsible product offerings.
- **Statement of the responsible credit & investment portfolio policy** : The policy outlines that Spuerkeess acts as a “socially responsible lender” in accordance with the social mission as defined by Art. 5 of the Organic Law of 24 March 1989.
- **Code of Conduct (ABBL)** : In the same context, Spuerkeess follows the “Code of Conduct” of the Luxembourg Banker's Association (ABBL – Association des Banques et Banquiers, Luxembourg), which sets out several commitments that its members shall respect. Members shall act with loyalty, fairness and integrity and shall make every effort to behave in a socially responsible manner.



Training on ESG topics ensures that we provide transparent, trustworthy, and compliant financial advice.

- **General ESG Trainings:** for all staff members in the form of e-learning.
- **Dedicated ESG training programs:** launched to steer all employees across four levels of expertise, raising awareness of all Bank's employees and upskill relevant categories of employees to the required level of skills.

## Customer satisfaction rate according to the ILRES study

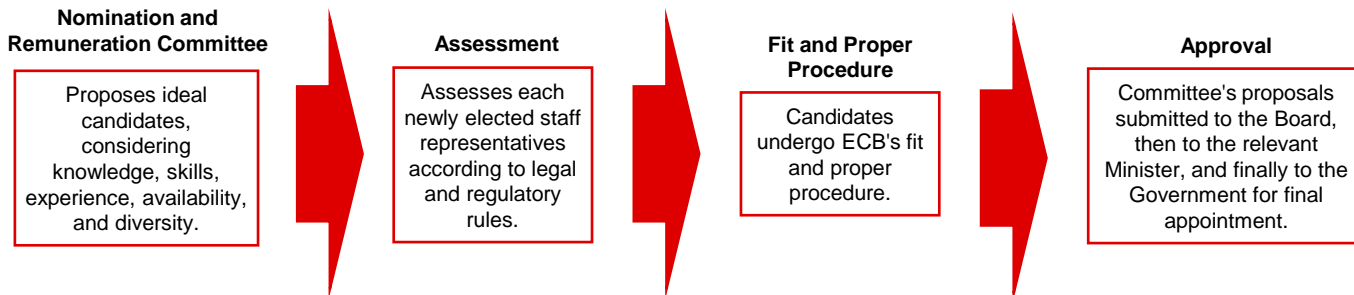
### Customer satisfaction rate

	2021	2022	2023
Net Promoter Score (NPS)	+42	+36	+42
Excellent/very good performance	69%	71%	69%

### SDI satisfaction rate

	2022	2023
Percent of calls surveyed	37,3%	34,2%
Survey participation rate	8,7%	9,6%
Customer satisfaction rate	94,9%	92,9%

- **Board Composition:** 9 members :
  - two staff representatives,
  - two owner’s representatives (Grand-Duchy of Luxembourg),
  - five independent members.
- **Supervision:** Supervised by the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB).
- **Nomination Process:**



Spuerkeess’ Diversity Policy ensures that the share of the “underrepresented” gender is at least 40% of members (excluding staff representatives). Spuerkeess is a signatory of the *Women in Finance Charter* that aims to promote gender diversity within the Luxembourg financial sector. As such, Spuerkeess commits to foster increased gender equality and inclusivity across its entire organization with a specific focus on Senior Management.

Considerations related to sustainability and ethics are now taken into account when deciding to grant the “ITE” (Indemnity for Extraordinary Work). There is no specific ESG criteria for the remuneration of the Board of Directors or the Executive Committee.



