

Green Bond Report

Impact and Allocation Report

March 2026



A core pillar of Spuerkeess' strategic plan is to enable the financing of the sustainable transition

Table of contents

| | |
|-------------------------------|----|
| Sustainability – Our Ambition | 4 |
| Green Bond Framework | 8 |
| Green Loans Methodology | 14 |
| Green Bond Report | 16 |
| Glossary | 18 |



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

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.

Transition Enabler

We actively support our customers in adapting to emerging and future sustainability challenges and requirements, in supporting projects that contribute to the sustainable transition.

Leading by example

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.

Additional information on **our impacts** can be found in our **Second-Party Opinion report**, under the section "Approach to managing environmental and social risks associated with the projects."

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



Our impact on climate



Our human capital



Our consumers and end users



Biodiversity



Governance & business ethics

Green Bond Framework

Overview

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 a long-term positive impact**, esp. in Luxembourg

External Review

- Sustainalytics considers Spuerkeess GBF to be fully aligned to the [ICMA Green Bond Principles 2021](#)

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**

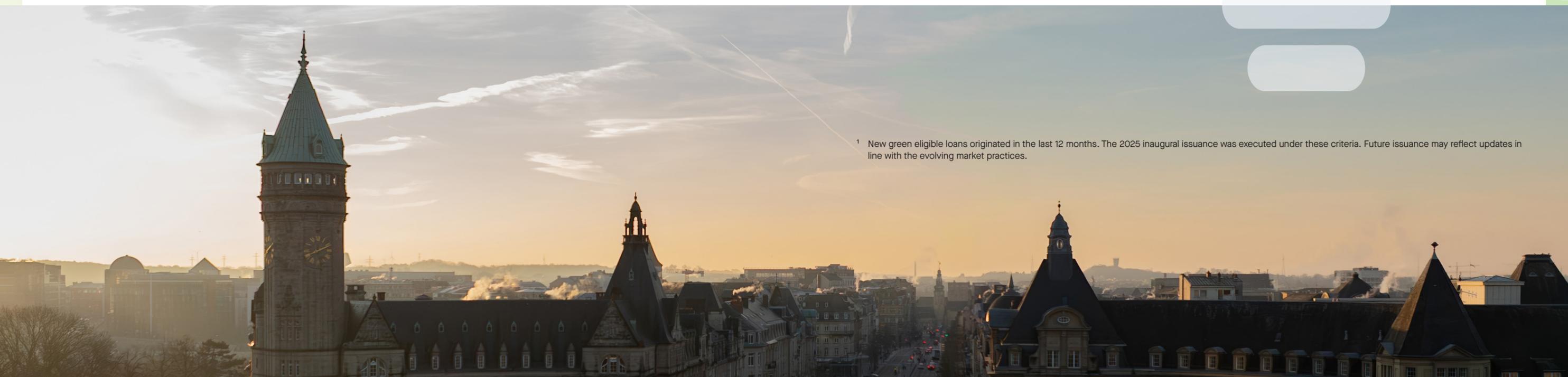
3 Management of Proceeds

- **Proceeds managed on a portfolio basis**
- **Spuerkeess intends to be fully allocated at issuance for the envisaged inaugural Green Bond**
- **C. 20% of ‘new financing’¹**

4 Reporting

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

¹ New green eligible loans originated in the last 12 months. The 2025 inaugural issuance was executed under these criteria. Future issuance may reflect updates in line with the evolving market practices.



