PILLAR III REPORT

2025

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Glossary

ACRONYM	MEANING
ABBL	Luxembourg Bankers' Association (Association des Banques et Banquiers, Luxembourg)
ABS	Asset-Backed Security
ACA	Luxembourg Association of Insurance and Reinsurance Undertakings
A-IRB	Advanced Internal Ratings-Based Approach
ALM	Asset-Liability Management
AT1	Additional Tier 1
AUD	Internal Audit Department
AVA	Additional Valuation Adjustment
BCBS	Basel Committee on Banking Supervision
BCL	Banque centrale du Luxembourg
BCP	Business Continuity Plan
BPV	Basis Point Value
BRRD	Bank Recovery and Resolution Directive
BTAR	Banking Book Taxonomy Alignment Ratio
CBC	Counterbalancing Capacity
CCB	Capital Conservation Buffer
CCF	Credit Conversion Factor
CCO	Chief Compliance Officer
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CCYB	Countercyclical Capital Buffer
CEO	Chief Executive Officer
CET1	Common Equity Tier 1
CFO	Chief Financial Officer
CMBS	Commercial Mortgage-Backed Security
CO_2E	Carbon Dioxide Equivalent
COREP	Common Reporting
CRM	Credit Risk Mitigation
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CSA	Credit Support Annex
CSD	Central Securities Depository
CSDDD	Corporate Sustainability Due Diligence Directive
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CSSF	Commission de Surveillance du Secteur Financier
CVA	Credit Valuation Adjustment
DBM	Global markets Department
DRM	Risk Management Department
DRP	Disaster Recovery Plan
EAD	Exposure at Default
EBA	European Banking Authority
ECB	European Central Bank
ECL	Expected Credit Loss
ECP	European Commercial Paper
EHQLA	Extremely High-Quality Liquid Asset
EIB	European Investment Bank
EL	Expected Loss
EMIR	European Market Infrastructure Regulation
EMTN	Euro Medium-Term Note
EPC	Energy Performance Certificate
ERBA	External Ratings-Based Approach
ESG	Environmental, Social and Governance
EVA	Economic Value Added
EVE	Economic Value of Equity
FGDL	Luxembourg Deposit Guarantee Fund
F-IRB	Foundation Internal Ratings-Based Approach
FIU	Financial Intelligence Unit
GAR	Green Asset Ratio
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GMRA	Global Master Repurchase Agreement
G-SII	Global Systemically Important Institution
HQLA	High Quality Liquid Asset
HTC	Hold to Collect
IAA	Internal Assessment Approach
IAM	Integrated Assessment Model
ICAAP	Internal Capital Adequacy Assessment Process
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
ILAAP	Internal Liquidity Adequacy Assessment Process
ILO	International Labour Organization
IMM	Internal Model Method
IMS	Inspiring More Sustainability
IRB	Internal Ratings-Based
IRC	Incremental Risk Charge
IRS	Interest Rate Swap
ISDA	International Swaps and Derivatives Association
KPI	Key Performance Indicator
KRI	Key Risk Indicator
KWH/M^2	Kilowatt-hour per square metre (energy efficiency indicator)
KYC	Know Your Customer
KYT	Know Your Transaction
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
LISER	Luxembourg Institute of Socio-Economic Research
LIST	Luxembourg Institute of Science and Technology
LTD	Loan-to-Deposit
LTV	Loan-to-Value
LUXGAAP	Luxembourg Generally Accepted Accounting Principles
MIS	Management Information System
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
NECP	National Energy and Climate Plan

NGFS	Network for Greening the Financial System
NGOS	Non-Governmental Organisation
NII	Net Interest Income
NPPA	New Product and Process Approval
NSFR	Net Stable Funding Ratio
NZBA	Net-Zero Banking Alliance
O-SII	Other Systemically Important Institution
OTC	Over-the-Counter
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of Default
PIER	Risk Identification and Assessment Process (Processus d'identification et d'Evaluation des Risques)
PVA	Prudent Valuation Adjustment
RAF	Risk Appetite Framework
RCP	Representative Concentration Pathway
REPO	Repurchase Agreement
RMBS	Residential Mortgage-Backed Security
RORAC	Return on Risk-Adjusted Capital
RSPO	Roundtable on Sustainable Palm Oil
RTS	Regulatory Technical Standards
RW	Risk Weight
RWA	Risk-Weighted Asset
RWEA	Risk-Weighted Exposure Amount
SA-CCR	Standardised Approach for Counterparty Credit Risk
SEC-ERBA	Securitisation External Ratings-Based Approach
SEC-IRBA	Securitisation Internal Ratings-Based Approach
SEC-SA	Securitisation Standardised Approach
SFDR	Sustainable Finance Disclosure Regulation
SFT	Securities Financing Transaction
SME	Small and Medium-Sized Enterprise
SPPI	Solely Payments of Principal and Interest
SRB	Single Resolution Board
SREP	Supervisory Review and Evaluation Process
SRF	Supporting Reporting Financial Valuation business unit
STS	Simple, Transparent and Standardised
SVAR	Stressed Value-at-Risk
TCFD	Task Force on Climate-related Financial Disclosures
TCIL	Liquidity transfer ratio (Taux de cession interne de liquidité)
TCR	Total Capital Requirement
TEM	Total Exposure Measure
TLTRO	Targeted Longer-Term Refinancing Operation
TREA	Total Risk Exposure Amount
TSCR	Total SREP Capital Requirement
UNEP FI	United Nations Environment Programme Finance Initiative
UNGC	United Nations Global Compact
USCP	US Commercial Paper
UTP	Unlikeliness to Pay
VAR	Value-at-Risk
WKFS	Wolters Kluwer Financial Services

Introduction

The purpose of this document is to provide the various stakeholders, including investors, analysts, rating agencies and supervisory bodies, with in-depth information on Spuerkeess' risk profile. In particular, the document provides information on the Bank's capital adequacy, risk identification, assessment and management methods and Spuerkeess' risk appetite. This document has been prepared in accordance with the Pillar III disclosure requirements.

The Pillar III, which complements Pillars I and II, encourages market discipline by publishing information that enables the market to understand the institution's risk exposure and capital adequacy in relation to the risks identified.

The Bank's Pillar III publications complement the information provided in its annual reports.

The data in the Pillar III report is based, among other things, on the process of calculating Basel III regulatory capital requirements, which are also used to produce the COREP - Common reporting.

The processes and data relating to Pillar III are reviewed by the Board Risk Committee before approval by the Board of Directors, but are not specifically reviewed by Spuerkeess' auditors.

1. Disclosure of key metrics and overview of risk-weighted exposure amounts (RWEAs)

Table EU KM1 – Key metrics

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
	Available own funds (amounts)					
1	Common Equity Tier1 (CET1) capital	5.805.331.542	5.800.513.451	5.791.105.680	5.687.619.262	5.366.991.228
2	Tier1 capital	5.805.331.542	5.800.513.451	5.791.105.680	5.687.619.262	5.366.991.228
3	Total capital	5.847.374.530	5.842.686.711	5.833.159.307	5.730.692.708	5.412.351.027
	Risk-weighted exposure amounts					
4	Total risk exposure amount	21.604.862.310	21.182.316.425	21.140.940.859	20.887.122.699	23.381.636.696
4a	Total risk exposure pre-floor	21.604.862.310	21.182.316.425	21.140.940.859	20.887.122.699	
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier1 ratio (%)	26,87%	27,38%	27,39%	27,23%	22,95%
5b	Common Equity Tier1 ratio considering unfloored TREA (%)	26,87%	27,38%	27,39%	27,23%	
6	Tier1 ratio (%)	26,87%	27,38%	27,39%	27,23%	22,95%
6b	Tier1 ratio considering unfloored TREA (%)	26,87%	27,38%	27,39%	27,23%	
7	Total capital ratio (%)	27,07%	27,58%	27,59%	27,44%	23,15%
7b	Total capital ratio considering unfloored TREA (%)	27,07%	27,58%	27,59%	27,44%	
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk	2,00%	2,00%	2,00%	2,00%	1,65%
EU 7e	of which: to be made up of CET1 capital (percentage points)	1,13%	1,13%	1,13%	1,13%	0,93%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1,50%	1,50%	1,50%	1,50%	1,24%
EU 7g	Total SREP own funds requirements (%)	10,00%	10,00%	10,00%	10,00%	9,65%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2,50%	2,50%	2,50%	2,50%	2,50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified	0,00%	0,00%	0,00%	0,00%	0,00%
9	Institution specific countercyclical capital buffer (%)	0,62%	0,63%	0,63%	0,62%	0,62%
EU 9a	Systemic risk buffer (%)	0,00%	0,00%	0,00%	0,00%	0,00%
10	Global Systemically Important Institution buffer (%)	0,00%	0,00%	0,00%	0,00%	0,00%
EU 10a	Other Systemically Important Institution buffer (%)	0,50%	0,50%	0,50%	0,50%	0,50%
11	Combined buffer requirement (%)	3,62%	3,63%	3,63%	3,62%	3,62%
EU 11a	Overall capital requirements (%)	13,62%	13,63%	13,63%	13,62%	13,27%
12	CET1 available after meeting the total SREP own funds requirements (%)	17,07%	17,58%	17,59%	17,44%	13,50%
	Leverage ratio					
13	Total exposure measure	62.698.224.762	61.933.413.168	60.750.878.784	61.687.483.469	59.420.175.617
14	Leverage ratio (%)	9,26%	9,37%	9,53%	9,22%	9,03%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive	0,00%	0,00%	0,00%	0,00%	0,00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0,00%	0,00%	0,00%	0,00%	0,00%
EU 14c	Total SREP leverage ratio requirements (%)	3,00%	3,00%	3,00%	3,00%	3,00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0,00%	0,00%	0,00%	0,00%	0,00%
EU 14e	Overall leverage ratio requirement (%)	3,00%	3,00%	3,00%	3,00%	3,00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	16.741.800.449	16.598.166.211	16.374.286.236	16.184.906.345	15.718.235.333
EU 16a	Cash outflows - Total weighted value	12.521.931.246	12.335.600.520	12.133.413.213	11.895.943.469	11.695.426.670
EU 16b	Cash inflows - Total weighted value	2.803.042.125	2.651.943.994	2.633.097.922	2.680.846.127	2.580.857.571
16	Total net cash outflows (adjusted value)	9.718.889.122	9.683.656.526	9.500.315.291	9.215.097.342	9.114.569.099
17	Liquidity coverage ratio (%)	172,60%	171,52%	172,58%	175,98%	173,00%
	Net Stable Funding Ratio					
18	Total available stable funding	41.536.294.936	40.325.467.737	39.755.110.899	39.520.677.325	38.251.442.769
19	Total required stable funding	30.104.749.243	29.180.436.780	29.478.714.661	28.457.743.940	27.905.374.030
20	NSFR ratio (%)	137,97%	138,19%	134,86%	138,87%	137,08%

Table EU KM2 – Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities

		a	b	c	d	e	f
		Minimum requirement for own funds and eligible liabilities (MREL)	G-SII Requirement for own funds and eligible liabilities (TLAC)				
as at 31.12.2025		T	T	T-1	T-2	T-3	T-4
Own funds and eligible liabilities, ratios and components							
1	Own funds and eligible liabilities	7.726.656.947					
EU-1a	Of which own funds and subordinated liabilities	5.847.374.530					
2	Total risk exposure amount of the resolution group (TREA)	21.604.862.310					
3	Own funds and eligible liabilities as a percentage of the TREA	35,76%					
EU-3a	Of which own funds and subordinated liabilities	27,07%					
4	Total exposure measure (TEM) of the resolution group	62.698.224.762					
5	Own funds and eligible liabilities as percentage of the TEM	12,32%					
EU-5a	Of which own funds or subordinated liabilities	9,33%					
6a	Does the subordination exemption in Article 72b(4) of Regulation (EU) No 575/2013 apply? (5% exemption)						
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion in accordance with Article 72b(3) of Regulation (EU) No 575/2013 is applied (max 3.5% exemption)						
6c	If a capped subordination exemption applies in accordance with Article 72b (3) of Regulation (EU) No 575/2013, the amount of funding issued that ranks *pari passu* with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks *pari passu* with excluded liabilities and that would be recognised under row 1 if no cap was applied (%)						
Minimum requirement for own funds and eligible liabilities (MREL)							
EU-7	MREL expressed as a percentage of the TREA	21,71%					
EU-8	Of which to be met with own funds or subordinated liabilities	0,00%					
EU-9	MREL expressed as a percentage of the TEM	5,91%					
EU-10	Of which to be met with own funds or subordinated liabilities	0,00%					

Table EU TLAC1 – Composition - MREL and, where applicable, G-SII Requirement for own funds and eligible liabilities

		a	b	c
as at 31.12.2025		Minimum requirement for own funds and eligible liabilities (MREL)	G-SII requirement for own funds and eligible liabilities (TLAC)	Memo item: Amounts eligible for the purposes of MREL, but not of TLAC
Own funds and eligible liabilities and adjustments				
1	Common Equity Tier 1 capital (CET1)	5.805.331.542		
2	Additional Tier 1 capital (AT1)	0		
6	Tier 2 capital (T2)	42.042.988		
11	Own funds for the purpose of Articles 92a of Regulation (EU) No 575/2013 and 45 of Directive 2014/59/EU	5.847.374.530		
Own funds and eligible liabilities: Non-regulatory capital elements				
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not	0		
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	0		
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities issued prior to 27 June 2019	0		
EU-12c	Tier 2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier 2 items	0		
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre-cap)	1.881.029.032		
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)	23.001.084		
14	Amount of non subordinated eligible liabilities instruments, where applicable after application of Article 72b (3) CRR	1.904.030.117		
17	Eligible liabilities items before adjustments	1.904.030.117		
EU-17a	Of which subordinated liabilities items	0		
Own funds and eligible liabilities: Adjustments to non-regulatory capital elements				
18	Own funds and eligible liabilities items before adjustments	7.751.404.647		
19	(Deduction of exposures between multiple point of entry (MPE) resolution groups)			
20	(Deduction of investments in other eligible liabilities instruments)	24.747.700		
22	Own funds and eligible liabilities after adjustments	7.726.656.947		
EU-22a	Of which: own funds and subordinated liabilities	5.847.374.530		
Risk-weighted exposure amount and leverage exposure measure of the resolution group				
23	Total risk exposure amount (TREA)	21.604.862.310		
24	Total exposure measure (TEM)	62.698.224.762		
Ratio of own funds and eligible liabilities				
25	Own funds and eligible liabilities as a percentage of TREA	35,76%		
EU-25a	Of which own funds and subordinated liabilities	27,07%		
26	Own funds and eligible liabilities as a percentage of TEM	12,32%		
EU-26a	Of which own funds and subordinated liabilities	9,33%		
27	CET1 (as a percentage of the TREA) available after meeting the resolution group's requirements	5,67%		
28	Institution-specific combined buffer requirement			
29	of which capital conservation buffer requirement			
30	of which countercyclical buffer requirement			
31	of which systemic risk buffer requirement			
EU-31a	of which Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer			
Memorandum items				
EU-32	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013			

Table EU TLAC3a – Creditor ranking - Resolution entity

as at 31.12.2025		Insolvency ranking													Sum of 1 to 13
		1	2	3	4	5	6	7	8	9	10	11	12	13	
		(most junior)												(most senior)	
1	Description of insolvency rank (free text)	Common Equity Tier 1	Subordinated Additional Tier 1	Subordinated Tier 2	Other instruments ranking junior to Senior non preferred debt	Senior non-preferred debt	-Senior unsecured liabilities -Institution liabilities < 7 days -not covered/not preferential deposits -Derivatives -Other non-financial liabilities -Secured liabilities, uncollateralized part	Not covered but preferential deposits	Employee liabilities	Covered deposits	Preferred tax and social security authorities liabilities	Super-Privilege of Employee claims	Liabilities secured by a charge, pledge, mortgage	Court costs	
2	Liabilities and own funds	5.805.331.542	0	42.042.988	0	493.909.160	23.357.114.969	14.910.555.720	126.264.248	13.438.594.427	257.785.819	0	201.297.379	0	58.632.896.252
3	of which excluded liabilities	0	0	0	0	0	3.471.004.157	0	126.264.248	13.438.594.427	257.785.819	0	201.297.379	0	17.494.946.029
4	Liabilities and own funds less excluded liabilities	5.805.331.542	0	42.042.988	0	493.909.160	19.886.110.812	14.910.555.720	0	0	0	0	0	0	41.137.950.223
5	Subset of liabilities and own funds less excluded liabilities that are own funds and liabilities potentially eligible for meeting [choose as a appropriate: MREL/TLAC]	5.805.331.542	0	42.042.988	0	493.909.160	1.410.120.956	0	0	0	0	0	0	0	7.751.404.647
6	of which residual maturity ≥ 1 year < 2 years	0	0	0	0	0	152.960.666	0	0	0	0	0	0	0	152.960.666
7	of which residual maturity ≥ 2 year < 5 years	0	0	0	0	0	379.875.486	0	0	0	0	0	0	0	379.875.486
8	of which residual maturity ≥ 5 years < 10 years	0	0	0	0	493.909.160	792.691.261	0	0	0	0	0	0	0	1.286.600.421
9	of which residual maturity ≥ 10 years, but excluding perpetual securities	0	0	0	0	0	84.593.543	0	0	0	0	0	0	0	84.593.543
10	of which perpetual securities	5.805.331.542	0	42.042.988	0	0	0	0	0	0	0	0	0	0	5.847.374.530

Table EU OV1 – Overview of risk weighted exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		T	T-1	T
1	**Credit risk (excluding CCR)**	**18.510.331.199**	**18.393.657.003**	**1.480.826.496**
2	Of which the standardised approach	9.994.755.406	9.965.611.085	799.580.432
3	Of which the Foundation IRB (F-IRB) approach	3.367.336.622	3.345.809.950	269.386.930
4	Of which slotting approach	1.397.595.552	1.370.569.773	111.807.644
EU 4a	Of which equities under the simple risk weighted approach			
5	Of which the Advanced IRB (A-IRB) approach	2.225.741.327	2.298.900.068	178.059.306
6	**Counterparty credit risk - CCR**	**749.441.173**	**779.083.915**	**59.955.294**
7	Of which the standardised approach	168.765.251	160.307.379	13.501.220
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP	197.284.908	210.020.604	15.782.793
9	Of which other CCR	383.391.014	408.755.933	30.671.281
10	**Credit valuation adjustments risk - CVA risk**	**37.611.191**	**37.761.232**	**3.008.895**
EU 10a	Of which the standardised approach (SA)			
EU 10b	Of which the basic approach (F-BA and R-BA)	37.611.191	37.761.232	3.008.895
EU 10c	Of which the simplified approach			
15	**Settlement risk**	**0**	**0**	**0**
16	**Securitisation exposures in the non-trading book (after the cap)**	**2.205.119**	**2.270.406**	**176.410**
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)	2.205.119	2.270.406	176.410
19	Of which SEC-SA approach			
EU 19a	Of which 1250% / deduction			
20	**Position, foreign exchange and commodities risks (Market risk)**	**399.455.920**	**370.481.463**	**31.956.474**
21	Of which the Alternative standardised approach (A-SA)			
EU 21a	Of which the Simplified standardised approach (S-SA)	399.455.920	370.481.463	31.956.474
22	Of which Alternative Internal Model Approach (A-IMA)			
EU 22a	**Large exposures**	**0**	**0**	**0**
23	**Reclassifications between the trading and non-trading books**			
24	**Operational risk**	**1.905.817.708**	**1.599.062.404**	**152.465.417**
EU 24a	**Exposures to crypto-assets**			
25	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**1.822.282.750**	**1.551.798.478**	**145.782.620**
26	**Output floor applied (%)**	**50,00%**	**50,00%**	
27	**Floor adjustment (before application of transitional cap)**	**0**	**0**	
28	**Floor adjustment (after application of transitional cap)**	**0**	**0**	
29	**Total**	**21.604.862.310**	**21.182.316.425**	**1.728.388.985**

Remark:

The amount in line 1 includes the additional RWA of EUR 1.524.902.291 following the application of the 15% RW floor for real estate (in accordance with CSSF circular 16/643). This amount is not broken down in lines 2 to 5 of the template.