# Sustainability – Corporate Behavior

	What the economy needs	What the bank offers	How Spuerkeess generates value	Environmentally beneficial banking solutions	Socially advantageous banking solutions
<b>Deposits</b>	<ul style="list-style-type: none"> <li>Safe place for excess liquidity (non-interest bearing accounts; current accounts)</li> <li>Low-risk returns (interest-bearing accounts; savings accounts, term deposits)</li> </ul>	<ul style="list-style-type: none"> <li>Convenience</li> <li>Transparency</li> <li>Security</li> </ul>	Providing protected access to the money market and returns on excess liquidity  Mitigating the risk between long-term lending and short-term funding	<ul style="list-style-type: none"> <li>ETIKA alternative savings account</li> </ul>	<ul style="list-style-type: none"> <li>ETIKA alternative savings account</li> <li>Youth offer: Tweenz, Axxess, Zebra (offered with diversity and education initiatives)</li> <li>Zebra Business - Welcome offer for entrepreneurs</li> </ul>
<b>Loans</b>	<ul style="list-style-type: none"> <li>Funds covered by future cash flow (personal &amp; corporate loans, credit cards, factoring);</li> <li>Funds covered by tangible assets (mortgage loans, car loans, leases)</li> </ul>	Risk assessment	Estimating and pricing credit risk, allowing available funds to generate positive returns	<ul style="list-style-type: none"> <li>ETIKA financing</li> <li>E-Mobility financing and leasing</li> <li>Sustainable housing: mortgage loans, sustainable renovation and energy financing (solar panels, photovoltaic installations, etc.)</li> <li>Financing of entrepreneurial projects (wind farms, e-mobility, etc.)</li> <li>Awareness-raising and incentives: One Stop Shop, ESG questionnaire, Ecobonus</li> </ul>	<ul style="list-style-type: none"> <li>Student loans</li> <li>ETIKA financing</li> <li>Financing of socially advantageous projects (educational facilities, social housing, etc.)</li> </ul>
<b>Transactions / Services</b>	Ability to make and receive payments easily and efficiently  Conversion of foreign currencies across markets	Efficient infrastructure  Connectivity	Offering the benefits of economies of scale and guaranteeing transaction security		<ul style="list-style-type: none"> <li>Free youth offer</li> <li>Special terms and conditions for loyal customers and customers with specific needs</li> <li>S-Bus</li> </ul>
<b>Investment service</b>	Advice to retail customers on additional financial investment needs (retirement and protection)	Dedicated management and investment advice	Leveraging economies of scale, professional skills, and market access to create opportunities for customers	<ul style="list-style-type: none"> <li>Green Lux funds (Lux-Equity Green, Lux-Bond Green)</li> <li>Activmandate Green (discretionary management)</li> <li>Environmental investment advisory solutions (ActivInvest)</li> </ul>	<ul style="list-style-type: none"> <li>SpeedInvest (Robo Advisor)</li> <li>S-Invest</li> <li>Social investment advisory solutions (ActivInvest)</li> </ul>
<b>Corporate advisory</b>	Corporate advisory, capital markets and risk management	Risk-benefit assessment		<ul style="list-style-type: none"> <li>Greenomy</li> </ul>	

● Balance sheet
 ● Commercial

Our sustainability approach involves gradually adapting our activities, products, services, portfolios and processes to meet our stakeholders' expectations in relation to their concerns about key environmental, social and governance themes.

We also assist our customers with their sustainability transition by offering solutions that enable them to begin this transition.

Spuerkeess is working to expand its range of sustainable products and services by putting a particular emphasis on the environmental objectives.

*Goals for 2025:*

- Increase share of energy-efficient housing in the residential mortgage loan portfolio.
- Increase share of financed housing with an class A and B Energy Performance Certificate (EPC).





# Sustainability – Corporate Behaviour

These values lie at the heart of our Code of Conduct.