Green Bond Framework

Use of Proceeds

Project Category

Green Buildings



Residential buildings



Commercial buildings

UN SDGs



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: ≥ 2020 matching with RGD** 2019 or higher
 - **MFH: Energy Class: A+ or A**
Construction year: ≥ 2022 matching with RGD** 2021 or higher

** Règlement Grand-Ducal

Green Bond Framework

Project Evaluation / Selection Process



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 **authorised 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

Pre-selection of Eligible Assets
by Credit Management

EMC approves
allocation of Proceeds

EMC reviews compliance
with Eligible Criteria

Management of Proceeds



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*



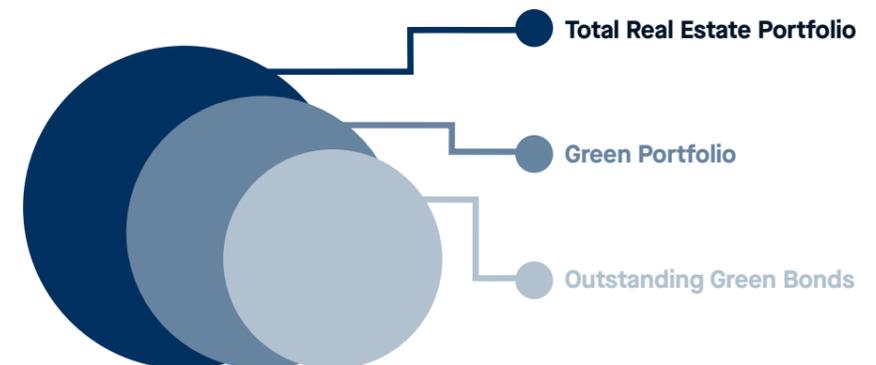
Portfolio Approach

- 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



* The 2025 inaugural issuance was executed under these criteria. Future issuance may reflect updates in line with the evolving market practices.

Green Loans Methodology

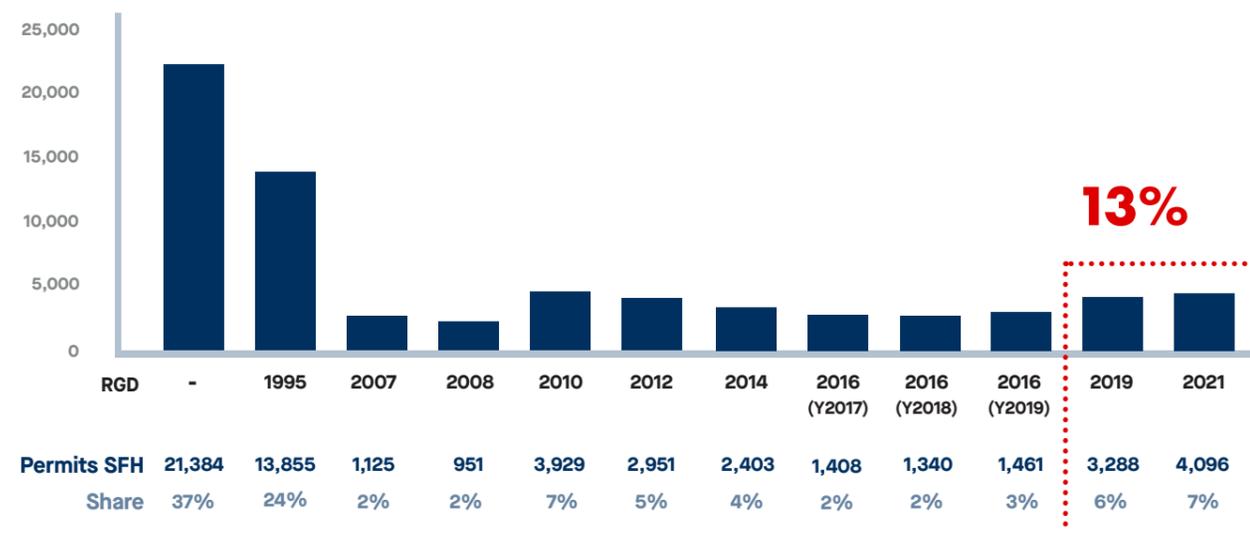
Overview

- The following section describes the methodology established for green residential mortgage loans
- Commercial mortgage loans are also planned as an Eligible Category within the GBF. However, they will not be applied initially. The corresponding methodology will be introduced at a later stage
- Spuerkeess 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
- Spuerkeess has processes in place to collect Energy Performance Certificates from its customers in order to enhance data quality
- There is a strong Luxembourgish regulatory environment (**RGD**) **setting high energy performance standards for the construction of new buildings**
- The combination of the **RGDs** and **the national building-permit database** enables us to define the top 15% threshold, which subsequently allows us to derive **the construction years** to be considered for our eligibility criteria, and to identify the eligible loans
- Data source : Statistics portal of the Grand Duchy of Luxembourg, covering approved building permits from 1970 until 2025, representing **the national residential building stock**. The calculations are based on **quarterly** data