Column 'Total capital requirements' represents the minimum regulatory requirement of 8% and does not include other buffers and the Pillar 2 requirement (P2R).

Table EU CMS1 – Comparison of modelled and standardised risk weighted exposure amounts at risk level

		a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
	as at 31.12.2025	RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Credit risk (excluding counterparty credit risk)	8.515.575.793	9.994.755.406	18.510.331.199	25.573.857.657	25.573.857.657
2	Counterparty credit risk	16.491.080	732.950.093	749.441.173	751.904.767	751.904.767
3	Credit valuation adjustment		37.611.191	37.611.191	37.611.191	37.611.191
4	Securitisation exposures in the banking book	0	2.205.119	2.205.119	2.205.119	2.205.119
5	Market risk	0	399.455.920	399.455.920	526.871.536	526.871.536
6	Operational risk		1.905.817.708	1.905.817.708	1.905.817.708	1.905.817.708
7	Other risk weighted exposure amounts		0	0	0	0
8	**Total**	**8.532.066.873**	**13.072.795.437**	**21.604.862.310**	**28.798.267.979**	**28.798.267.979**

Table EU CMS1 presents the risk-weighted exposure amounts (RWEAs) calculated under both internal and standardised approaches, with a breakdown by type of risk.

Column "a" reports the RWEAs derived from internal models, while column "b" provides the RWEAs calculated under the standardised approach. Column c shows the total RWEAs for both approaches and reconciles with total RWEA reported in table EU OV1.

Column d discloses the information related to the application and potential impact of the output floor, i.e., the RWEAs calculated by applying only the standardised approach to all exposures, including those normally treated under internal models.

The figures in column "EU d" are identical to those in column "d", as Spuerkeess has chosen not to apply the transitional arrangements provided for in Article 465 of the CRR.

Remark: The amount in line 1, column "a" includes the additional RWEA of EUR 1.524.902.291 following the application of the 15% RW floor for real estate (in accordance with CSSF circular 16/643).

EU CMS2 – Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

	as at 31.12.2025	a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	0	0	12.967.236	12.967.236	12.967.236
EU 1a	Regional governments or local authorities	0	0	37.139.424	37.139.424	37.139.424
EU 1b	Public sector entities	0	0	163.248.634	163.248.634	163.248.634
EU 1c	Categorised as Multilateral Development Banks in SA	0	0	9.293.281	9.293.281	9.293.281
EU 1d	Categorised as International organisations in SA	0	0	0	0	0
2	Institutions	23.705	30.033	599.688.319	599.694.646	599.694.646
3	Equity	0	0	4.388.614.462	4.388.614.462	4.388.614.462
5	Corporates	1.849.963.532	2.258.251.619	5.438.750.442	5.847.038.529	5.847.038.529
5.1	Of which: F-IRB is applied	4.276.585.132	6.458.844.392	4.276.585.132	6.458.844.392	6.458.844.392
5.2	Of which: A-IRB is applied	0	0	0	0	0
EU 5a	Of which: Corporates - General	1.697.504.681	2.054.731.554	5.286.291.591	5.643.518.464	5.643.518.464
EU 5b	Of which: Corporates - Specialised lending	152.458.850	203.520.065	152.458.850	203.520.065	203.520.065
EU 5c	Of which: Corporates - Purchased receivables	0	0	0	0	0
6	Retail	2.214.550.439	2.536.067.739	2.214.550.439	2.536.067.739	2.536.067.739
6.1	Of which: Retail - Qualifying revolving	0	0	0	0	0
EU 6.1a	Of which: Retail - Purchased receivables	0	0	0	0	0
EU 6.1b	Of which: Retail - Other	2.214.550.439	2.536.067.739	2.214.550.439	2.536.067.739	2.536.067.739
6,2	Of which: Retail - Secured by residential real estate	2.797.410.722	5.389.331.657	2.797.410.722	5.389.331.657	5.389.331.657
EU 7a	Categorised as secured by immovable properties and ADC exposures in SA	3.649.338.518	9.456.689.949	3.649.338.518	9.456.689.949	9.456.689.949
EU 7b	Collective investment undertakings (CIU)	0	0	111.284.462	111.284.462	111.284.462
EU 7c	Categorised as exposures in default in SA	295.712.636	830.313.539	295.726.602	830.327.505	830.327.505
EU 7d	Categorised as subordinated debt exposures in SA	17.639.921	9.402.332	232.172.495	223.934.905	223.934.905
EU 7e	Categorised as covered bonds in SA	0	0	556.017.692	556.017.692	556.017.692
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	0	0	313.192.151	313.192.151	313.192.151
8	Other non-credit obligation assets	488.347.042	488.347.042	488.347.042	488.347.042	488.347.042
9	Total	8.515.575.793	15.579.102.251	18.510.331.199	25.573.857.657	25.573.857.657

Table EU CMS2 details the risk-weighted exposure amounts (RWEAs) of internal and standardised approaches related to credit risk, broken down by regulatory asset class.
Column a contains the credit risk RWEAs calculated under internal approaches, whereas column b contains RWEA calculated under the standard approach for these same exposures.
Additionally, column d provides information regarding the application and potential impact of the output floor by showing credit risk RWEAs resulting from applying only the standard approach for all asset classes.
Remark: The amounts in lines 6 and 6.2, columns a and c include the additional RWEA of 1.524.902.291 following the application of the 15% RW floor for real estate (in accordance with CSSF circular 16/643).

Table EU INS1 – Insurance participations

	as at 31.12.2025	a	b
		Exposure value	Risk-weighted exposure amount
1	**Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds**	**431.838.700**	**1.079.596.751**

According to Article 36, point (i) of the CRR, holdings of CET 1 instruments of financial sector entities where the institution has a significant investment shall be deducted from CET 1 items. In accordance with Article 48 §4 of the CRR, Spuerkeess applies the threshold exemption for deduction from CET 1 items and risk-weights its holdings in insurance or reinsurance companies at 250% as they are major holdings exceeding 10% of voting rights.

Table EU INS2 – Financial conglomerates information on own funds and capital adequacy ratio

This table does not apply to Spuerkeess.

Table EU OVC – ICAAP information

(a) Spuerkeess puts special emphasis on to the management of its capital, which is an essential element of its financial stability. It ensures that it has sufficient capital to develop its business activities and to cope with an unfavourable economic environment through a forward-looking adequacy analysis in relation to regulatory thresholds for solvency ratios and strategic objectives set out in its Risk Appetite Statement (RAS).

The assessment of capital adequacy is reported on a quarterly basis to the Executive Committee or to its Risk Oversight Committee and to the Board of Directors through the Board Risk Committee, and forms an integral part of the strategic decision-making process. These decisions may impact the Bank's business model and/or risk profile, while remaining within the approved Risk Appetite Framework.

The internal capital adequacy assessment process is closely integrated into the Bank's management:

– Alignment with the Bank's strategy: the ICAAP considers the business objectives and the funding and investment strategy in its projections and, conversely, the Bank's strategy reflects the results of the ICAAP;
– Integration into the planning process: each time the budget is revised, an ICAAP review is carried out to ensure that the budget is in line with the strategic plan. In addition, compliance with the risk appetite set by the Board of Directors is verified. If the thresholds are not respected, management actions may be taken, such as adjusting the amount of profit distributed to strengthen the Bank's capital position;
– Risk management: the ICAAP considers the Bank's material risks and demonstrates its ability to withstand these risks by complying with the limits defined in the Bank's Risk Appetite Framework (RAF);
– Decision-making: the results of the ICAAP are communicated to the Executive Committee and to the Board of Directors, who challenge and approve the results. The Board of Directors is supported by a Board Risk Committee. This enables informed decision-making and ensures a managerial understanding of the challenges and opportunities associated with capital adequacy. In addition, the Risk Management department provides its opinion on the solvency risk generated by the launch of new products or changes to processes. This opinion is incorporated into the analyses presented to the Executive Committee for decision-making purposes;
– Capital allocation: this is based on the 1-year budget forecasts of the ICAAP baseline view and allows the Management Body to steer the allocated capital.
– Regular review: the ICAAP is updated on a quarterly basis to consider the changes in the economic environment, developments in the Bank's risk profile and changes in the Bank's business strategy.

The capital adequacy assessment process is framed by the ECB guidance published in November 2018 and is based on the risk identification and assessment process, the regulatory capital adequacy assessment (normative approach) and the economic capital adequacy assessment (economic approach).

In the normative approach, the Bank carries out a 3-year projection based on four different macroeconomic scenarios, a 'baseline' scenario which presents the most likely scenario and three 'adverse' scenarios which represent an unfavourable situation leading to a negative deviation in relation to the baseline scenario.

Under the economic approach, capital allocation is calculated on the basis of the baseline scenario at the end of the previous year and for a one-year horizon. The Bank regularly determines the amount of economic capital immediately available to cover potential losses and compares it to the economic capital allocated to its business lines.

The Bank has put in place a set of methodologies to quantify the economic capital requirements that cover all the material risks to which it is exposed. The associated capital allocation has been calibrated to a confidence level of 99.95%.

Lastly, reverse stress tests are carried out annually to identify the Bank's main risk factors.

Risk identification and mapping

The process of identifying and assessing risks enables the following taxonomy of risks to be established:

Level 1	Risk nr	Level 2
Credit risks	1.1	Default risk
	1.2	Concentration risk
	1.3	Counterparty risk
	1.4	Migration risk
	1.5	Settlement risk
	1.6	High-risk countries governance risk
	1.7	Foreign-currency lending risk
	1.8	Securitisation risk
	1.9	Climate-related and environmental risks
Liquidity risks	2.1	Market liquidity risk
	2.2	Funding liquidity risk
	2.3	Intraday liquidity risk
	2.4	Off-balance sheet & contingent liquidity risk
	2.5	Liquidity concentration risk
	2.6	Climate-related and environmental risks
Market risks	3.1	Interest rate risk
	3.2	Credit spread risk
	3.3	Foreign exchange risk
	3.4	Participation risk
	3.5	Market concentration risk
	3.6	Climate-related and environmental risks
	3.7	Commodity-related risks
Operational risks	4.1	Legal risk
	4.2	Regulatory compliance risk
	4.3	AML / CTF risks
	4.4	Conduct risk
	4.5	Damage to assets or persons risks
	4.6	Human resources & workplace safety risks
	4.7	Execution, delivery & process management risk
	4.8	Internal fraud risk
	4.9	External fraud risk
	4.10	Technology risk
	4.11	Information security risk
	4.12	Information management risk
	4.13	Availability & business continuity risk
	4.14	Model risk
	4.15	Outsourcing & suppliers' risk
Other risks	5.1	Business risk
	5.2	Systemic risk
	5.3	Shareholder / Group risk
	5.4	Excessive leverage risk
	5.5	Pension schemes risk
	5.6	Step-in risk
	5.7	Social & governance risks

The risk taxonomy is applied in the risk assessment using a gross approach, whereby mitigating factors are not taken into account. The Bank then performs a net assessment for all risks, incorporating mitigating factors, in order to determine the appropriate capital charge within the ICAAP framework, at least for all risks deemed material under the gross assessment.

In 2025, the Bank identified 6 material risks with a capital charge in the Internal Capital Adequacy Assessment Process (ICAAP):

- Default risk;
- Interest rate risk on the Banking Book (IRRBB);
- Credit spread risk on the Banking Book (CSRBB);
- Participation risk (shareholdings);
- All operational risks, including IT and cyber risks;
- Reputational risk.

Liquidity risks are assessed in the Internal Liquidity Adequacy Assessment Process (ILAAP).

In accordance with Article 435 (1) (f) of Regulation (EU) no. 575/2013, the Executive Committee and the Board of Directors, on the basis of a favourable opinion from the Board Risk Committee, certify annually that the Bank has the necessary capitalization to ensure the ongoing development of its activities as set out in its business plan.

(b) The adequacy of the economic capital to meet the Bank's objectives is analysed by calculating the "economic capital buffer", which compares the available economic capital to the economic capital allocated to the various business lines. This ratio remains well above 117% (the Bank's target threshold) at the end of 2025 and in the 1-year projection.

The 3-year scenario analysis carried out using the normative view also shows that the Bank has sufficient capital to achieve its objectives over the next three years. In the baseline scenario, the CET1 ratio rises from 26.87% at the end of 2025 to 27.29% at the end of 2026, and decreases to 26.10% at the end of 2027 and to 24.86% at the end of 2028. In the most unfavourable scenarios, this ratio, although impacted, does not cross a critical threshold and remains at a tolerable level (worst case scenario estimated at 17.32%).

2. Disclosure of risk management objectives and policies

Table EU OVA – Institution risk management approach

(a) The Bank's objective, across all business lines, is to generate sustainable and stable profitability, in line with its business model and risk appetite.

The Bank pursues this objective through:
- seeking to develop its activities while controlling the volatility of its results;
- maintaining a high credit rating, enabling it to obtain funding under the best possible conditions;
- calibrating its regulatory capital ratios so as to ensure a high safety margin compared to minimum regulatory requirements;
- maintaining a strong liquidity position to withstand periods of market stress;
- continuously monitoring the quality of the assets in its credit portfolio.

Spuerkeess has put in place the structures, processes and tools needed to ensure that risk management is in line with best practices and complies with applicable regulations. These regulations, as well as the supervisor's recommendations and requirements, are evolving and require the various lines of defence to be continually reinforced with tools and qualified personnel.

Risk management requirements are integrated into the Bank's strategic management. Spuerkeess' business model, approved by the Board of Directors on the basis of a strategic plan proposed by the Executive Committee, forms the basis of the implemented business strategy and is continuously monitored by performance indicators.

Risk Appetite Statement (RAS)

The Bank has adopted a conservative risk profile aimed at safeguarding its long-term viability. One of the Bank's missions is to support the economic development of the Grand Duchy of Luxembourg. This mission is anchored in the long term, backed by the owner of Spuerkeess, the Luxembourg State. This support is reinforced by profit-distribution guidelines (approved by the Board of Directors), enabling the Bank to regularly strengthen the level of own funds while maintaining an adequate level of capital to conduct its business.

The Bank has introduced a system for monitoring its risk appetite, in the form of a Risk Appetite Framework (RAF). This is a key element in the ongoing assessment of the robustness of a bank's business model.

Spuerkeess updates the RAF annually. It defines the level of risk the Bank is willing to assume in light of its strategic objectives. The RAF includes indicators covering the main risk categories and enables the Management Body to monitor Spuerkeess' overall situation on a regular basis. The levels of risk to which Spuerkeess is exposed are measured through a set of strategic indicators, operational metrics and macroeconomic indicators.

The Bank's risk appetite is reflected through the thresholds defined by Spuerkeess for these indicators.

From an internal-governance perspective, these indicators are monitored both at the operational level within the Bank's various business lines and by the Management body, in order to ensure compliance with the various thresholds set out in the Risk Appetite framework.

The Board of Directors sets and approves the risk appetite statement. The Executive Committee is responsible for implementing the strategy and the guiding principles of the RAF.

Risk management activities are described in detail in Note 6 to the financial statements for the year ended 31 December 2025.

Capital Management

The Bank closely monitors the adequacy of both its internal and regulatory capital adequacy.

The Bank ensures that its economic and regulatory capital allocation is consistent with its strategy, profitability targets and regulatory requirements. Allocation is governed by capital consumption limits in order to monitor and control risk in a consistent and transparent manner. This management approach optimizes the use of resources while ensuring financial strength and sustainable long-term performance.

(b) To ensure sound and prudent management of its activities, including the inherent risks at all levels, Spuerkeess has implemented an internal governance framework that is based on the 'three lines of defence' concept.

The first line of defence encompasses the operating units which take or acquire risks, which assume responsibility for managing them and which monitor compliance with the policies, procedures and limits on an ongoing basis.

The second line of defence encompasses the Risk Management and Compliance departments, which report directly to the Executive Committee and contribute to the independent risk control. These departments support the business units in complying with the policies and procedures applicable. The Chief Risk Officer, the Chief Information Security Officer (CISO) and the Chief Compliance Officer have a functional link to the Board of Directors, an administrative link to the Executive Committee, and have a standing invitation for the Board Risk Committee, Audit and Compliance Committee, Financial Crime Committee and Technological Strategy and Innovation Committee.

The third line of defence is the Internal Audit department, which is responsible for providing independent risk assurance to the management body. Internal Audit has a functional link to the Board of Directors and the Chief Internal Auditor has a standing invitation for the Audit and Compliance Committee and the Board Risk Committee, and an administrative link to the Executive Committee.

The three lines of defence complement each other, with each line of defence assuming its control responsibilities independently of the others.
The scope of intervention of the internal control functions covers the entire institution, in accordance with their respective areas of competence. The responsibilities of the Compliance function cover a variety of risks, such as reputational risk, the risk of sanctions and the fight against money laundering and the financing of terrorism, while the Risk Management function supervises risk management for the Bank as a whole and is responsible for ensuring that the risks incurred are in line with the risk appetite.

A sound internal control system goes hand in hand with an appropriate segregation of functions, tasks and responsibilities, management of access to information and physical separation of certain functions and departments to secure data and transactions. In accordance with Article 435 (1) (f) of Regulation (EU) no. 575/2013, the Management Body certifies that Spuerkeess' risk management systems are relevant, effective and adapted to Spuerkeess' risk profile and strategy.