Integrity



Fairness



Professionalism



Mutual respect

## Business Conduct Policies

- Sustainable Development Policy
- Code of Conduct
- Remuneration Policy
- Data Protection Policy
- Whistleblowing Procedure
- Fair Advertising and Marketing Policy
- Politique d'engagement volontaire conforme aux principes d'une démarche responsable sur les plans économique, social, éthique et environnemental pour les activités de fournisseur ou de prestataire de service
- Responsible management policy for the credit and investment policy
- ESG Exclusion Policy
- Debt Collection Policy
- Climate and environmental risk management procedure
- Politique d'intégration des risques en matière de durabilité au niveau des services financiers de Spuerkeess
- Politique relative à la chaîne d'approvisionnement en minerais et en métaux provenant potentiellement de zones de conflit ou à haut risque (hors Union Européenne)

*More details and information on most of our business conduct policies can be found at the following link: [Spuerkeess: CSR Policy of Spuerkeess](#)*

## 2. Green Bond Framework





## Rationale for green issuance

- Act as a “transition enabler”
- Align our funding strategy with our sustainability objectives
- Contribute to advancing green finance solutions and the development of a sustainable market
- Embrace the bank’s broader mission to create long-term positive impact, esp. in Luxembourg

### 1. Use of Proceeds

- (Re)financing of existing or new residential and commercial buildings, located in Luxembourg
- Belonging to the **top 15% of most energy-efficient buildings** of national stock
- Top 15% has been established via transparent methodology

### 2. Asset Evaluation and Selection

- Dedicated Governance for asset identification, selection and approval. Extended Management Committee responsible for the GBF
- Pre-selection of green assets by the Credit Process Department, independent from the funding team



### 3. Management of Proceeds

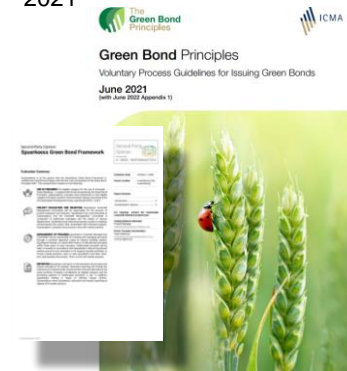
- Proceeds managed on a portfolio basis
- BCEE intends to be fully allocated at issuance for the envisaged inaugural Green Bond
- C. 20% of ‘new financing’<sup>1</sup>
  - New green eligible loans originated in the last 12 months

### 4. Reporting

- First report maximum 1 year after the issuance of the envisaged inaugural Green Bond
- Annual Green Bond Reporting including allocation & impact reports
- To be verified by an External Auditor

## External Review

- Sustainalytics considers BCEE GBF to be fully aligned to the ICMA Green Bond Principles 2021



## Project Category

### Green Buildings



Residential buildings



Commercial buildings

## Green Eligibility Criteria



Loans (re)financing existing or new projects (Construction and Acquisition projects)



Dwellings belonging to the top 15% most energy-efficient buildings of the national building stock and demonstrated by adequate evidence



Current portfolio only includes residential properties (Single Family Houses, SFH and Multi Family Houses, MFH) located in Luxembourg

SFH:

- Energy Class: **A+ or A**
- Construction year: **≥ 2019 matching with RGD\* 2016 or higher**

MFH:

- Energy Class: **A+ or A**
- Construction year: **≥ 2020 matching with RGD\* 2019 or higher**

\* Règlement Grand-Ducal

## UN SDGs



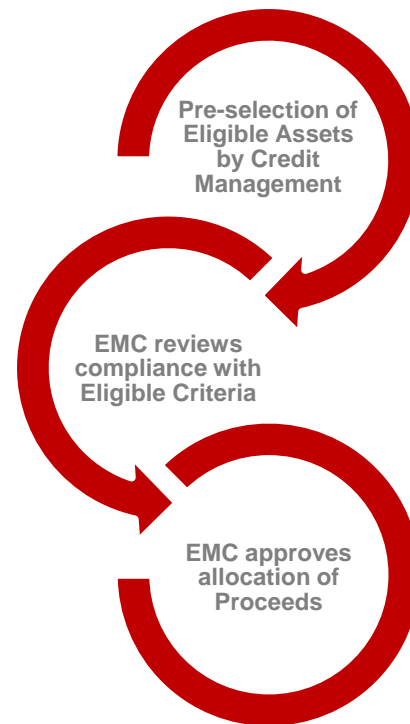
## Governance

- **Eligible Green Assets** need to be aligned with Spuerkeess' internal policies, by following environmental obligations
- **Extended Management Committee (EMC)** will meet **twice a year** to address the Green Portfolio & Green Bond matters
- EMC composed of **authorized managers and representatives of the top management** of the Bank