Top 15% SFH

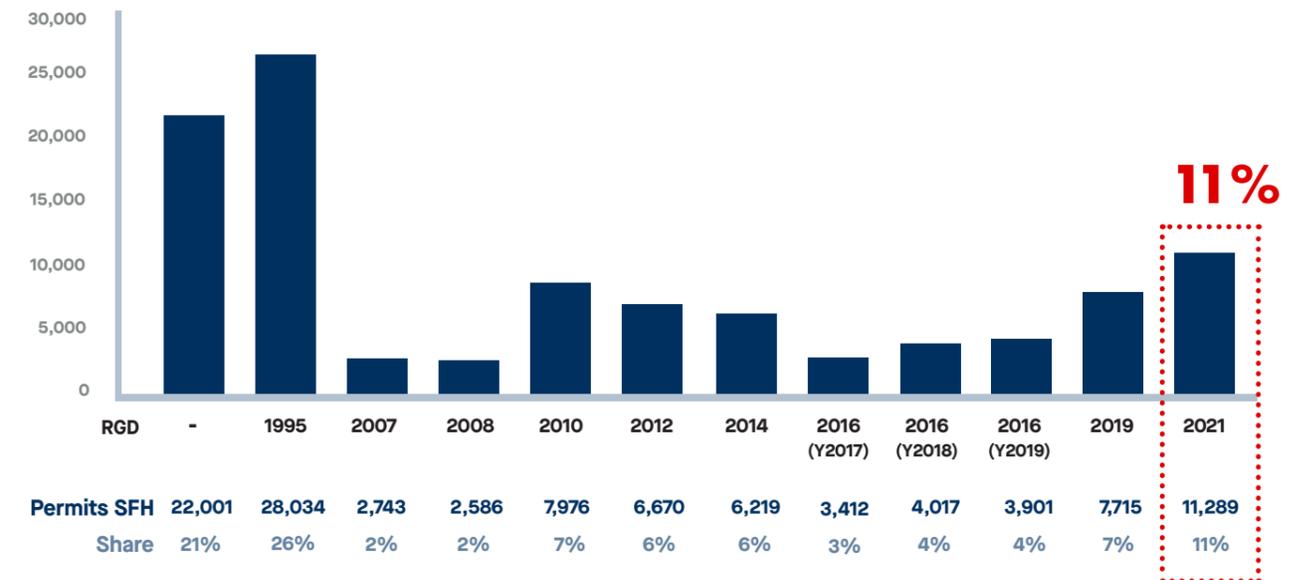
- Single-Family Houses (SFH) built according to RGD-2019 or better represent the Top 13% of the local market with a construction year 2020 or newer

Residential Building Stock - Single-Family house - Luxembourg



- Multiple-Family Houses (MFH) built according to RGD-2021 or better represent the Top 11% of its local market with a construction year 2022 or newer

Residential Building Stock - Multi-Family house - Luxembourg



Eligibility

Eligible Projects

| Green Buildings | |
|---|--|
|  Single-Family House |  Multi-Family House |
| Eligibility Criteria | Eligibility Criteria |
| Type of loan: | Type of loan: |
| Residential Mortgage Loan | Residential Mortgage Loan |
| Purpose of transaction: | Purpose of transaction: |
| Acquisition or construction | Acquisition or construction |
| Country: Luxembourg | Country: Luxembourg |
| Energy Class: A+ or A | Energy Class: A+ or A |
| Construction year: | Construction year: |
| ≥ 2020 matching with RGD 2019 or higher | ≥ 2022 matching with RGD 2021 or higher |

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 "Harmonised Framework for Impact Reporting"