Certification and Approval by the Management Body

The Pillar III report is approved by the Executive Committee and the Board of Directors of Spuerkeess.

For the Executive Committee,

Doris Engel	Françoise Thoma
Chief Financial Officer	Chief Executive Officer

Governance of the Bank and Risk management stakeholders

The Bank is an autonomous public institution governed by the provisions of the law of 24 March 1989, as amended, on the Banque et Caisse d'Épargne de l'État, Luxembourg. It is subject to the legislation governing banking and commercial activities in Luxembourg. All of its activities are carried out within a single legal entity in Luxembourg.

Since 4 November 2014, Spuerkeess is subject to the direct external prudential supervision of the European Central Bank (ECB) as part of the Single Supervisory Mechanism.

The Bank is administered and managed by a Board of Directors and an Executive Committee. It is placed under the supervision of the member of the Government responsible for the State Treasury. The latter supervises the Bank's activities of general interest. In addition, a Supervisory Commissioner has been appointed, who is invited to attend all meetings of the Board of Directors and whose supervisory duties extend, where appropriate, to all departments of the Bank.

The members of the Board of Directors are appointed for a renewable term of 5 years by the Government in Council pursuant to the Spuerkeess Act of 24 March 1989, as amended, and after not having met objections (nihil obstat) by the ECB following the fit and proper procedure provided for this purpose. In the event of a vacancy on the Board of Directors, account is taken of the balance of knowledge, skills, diversity and experience on the Board of Directors when selecting the successor candidate in accordance with the relevant legislation and regulations and in compliance with Spuerkeess' internal policies and procedures.

The members of the Executive Committee are appointed for a renewable term of 6 years by Grand-Ducal Decree after receiving the opinion of the Bank's Board of Directors in application of the Law of 24 March 1989 on Spuerkeess, as amended, and after not having met objections (nihil obstat) by the ECB following the fit and proper procedure provided for this purpose. To assist the Board of Directors in formulating its opinion on the terms of office to be filled or extended, the Nomination and Remuneration Committee carries out a preliminary analysis of applications for vacant positions on the Executive Committee and the Board of Directors. This analysis takes into account the balance of knowledge, skills, diversity and experience within the Executive Committee or Board of Directors.

With regard to the number of executive management functions within the meaning of European regulations, and more specifically Article 435 of Regulation (EU) no. 575/2013, known as the CRR, the members of the Board of Directors do not exercise executive management functions within the Bank. The members of the Executive Committee, in this capacity, perform only one executive management function within the meaning of the CRR.

The Board of Directors

In accordance with the organic law of 1989 and the legal obligations or regulatory requirements applicable at national or European level, the Board of Directors defines the Bank's overall policy and oversees the management carried out by the Executive Committee. It approves the Bank's main risk-management policies, including the Risk Appetite Framework, as proposed by the Executive Committee. In this respect, the Board considers the Bank's liquidity and solvency as well as the medium- and long-term sustainability of its business model. The ICAAP and ILAAP processes are integrated into these supervisory duties in order to monitor business trends and their impact on the Bank's liquidity and solvency.

The Board of Directors is composed of 9 members, including 5 independent members, 2 members representing the owner appointed by the Government in Council, and 2 staff representatives elected by the Bank’s employees through direct vote.

In 2025, the Board of Directors held 18 meetings.

The 9 members, as appointed on 31 December 2025, hold, in addition to their mandates within Spuerkeess, other mandates as directors of companies non-related with SPUERKEESS in accordance with the counting rules applicable under the guidelines EBA/GL/2021/06:

M Nima AHMADZADEH	3 mandates
Mme Chantal SCHUMACHER	2 mandates
M François THILL	1 mandate
M Jean-Pierre ZIGRAND	1 mandate

The Audit and Compliance Committee

The Audit and Compliance Committee is responsible for advising the Board of Directors in its supervisory role and for preparing the decisions to be taken by the Board. More specifically, it assists the Board in the areas of financial reporting, internal control, including the Internal Audit and Compliance functions, as well as the work of the approved external auditor responsible for the statutory audit of the Bank’s accounts. The Audit and Compliance Committee thereby facilitates the implementation of a sound internal governance framework.

It comprises 3 members of the Board of Directors, the majority of whom are independent within the meaning of the applicable legislation and regulations. The Chief Executive Officer, the Chief Risk Officer, the Chief Internal Auditor and the Chief Compliance Officer are invited to all meetings of the Audit and Compliance Committee; the other members of the Executive Committee are invited depending on whether the topics discussed fall within their areas of responsibility. The approved external auditor in charge of the Bank’s statutory audit may also be invited to Committee meetings at the request of the Audit and Compliance Committee.

In 2025, the Audit and Compliance Committee held 7 meetings.

The Board Risk Committee

The Board Risk Committee is responsible for advising the Board of Directors in its supervisory role and for preparing the decisions to be taken by the Board. It provides advice and assistance regarding the monitoring of the Bank’s overall risk and risk appetite strategy, both current and future, taking into account all types of risks, financial and non-financial. Its role is to ensure that the risk strategy and risk appetite are consistent with the Bank’s public-interest missions under its organic law, its business strategy, its defined objectives, and its corporate culture and values. In doing so, the Board Risk Committee contributes to the implementation of a sound internal governance framework.

It is composed of 4 members of the Board of Directors, 3 of whom are independent within the meaning of the applicable laws and regulations. The Chief Executive Officer, the Chief Risk Officer and the Chief Internal Auditor are invited to all meetings of the Board Risk Committee. The other members of the Executive Committee are invited depending on whether the topics discussed fall within their areas of responsibility.

In 2025, the Board Risk Committee held 10 meetings.

The Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee is to advise the Board of Directors in its supervisory role on the remuneration policies and practices applied by the Bank and on governance and appointments (including re-appointments) to the Bank's management body and key functions. The Nomination Committee reviews once a year the time spent by the various directors on their respective individual directorships, with a view to ensuring that the members of the management body devote sufficient time to the performance of their duties within the Bank.

The Nomination Committee is made up of 5 members of the Board of Directors, 4 of whom are independent within the meaning of the applicable laws and regulations.

The Remuneration Committee is composed of 7 members of the Board of Directors, 4 of whom are independent within the meaning of the applicable laws and regulations.

The Nomination and Remuneration Committee meets on an ad hoc basis as Remuneration Committee to deal with issues relating to the remuneration framework for staff, which fall within its remit. Staff representatives on the Board of Directors take part in meetings of the Remuneration Committee convened in this form. In 2025, the number of meetings of the Nomination and Remuneration Committee was 6, including 3 meetings as an ad-hoc Remuneration Committee.

In 2025 the Board of Directors decided to implement two new specialised committees:

Financial Crime Committee

The committee’s main mission is to focus on the supervision of the Bank’s AML-framework and current changes operated within that framework. The committee has 6 members, among others the Chairmen of the Board, the Risk Committee and the Audit and Compliance Committee, and has met four times in 2025.

Technological Strategy and Innovation Committee

The committee’s main mission is to assist and support the Board on topics of technological innovation in banking processes and on mutualization of banking activities. The committee has 4 members and has met 3 times in 2025.

The Executive Committee and Extended Management

The Executive Committee is composed of 5 members, namely: a Chief Executive Officer, a Deputy Chief Executive Officer, and 3 Directors. It is chaired by the Chief Executive Officer. The Committee takes its decisions collectively. The members of the Executive Committee have the status of civil servants with respect to their legal status, remuneration and pension scheme.

In its capacity as management body in its executive function, as defined in the EBA Guidelines EBA/GL/2021/06, the Executive Committee is responsible for implementing the general policy and business strategy defined and approved by the Board of Directors, as well as for managing the Bank’s day-to-day operations.

The Executive Committee reports to the Board of Directors on business developments and risk management. It formulates proposals on the overall strategy and risk management and promotes a sound risk culture within the Bank.

All acts, whether administrative or of disposal, that are necessary or useful for achieving the Bank's objectives fall within the competence of the Executive Committee.

The Executive Committee is responsible for establishing an adequate and effective governance and internal-control framework, comprising a clear organisational structure and independent risk-management, compliance and internal-audit functions, each equipped with the authority and resources required to carry out their duties.

The 5 members of the Executive Committee, as composed on 31 December 2025, collectively hold, in addition to their executive mandate, a total of 9 directorships in companies, in accordance with the counting rules applicable to entities belonging to the same group.

Mrs Françoise Thoma:	1 executive and 2 non-executive mandates
Mr Aly Kohll:	1 executive and 2 non-executive mandates
Mr Romain Wehles:	1 executive and 2 non-executive mandates
Mrs Doris Engel:	1 executive and 2 non-executive mandates
Mr Olivier Wantz:	1 executive and 1 non-executive mandates

The Extended Management strengthens the Executive Committee's decision-making process by bringing in the specific expertise and professional experience of its members from the Bank's various business lines.

It serves as a forum for discussion and the development of opinions or proposals on matters relating to the Bank's overall strategy and organisation, which require thorough cross-functional coordination in both their preparation and implementation.

The Extended Management is not a decision-making body, except for specific delegations granted by the Executive Committee. Under Spuerkeess' organic law, decision-making authority and collective responsibility for such decisions rest with the Executive Committee.

The Extended Management is composed as follows on 31 December 2025:
- the 5 members of the Executive Committee;
- at Commercial level: 2 Heads of Department responsible for the Bank's customer segments;
- at Balance-sheet management and performance monitoring level: 2 Heads of Department responsible for the ALM function and the Finance function;
- at operational level: 2 Heads of Department responsible for Information and Communication Technologies (ICT) and for Operations;
- at Bank governance level: the General Secretary;
- in terms of Human resources management: the Head of Human Resources.

The following are also members of the Extended Management, contributing independent views to the deliberation process:
- the Chief Internal Auditor;
- the Chief Compliance Officer;
- the Deputy Chief Risk Officer.

The Risk management Function

The Chief Risk Officer is responsible for the risk management function. He is a member of the Executive Committee and has direct access to the Chairman of the Audit and Compliance Committee, the Chairman of the Board Risk Committee, and the Chairman of the Board of Directors.

From an organisational point of view, the risk management function is carried out by the Risk Management department, which is headed by a Department Head who holds the position of Deputy Chief Risk Officer. This department is independent from all operational and commercial activities within the Bank and forms part of the second line of defence. It comprises 3 Business Units:

- the Enterprise Risk Management Business Unit;
- the Financial Risk Management Business Unit;
- the Non-Financial Risk Management Business Unit.

The Bank has set up a number of risk monitoring working groups, such as the Risk Oversight Committee, which bring together the heads of the Bank's various operational departments.

The Risk Oversight Committee is composed of at least two members of the Executive Committee, as well as selected Heads of Department and Heads of Unit. It addresses matters related to the identification, measurement, management and reporting of risks, whether Pillar 1 risks, such as credit risk, market risk and operational risk, or Pillar 2 risks, such as compliance risk or reputational risk. The Risk Oversight Committee is supported by a Risk Working Group and an Internal Models Working Group.

The Compliance Function

The risk of non-compliance is defined as the risk of legal, administrative or disciplinary sanction, financial loss, or reputational damage resulting from failures to comply with legislative and regulatory requirements, professional obligations or ethical standards applicable to entities in the financial sector. This includes, in particular, provisions relating to the prevention of money laundering and terrorist financing, the conduct of banking and financial activities, including conflicts of interest, as well as the protection of privacy and personal data.

The Compliance function, under the responsibility of the Chief Compliance Officer, aims to anticipate, detect and prevent the Bank's non-compliance risks and to assist the Executive Committee in managing and mitigating those risks.

The Compliance function forms part of the second line of defence and reports directly to the Chief Risk Officer and therefore to the Executive Committee. The Chief Risk Officer is also responsible for compliance with obligations relating to the fight against money laundering and the financing of terrorism, and the Chief Compliance Officer is responsible for monitoring compliance with obligations. The Chief Compliance Officer may report directly and on his own initiative to the Chairman of the Audit and Compliance Committee, the Chairman of the Board Risk Committee and the Chairman of the Board of Directors. The Compliance function is independent of all commercial and operational activities within the Bank.

The Bank has a Compliance Committee, whose role is to analyse and decide on compliance topics that go beyond the sole remit of the Compliance department. In addition, the Acceptance Committee analyses and decides on matters related to Know Your Customer (KYC) and Know Your Transaction (KYT), and the Anti-Financial Crime Committee analyses money laundering and financing of terrorism matters.

The Internal Audit Function

The Internal Audit function is entrusted to the Internal Audit department. It is an independent and permanent function within the Bank, providing a critical assessment of the adequacy and effectiveness of central administration, internal governance, and the comprehensive management of activities and risks in their entirety. It supports the Board of Directors and the Executive Committee in controlling their activities and the related risks, in order to protect the Bank and its reputation as effectively as possible.

The Internal Audit function represents the third line of defence, and the Chief Internal Auditor is accountable to the Executive Committee and, ultimately, to the Board of Directors for the execution of its mandate. The Chief Internal Auditor may address, directly and on his own initiative, the Chair of the Audit and Compliance Committee, the Chair of the Board Risk Committee and the Chair of the Board of Directors.

Audit missions are carried out on the basis of a multi-year audit plan drawn up by the heads of the different Units of the Internal Audit department and approved by the Executive Committee, the Audit and Compliance Committee, and the Board of Directors.

The Internal Audit department operates in accordance with the International Standards of the Institute of Internal Auditors (IIA).

Organisation Chart for Risk-Management entities

The organisation chart covers the departments, functions and committees involved in risk management, as illustrated in the diagram below.

The Bank's overall organisational structure is designed according to the principle of separating the tasks of the commercial and administrative units from those responsible for risk management. This organisation complies with CRR requirements and is consistent with the provisions of CSSF Circular 12/552 as amended.

In accordance with its Internal Rules, the Executive Committee may establish expert committees in various areas, directly reporting to the Executive Committee. These specialised sub-committees are composed of Bank staff members who possess the necessary knowledge and expertise. Members of the Executive Committee may be members of these specialised sub-committees or participate in their meetings at any time.

The Executive Committee alone is competent to decide on the creation or abolition of any such sub-committee and to define the operating arrangements of these sub-committees in their respective charters.

The sub-committees have, in principle, and except for specific cases provided for in their respective charters, no decision-making powers. Their mission is to advise the Executive Committee in its executive role and to prepare the decisions to be taken by the Executive Committee.

They support the Executive Committee in specialised areas and thereby facilitate (i) commercial steering and risk management and (ii) the implementation of a sound internal governance framework for the fulfilment of the Bank's missions.

Assigning an advisory role or decision-making powers to the sub-committees in no way relieves the Executive Committee of its duties and responsibilities.

Specialised Committees of the Executive Committee

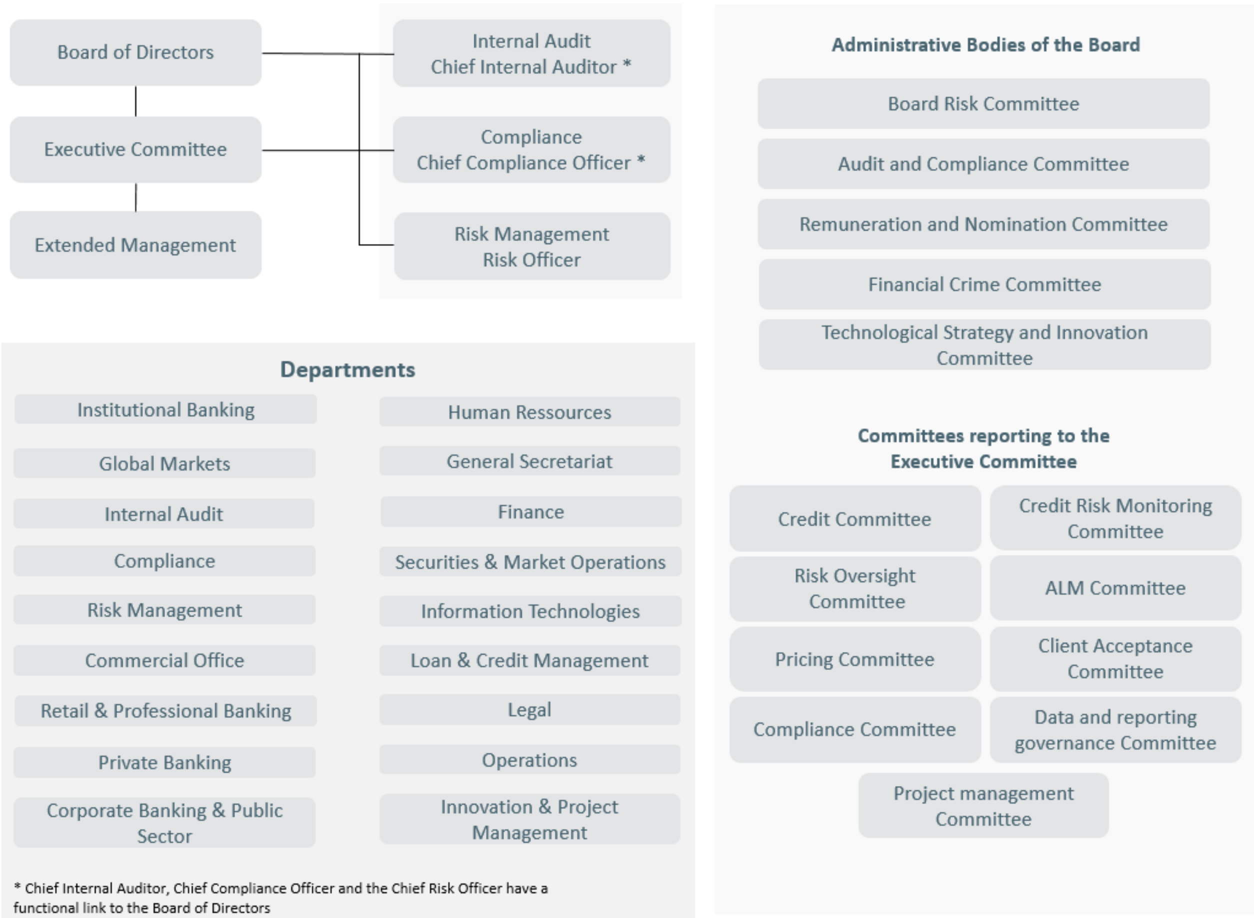
Given the roles and responsibilities assigned to the Executive Committee as the management body responsible for the day-to-day management of Spuerkeess, the following committees have been established to support it in the field of risk management:

- the Credit Committees
- the Credit Risk Monitoring Committee
- the Risk Oversight Committee
- the ALM Committee
- the Pricing Committee
- the Business Relationship Acceptance Committee
- the Compliance Committee
- the Data and Reporting Governance Committee
- the Project Management Committee

Other Committees and Working Groups

Under the responsibility of Department Heads or Business Unit Heads, internal committees and working groups may be established to enable cooperation and exchange between the Bank's various departments and units on projects and matters of a purely operational or technical nature. These groups and committees do not have any decision-making powers.