### EMC responsibilities

- ✓ Review, Update & Approve the Green Bond Framework
- ✓ Monitor compliance with Eligibility Criteria & approve the Green Portfolio
- ✓ Review third party documents
- ✓ Review and approve of the Green Reporting, including external assurance statements
- ✓ Monitor changes in the regulation, market, Corporate strategy and related impact on the GBF

## Loan selection



## Allocation of proceeds

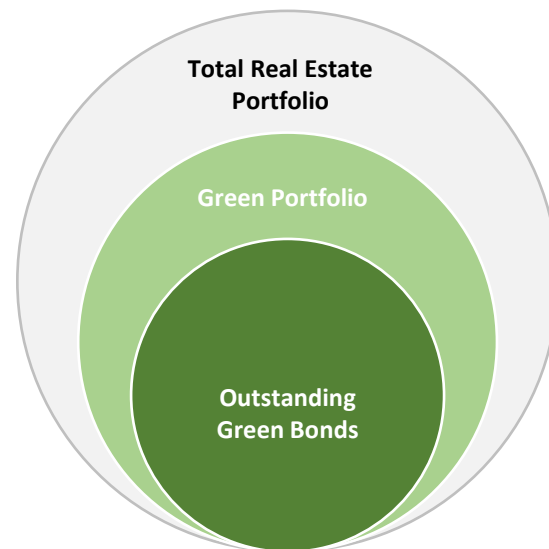
- Allocation of Green Bond proceeds to (re)finance Eligible Green Assets in accordance with the Eligibility Criteria, and the evaluation and selection process
- Aggregate amount of Eligible Green Assets (the “Green Portfolio”) that equates or surpasses, over time, the balance of net proceeds of outstanding Green Bonds
- Inaugural Green Bond will be fully allocated at issuance
- C. 20% of ‘new financing’, meaning green eligible loans originated in the last 12 months

## Portfolio Approach

- Green Bond proceeds managed on an aggregated portfolio approach (dynamic)
- New Eligible Green Assets are included in the portfolio over time and maturing/repaid or non-compliant loans are removed from it

## Unallocated net proceeds

- In case, Green Bond net proceeds remain unallocated, Spuerkeess will hold or invest within the treasury liquidity portfolios, in money market products, cash and/or cash equivalent or other short term and liquidity instruments, in accordance with Spuerkeess’ internal investment policies and at its own discretion





## Green bond Report



Allocation Report and Impact Report made on an aggregated basis, at least until full allocation



First report to be published maximum 1 year after the issuance of the envisaged inaugural Green Bond. Then, updated at least annually



Will be made available on Spuerkeess' website



To be verified by an External Auditor. Auditor's Limited Assurance Report included in the Green Bond Report.



Aim to align with the ICMA Handbook "Harmonized Framework for Impact Reporting"

### Allocation Reporting

- Amount of Green Bonds outstanding;
- Size of the Green Portfolio including a breakdown by Eligible Category;
- Balance of unallocated proceeds, if any.

### Impact Reporting

- Carbon footprint stemming from Spuerkeess' banking activities;
- Estimated annual financed GHG emissions and avoided GHG emissions (tCO<sub>2</sub>e);
- Estimated annual energy consumption and savings (kWh/sqm);
- Number of Green Buildings financed



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## 3. Green Loan Methodology







# Green Loan Methodology – Overview

- In this part, we will present the methodology developed for green residential mortgage loans.