Allocation Report

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

- Data as of **31 December 2025**
- Eligible Portfolio: **€ 2,5bm**
- Green Bonds outstanding: **€ 510m**
- As the green portfolio consistently **exceeded** the Green Bonds outstanding, there were **no unallocated proceeds** as of 31 December 2025
- **28%** of "new financing" refers to new green-eligible loans originated in the last 12 months
- The eligible portfolio covers loans for the **acquisition and construction of residential properties in Luxembourg** within **the top 15%** most energy-efficient buildings locally

| ISIN Code | Issue Date | Maturity Date | Currency | Amount Issued | Status | Allocation to Eligible Portfolio |
|--------------|------------|---------------|----------|--------------------|------------------|----------------------------------|
| XS3019311581 | 19/03/2025 | 13/03/2031 | EUR | 500.000.000 | Senior Preferred | 100% |
| XS3059655533 | 30/04/2025 | 30/04/2047 | EUR | 10.000.000 | Senior Preferred | 100% |
| Total | | | | 510.000.000 | | |

Impact Report

- Carbon footprint stemming from Spuerkeess' banking activities
- Estimated annual financed GHG emissions and avoided GHG emissions (tCO₂e)
- Estimated annual energy consumption and savings (kWh/sqm)
- Number of Green Buildings financed

Methodology

- **The GHG emissions** of our residential mortgage loan portfolio are calculated in accordance with the **PCAF methodology** and depend on the availability of underlying data. These data are sourced either from the collected **Energy Performance Certificate (EPCs)** or **estimated energy class**. Where such information is not available, **PCAF emission factors** are used. The same approach applies to the calculation of the energy consumption based on the building's **primary energy demand**
- **Avoided GHG emissions** and the **energy savings** are calculated by using a **Luxembourg reference building** (average emission factor) provided by **PCAF** for SFH and MFH. The results are derived from the emission factor (tCO₂e/sqm or MWh/sqm), the building's total floor area (sqm) and the building's total GHG emissions or energy consumption

| | |
|--|------------------------------|
| Green Bonds outstanding* | 510.000.000 € |
| Number of eligible buildings | 1.431 |
| m² of eligible buildings | 221.722 m ² |
| Carbon emissions savings | 6.030 tCo ₂ /year |
| Energy savings | 32.124 MWh/year |

| Type of housing | Number | Outstanding | Square metre | % of Total Eligible Portfolio |
|-----------------|--------------|------------------------|------------------|-------------------------------|
| House | 4.861 | 1.795.326.113 € | 905.480 | 72% |
| Apartment | 2.178 | 714.006.764 € | 185.452 | 28% |
| Total | 7.039 | 2.509.332.877 € | 1.090.932 | 100% |

| Type of housing | Total GHG emissions (tCo ₂ e/year) | Financed GHG emissions (tCo ₂ e/year) | Total avoided GHG emissions (tCo ₂ e/year) |
|-----------------|---|--|---|
| House | 4.930 | 1.443 | 24.588 |
| Apartment | 964 | 387 | 5.082 |
| Total | 5.894 | 1.830 | 29.670 |

| Type of housing | Total Energy consumption (MWh/year) | Financed Energy consumption (MWh/year) | Total Energy savings (MWh/year) |
|-----------------|-------------------------------------|--|---------------------------------|
| House | 22.399 | 6.557 | 131.170 |
| Apartment | 4.563 | 1.806 | 26.890 |
| Total | 26.962 | 8.363 | 158.060 |

* The following figures are calculated on a pro-rata basis using the Green Bonds outstanding, given that a portfolio approach is applied.

Glossary

| Acronym | Definition |
|---------|--|
| EPC | Energy Performance Class or Certificate |
| EMC | Extended Management Committee |
| ESG | Environmental, Social and Governance |
| ICMA | International Capital Markets Association |
| GBF | Green Bond Framework |
| GBP | Green Bond Principles |
| MFH | Multi Family House |
| SFH | Single Family House |
| PCAF | Partnership for Carbon Accounting Financials |
| RGD | Règlement Grand Ducal |

Disclaimer

This Green Bond Report (the "Report") is published by the Banque et Caisse d'Épargne de l'État, Luxembourg (hereafter "Spuerkeess") for information purposes only, in connection with the allocation of proceeds and, where applicable, the related environmental impact indicators associated with its green bonds issued under the Spuerkeess Green Bond Framework.