<u>Organisation Chart for Risk-Management entities</u>



Changes within the Board of Directors, the Executive Committee and the Heads of the Three Control Functions

Board of Directors

M Nima AHMADZADEH has been appointed Vice-Chairman of the Board of Directors as of 14 February 2025.
Ms Chantal Schumacher has been appointed Board member as of 1 April 2025.

(c) The Board of Directors declares that Spuerkeess has a risk management system that is adequate for the Bank's business model.

The Bank's risk-management framework is primarily based on the following elements:
- a governance model based on the three lines of defence;
- a definition of the Bank's risk appetite;
- a process for identifying and assessing risks;
- risk-management policies that set out how the various risks are managed;
- a process for analysing the adequacy of the Bank's liquidity and capital.

(d) Spuerkeess has defined a general risk-management policy that applies to all departments, internal control functions and across the various types of risks and activities of Spuerkeess.

Spuerkeess has a range of tools for detecting, measuring, managing and reporting risks:
- the risk identification and assessment process (risk mapping);
- the Risk Appetite Framework (RAF), which includes the Limit Handbook;
- endurance tests;
- the full set of policies, procedures and reports relating to risk management.

The description of the measures to be taken in the event of risk occurring (e.g. the recovery plan and the business continuity plan) is also part of the Risk Management Framework (RMF).

Risk reporting and information flows take various forms and can be divided into two categories:

- 'Enterprise Risk Management' reports, which cover all risk categories and provide an overall view of Spuerkeess' risk profile, such as:
  - the Risk Appetite Dashboard (quarterly);
  - the ICAAP and ILAAP reports (quarterly);
  - the Risk Identification and Assessment Process (at least annually).

- Risk-specific reports, for which the level of detail, frequency and recipients are adjusted on a risk-based approach. These reports can be grouped as follows:
  - Financial risks;
    - Credit risk (e.g. risks related to the real-estate market);
    - Liquidity risk (e.g. intraday liquidity risks);
    - Market risk (e.g. interest-rate risk);
  - Non-financial risks;
    - Model risk (e.g. model validation reports);
    - Operational risk (e.g. incident reporting, Risk Control Self-Assessment 'RCSA', etc.);
    - ICT risk (e.g. IT risk-indicator dashboards);
    - Non-Compliance risks.

(e) The definition of the Bank's risk management framework is guided by Spuerkeess' business model. The risk management function is systematically involved in every material decision that may have an impact on risk management. This involvement may occur through the Chief Risk Officer, who is a member of the Executive Committee, and/or by seeking the advice of the Risk Management department.

The risk management framework is continuously improved by considering the results of the risk identification and assessment process and in light of the prevailing economic environment.

(f) Spuerkeess uses stress testing at various levels to assess the risk involved using different methods.

Targeted stress tests are carried out for specific portfolios, such as:
- the real-estate portfolio, by simulating the impact of declines in property prices;
- simulations of different levels of valuation decreases for the equity-investment portfolio;
- default of banking counterparties and real-estate developers;
- extreme loss scenarios related to operational-risk events;
- a downgrade of the Bank's credit rating;
- simulations of the impact of different interest-rate scenarios;
- survival-period simulations based on adverse liquidity outflow rates.

Scenarios are also used to assess the robustness of the Bank's strategic plan and multi-year forecasts.

The objective is to assess the capital and liquidity adequacy of current and future activities under both baseline and adverse scenarios. These scenarios link the evolution of macroeconomic indicators with the risk parameters of the Bank's exposures. The analysis is based on the development of solvency and liquidity indicators, which are compared with:
- the regulatory thresholds of prudential ratios;
- the strategic objectives set out in the Risk Appetite Framework.

Against this backdrop, Spuerkeess analyses the three-year evolution of its capital and liquidity prudential ratios under several adverse macroeconomic scenarios.

A reverse stress test is carried out in order to identify the set of extreme scenarios that could jeopardize Spuerkeess' capital, and to plan measures and actions to address them. This exercise also strengthens the awareness of the Bank's risks among the various stakeholders involved, as it forms part of the risk identification process.

The exercise is based on a 7-step methodology, which uses Monte Carlo simulation techniques:

Step 1: Determine the indicator and the threshold to be tested;
Step 2: Identify the risk factors;
Step 3: Assess the sensitivity of the indicator to the risk factors;
Step 4: Model the multivariate distribution of the risk factors;
Step 5: Generate a set of possible scenarios and identify those that meet the criteria;
Step 6: Determine the most likely scenarios;
Step 7: Assess the need to put in place measures to mitigate the risks and vulnerabilities identified.

The reverse stress test has both qualitative and quantitative components to ensure its robustness.
The qualitative dimension is applied first in the identification, ideally based on expert judgement, of the factors that may affect the portfolio, and finally in the assessment of the most plausible scenarios.
The quantitative dimension is applied when determining the links between the risk factors and the risk

indicators, or through the probability distribution of the risk factors.

The results of these reverse stress tests are also used to draw up recovery and resolution plans.

(g) Spuerkeess constantly ensures that it has appropriate risk management and mitigation measures in place in relation to its business model and the associated risks. Risk mitigation measures are defined precisely by type of risk.

Table EU OVB – Disclosure on governance arrangements

(a) With regard to the number of executive management functions within the meaning of European regulations, and more specifically Article 435 of Regulation (EU) 575/2013 known as the CRR, the members of the Board of Directors do not exercise executive management functions. The members of the Executive Committee, in this capacity, perform only one executive management function within the meaning of the CRR.

(b) Members of the Board of Directors are appointed for a renewable term of 5 years. Appointments and renewals are decided by the Government in Council, following the opinion of the Board of Directors, deliberating on a proposal from its Nomination and Remuneration Committee, and after final decision by the Government. The members of the Board of Directors must be approved by the ECB following the "fit and proper" procedure.

Board members' selection process is done in a way to assure that the Board has individually and as a group the necessary competences to fulfil its supervisory mission, as foreseen by regulation.

The Board is limited by the law of March 24th 1989 to nine members, two of which are employee representatives. Competences of members are as follows:

- Educational Background:
  - Business studies/Economics: 7
  - Legal: 1
  - IT: 1
- Professional experience:
  - Long-time professional experience within Banking and Insurance companies at C-level: 2
  - Lecturer/Professor at University (London School of Economics): 1
  - External audit: 2
  - Public servants within the Ministry of Finance / Ministry of the Economy: 2

Talent development is a strategic priority for Spuerkeess and a key pillar for ensuring the Bank's long-term sustainability. In 2025, Spuerkeess validated its succession policy for all key positions, including those within the Board, the Executive Committee, as well as hierarchical, regulatory and technical functions.

For each of these positions, succession plans have been established for both crisis situations and future permanent appointments. Several staff members have been identified as potential successors, enabling the Bank to proactively support their growth and development towards possible future responsibilities. In addition, any open position will be communicated both internally and externally to ensure full transparency and to strengthen Spuerkeess' ability to attract and recruit top talent.
The Board of Directors, through its Nomination and Remuneration Committee and having heard the

proposals of the Executive Committee, sets the skills profiles to be filled on the Executive Committee following vacancies or reappointments, in particular by taking into account the regulatory requirements in this area and considering the complementary nature of the skills and professional experience present and exercised on the Executive Committee.

Once a year, the Nomination and Remuneration Committee reviews, and reports to the Board of Directors on, the succession plan proposals submitted by the Executive Committee with a view to Business Continuity Planning (BCP) and structural development, at the level of the composition of the executive management body and the Bank's hierarchical management levels.

(c) The issue of diversity is of great importance to Spuerkeess, which signed the Luxembourg IMS (Inspiring More Sustainability) Diversity Charter in October 2020. Spuerkeess is committed to developing a diversity program, to promote diversity and social inclusion. As part of this commitment, Spuerkeess will have to share at least one dedicated action every 2 years. In 2025, the Bank made a strong commitment to raising awareness of D, E & I (Diversity, Equality and Inclusion) among its employees. As such, Spuerkeess organised several workshops on "Cultivating a climate of Well-being within Spuerkeess: Five Keys to Creating a more respectful Workplace for all". Also, the Bank held a conference focused on conflict prevention, addressing interpersonal dynamics and potential solutions. Spuerkeess' diversity policy stipulates that applications for positions on the management body (the Board of Directors and the Executive Committee) should be assessed so that the percentage of the 'under-represented' gender is not less than 40%.

To further strengthen its commitment to D, E & I, Spuerkeess launched a series of dedicated video capsules on D, E & I topics in corporate environments. The first video of this 12-part series was released in 2025 and provided an introduction to D, E & I in the workplace. It was followed by videos on unconscious bias and on gender and LGBTQIA+ topics. The series will continue in 2026, with upcoming themes including multigenerational diversity, disability, neurodiversity and others. In 2025, Spuerkeess also published a D, E & I Toolbox for managers and HR Business Partners, along with a Guide on Diversity and Human Rights. The Bank organised a Health Week dedicated to different kinds of vulnerabilities, featuring a total of 55 events, 12 conferences and 1179 registrations.

In 2025 and for the first time, Spuerkeess published its human rights report on its website. Developing female leadership remains a priority for Spuerkeess. It is planned that Spuerkeess will take part in the "Positive Actions" program of the Ministry for Gender Equality and Diversity. This program comprises a set of measures aimed at establishing de facto equality between women and men in all areas (recruitment, working conditions, pay, promotion, training, etc.) and at all levels of the company. To promote its inclusive recruitment policy, Spuerkeess participated - and will continue to participate - in Rainbow Days, a recruitment fair for LGBTQIA+ candidates, and updated its job positions to include the third gender option.

Looking ahead, Spuerkeess plans to host an art exhibition in 2026 showcasing works created by people with disabilities. The Bank also intends to offer internships for individuals with disabilities, enabling them to gain valuable professional experience. Spuerkeess is also committed to strengthening accessibility across its services and work environment, ensuring that customers and employees with disabilities can benefit from inclusive, barrier-free solutions. Diversity is also reflected in the management body, which has a mix of profiles.

Board of Directors

At 31 December 2025, the Board of Directors comprised nine members:
- seven members are appointed by the Government in Council:
  - 5 of whom are men, including the Chairman of the Board of Directors;
  - 2 of whom are women;
- two members are representatives of the Bank's staff and are elected to the Board by direct secret ballot among the Bank's staff, both of whom are women.

At 31 December 2025, at the level of the Board's specialized committees:
- The Risk Committee had five members, none of whom were women;
- The Audit and Compliance Committee had four members, two of whom were women;
- The Nomination and Remuneration Committee had five members, two of whom were women; the Nomination Committee sitting as the Remuneration Committee has seven members, four of whom are women, including the two members of the Board of Directors representing staff.

Directors bring to the Board a range of complementary skills and experience from different fields and professional backgrounds.

At 31 December 2025:
- three directors are aged between 60 and 70;
- four directors are aged between 50 and 60 years;
- two directors are aged between 40 and 50.

A director's term of office is five years and is renewable. The age limit for a director is 72.
Five directors are independent within the meaning of the applicable laws and regulations. Two directors represent the Luxembourg State, the Bank's owner. Two directors represent the Bank's staff.

Executive Committee

At 31 December 2025, the Executive Committee comprised five members:
- two of whom are women, being the Chief Executive Officer and the Chief Financial Officer,
- three of whom are men, being the Deputy Chief Executive Officer, the Chief Risk Officer and the Chief Commercial Officer.

(d) The Board Risk Committee comprises 4 members of the Board of Directors as at 31 December 2025 , the majority of whom are independent within the meaning of the applicable laws and regulations. Members of the Executive Committee, including the Chief Risk Officer, as well as the Head of the Risk Management Department and the Chief Internal Auditor have a standing invitation to assist in Board Risk Committee meetings, as invitees.
In 2025, the Board Risk Committee held 10 meetings.

(e) The Executive Committee receives a set of risk reports, as described in section EU OVA d). The Executive Committee is fully involved in the annual reviews of the various strategic reports, such as the Risk Appetite Statement, and actively participates in defining the metrics to be tracked in such reports. For all risk reports, the Management Body may request additional information to be included.

3. Disclosure of the scope of application

Table EU LI1 – Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

		a	b	c	d	e	f	g
				Carrying values of items				
	as at 31.12.2025	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and sight accounts with central banks	6.362.780.208	6.362.780.208	6.362.896.030	0	0	0	0
2	Loans and advances at amortised cost - Credit institutions	4.508.408.967	4.508.408.967	1.267.404.593	3.257.553.544	0	0	0
3	Loans and advances at amortised cost - Customers	29.249.135.786	29.249.135.783	28.707.429.594	616.801.202	0	0	0
4	Financial instruments held for trading	100.474.685	100.474.684	0	100.474.684	0	0	0
5	Hedging derivative financial instruments	1.118.311.563	1.118.311.565	0	1.118.311.565	0	0	0
6	Financial assets mandatorily recognised at fair value through profit or loss	150.926.712	127.104.420	127.099.452	0	4.969	0	0
7	Fixed-income securities recognised at amortised cost	16.411.867.038	16.411.867.040	16.405.997.536	0	5.869.504	0	0
8	Fixed-income securities recognised at fair value through the revaluation reserve	27.253.041	27.253.041	27.253.041	0	0	0	0
9	Variable-income securities recognised at fair value through the revaluation reserve	974.497.829	953.947.830	693.770.937	0	0	0	260.176.894
10	Investments in associates accounted for using the equity method	998.564.136	1.520.583.103	1.062.768.700	0	0	0	457.814.403
11	Change in fair value of a portfolio of financial instruments hedged against interest rate risk	-629.787.554	-629.787.554	0	0	0	0	0
12	Tangible assets for own use	263.842.499	252.219.378	252.219.378	0	0	0	0
13	Investment property	171.217	8.438.212	8.438.212	0	0	0	0
14	Intangible assets	67.786.988	67.786.988	0	0	0	0	67.786.988
15	Non-current assets and disposal groups classified as held for sale	1.044.738	1.044.738	1.044.738	0	0	0	0
16	Current tax assets	0	0	0	0	0	0	0
17	Deferred tax assets	0	3.167.307	3.488.377	0	0	0	0
18	Other assets	40.379.405	35.378.555	67.024.267	0	0	0	0
19	**Total Assets**	**59.645.657.258**	**60.118.114.264**	**54.986.834.853**	**5.093.140.995**	**5.874.472**	**0**	**785.778.285**

as at 31.12.2025	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by liability classes according to the balance sheet in the published financial statements							
Equity capital							
1 Share capital	173.537.113	173.525.467	0	0	0	0	173.525.467
2 Revaluation reserve	693.655.436	2.123.126.986	0	0	0	0	2.123.126.986
3 Retained earnings	4.546.150.094	4.328.018.764	0	0	0	0	4.328.018.764
4 Gains or losses on disposal of variable income securities measured at fair value	482	482	0	0	0	0	482
5 Exempt capital gains	31.444.019	31.444.018	0	0	0	0	31.444.018
6 FGDL provision	0	0	0	0	0	0	0
7 Financial result of the year	586.819.144	529.533.209	0	0	0	0	529.533.209
8 Equity method adjustments	840.646.237	0	0	0	0	0	0
9 Sub-total of liabilities (equity capital)	**6.872.252.043**	**7.185.648.445**	**0**	**0**	**0**	**0**	**7.185.648.445**
Liabilities (excluding equity capital)							
10 Deposits at amortised cost - Credit institutions	4.816.932.637	4.816.932.635	0	1.078.888.277	0	0	3.738.044.358
11 Deposits at amortised cost - Customers	43.326.349.942	43.517.040.653	0	27.460.899	0	0	43.489.579.755
12 Financial instruments held for trading	91.431.493	91.431.493	0	91.431.493	0	0	0
13 Hedging derivative financial instruments	305.995.814	305.995.813	0	305.995.813	0	0	0
14 Financial liabilities designated at fair value through profit or loss	307.748.180	307.748.180	0	0	0	0	307.748.180
15 Issuance of debt securities	3.422.035.395	3.422.035.395	0	0	0	0	3.422.035.395
16 Change in fair value of a portfolio of financial instruments hedged against interest rate risk	3.667.062	3.667.062	0	0	0	0	3.667.062
17 Provisions	130.846.360	115.846.359	0	0	0	0	115.846.359
18 Other liabilities	68.738.680	66.116.334	0	0	0	0	66.116.334
19 Current taxes	208.803.439	205.924.975	0	0	0	0	205.924.975
20 Deferred taxes	11.129.292	0	0	0	0	0	0
21 Provision for employee benefits	79.726.921	79.726.921	0	0	0	0	79.726.921
22 Sub-total of liabilities (except equity capital)	**52.773.405.215**	**52.932.465.820**	**0**	**1.503.776.482**	**0**	**0**	**51.428.689.338**
23 Total Liabilities	**59.645.657.258**	**60.118.114.264**	**0**	**1.503.776.482**	**0**	**0**	**58.614.337.783**

Table EU LI1 shows the relationship between the categories in the financial statements and the risk categories in accordance with prudential requirements.

Table EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements

		a	b	c	d	e
		Total	Items subject to			
	as at 31.12.2025		Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)	+59.332.335.980	54.986.834.853	5.874.472	5.093.140.995	0
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)	+1.503.776.482	0	0	1.503.776.482	0
3	**Total net amount under the regulatory scope of consolidation**	**+57.828.559.498**	**+54.986.834.853**	**+5.874.472**	**+3.589.364.513**	**0**
4	Off-balance-sheet amounts	+7.386.992.710	+7.354.627.167	0	+32.365.543	
5	Differences in valuations	0	0	0	0	
6	Differences due to different netting rules, other than those already included in row 2	0	0	0	0	
7	Differences due to consideration of provisions	+443.144.847	+443.144.847	0	0	
8	Differences due to the use of credit risk mitigation techniques (CRMs)	-2.232.313.957	0	0	-2.232.313.957	
9	Differences due to credit conversion factors	-2.612.880.752	-2.612.880.752	0	0	
10	Differences due to Securitisation with risk transfer	0	0	0	0	
11	Other differences	-1.169	-1.169	0	0	
12	**Exposure amounts considered for regulatory purposes**	**60.813.501.178**	**60.171.724.947**	**5.874.472**	**1.389.416.099**	**0**

Table EU LI2 shows the adjustments required to move from book values to regulatory exposures (EAD).