*Commercial mortgage loans are also foreseen as an Eligible Category in the GBF, but will not be used initially. The methodology will be implemented at a latter stage.*

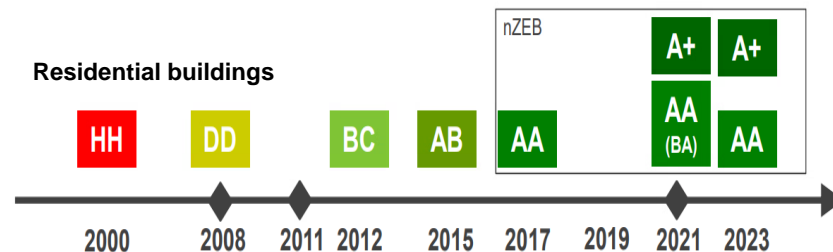
- Aligns with the ICMA “Green Bond Principles”, ensuring our Green Buildings are part of the **top 15% most energy-efficient buildings** of the national building stock.
- Luxembourg specificity: No access to a national EPC database .
- However,
  - Strong Luxembourgish regulatory environment (RGD) **setting high energy performance standards for the construction of new buildings.**
  - **National database on approved building permits** allowing match RGDs versions and building permits.
- Data source : Statistics portal of the Grand-Duchy of Luxembourg, covering approved building permits from 1970 until 2023, representing the **national residential building stock.**





- **Directive 2010/31/EU** amended by Directive (EU) 2018/844: Establishes the “Nearly-Zero-Energy-Building” (NZEB) as a standard for all new buildings since 2021, and for public authority buildings already since 2019
- **NZEB standard:** Requires buildings to have a high energy performance with near-zero or very low energy demand met significantly by energy from renewable sources, including on-site or nearby production (article 9)
- **National implementation:** Each member state was required to implement these requirements in national law by 2018 and define a new energy standard for buildings since 2021, known as NZEB
- **Luxembourg implementation:** Fulfilled by the “Règlement Grand-Ducal du 23 juillet 2016 – RGD 2016”, which introduced the residential NZEB-standard. The current energy standard is defined in RGD 2021
- **Transposition of Directive (EU) 2018/844:** The Grand Ducal Regulation of June 9, 2021, on the energy performance of buildings (RGD 2021) transposed the Directives (EU) 2018/844 and (EU) 2018/2002 into Luxembourg law, coming into force on July 1, 2021