This Report does not constitute and should not be interpreted as an offer to sell, a solicitation to purchase, or an investment recommendation regarding any securities. Any investment decision must rely solely on the official legal documentation relating to the bonds, including, where applicable, the prospectus approved by the Commission de Surveillance du Secteur Financier (CSSF) or admitted to trading on a regulated market in Luxembourg or within the European Economic Area (EEA).

The information included in this Report is based on data available as of the publication date. While Spuerkeess strives for accuracy and completeness, no warranty is given regarding the absence of errors, omissions, methodological limitations, or uncertainties inherent to environmental and impact-related assessments. Spuerkeess shall not be held liable for any use of this Report by third parties.

Any external reviews, assessments, certifications or second-party opinion (SPO) referenced herein are provided by independent third parties whose methodologies are not controlled by Spuerkeess. Such reviews do not constitute a guarantee of ongoing environmental compliance nor assurance of future performance of financed projects.

Certain statements within this Report may constitute forward-looking statements, subject to risks, uncertainties, and external factors that may cause actual results to differ materially. Spuerkeess undertakes no obligation to revise or update any such statements. This Report should be read in conjunction with the Green Bond Framework and with all applicable regulatory, financial, and sustainability disclosures published under Luxembourg and European Union requirements (including, where relevant, EU Taxonomy, CSRD, or SFDR).

By accessing this Report, the reader acknowledges and accepts its inherent limitations.



SPUERKEESS

Your Bridge to Life



**Shape the future
with confidence**

Ernst & Young
Société anonyme

35E, Avenue John F. Kennedy
L-1855 Luxembourg
Tél : +352 42 124 1
www.ey.com/en_lu

B.P. 780
L-2017 Luxembourg
R.C.S. Luxembourg B47771
TVA LU 16063074

Autorisations d'établissement :
00117514/13, 00117514/14, 00117514/15, 00117514/17, 00117514/18, 00117514/19

Independent practitioner's limited assurance report

To the Executive Committee
Banque & Caisse D'Epargne de L'Etat
1, Place de Metz
L-1930 Luxembourg

Scope

We have been engaged by Banque & Caisse d'Epargne de l'Etat, Luxembourg (hereinafter, "Spuerkeess") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Spuerkeess' 2025 Green Bond Impact and Allocation Report (the "Subject Matter") as of 31 December 2025 and for the period from 1 January 2025 to 31 December 2025 (the "Report").

Criteria applied by Spuerkeess

In preparing the 2025 Green Bond Impact and Allocation Report, Spuerkeess applied the ICMA Bond Principles 2021 (Criteria).

Spuerkeess' responsibilities

Spuerkeess' Management is responsible for selecting the Criteria, and for presenting the 2025 Green Bond Impact and Allocation Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with Spuerkeess on 20 November 2025.



**Shape the future
with confidence**

Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the 2025 Green Bond Impact and Allocation Report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- We assessed Spuerkeess' internal processes and controls and evaluated their alignment with the Green Bond Framework and the ICMA Green Bond Principles.
- We made inquiries and verified the KPIs, including the green bonds outstanding, number of eligible buildings, area of eligible buildings, carbon emissions savings, energy savings, allocated and unallocated proceeds to ensure consistency with the stated criteria.
- We reviewed Spuerkeess' Impact and Allocation report for consistency and accuracy.



Shape the future
with confidence

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to 2025 Green Bond Impact and Allocation Report as of 31 December 2025 and for the period from 1 January 2025 to 31 December 2025 in order to be in accordance with the Criteria.

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in blue ink, appearing to read 'Antoine Le Bars', is written over a faint, circular blue stamp.

Antoine Le Bars

Luxembourg, 12 March 2026