Table EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity)

as at 31.12.2025

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Bourbon Immobilière S.A.	Full consolidation				x		Non-financial entity
Europay Luxembourg S.C.	Equity method				x		Financial entity
I-Hub S.A.	Equity method				x		Non-financial entity
Lalux Group S.A.	Equity method				x		Insurance entity
Luxair S.A.	Equity method				x		Non-financial entity
Luxconstellation S.A.	Equity method				x		Non-financial entity
Luxembourg State and Savings Bank Trust Company S.A.	Full consolidation				x		Financial entity
Lux-Fund Advisory S.A	Full consolidation				x		Financial entity
LuxHub S.A.	Equity method				x		Financial entity
Prolog Luxembourg S.A.	Equity method				x		Financial entity
Société de la Bourse de Luxembourg S.A.	Equity method				x		Financial entity
Société Nationale de Circulation Automobile S.à r.l.	Equity method				x		Non-financial entity
Spuerkeess Asset Management S.A.	Full consolidation				x		Financial entity
Spuerkeess Ré S.A.	Full consolidation				x		Insurance entity
Visalux S.C.	Equity method				x		Financial entity

Spuerkeess' prudential scope is based on a statutory view. Hence all entities are neither consolidated nor deducted from a regulatory point of view.

Table EU LIA – Explanations of differences between accounting and regulatory exposure amounts

(a) The scope of the prudential perimeter, as defined in Regulation (EU) No 575/2013 on prudential requirements for credit institutions, differs from the accounting consolidation perimeter, which is based on IFRS as adopted by the European Union. For Spuerkeess, the prudential perimeter was determined on a standalone (statutory) basis in 2025.

The consolidated financial statements include the parent company, its subsidiaries, and the entities over which the Spuerkeess Group exercises, directly or indirectly, effective control over management as well as financial and operational policies. Details on the consolidation methods applied and the entities included in the accounting consolidation perimeter can be found in the notes to the consolidated financial statements under point 2, 'Basis of preparation of the consolidated financial statements'. The subsidiaries of Spuerkeess conduct activities that are directly linked to the Bank’s business.

The differences between the accounting and prudential consolidation perimeters are presented in Table EU LI1. Column (a) shows the figures established on the basis of the accounting consolidation perimeter under IFRS, as disclosed in the notes to the consolidated financial statements. Columns c to g break down the prudential balance sheet (column b) by type of risk.

With regard to Assets, there are no material differences between the accounting and prudential consolidation perimeters, as all on-balance sheet exposures fall within the scope of the capital requirement calculation.

The amounts in column g relate exclusively to exposures deducted from own funds, which are the following:

- intangible assets deducted following Article 36 §1, point (b);
- an additional value adjustment (AVA) applied on the Bank's participations under the scope of Art. 3;
- a deduction related to holdings of CET 1 instruments of financial sector entities, which are above the threshold exemption in accordance with Article 48 §4.

For Liabilities, columns c to f include only the amounts considered relevant for regulatory purposes. All reported liabilities fall under counterparty credit risk and can be grouped into two main categories:

- Repurchase agreements (repos), for which a capital charge must be calculated using the general method based on financial collateral. Some of these transactions also fall within the scope of GMRA master netting agreements. Margin calls received under GMRA agreements are likewise reported in column (d).
- Derivative contracts, for which a capital requirement must also be calculated under the SA-CCR approach. Most of these contracts are also subject to CSA (Credit Support Annex) netting agreements.

(b) Table EU LI2 presents the adjustments required to reconcile accounting book values with the regulatory exposure amounts (EAD) used for prudential purposes. The table provides transparency on the main drivers of differences arising from accounting standards, credit risk adjustments, and prudential treatment under the CRR.

Credit risk

- Line 4 'Off-balance-sheet amounts' shows the nominal value of off-balance-sheet items before applying credit conversion factors (CCFs), in accordance with the CRR.
- For exposures treated under the Internal Ratings-Based (IRB) approach, regulatory EAD is reported gross of provisions. As accounting book values are presented net of credit risk adjustments, the amount of provisions is added back in line 7 'Differences due to consideration of provisions' to align with the prudential definition of EAD.
- The reduction of off-balance-sheet exposures resulting from the application of CCFs is reflected in line 9 'Differences due to credit conversion factors'.

Counterparty credit risk

The line 'Differences due to the use of credit risk mitigation techniques (CRM)' captures the impact of all eligible mitigation techniques used to partially or fully reduce counterparty default risk, including collateral, netting agreements, and guarantees.

For securitisation

The line 'Book value of assets according to the scope of prudential consolidation' includes securitisation positions for which risk-weighted exposure amounts are calculated under the SEC-ERBA approach.
The amounts reported in row 12 fully reconcile with EAD used for deriving RWA.

Table EU LIB – Other qualitative information on the scope of application

(a) Spuerkeess does not have any subsidiaries. As a result, no impediments to the transfer of own funds or repayment of liabilities within a group structure arise, and the disclosure requirements related to group entities under Article 436 of CRR are not applicable.

(b) This point is not applicable since the prudential perimeter is determined on a standalone (statutory) basis.

(c) This point is not applicable since the prudential perimeter is determined on a standalone (statutory) basis.

(d) This point is not applicable since the prudential perimeter is determined on a standalone (statutory) basis.

Table EU PV1 – Prudent valuation adjustments (PVA)

As at 31 December 2025, Spuerkeess' assets and liabilities measured at fair value amount to EUR 5,2 billion. As this is below the EUR 15 billion threshold, Spuerkeess is allowed to use the Simplified approach: AVA is calculated as 0,1% of the sum of the absolute value of fair-valued assets and liabilities which are included within the threshold calculation. Hence table EU PV1 does not apply to Spuerkeess.

4. Disclosure of own funds

Table EU CC1 – Composition of Regulatory Own Funds

	as at 31.12.2025	(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Common Equity Tier 1 (CET1) capital : instruments and reserves		
1	Capital instruments and the related share premium accounts	173.525.467	(a)
2	Retained earnings	4.365.581.322	(b)
3	Accumulated other comprehensive income (and other reserves)	2.117.008.446	(c)
EU-3a	Funds for general banking risk	0	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	0	
5	Minority interests (amount allowed in consolidated CET1)	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**6.656.115.236**	
	Common Equity Tier 1 (CET1) capital : regulatory adjustments		
7	Additional value adjustments (negative amount)	-5.210.548	
8	Intangible assets (net of related tax liability) (negative amount)	-67.786.988	(d)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	0	
12	Negative amounts resulting from the calculation of expected loss amounts	0	
13	Any increase in equity that results from securitised assets (negative amount)	0	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-2.029.259	(b)
15	Defined-benefit pension fund assets (negative amount)	0	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	0	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-76.643.178	(e)
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	0	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	0	
EU-20c	of which: securitisation positions (negative amount)	0	
EU-20d	of which: open trading positions (negative amount)	0	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	
22	Amount exceeding the 17,65% threshold (negative amount)	0	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	0	
25	of which: deferred tax assets arising from temporary differences	0	
EU-25a	Losses for the current financial year (negative amount)	0	
EU-25b	Expected tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	0	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	0	
27a	Other regulatory adjusments	-699.113.721	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-850.783.694**	
29	**Common Equity Tier 1 (CET1) capital**	**5.805.331.542**	

	as at 31.12.2025	(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Additional Tier 1 (AT1) capital : instruments		
30	Capital instruments and the related share premium accounts	0	
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	0	
EU-33a	Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	0	
EU-33b	Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	0	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	0	
35	of which: instruments issued by subsidiaries subject to phase out	0	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**0**	
	Additional Tier 1 (AT1) capital : regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	0	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	0	
42a	Other regulatory adjustments to AT1 capital	0	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**0**	
44	**Additional Tier 1 (AT1) capital**	**0**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**5.805.331.542**	
	Tier 2 (T2) capital : instruments		
46	Capital instruments and the related share premium accounts	0	
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	0	
EU-47a	Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	0	
EU-47b	Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	0	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0	
49	of which: instruments issued by subsidiaries subject to phase out	0	
50	Credit risk adjustments	42.042.988	
51	**Tier 2 (T2) capital before regulatory adjustments**	**42.042.988**	
	Tier 2 (T2) capital : regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	0	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	0	
56b	Other regulatory adjusments to T2 capital	0	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**0**	
58	**Tier 2 (T2) capital**	**42.042.988**	
59	**Total capital (TC = T1 + T2)**	**5.847.374.530**	
60	**Total risk exposure amount**	**21.604.862.310**	

as at 31.12.2025		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1	26,87%	
62	Tier 1	26,87%	
63	Total capital	27,07%	
64	Institution CET1 overall capital requirements	9,24%	
65	of which: capital conservation buffer requirement	2,50%	
66	of which: countercyclical capital buffer requirement	0,62%	
67	of which: systemic risk buffer requirement	0,00%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0,50%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage		
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**17,07%**	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	5.139.876	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	652.332.284	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	0	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	0	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	134.096.319	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	121.124.689	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	42.042.987	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	0	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	
82	Current cap on AT1 instruments subject to phase out arrangements	0	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on T2 instruments subject to phase out arrangements	0	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0	

Table EU CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
Cash and sight accounts with central banks	6.362.780.208	6.362.780.208	
Loans and advances at amortised cost - Credit institutions	4.508.408.967	4.508.408.967	
Loans and advances at amortised cost - Customers	29.249.135.786	29.249.135.783	
Financial instruments held for trading	100.474.685	100.474.684	
Hedging derivative financial instruments	1.118.311.563	1.118.311.565	
Financial assets mandatorily recognised at fair value through profit or loss	150.926.712	127.104.420	
Fixed-income securities recognised at amortised cost	16.411.867.038	16.411.867.040	
Fixed-income securities recognised at fair value through the revaluation reserve	27.253.041	27.253.041	
Variable-income securities recognised at fair value through the revaluation reserve	974.497.829	953.947.830	
Investments in associates accounted for using the equity method	998.564.136	1.520.583.103	(e)
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	-629.787.554	-629.787.554	
Tangible assets for own use	263.842.499	252.219.378	
Investment property	171.217	8.438.212	
Intangible assets	67.786.988	67.786.988	(d)
Non-current assets and disposal groups classified as held for sale	1.044.738	1.044.738	
Current tax assets	0	0	
Deferred tax assets	0	3.167.307	
Other assets	40.379.405	35.378.555	
Total Assets	**59.645.657.258**	**60.118.114.264**	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
Deposits at amortised cost - Credit institutions	4.816.932.637	4.816.932.635	
Deposits at amortised cost - Customers	43.326.349.942	43.517.040.653	
Financial instruments held for trading	91.431.493	91.431.493	
Hedging derivative financial instruments	305.995.814	305.995.813	
Financial liabilities designated at fair value through profit or loss	307.748.180	307.748.180	
Issuance of debt securities	3.422.035.395	3.422.035.395	
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	3.667.062	3.667.062	
Provisions	130.846.360	115.846.359	
Other liabilities	68.738.680	66.116.334	
Current taxes	208.803.439	205.924.975	
Deferred taxes	11.129.292	0	
Provision for employee benefits	79.726.921	79.726.921	
Sub-total of liabilities (except equity capital)	**52.773.405.215**	**52.932.465.820**	
Shareholders' Equity			
Share capital	173.537.113	173.525.467	(a)
Revaluation reserve	693.655.436	2.123.126.986	(c)
Retained earnings	4.546.150.094	4.328.018.764	(b)
Gains or losses on disposal of variable income securities measured at fair value	482	482	
Exempt capital gains	31.444.019	31.444.018	
FGDL provision	0	0	
Financial result of the year	586.819.144	529.533.209	
Equity method adjustments	840.646.237	0	
Sub-total of liabilities (equity capital)	**6.872.252.043**	**7.185.648.445**	

Table EU CCA – Main features of regulatory own funds instruments and eligible liabilities instruments

Table EU CCA falls outside the scope of the Bank’s Pillar 3 disclosures, as the Bank has not issued any eligible bonds to be reported in this table.

5. Disclosure of countercyclical capital buffers

Table EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	as at 31.12.2025	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country :**													
	Luxembourg	3.171.857.189	28.712.384.904	0	0	76.446	31.884.318.539	989.557.222	0	76.446	989.633.668	12.370.420.845	75,05%	0,50%
	Netherlands	1.657.215.032	5.175.123	0	0	0	1.662.390.156	57.861.171	0	0	57.861.171	723.264.640	4,39%	2,00%
	France	1.317.335.990	246.186.147	0	0	0	1.563.522.138	46.151.998	0	0	46.151.998	576.899.972	3,50%	1,00%
	Germany	1.060.986.850	283.882.938	0	0	0	1.344.869.788	45.446.975	0	0	45.446.975	568.087.191	3,45%	0,75%
	United Kingdom	342.604.331	14.186.385	0	0	1.023.867	357.814.583	12.424.132	0	27.128	12.451.260	155.640.754	0,94%	2,00%
	Belgium	343.965.221	187.793.141	0	0	0	531.758.362	11.428.454	0	0	11.428.454	142.855.680	0,87%	1,00%
	Sweden	499.596.149	1.595.815	0	0	0	501.191.964	10.946.793	0	0	10.946.793	136.834.911	0,83%	2,00%
	Denmark	223.401.909	1.929.592	0	0	0	225.331.501	8.645.664	0	0	8.645.664	108.070.804	0,66%	2,50%
	Norway	613.376.369	679.121	0	0	0	614.055.490	8.342.294	0	0	8.342.294	104.278.681	0,63%	2,50%
	Ireland	200.261.107	905.663	0	0	3.650.377	204.817.147	7.757.857	0	58.581	7.816.438	97.705.477	0,59%	1,50%
	Australia	390.752.226	629.800	0	0	0	391.382.027	6.619.081	0	0	6.619.081	82.738.519	0,50%	1,00%
	Spain	190.597.438	12.977.800	0	0	1.123.782	204.699.020	3.127.456	0	14.254	3.141.711	39.271.381	0,24%	0,50%
	South Korea	31.725.697	3.960.655	0	0	0	35.686.352	1.230.348	0	0	1.230.348	15.379.352	0,09%	1,00%
	Slovakia	38.129.589	255.123	0	0	0	38.384.712	311.199	0	0	311.199	3.889.986	0,02%	1,50%
	Hong Kong	4.753.256	452.155	0	0	0	5.205.410	192.706	0	0	192.706	2.408.831	0,01%	0,50%
	Poland	0	2.171.713	0	0	0	2.171.713	48.970	0	0	48.970	612.126	0,00%	1,00%
	Romania	0	846.087	0	0	0	846.087	41.729	0	0	41.729	521.609	0,00%	1,00%
	Greece	0	2.086.760	0	0	0	2.086.760	27.962	0	0	27.962	349.522	0,00%	0,25%
	Cyprus	0	1.566.302	0	0	0	1.566.302	27.299	0	0	27.299	341.235	0,00%	1,00%
	Estonia	0	1.523.949	0	0	0	1.523.949	18.716	0	0	18.716	233.951	0,00%	1,50%
	Czech Republic	0	1.131.129	0	0	0	1.131.129	14.487	0	0	14.487	181.093	0,00%	1,25%
	Kroatia	0	1.359.602	0	0	0	1.359.602	8.378	0	0	8.378	104.729	0,00%	1,50%
	Iceland	0	196.596	0	0	0	196.596	8.225	0	0	8.225	102.810	0,00%	2,50%
	Slovenia	0	404.934	0	0	0	404.934	7.972	0	0	7.972	99.650	0,00%	1,00%
	Hungary	0	526.686	0	0	0	526.686	6.778	0	0	6.778	84.721	0,00%	1,00%
	Bulgaria	0	642.043	0	0	0	642.043	4.548	0	0	4.548	56.849	0,00%	2,00%
	Lithuania	0	123.294	0	0	0	123.294	2.920	0	0	2.920	36.499	0,00%	1,00%
	Latvia	0	133.133	0	0	0	133.133	2.069	0	0	2.069	25.865	0,00%	1,00%
	Chile	0	2.250	0	0	0	2.250	50	0	0	50	629	0,00%	0,50%
	All other	3.575.292.816	219.730.413	0	0	0	3.795.023.230	108.107.078	0	0	108.107.078	1.351.338.471	8,20%	0,00%
020	**Total**	**13.661.851.171**	**29.705.439.253**	**0**	**0**	**5.874.472**	**43.373.164.895**	**1.318.370.533**	**0**	**176.410**	**1.318.546.942**	**16.481.836.778**	**100,00%**	

As at 31 December 2025, the countercyclical capital buffer rate of Spuerkeess amounts to 0,6169%.

As the majority of the institution’s exposures are to counterparties located in Luxembourg, Spuerkeess' CCyB rate is closely aligned with the countercyclical buffer rate of Luxembourg, which stands at 0,50%.