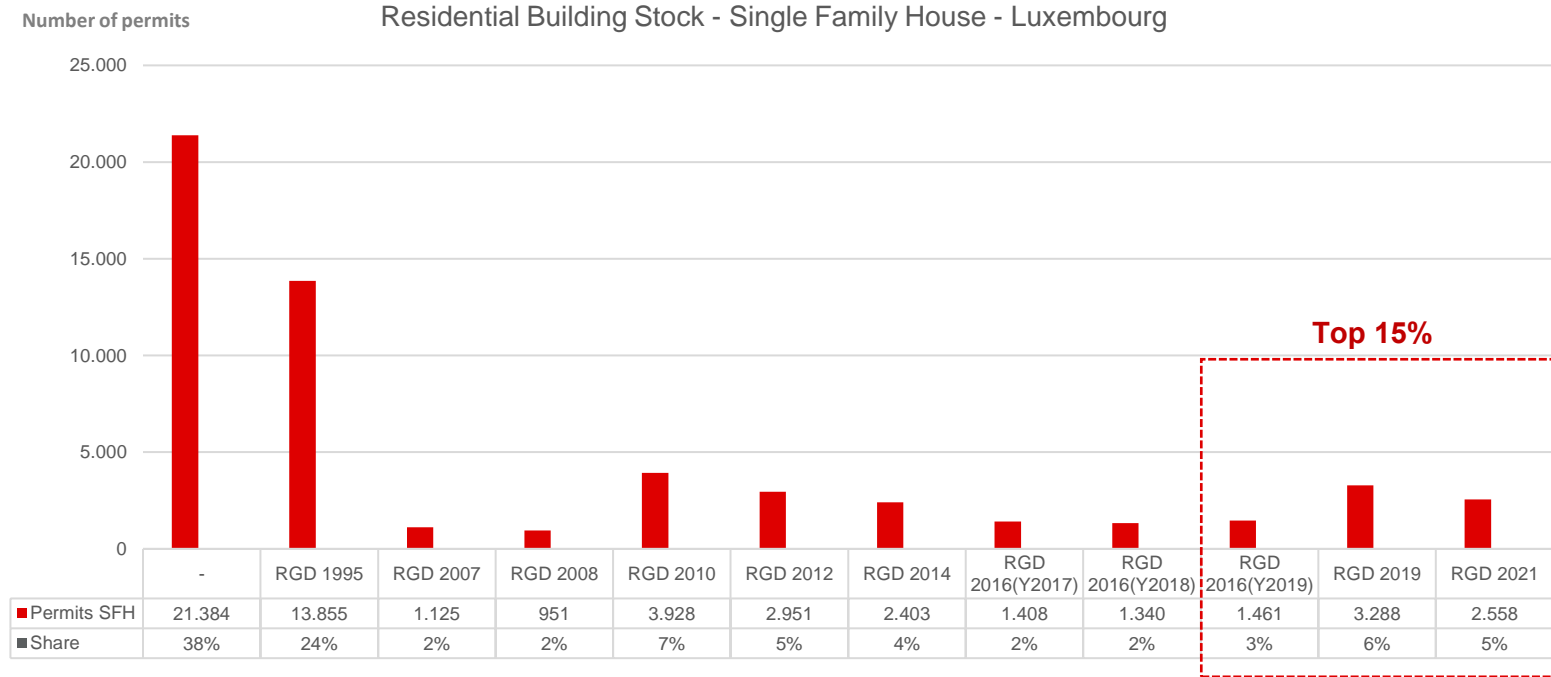
Historical evolution of energy requirements for new buildings in Luxembourg





# Green Loan Methodology – Top 15% SFH

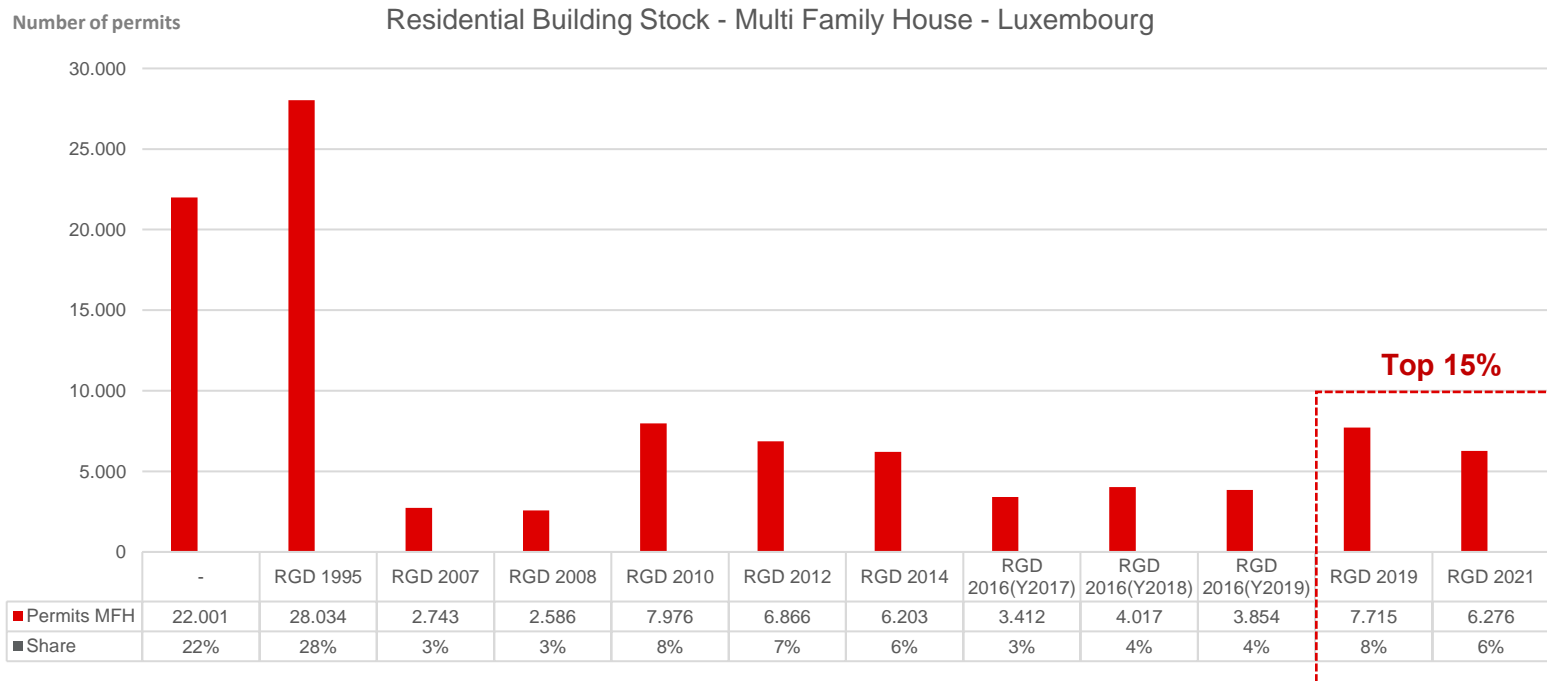
Single Family Houses (SFH) built according to RGD-2016 or better represent the Top 15% of its local market with a construction year 2019 or newer