Table EU CCyB2 – Amount of institution-specific countercyclical capital buffer

	as at 31.12.2025	a
1	Total risk exposure amount	21.604.862.310
2	Institution specific countercyclical capital buffer rate	0,6169%
3	Institution specific countercyclical capital buffer requirement	133.280.479

6. Disclosure of the leverage ratio

Table EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		a
	as at 31.12.2025	Applicable amount
1	**Total assets as per published financial statements**	**59.645.657.258**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	472.457.004
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	0
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	0
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	0
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	0
7	Adjustment for eligible cash pooling transactions	0
8	Adjustment for derivative financial instruments	-796.495.785
9	Adjustment for securities financing transactions (SFTs)	286.212.291
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	3.496.752.589
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-5.210.548
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	0
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	0
12	Other adjustments	-401.148.047
13	**Total exposure measure**	**62.698.224.762**

Table EU LR2 – LRCom: Leverage ratio common disclosure

		CRR leverage ratio exposures	
		a	b
		T	T-1
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	55.069.351.334	55.329.296.589
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	0	0
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(General credit risk adjustments to on-balance sheet items)	0	0
6	(Asset amounts deducted in determining Tier 1 capital)	-187.127.200	-97.068.793
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**54.882.224.134**	**55.232.227.796**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	29.622.898	32.665.222
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	392.667.565	379.677.245
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	0	0
EU-9b	Exposure determined under Original Exposure Method	0	0
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	0	0
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	0	0
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	0	0
11	Adjusted effective notional amount of written credit derivatives	0	0
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
13	**Total derivatives exposures**	**422.290.463**	**412.342.467**

		CRR leverage ratio exposures	
		a	b
		T	T-1
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	3.610.745.285	2.598.195.730
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	Counterparty credit risk exposure for SFT assets	286.212.291	287.479.204
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	0	0
17	Agent transaction exposures	0	0
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	0	0
18	**Total securities financing transaction exposures**	**3.896.957.576**	**2.885.674.934**
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	7.358.837.238	7.106.874.032
20	(Adjustments for conversion to credit equivalent amounts)	-3.862.084.649	-3.703.706.061
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)	0	0
22	**Off-balance sheet exposures**	**3.496.752.589**	**3.403.167.971**
	Excluded exposures		
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	0	0
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	0	0
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	0	0
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	0	0
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	0	0
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	0	0
EU-22g	(Excluded excess collateral deposited at triparty agents)	0	0
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	0	0
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	0	0
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	0	0
EU-22k	(Excluded exposures to shareholders according to Article 429a (1), point (da) CRR)	0	0
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	0	0
EU-22m	**(Total exempted exposures)**	**0**	**0**
	Capital and total exposure measure		
23	**Tier 1 capital**	**5.805.331.542**	**5.800.513.451**
24	**Total exposure measure**	**62.698.224.762**	**61.933.413.168**
	Leverage ratio		
25	Leverage ratio (%)	9,26%	9,37%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	9,26%	9,37%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	9,26%	9,37%
26	Regulatory minimum leverage ratio requirement (%)	3,00%	3,00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0,00%	0,00%
EU-26b	of which: to be made up of CET1 capital	0,00%	0,00%
27	Leverage ratio buffer requirement (%)	0,00%	0,00%
EU-27a	Overall leverage ratio requirement (%)	3,00%	3,00%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure		
	Disclosure of mean values		
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	3.439.674.473	3.316.970.737
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	3.610.745.285	2.598.195.730
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	62.527.153.950	62.652.188.175
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	62.527.153.950	62.652.188.175
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9,28%	9,26%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9,28%	9,26%

Table EU LR3 – LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	as at 31.12.2025	a CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**55.069.351.334**
EU-2	**Trading book exposures**	**0**
EU-3	**Banking book exposures, of which:**	**55.069.351.334**
EU-4	Covered bonds	4.312.688.872
EU-5	Exposures treated as sovereigns	12.830.181.614
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	1.301.807.055
EU-7	Institutions	1.449.803.729
EU-8	Secured by mortgages of immovable properties	19.189.116.327
EU-9	Retail exposures	3.305.468.881
EU-10	Corporates	8.664.062.719
EU-11	Exposures in default	643.174.929
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	3.373.047.208

Table EU LRA – Disclosure of LR qualitative information

(a) The leverage ratio measures the proportion of Tier1 capital relative to the Bank's total leverage exposure value, which includes on-balance sheet exposures and off-balance sheet commitments, calculated in accordance with the applicable prudential framework. Derivative instruments and securities financing transactions (SFTs) are subject to specific prudential treatments in the calculation of the exposure measure.

The leverage ratio constitutes one of the strategic indicators within Spuerkeess' Risk Appetite Framework (RAF). The corresponding risk appetite is defined and monitored by the Board of Directors. In line with the governance arrangements of the RAF governance, thresholds are established for the leverage ratio, together with an escalation process in case of a breach. The Bank's internal objective is to maintain a leverage ratio at or above 6,5% on an ongoing basis.

(b) The leverage ratio is a non risk-based measure as it does not rely on risk-weighting of on-balance sheet and off-balance sheet exposures. Instead, it serves as a backstop measure aimed at limiting excessive leverage within the banking sector.
As at 31 December 2025, Spuerkeess' leverage ratio stood at 9,26%, which is significantly above the regulatory minimum requirement of 3%. During the last quarter of 2025, the leverage ratio decreased moderately from 9,37% as at 30 September 2025 to 9,26% as at 31 December 2025.
The increase in CET1 capital of 4,8 million does not offset the increase in total exposure measure of 764,8 billion.

The retention of earnings supports the continuous strengthening of own funds and business development, thereby contributing to the stability of the leverage ratio over time. The Bank monitors the evolution of the leverage ratio on an ongoing basis.

The calculation and disclosure of the leverage ratio are presented in the preceding tables in accordance with the Commission Delegated Regulation (EU) 2016/200.

7. Disclosure of liquidity requirements

Table EU LIQA – Liquidity risk management

(a) Liquidity management is based on a prudent approach aimed at ensuring that the Bank has sufficient liquidity reserves at all times to be able to meet large and unexpected liquidity needs. This is reflected in very high liquidity ratios. To avoid large and unexpected liquidity needs, the Bank ensures to diversify its funding base. The Bank's main source of funding is retail customer deposits, which are highly granular. Financing from non-retail customer deposits can be more concentrated. Similarly, the Bank also aims to limit the concentration of maturities of these financings and focused on issuing 2 benchmark bonds in 2025 to diversify its funding. These concentrations are regularly monitored by the Bank and considered in liquidity risk management.

(b) Liquidity is monitored by various specialised committees of the Executive Committee, which report directly to it, in particular the ALM Committee and the Risk Oversight Committee. Day-to-day risk management is carried out by the Global Markets department. The Financial Markets business unit is responsible for managing short-term liquidity risk, while the Asset Liability Management business unit is responsible for managing medium- and long-term structural liquidity risk. The Financial Risk Management business unit acts as a second line of defence, ensuring that risk is managed in line with the Bank's risk appetite.

(c) This point does not apply to Spuerkeess.

(d) Liquidity risk is governed by a set of operational and strategic limits. These limits are monitored either by the Support Reporting Financial Valuations business unit of the first line of defence, or by the Risk Management department. Any limit overrun is reported to the heads of the Global Market department, to the Risk Management department for the part of the limits not directly controlled by the latter, and to the Executive Committee members responsible for these entities. Any breaches of strategic limits are also reported to the Board Risk Committee.

(e) Liquidity risk is a risk inherent to the business model of Spuerkeess. In order to mitigate this risk, the Bank finances its long-term illiquid assets mainly through stable customer deposits based on statistical modelling. Changes in this liquidity base are monitored on a weekly basis in order anticipate unfavourable developments. In addition to customer deposits, the Bank's funding strategy also includes issuing longer-term debt, which helps to increase the Bank's sources of funding. Potential liquidity leaks are covered by a substantial liquidity reserve, known as counterbalancing capacity (CBC). The adequacy of the CBC is regularly assessed through stress tests.

(f) As part of its funding plan, the Bank anticipates an increase in stable liabilities from customers as well as from additional medium- and long-term debt issuances, at a pace exceeding that of long-term loan growth.

(g) The Bank has introduced a stress test that assesses its ability to cope with liquidity stress events under different scenarios and different types of crisis.
The result of these stress tests is expressed as a survival period, which is the number of days during which the Bank has enough liquidity reserves to cover cumulative net cash outflows. The survival period under an adverse scenario of a combined market and idiosyncratic crisis is included as a liquidity indicator in the Risk Appetite Framework and monitored on a daily basis. The results of other scenarios and types of crisis are reported to the Board Risk Committee on a quarterly basis.

(h) This point has been dealt with in the OVA section, as it concerns all types of risk.

(i) The Bank's liquidity risk arises from its traditional banking activity, i.e. the collection of customer deposits with, in general, a short-term maturity and the granting of customer loans with a long-term maturity. This risk is governed by a number of regulatory indicators, such as the LCR and NSFR, as well as internal indicators such as the loan-to-deposit ratio and the survival period, among others. At 31 December 2025, these indicators were all well above internal limits, with an LCR of 189,89%, a LTD of 66,94% and a survival period of more than 125 days. At 31 December 2025, the NSFR was 137,97%.

Table EU LIQ1 – Quantitative information of LCR

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
	Quarter ending on	T	T-1	T-2	T-3	T	T-1	T-2	T-3
	Number of data points used in calculation of averages *	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	**High-quality liquid assets (HQLA)**					**16.741.800.449**	**16.598.166.211**	**16.374.286.236**	**16.184.906.345**
	CASH - OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	25.836.836.708	25.439.397.905	25.042.392.431	24.688.720.989	1.656.283.764	1.616.079.669	1.575.622.520	1.536.121.661
3	*Stable deposits*	*10.987.016.829*	*10.819.326.882*	*10.668.199.158*	*10.518.002.470*	*549.350.841*	*540.966.344*	*533.409.958*	*525.900.124*
4	*Less stable deposits*	*14.849.819.878*	*14.620.071.023*	*14.374.193.273*	*14.170.718.519*	*1.106.932.923*	*1.075.113.325*	*1.042.212.562*	*1.010.221.537*
5	Unsecured wholesale funding	15.214.572.384	14.787.419.272	14.555.700.621	14.224.928.523	9.156.543.865	8.978.544.774	8.800.697.035	8.567.474.665
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	*1.498.495.620*	*1.462.893.312*	*1.469.438.048*	*1.369.676.632*	*374.623.905*	*365.723.328*	*367.359.512*	*342.419.158*
7	*Non-operational deposits (all counterparties)*	*13.332.987.436*	*12.923.045.727*	*12.688.947.704*	*12.490.452.528*	*8.398.830.632*	*8.211.341.212*	*8.036.022.654*	*7.860.256.144*
8	*Unsecured debt*	*383.089.328*	*401.480.234*	*397.314.869*	*364.799.363*	*383.089.328*	*401.480.234*	*397.314.869*	*364.799.363*
9	Secured wholesale funding					40.879.227	41.193.769	46.552.112	61.279.548
10	Additional requirements	4.564.115.523	4.663.247.955	4.810.006.897	4.852.307.356	1.239.537.366	1.268.158.431	1.283.770.520	1.273.899.313
11	*Outflows related to derivative exposures and other collateral requirements*	*682.213.478*	*702.160.751*	*709.448.598*	*706.735.581*	*682.213.478*	*702.160.751*	*709.448.598*	*706.735.581*
12	*Outflows related to loss of funding on debt products*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
13	*Credit and liquidity facilities*	*3.881.902.045*	*3.961.087.204*	*4.100.558.298*	*4.145.571.775*	*557.323.887*	*565.997.680*	*574.321.922*	*567.163.732*
14	Other contractual funding obligations	107.617.970	113.492.675	106.698.602	130.219.652	67.962.302	76.248.687	71.134.689	98.125.035
15	Other contingent funding obligations	3.558.635.943	3.494.867.461	3.389.227.470	3.271.956.197	360.724.722	355.375.190	355.636.337	359.043.246
16	**Total cash outflows**					**12.521.931.246**	**12.335.600.520**	**12.133.413.213**	**11.895.943.469**
	CASH - INFLOWS								
17	Secured lending (e.g. reverse repos)	1.542.879.429	1.483.596.054	1.559.748.192	1.640.650.232	1.406.385.773	1.329.007.906	1.327.999.869	1.362.475.631
18	Inflows from fully performing exposures	991.532.522	919.146.229	959.507.338	991.501.728	824.104.433	759.125.860	778.369.999	802.258.278
19	Other cash inflows	572.551.918	563.810.228	526.728.054	516.112.218	572.551.918	563.810.228	526.728.054	516.112.218
19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	**Total cash inflows**	**3.106.963.869**	**2.966.552.512**	**3.045.983.583**	**3.148.264.178**	**2.803.042.125**	**2.651.943.994**	**2.633.097.922**	**2.680.846.127**
20a	*Fully exempt inflows*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
20b	*Inflows subject to 90% cap*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
20c	*Inflows subject to 75% cap*	*3.106.963.869*	*2.966.552.512*	*3.045.983.583*	*3.148.264.178*	*2.803.042.125*	*2.651.943.994*	*2.633.097.922*	*2.680.846.127*
	TOTAL ADJUSTED VALUE								
21	**Liquidity buffer**					**16.741.800.449**	**16.598.166.211**	**16.374.286.236**	**16.184.906.345**
22	**Total net cash outflows**					**9.718.889.122**	**9.683.656.526**	**9.500.315.291**	**9.215.097.342**
23	**Liquidity coverage ratio**					**172,60%**	**171,52%**	**172,58%**	**175,98%**

(*)Trailing average of 12 month-end observations to the reporting date

Table EU LIQB – Qualitative information on LCR, which complements template EU LIQ1

(a) During 2025, Spuerkeess maintained an average stock of high-quality liquid assets (HQLA) of EUR 16,5 billion, which remained broadly stable throughout the year. Average net cash outflows amounted to EUR 9,5 billion, reflecting average cash outflows of EUR 12,2 billion and average cash inflows of EUR 2,7 billion.

(b) For 2025, the average Liquidity Coverage Ratio stood at 173,17%, fluctuating between 162,67% and 189,89% over the year. Based on quarterly averages observed throughout 2025, the LCR remained comfortably above the regulatory minimum requirement of 100%.

(c) Retail deposits represent the Bank's primary source of funding, with an average outstanding of EUR 25,8 billion, followed by non-operational deposits from all counterparty categories, with an average amount of EUR 13,3 billion. Operational deposits represent an average financing source of EUR 1,5 billion.

(d) The institution's liquidity buffer is essentially made up of central bank reserves held with the BCL and Level 1 assets. As at 31 December 2025, BCL reserve accounted for 31,78% of the total LCR Buffer, while Level 1 securities represented 47,16% of the Liquidity Buffer. Level 2A and 2B securities accounted for 10,90% and 9,77% of the buffer, respectively.

(e) Cash outflows related to derivative exposures remained broadly stable over the year, with an average amount of EUR 700,1 million.

(f) The Bank operates in two significant currencies, namely EUR and USD. The LCR buffer in these currencies is aligned with the respective net cash outflows. In fact, as at 31 December 2025, the LCR by significant currency exceeded 100% for both EUR and USD.

(g) All the relevant quantitative information is disclosed in template EU LIQ1 related to the LCR disclosure.

Table EU LIQ2 – Net Stable Funding Ratio

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
	as at 31.12.2025	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	**Capital items and instruments**	**5.805.331.542**	**0**	**0**	**42.042.988**	**5.847.374.530**
2	Own funds	5.805.331.542	0	0	42.042.988	5.847.374.530
3	Other capital instruments		0	0	0	0
4	**Retail deposits**		**25.463.462.682**	**974.368.112**	**352.020.032**	**24.759.274.258**
5	Stable deposits		12.025.070.407	239.059.829	46.821.737	11.697.745.461
6	Less stable deposits		13.438.392.275	735.308.283	305.198.295	13.061.528.797
7	**Wholesale funding:**		**19.916.140.047**	**1.330.139.226**	**2.921.087.224**	**10.152.349.460**
8	Operational deposits		1.470.210.376	0	0	735.105.188
9	Other wholesale funding		18.445.929.671	1.330.139.226	2.921.087.224	9.417.244.272
10	**Interdependent liabilities**		**0**	**0**	**0**	**0**
11	**Other liabilities:**	**0**	**1.242.612.342**	**0**	**777.296.687**	**777.296.687**
12	NSFR derivative liabilities	0				
13	All other liabilities and capital instruments not included in the above categories		1.242.612.342	0	777.296.687	777.296.687
14	**Total available stable funding (ASF)**					**41.536.294.936**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**1.396.595.708**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**0**	**0**	**0**	**0**
16	**Deposits held at other financial institutions for operational purposes**		**193.159.888**	**0**	**0**	**96.579.944**
17	**Performing loans and securities:**		**5.149.577.554**	**2.320.284.332**	**30.884.179.216**	**26.711.556.209**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		0	0	0	0
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		1.158.293.099	519.744.665	521.906.375	897.556.613
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		2.541.965.441	554.512.106	5.777.841.105	6.171.391.112
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*483.804.627*	*70.132.267*	*1.440.063.005*	*1.213.009.400*
22	Performing residential mortgages, of which:		509.992.488	571.674.417	16.731.734.895	11.791.822.714
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*481.454.923*	*542.289.521*	*14.854.926.999*	*10.167.574.771*
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		939.326.525	674.353.144	7.852.696.842	7.850.785.771
25	**Interdependent assets**		**0**	**0**	**0**	**0**
26	**Other assets:**	**1.7.2**	**1.273.967.661**	**17.229.890**	**726.739.474**	**1.229.841.842**
27	Physical traded commodities				0	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		287.680.551	0	0	244.528.469
29	NSFR derivative assets		13.466.411			13.466.411
30	NSFR derivative liabilities before deduction of variation margin posted		85.660.278			4.283.014
31	All other assets not included in the above categories		887.160.421	17.229.890	726.739.474	967.563.948
32	**Off-balance sheet items**		**1.501.935.891**	**789.098.607**	**5.040.314.642**	**670.175.540**
33	**Total RSF**					**30.104.749.243**
34	**Net Stable Funding Ratio (%)**					**137,97%**

8. Disclosures of exposures to credit risk, dilution risk and credit quality

Table EU CRA – General qualitative information on credit risk

(a) Spuerkeess' overall credit risk appetite and credit risk strategy are part of the Bank's overall strategy. This decided upon by Spuerkeess' management body and is reflected in, among others, Spuerkeess' Strategic Plan, Risk Appetite Statement (RAS) and Limit Handbook. Key components include the assessment of customer creditworthiness, the quality of collateral, economic conditions and the Bank's internal policies.

(b) The Credit Management department carries out a preliminary analysis of the borrower's creditworthiness for each of the Bank's commitments that is subject to material credit risk. During this analysis, the applicant's financing capacity is compared to the repayment charge, and the value of the collateral is compared to the requested loan amount. The quality of the debtor is reflected in a credit rating. The Bank's internal ratings play a direct role in the credit risk management system, as they are one of the key parameters for limits. For high-risk files, the Financial Risk Management (FRM) belonging to the second line of defence carries out an independent risk analysis.
Once financing has been granted, it is continuously monitored to detect any deterioration in the debtor's risk profile or delays in repayment.

(c) Credit risk is the risk of loss due to a deterioration in the quality of the debtors, which could go as far as default by a debtor or non-return of assets deposited with third parties.

The Bank applies various limits as described in its Limit Handbook, to prevent concentration or deterioration in the portfolios held. These limits relate, among others, to types of financing or counterparties, countries of exposure, debtor quality and investment horizons.

In the area of lending to the domestic economy, decisions are taken by various credit committees, prioritized according to the customer's overall outstanding balance. Residential mortgages account for more than half of the portfolio. Credit risk is assessed according to the general creditworthiness of customers and through the process of evaluating their ability to repay, and the existence of collateral or guarantees. The same approach is used for loans to local companies.

A large number of counterparties in the international portfolio are banking and financial institutions. Commitments to the banking sector consist mainly of short-term commitments and secured positions. The proportion of unsecured bank commitments has been reduced in recent years in favor of more corporate commitments. Priority is also given to investment grade counterparties in OECD countries, mainly in Europe and North America.

Outstanding loans are monitored for counterparty and sector risk, and are regularly reviewed on the basis of updated financial analyses and proposals for adjusting counterparty limits. The Bank applies a system of country limits for all foreign countries in which it holds assets. These limits are reviewed at least annually.

Following the obligation to settle certain transactions in financial derivative instruments through a central counterparty (‘Central Counterparty Clearing’ (CCP)) under the European Markets Infrastructure Regulation (EMIR), which aims to reduce bilateral counterparty risk, the Bank has chosen not to have direct access to a central counterparty, but instead to operate through direct members, known as clearing brokers.

(d) The links are described in detail in points EU CRA (d) and EU OVA (b).

Table EU CRB – Additional disclosure related to the credit quality of assets

(a) The concepts of ‘past due’ and ‘impaired’" exposure used for accounting and regulatory purposes follow the criteria of EBA/GL/2016/07 for commitments in Default:
- past due commitments > 90 days if the commitment can be described as ‘material’;
- commitments with ‘unlikeliness to pay (ULP)’ indicators.

(b) The materiality of past-due on a credit obligation is assessed against the thresholds defined in the Regulatory Technical Standards (RTS) adopted by the European Commission on 19.10.2017 (EU Regulation 2018/171). An exposure that is past due, i.e. more than 90 days in arrears, is not considered impaired if the corresponding past-due thresholds are lower than the thresholds defined in the RTS.

(c) IFRS 9 provisions

With the introduction of IFRS 9 on 1 January 2018, exposures are classified according to three ‘stages’ with regard to the calculation of value adjustments:

- Stage 1 includes exposures where the credit risk has remained unchanged or has not deteriorated significantly since the loan was granted or the security purchased (‘at inception’). The value adjustment corresponds to the 1-year ‘Expected Credit Loss’;

- Stage 2 covers financial instruments where the credit risk has increased significantly since the loan was granted or the security purchased. These are exposures that:
  - have suffered a deterioration in their probability of default (PD). This deterioration is based on the comparison (absolute and relative) of the residual lifetime default probabilities (annualized) at the reference date compared with the origination date. A threshold of 0,3% is applied for the Low Credit Risk Exemption (LCRE);
  - have been ‘Past-Due’ for 30 consecutive days (and are not in default according to the CRR definition), i.e. are overdue on a contractual loan repayment or have an overdraft on their current account;
  - have been classified as forborne as defined by the European Banking Authority (EBA guidelines);
  - are awarded a manual stage 2 to take into account qualitative criteria not considered in the previous points.

  The value adjustment corresponds to the ‘Lifetime Expected Credit Loss’.

- Stage 3 covers defaulted exposures in accordance with Article 178 of the CRR and the EBA/GL/2016/07 guidelines.
  The value adjustment corresponds to the "Lifetime Expected Credit Loss" with a probability of default equal to 1.

The Bank applies contagion to all defaults. As a result, all the commitments of a customer in default are classified as ‘stage 3’ commitments. Contagion is not applied to stage 1 and 2.

More detailed information on how the Expected Credit Loss is determined can be found in the Annual Report.

The ‘Expected Credit Loss’ calculated in accordance with IFRS 9 has increased from EUR 508 million at the end of 2024 to EUR 549 million at the end of 2025. The 2025 cost of risk for the loans and receivables portfolio was 12 bps compared to 51 bps in 2024. This decrease is mainly explained by lower additional risks related to the real estate market compared to 2024.

(d) The Bank applies Article 178 §3, point d) on emergency restructuring i.e. the ‘unlikeliness to pay’ criterion of the definition of default as specified in EBA/GL/2016/07.
The definition of forborne exposures set out in Annex V of Commission Implementing Regulation (EU) No 680/2014 is applied by the Bank as follows:
- concession granted to a customer in excess of a business concession granted to a financially stable customer;
- the customer is experiencing or is about to experience financial difficulties.

Table EU CR1 – Performing and non-performing exposures and related provisions

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
	as at 31.12.2025		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3			
005	**Cash balances at central banks and other demand deposits**	**7.112.558.395**	**7.112.558.395**	**0**	**0**	**0**	**0**	**-691.948**	**-691.948**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
010	**Loans and advances**	**32.559.298.280**	**28.450.226.521**	**4.069.393.591**	**883.412.443**	**655**	**883.411.784**	**-225.685.211**	**-56.278.016**	**-169.407.194**	**-240.250.033**	**-201**	**-240.249.832**	**0**	**26.890.940.442**	**580.696.344**
020	Central banks	64.070.954	64.070.954	0	0	0	0	-518	-518	0	0	0	0	0	64.059.739	0
030	General governments	1.051.633.475	1.019.782.789	31.850.686	379	0	379	-86.677	-31.291	-55.386	-252	0	-252	0	7.992.833	0
040	Credit institutions	3.625.424.118	3.625.055.782	368.336	0	0	0	-128.640	-123.902	-4.738	0	0	0	0	2.817.487.584	0
050	Other financial corporations	1.725.960.021	1.323.905.706	390.760.946	35.206.392	0	35.206.392	-9.903.279	-2.657.244	-7.246.035	-21.853.889	0	-21.853.889	0	1.077.916.449	13.111.290
060	Non-financial corporations	5.329.446.695	3.463.200.957	1.837.860.938	497.590.437	655	497.589.782	-135.679.658	-22.128.250	-113.551.408	-124.803.375	-201	-124.803.174	0	3.800.667.455	323.551.714
070	Of which: SMEs	3.129.231.659	1.668.172.280	1.457.187.790	400.948.874	0	400.948.874	-100.685.207	-15.497.228	-85.187.979	-105.364.688	0	-105.364.688	0	2.735.276.354	294.380.719
080	Households	20.762.763.017	18.954.210.332	1.808.552.684	350.615.235	0	350.615.231	-79.886.439	-31.336.812	-48.549.628	-93.592.517	0	-93.592.517	0	19.122.816.382	244.033.340
090	**Debt Securities**	**16.537.935.681**	**16.360.605.785**	**98.818.198**	**5.895.686**	**0**	**227.044**	**-19.059.905**	**-17.084.749**	**-1.975.156**	**-5.807.444**	**0**	**-150.598**	**0**	**7.525.574.550**	**0**
100	Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
110	General governments	3.422.985.705	3.422.985.705	0	0	0	0	-8.232.161	-8.232.161	0	0	0	0	0	2.490.418.483	0
120	Credit institutions	6.497.021.171	6.435.345.473	0	0	0	0	-3.811.895	-3.811.895	0	0	0	0	0	3.127.195.151	0
130	Other financial corporations	3.805.952.266	3.786.554.021	17.394.245	5.895.686	0	227.044	-2.769.523	-2.520.577	-248.946	-5.807.444	0	-150.598	0	1.815.853.113	0
140	Non-financial corporations	2.811.976.539	2.715.720.587	81.423.953	0	0	0	-4.246.326	-2.520.116	-1.726.210	0	0	0	0	92.107.804	0
150	**Off-balance sheet exposures**	**7.386.515.203**	**6.390.161.091**	**996.340.612**	**123.219.267**	**0**	**123.219.267**	**36.669.326**	**10.670.945**	**25.998.381**	**26.971.725**	**0**	**26.971.725**		**3.315.780.285**	**87.622.908**
160	Central banks	48.783	48.783	0	0	0	0	0	0	0	0	0	0		0	0
170	General governments	1.372.917.605	1.297.517.428	75.400.177	2.500	0	2.500	721.227	132.804	588.423	1.661	0	1.661		453.619.982	0
180	Credit institutions	496.976.748	496.818.698	158.050	0	0	0	47.121	46.143	978	0	0	0		97.166.344	0
190	Other financial corporations	1.054.722.719	1.002.526.195	52.196.524	396.830	0	396.830	3.187.871	2.153.299	1.034.572	176.071	0	176.071		675.504.546	49.715
200	Non-financial corporations	2.464.506.764	1.742.902.498	721.590.766	109.904.235	0	109.904.235	29.973.489	6.719.095	23.254.394	23.144.396	0	23.144.396		1.019.121.817	79.950.123
210	Households	1.997.342.585	1.850.347.491	146.995.095	12.915.702	0	12.915.702	2.739.619	1.619.605	1.120.014	3.649.597	0	3.649.597		1.070.367.596	7.623.070
220	**Total**	**63.596.307.559**	**58.313.551.791**	**5.164.552.400**	**1.012.527.395**	**655**	**1.006.858.094**	**-282.106.391**	**-84.725.659**	**-197.380.732**	**-273.029.203**	**-201**	**-267.372.156**	**0**	**37.732.295.277**	**668.319.252**

Table EU CR1-A – Maturity of exposures

as at 31.12.2025		a	b	c	d	e	f
		Net exposure value					
		On demand	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	1.812.600.134	5.589.381.530	2.083.414.616	23.491.379.199	0	32.976.775.479
2	Debt securities	0	2.685.962.747	6.640.071.035	7.191.609.794	0	16.517.643.576
3	**Total**	**1.812.600.134**	**8.275.344.277**	**8.723.485.652**	**30.682.988.992**	**0**	**49.494.419.055**

Table EU CR2 – Changes in the stock of non-performing loans and advances

		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**840.596.094**
020	Inflows to non-performing portfolios	196.066.339
030	Outflows from non-performing portfolios	-105.682.031
040	Outflows due to write-offs	-2.192.153
050	Outflow due to other situations	-45.375.806
060	**Final stock of non-performing loans and advances**	**883.412.443**

Table EU CR2a – Changes in the stock of non-performing loans and advances and related net accumulated recoveries

As at 31 December 2025, Spuerkeess' overall non-performing exposures represent less than 5% of total exposures (NPL ratio < 5%). According to Art. 9 §2 of Regulation (EU) 2024/3172, table EU CR2a does not need to be published.

Table EU CQ1 – Credit quality of forborne exposures

as at 31.12.2025		a	b	c	d	e	f	g	h
		Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which : defaulted	Of which : impaired				
005	Cash balances at central banks and other demand deposits	0	0	0	0	0	0	0	0
010	Loans and advances	329.124.239	426.193.003	426.193.003	426.193.003	-16.329.937	-95.255.485	595.065.537	295.643.642
020	Central banks	0	0	0	0	0	0	0	0
030	General governments	0	0	0	0	0	0	0	0
040	Credit institutions	0	0	0	0	0	0	0	0
050	Other financial corporations	14.006.155	10.081.258	10.081.258	10.081.258	-10.331	-2.750.239	21.315.507	7.327.597
060	Non-financial corporations	131.180.353	305.023.751	305.023.751	305.023.751	-12.693.337	-69.233.505	312.910.438	202.377.344
070	Households	183.937.731	111.087.995	111.087.995	111.087.995	-3.626.270	-23.271.741	260.839.592	85.938.702
080	Debt Securities	0	0	0	0	0	0	0	0
090	Loan commitments given	0	0	0	0	0	0	0	0
100	Total	329.124.239	426.193.003	426.193.003	426.193.003	-16.329.937	-95.255.485	595.065.537	295.643.642

Table EU CQ2 – Quality of forbearance

As at 31 December 2025, Spuerkeess’ ratio of non-performing exposures (1,75%) is below the regulatory threshold of 5%. In accordance with Article 9 §2 of Commission Implementing Regulation (EU) 2024/3172, table EU CQ2 does not need to be published.

Table EU CQ3 – Credit quality of performing and non-performing exposures by past due days

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
as at 31.12.2025			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	**Cash balances at central banks and other demand deposits**	**7.112.558.395**	**7.112.558.395**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
010	**Loans and advances**	**32.559.298.280**	**32.411.862.358**	**147.435.922**	**883.412.443**	**699.052.087**	**31.638.966**	**36.320.678**	**62.145.700**	**29.424.316**	**4.167.365**	**20.663.331**	**883.412.443**
020	Central banks	64.070.954	64.070.954	0	0	0	0	0	0	0	0	0	0
030	General governments	1.051.633.475	1.051.633.475	0	379	379	0	0	0	0	0	0	379
040	Credit institutions	3.625.424.118	3.625.424.118	0	0	0	0	0	0	0	0	0	0
050	Other financial corporations	1.725.960.021	1.612.686.557	113.273.463	35.206.392	16.352.304	19.076	1.553.098	47.925	445.591	888.129	15.900.271	35.206.392
060	Non-financial corporations	5.329.446.695	5.322.733.796	6.712.899	497.590.437	418.401.585	19.798.749	20.982.111	24.818.747	12.337.810	1.053.132	198.304	497.590.437
070	Of which SMEs	3.129.231.659	3.124.468.202	4.763.456	400.948.874	335.192.478	17.514.586	20.525.405	16.968.501	10.100.060	535.801	112.043	400.948.874
080	Households	20.762.763.017	20.735.313.457	27.449.560	350.615.235	264.297.818	11.821.142	13.785.469	37.279.029	16.640.916	2.226.104	4.564.757	350.615.235
090	**Debt securities**	**16.537.935.681**	**16.537.935.681**	**0**	**5.895.686**	**5.895.686**	**0**	**0**	**0**	**0**	**0**	**0**	**5.895.686**
100	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
110	General governments	3.422.985.705	3.422.985.705	0	0	0	0	0	0	0	0	0	0
120	Credit institutions	6.497.021.171	6.497.021.171	0	0	0	0	0	0	0	0	0	0
130	Other financial corporations	3.805.952.266	3.805.952.266	0	5.895.686	5.895.686	0	0	0	0	0	0	5.895.686
140	Non-financial corporations	2.811.976.539	2.811.976.539	0	0	0	0	0	0	0	0	0	0
150	**Off-balance-sheet exposures**	**7.386.515.203**			**123.219.267**								**123.219.267**
160	Central banks	48.783			0								0
170	General governments	1.372.917.605			2.500								2.500
180	Credit institutions	496.976.748			0								0
190	Other financial corporations	1.054.722.719			396.830								396.830
200	Non-financial corporations	2.464.506.764			109.904.235								109.904.235
210	Households	1.997.342.585			12.915.702								12.915.702
220	**Total**	**63.596.307.559**	**56.062.356.434**	**147.435.922**	**1.012.527.395**	**704.947.772**	**31.638.966**	**36.320.678**	**62.145.700**	**29.424.316**	**4.167.365**	**20.663.331**	**1.012.527.395**

Table EU CQ4 – Quality of non-performing exposures by geography

		a	b	c	d	e	f	g
		Gross carrying/Nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		of which: subject to impairment			
as at 31.12.2025				of which: defaulted				
010	**On balance sheet exposures**	**57.099.100.485**	**889.308.129**	**889.308.129**	**56.975.241.976**	**-485.837.695**		**-5.656.846**
020	Luxembourg	35.112.474.221	870.287.590	870.287.590	35.071.141.083	-446.015.666		-1.648.141
030	France	3.490.375.110	4.590.394	4.590.394	3.490.375.110	-7.327.067		0
040	Germany	2.095.457.505	3.524.028	3.524.028	2.085.312.505	-8.522.350		0
050	Belgium	862.141.963	2.511.858	2.511.858	860.137.963	-4.309.050		0
070	Other countries	15.538.651.686	8.394.259	8.394.259	15.468.275.314	-19.663.562		-4.008.705
080	**Off balance sheet exposures**	**7.509.734.469**	**123.219.267**	**123.219.267**			**63.641.052**	
090	Luxembourg	7.113.081.119	122.858.581	122.858.581			62.567.235	
100	France	37.021.574	94.730	94.730			214.229	
110	Germany	50.240.689	162.925	162.925			224.236	
120	Belgium	81.412.826	48.729	48.729			148.930	
140	Other countries	227.978.261	54.302	54.302			486.423	
150	**Total**	**64.608.834.954**	**1.012.527.395**	**1.012.527.395**	**56.975.241.976**	**-485.837.695**	**63.641.052**	**-5.656.846**

Table EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
as at 31.12.2025				of which: defaulted			
010	Agriculture, forestry and fishing	50.658.909	2.339.058	2.339.058	50.658.909	-963.761	0
020	Mining and quarrying	10.398	0	0	10.398	-55	0
030	Manufacturing	328.244.244	64.047.792	64.047.792	328.244.244	-19.683.382	0
040	Electricity, gas, steam and air conditioning supply	301.583.839	2.392.985	2.392.985	301.583.839	-5.161.446	0
050	Water supply	9.166.052	25.617	25.617	9.166.052	-75.030	0
060	Construction	1.416.328.462	211.437.277	211.437.277	1.416.328.462	-86.746.924	0
070	Wholesale and retail trade	250.953.393	11.590.276	11.590.276	250.953.393	-11.483.144	0
080	Transport and storage	675.476.949	290.895	290.895	671.605.361	-11.114.412	0
090	Accommodation and food service activities	62.696.362	2.753.169	2.753.169	62.696.362	-1.513.521	0
100	Information and communication	131.810.970	3.544.315	3.544.315	131.810.970	-8.256.807	0
110	Financial and insurance actvities	0	0	0	0	0	0
120	Real estate activities	2.097.295.151	188.612.111	188.612.111	2.097.295.151	-106.775.968	0
130	Professional, scientific and technical activities	299.811.652	7.224.100	7.224.100	299.811.652	-3.883.606	0
140	Administrative and support service activities	119.275.746	2.783.843	2.783.843	94.762.534	-1.956.477	0
150	Public administration and defense, compulsory social security	0	0	0	0	0	0
160	Education	9.983.521	221.993	221.993	9.983.521	-56.339	0
170	Human health services and social work activities	59.871.962	106.958	106.958	59.871.962	-2.561.995	0
180	Arts, entertainment and recreation	4.623.160	185.459	185.459	4.623.160	-97.300	0
190	Other services	9.246.361	34.588	34.588	9.246.361	-152.866	0
200	**Total**	**5.827.037.132**	**497.590.437**	**497.590.437**	**5.798.652.331**	**-260.483.033**	**0**

Table EU CQ6 – Collateral valuation - loans and advances

As at 31 December 2025, Spuerkeess’ ratio of non-performing exposures (1,75%) is below the regulatory threshold of 5%. In accordance with Article 9 §2 of Commission Implementing Regulation (EU) 2024/3172, table EU CQ6 does not need to be published.

Table EU CQ7 – Collateral obtained by taking possession and execution processes

Spuerkeess does not publish table EU CQ7 as it has not taken possession of objects or goods taken as collateral in the event of a customer default. In the event of default, the mortgage is enforced and the property is sold without Spuerkeess assuming ownership.

Table EU CQ8 – Collateral obtained by taking possession and execution processes – vintage breakdown

Spuerkeess does not publish table EU CQ8 as it has not taken possession of objects or goods taken as collateral in the event of a customer default. In the event of default, the mortgage is enforced and the property is sold without Spuerkeess assuming ownership.

9. Disclosure of the use of credit risk mitigation techniques

Table EU CRC – Qualitative disclosure requirements related to CRM techniques

(a) The existence of a Global Master Repurchase Agreement (GMRA) is not a sufficient condition for offsetting certain positions relating to repurchase and reverse repurchase agreements. These contracts can only be offset on the balance sheet if the counterparties have agreed to it in advance and if the transactions meet the criteria maturity date and identical settlement and payment system. The counterparty risk management policy can also be found in section 6 "Risk management" of the notes to the 2025 audited financial statements.