# Green Loan Methodology – Top 15% MFH

Multi Family Houses (MFH) built according to RGD-2019 or better represent the Top 15% of its local market with a construction year 2020 or newer.





# Green Loan Methodology – Eligibility

## Eligible Projects



Green Buildings – Single Family House



Green Buildings – Multi Family House

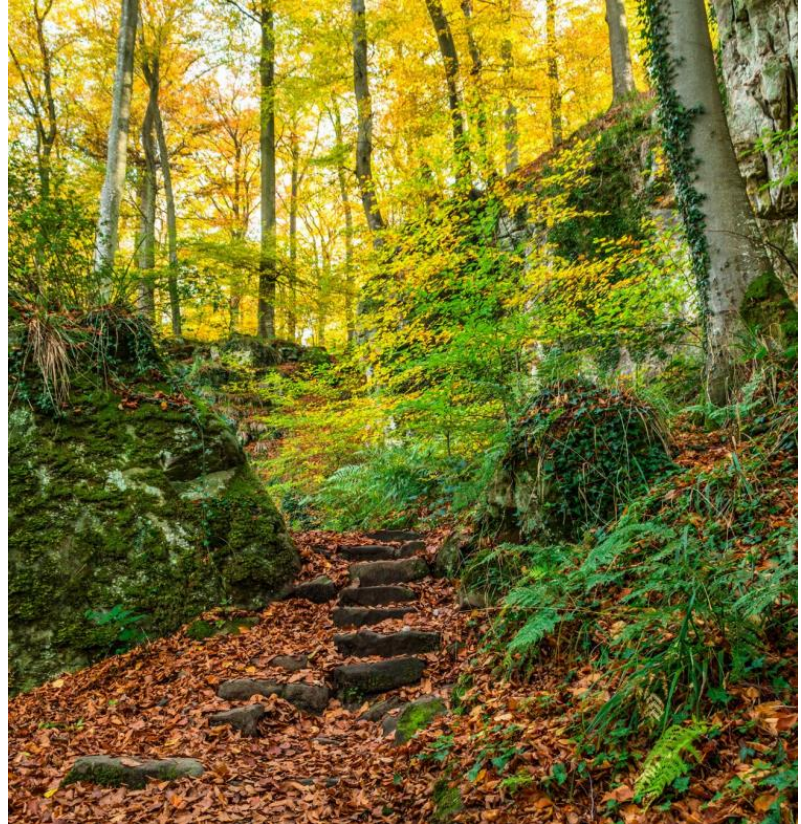
## Eligibility Criteria

- **Type of loan:** Residential Mortgage Loan
- **Purpose of transaction:** Acquisition or construction
- **Country:** Luxembourg
- **Energy Class:** A+ or A
- **Construction year:**  $\geq 2019$  matching with RGD 2016 or higher

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## 4. Green Portfolio





# Green Portfolio – RRE Loans as of 30.06.2024

Spuerkeess' GBF permits to include 2 categories of asset in the Green Portfolio :

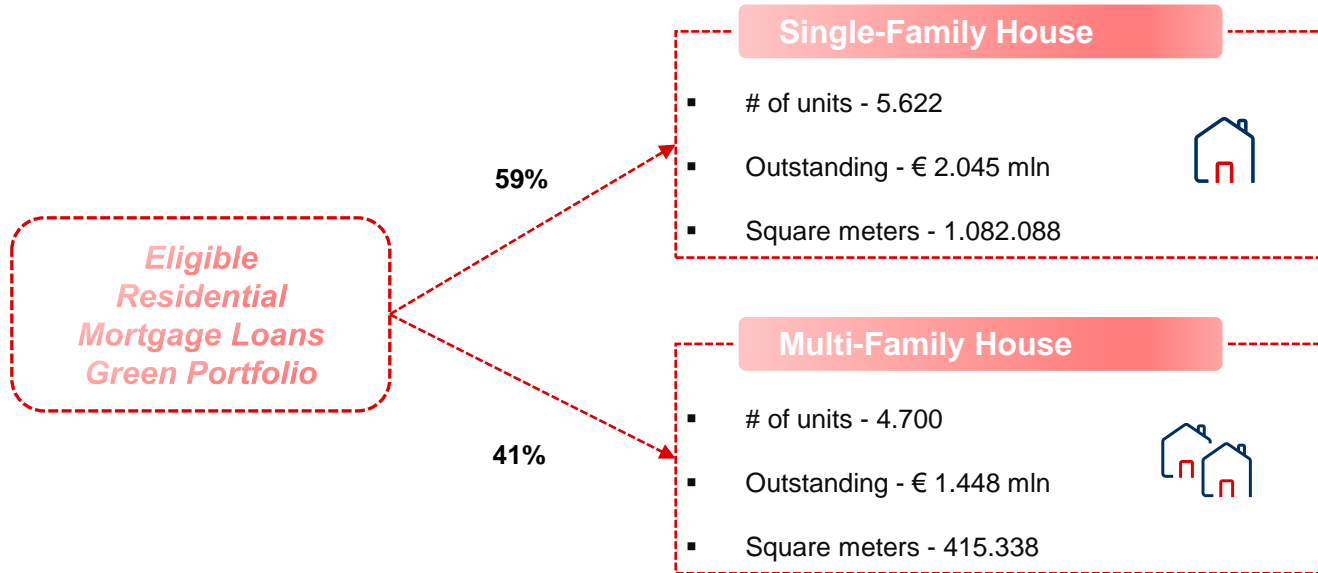


Residential &



Commercial Mortgage Loans

**Only Residential Mortgage Loans will be included for the inaugural issuance**





# Glossary





# Glossary – List of acronyms and specific terms

Acronym	Definition
CPM	Credit Process Management team
CRE	Commercial Real Estate
EMC	Extended Management Committee
ICMA	International Capital Markets Association
GBF	Green Bond Framework
GBP	Green Bond Principles
EPC (CPE)	Energy Performance Certificate (Certificat de Performance énergétique)
ESG	Environmental, Social and Governance
GHG	Greenhouse Gas emissions
MFH	Multi Family House
SFH	Single Family House
RGD	Règlement Grand Ducal

Acronym	Definition
RRE	Residential Real Estate

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# — Thank you



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