(b) The valuation of the assets pledged as collateral is carried out when a financing request is put in place and is also monitored periodically during the life of the commitment. The taking of security is formalized between the Bank and the customer by means of contracts, the clauses of which have been approved by the Bank's competent bodies as regards their legal validity and relevance.

The valuation method depends on the asset in question.

Buildings are valued by a dedicated team, independent of the decision-making process, on the basis of market value, considering the value of the transaction, documentation received on the location, size, quality and energy performance of the building, any recent valuation reports available and any other documents deemed useful by the Bank. For commercial properties, the valuation may also be carried out by an external expert duly authorized by the relevant committee. Third party valuations are reviewed internally and challenged by the bank's valuation team.

Account balances are valued at their nominal value. For securities taken as collateral, a discount is applied depending on the type of asset, its currency and the country of risk. Current prices are entered into systems on a daily basis.

(c) The Bank uses traditional techniques for reducing credit risk, i.e. personal guarantees and collateral, as well as the most common techniques for hedging counterparty credit risk. These techniques enable the Bank to protect itself fully or partially against the risk of debtor insolvency.

Collateral consists mainly of mortgage registrations and, to a lesser extent, pledges of liquid assets. The types of property accepted are not limited, but the most common are residential property, office space, industrial sites and commercial property. Mortgages on aircraft or ships are rarely accepted. Commitments on retail customers (individuals and businesses) are often secured by personal guarantees.

When credit is granted, the applicant's financial situation and repayment capacity are assessed. At the same time, an assessment of the collateral is carried out by a specialized, trained team that is independent of the decision-making process. This valuation is updated periodically in line with applicable guidelines and regulations. The Bank may also call on sworn third-party experts to value certain assets. These experts are formally identified and validated by the Executive Committee. Discounts are applied to certain collateral depending on its quality and liquidity.

Retail financing covered by portfolios is analysed for asset quality and diversification. For certain types of loans, a daily assessment is carried out. Collateral accepted includes bonds, equities, investment funds and cash in foreign currencies. Eligibility criteria have been defined for each asset class accepted as collateral: a daily value listing must be available; a minimum market capitalization is required for equities and a bond issue must have a minimum size to ensure adequate liquidity. To calculate the Loan-to-Value, specific discounts are applied to each asset class according to a predefined grid.

For repo/secured lending transactions with bank counterparties, the Bank has defined strict criteria for eligible collateral.

The Bank carries out the majority of repo/reverse repo transactions on a tri-party basis. For these transactions, the tri-party agent - a custodian - is responsible for ensuring that the transactions are properly collateralized, based on a set of pre-established criteria.

(d) Details are given in point (c) above.

(e) Derivative transactions are largely regulated through the use of standard ISDA (International Swaps and Derivatives Association Inc.) contracts, which include netting clauses in the event of the bankruptcy of one of the parties. The Bank has adopted an additional means of reducing risk by negotiating the Credit Support Annex (CSA) to ISDA contracts with the most important counterparties for off-balance sheet transactions. This annex provides, on the basis of a periodic revaluation of bilateral positions, for the deposit of collateral in the form of cash or investment-grade securities as soon as the net value of outstanding contracts exceeds a certain threshold.

Collateral for derivatives' transactions covered by CSA is not normally provided on the basis of the external rating(s) of the counterparty or Spuerkeess, but on the basis of fixed thresholds for changes in value.

Prior to the introduction of EMIR, the Bank had CSA contracts that provided for thresholds based on the Bank's rating. In the meantime, the contracts with active counterparties have been renegotiated and the thresholds in force are no longer based on the Bank's rating. A downgrade of Spuerkeess' rating would therefore have no impact on the collateral that the Bank is required to pledge. Delegated Regulation 2016/2251 of 4 October 2016 supplements the EMIR Regulation on risk mitigation techniques for OTC derivative contracts and, in particular, establishes an obligation to exchange an "Initial Margin" and a "Variation Margin" for all transactions that are not cleared by a CCP.

Counterparties entering into OTC derivative contracts that are not cleared by a CCP must have procedures and arrangements in place to measure, monitor and mitigate the counterparty's operational and credit risk, including robust, resilient and formalized procedures reconciling portfolios, managing the associated risk, promptly identifying and resolving any disputes between parties (dispute resolution), and monitoring the value of outstanding contracts.

Article 3 of the Delegated Regulation contains provisions on collateral swap agreements. As Spuerkeess uses ISDA/CSA master agreements, all the required stipulations are included in the swap agreements signed by Spuerkeess with its counterparties.

Below is a non-exhaustive summary of the key elements included in the CSAs:
- CSAs signed by Spuerkeess only allow the exchange of cash as eligible collateral;
- MTAs (Minimum Transfer Amount), which can be exchanged above a certain threshold in order to minimize counterparty risk;
- notification, confirmation and settlement deadlines for securities;
- dispute resolution procedures;
- for CSAs signed with its clients, Spuerkeess acts as Valuation Agent.

In addition to ISDA-CSA master agreements, Spuerkeess is increasingly using central counterparties (CCPs) to limit counterparty risk. The Bank does not have direct access to CCPs, but works through direct members known as clearing brokers.

Central clearing of OTC transactions substantially eliminates counterparty risk, thereby greatly reducing collateral requirements.

Table EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
as at 31.12.2025		a	b	c	d	e
1	Loans and advances	13.083.632.331	27.471.636.786	26.963.666.035	507.970.752	0
2	Debt securities	9.018.256.817	7.525.574.550	4.265.436.913	3.260.137.637	
3	**Total**	**22.101.889.148**	**34.997.211.336**	**31.229.102.948**	**3.768.108.388**	**0**
4	Of which : non-performing exposures	308.611.785	580.696.344	564.756.145	15.940.199	0
5	Of which : defaulted	308.611.785	580.696.344			

10. Disclosure of the use of the credit risk standardised approach

Table EU CRD – Qualitative disclosure requirements related to standardised model

(a) Spuerkeess uses the external credit ratings issued by S&P Global Ratings Europe Limited and Moody's Investors Service. There were no changes to these ECAI nominations during the disclosure period.

(b) The external ratings of the external credit assessment institutions (ECAIs) indicated under point (a) are used for the following exposure classes, listed in Art. 112 of the CRR:

- (a) exposures to central governments or central banks;
- (b) exposures to regional governments or local authorities;
- (c) exposures to public sector entities;
- (d) exposures to multilateral development banks;
- (f) exposures to institutions;
- (g) exposures to corporates;
- (l) exposures in the form of covered bonds;
- (n) exposures to institutions and corporates with a short-term credit assessment.

The following exposures are also treated under the standardised approach, but external ratings are not considered to determine the risk weight:

- (e) exposures to international organisations;
- (j) exposures in default;
- (k) subordinated debt exposures;
- (o) exposures in the form of units or shares in collective investment undertakings ('CIUs');
- (p) equity exposures.

(c) This point does not apply to Spuerkeess.

(d) The Bank applies the standard association published by the EBA to establish the correspondence between external credit ratings and the credit quality steps defined by the CRR.

Table EU CR4 – Standardised approach – Credit risk exposure and CRM effects

as at 31.12.2025		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWEAs and RWEAs density	
Exposure classes		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWEAs	RWEAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	8.113.991.924	100.305.357	8.940.076.476	1.280.795.582	12.967.236	0,13%
2	Non-central government public sector entities	3.849.567.938	1.854.709.311	3.307.954.613	248.524.638	200.388.059	5,63%
EU 2a	Regional governments or local authorities	1.875.289.420	263.378.958	1.878.746.100	105.795.545	37.139.424	1,87%
EU 2b	Public sector entities	1.974.278.518	1.591.330.353	1.429.208.512	142.729.093	163.248.634	10,39%
3	Multilateral development banks	1.675.113.680	2.746.900	1.675.113.680	2.085.995	9.293.281	0,55%
EU 3a	International organisations	493.315.127	4.603.869	493.315.127	1.841.548	0	0,00%
4	Institutions	1.449.803.729	76.477.689	1.449.803.729	39.229.806	599.664.614	40,27%
5	Covered bonds	4.312.688.872	0	4.312.688.872	0	556.017.692	12,89%
6	Corporates	5.556.534.455	734.685.921	5.512.242.271	314.139.472	3.588.786.910	61,60%
6,1	Of which: Specialised Lending						
7	Subordinated debt exposures and equity	1.898.467.500	0	1.898.467.500	0	4.603.147.035	242,47%
EU 7a	Subordinated debt exposures	143.021.716	0	143.021.716	0	214.532.574	150,00%
EU 7b	Equity	1.755.445.785	0	1.755.445.785	0	4.388.614.462	250,00%
8	Retail						
9	Secured by mortgages on immovable property and ADC exposures						
9,1	Secured by mortgages on residential immovable property - non IPRE						
9,2	Secured by mortgages on residential immovable property - IPRE						
9,3	Secured by mortgages on commercial immovable property - non IPRE						
9,4	Secured by mortgages on commercial immovable property - IPRE						
9,5	Acquisition, Development and Construction (ADC)						
10	Exposures in default	10.553	0	10.553	0	13.966	132,35%
EU 10a	Claims on institutions and corporates with a short-term credit assessment	906.406.831	93.678.092	906.406.831	93.678.092	313.192.151	31,32%
EU 10b	Collective investment undertakings (CIU)	8.902.757	0	8.902.757	0	111.284.462	1250,00%
EU 10c	Other items						
12	TOTAL	28.264.803.367	2.867.207.139	28.504.982.408	1.980.295.134	9.994.755.406	32,79%

Table EU CR5 – Standardised approach

as at 31.12.2025

Exposure classes		Risk weight														Total	
		0%	4%	10%	20%	30%	40%	45%	50%	75%	100%	150%	250%	1250%	Others		Of which unrated
		a	c	d	e	f	h	i	j	m	p	t	u	x	y	z	aa
1	Central governments or central banks	10.022.819.239	183.962.684	0	10.601.758	0	0	0	0	0	3.488.377	0	0	0	0	**10.220.872.058**	**0**
2	Non-central government public sector entities	2.570.801.041	0	0	974.886.143	0	0	0	10.762.473	0	29.593	0	0	0	0	**3.556.479.251**	**1.000**
EU 2a	Regional governments or local authorities	1.798.844.524	0	0	185.697.122	0	0	0	0	0	0	0	0	0	0	**1.984.541.645**	**0**
EU 2b	Public sector entities	771.956.517	0	0	789.189.022	0	0	0	10.762.473	0	29.593	0	0	0	0	**1.571.937.606**	**1.000**
3	Multilateral development banks	1.630.733.268	0	0	46.466.407	0	0	0	0	0	0	0	0	0	0	**1.677.199.674**	**236.306**
EU 3a	International organisations	495.156.674	0	0	0	0	0	0	0	0	0	0	0	0	0	**495.156.674**	**1.785.705**
4	Institutions	0	0	0	547.221.760	714.018.301	58.153.005	0	1.559.734	0	0	168.080.736	0	0	0	**1.489.033.536**	**226.260.314**
5	Covered bonds	0	0	3.065.200.828	1.247.488.044	0	0	0	0	0	0	0	0	0	0	**4.312.688.872**	**0**
6	Corporates	0	0	0	1.048.347.923	0	0	0	2.083.586.428	1.428.493.123	1.265.954.269	0	0	0	0	**5.826.381.743**	**1.170.440.483**
6,1	Of which: Specialised Lending																
7	Subordinated debt exposures and equity	0	0	0	0	0	0	0	0	0	0	143.021.716	1.755.445.785	0	0	**1.898.467.500**	**1.755.445.785**
EU 7a	Subordinated debt exposures	0	0	0	0	0	0	0	0	0	0	143.021.716	0	0	0	**143.021.716**	**0**
EU 7b	Equity	0	0	0	0	0	0	0	0	0	0	0	1.755.445.785	0	0	**1.755.445.785**	**1.755.445.785**
8	Retail exposures																
9	Secured by mortgages on immovable property and ADC exposures																
9.1	Secured by mortgages on residential immovable property - non IPRE																
9.1.1	no loan splitting applied																
9.1.2	loan splitting applied (secured)																
9.1.3	loan splitting applied (unsecured)																
9,2	Secured by mortgages on residential immovable property - IPRE																
9,3	Secured by mortgages on commercial immovable property - non IPRE																
9.3.1	no loan splitting applied																
9.3.2	loan splitting applied (secured)																
9.3.3	loan splitting applied (unsecured)																
9,4	Secured by mortgages on commercial immovable property - IPRE																
9,5	Acquisition, Development and Construction (ADC)																
10	Exposures in default	0	0	0	0	0	0	0	0	0	3.725	6.827	0	0	0	**10.553**	**10.553**
EU 10a	Claims on institutions and corporates with a short-term credit assessment	0	0	0	622.856.171	0	0	0	377.215.670	0	13.081	0	0	0	0	**1.000.084.923**	**0**
EU 10b	Collective investment undertakings (CIU)	0	0	0	0	0	0	0	0	0	0	0	0	8.902.757	0	**8.902.757**	**8.902.757**
EU 10c	Other items																
EU 11c	TOTAL	14.719.510.222	183.962.684	3.065.200.828	4.497.868.207	714.018.301	58.153.005	0	2.473.124.306	1.428.493.123	1.269.489.046	311.109.279	1.755.445.785	8.902.757	0	30.485.277.542	3.163.082.903

For readability purposes, table EU CR5 displays only the columns for which the Bank has exposures.

11. Disclosure of the use of the IRB approach for credit risk

Table EU CRE – Qualitative disclosure requirements related to IRB Approach

(a) For retail banking and domestic businesses, the Bank has invested in risk management tools tailored to different risk profiles and types of financing.

The internal rating systems put in place comprise a set of methods, processes, controls, data collection systems and information systems for assessing credit risks and assigning them to a credit quality step with the quantification of a probability of default (PD) and an estimate of the loss given default (LGD) as well as customer credit conversion factors (CCFs).
The rating model for retail customers is a behavioural scoring model. It considers the characteristics of customers and their behaviour on their accounts with the Bank. Based on this information, indicators are derived that may be predictive of a possible default within a year. The objective of the Retail model is to estimate the probability that a customer will default in the next 12 months, and to assign a score that corresponds to the risk of default in one year's time.
The internal model used to determine LGD rates is based on the Bank's historical observations of recovery rates for retail customers in default. The methodology used to determine LGD rates also considers the costs of the collection process and the effect of less favourable economic cycles (downturn LGD).
Retail customer credit conversion factors have been determined on the basis of observed defaults by comparing the use of credit lines at the time of default to the use made of them one year before the default occurred.

(b) The Enterprise Risk Management unit is responsible for developing internal rating models. The Non-Financial Risk Management unit is responsible for the independent validation of internal rating models.
The Risk Management department is not involved in the day-to-day management of credit files, which ensures its independence from the business units.

(c) The role of the various functions involved in the development, approval and subsequent modification of credit risk models is described in the model risk management policy defined by the Bank.

(d) A quarterly report by the Financial Risk Management business unit on 'Key Risk Indicators' provides an assessment of changes in the credit risk of the Bank's overall portfolio. In accordance with Article 189 of the CRR, a report regularly informs management of the performance of the rating process. The report therefore mainly includes:
- An analysis of the IRB models used and the results of these models;
- Back testing of the models used to validate or invalidate these models.

The model risk management policy provides a framework for the models used by the Bank throughout their life cycle and mentions, among other things, three model risk management tools:
- The Model Risk Scorecard, used to quantify model risk;
- The inventory of models, reflecting key information by means of a fact sheet of the models falling within the scope of the policy;
- Independent model validation.

(e) Details are given in point (a).

Table EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

as at 31.12.2025 A-IRB approach	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Retail - Other													
	0,00 to <0,15	1.139.819.899	979.092.896	75,38%	1.871.953.045	0,10%	133.499	32,02%		146.516.433	7,83%	610.232	-2.108.170
	0,00 to <0,10	77.695.121	380.143.269	76,64%	369.025.938	0,05%	51.612	33,89%		18.422.233	4,99%	62.527	-89.227
	0,10 to <0,15	1.062.124.777	598.949.627	74,58%	1.502.927.107	0,12%	81.887	31,56%		128.094.200	8,52%	547.704	-2.018.943
	0,15 to <0,25	1.042.781.616	193.790.622	71,68%	1.176.979.669	0,19%	28.925	30,08%		138.952.270	11,81%	676.146	-1.846.102
	0,25 to <0,50	478.954.183	168.257.061	71,49%	598.075.517	0,39%	27.944	31,33%		115.623.484	19,33%	722.799	-2.273.606
	0,50 to <0,75	128.363.738	45.491.128	76,13%	162.845.425	0,59%	3.302	30,36%		30.008.535	18,43%	291.179	-2.810.295
	0,75 to <2,50	573.397.889	208.610.879	65,83%	707.672.769	1,47%	34.205	33,12%		264.144.420	37,33%	3.534.678	-8.961.455
	0,75 to <1,75	315.187.633	104.968.445	72,80%	389.009.671	0,98%	20.235	31,71%		124.035.050	31,88%	1.206.604	-3.817.916
	1,75 to <2,5	258.210.256	103.642.433	58,76%	318.663.098	2,07%	13.970	34,83%		140.109.370	43,97%	2.328.073	-5.143.538
	2,50 to <10,00	176.547.624	52.311.296	66,98%	210.954.264	4,83%	10.031	35,57%		102.995.498	48,82%	3.623.846	-6.492.012
	2,5 to <5	138.587.452	37.330.076	66,77%	162.882.764	4,35%	7.722	33,50%		75.505.008	46,36%	2.348.376	-5.158.208
	5 to <10	37.960.172	14.981.220	67,49%	48.071.499	6,44%	2.309	42,57%		27.490.490	57,19%	1.275.470	-1.333.804
	10,00 to <100,00	78.042.682	12.628.600	76,52%	87.249.407	17,32%	5.371	34,00%		52.603.066	60,29%	5.255.187	-7.756.529
	10 to <20	67.526.164	9.841.556	76,14%	74.734.682	12,59%	3.730	32,98%		41.806.915	55,94%	3.103.370	-5.496.542
	20 to <30	2.221.188	1.397.421	79,01%	3.325.263	20,40%	737	53,58%		4.002.173	120,36%	363.431	-325.185
	30,00 to <100,00	8.295.330	1.389.623	76,72%	9.189.462	54,62%	904	35,20%		6.793.977	73,93%	1.788.386	-1.934.802
	100,00 (default)	86.359.884	5.700.254	45,95%	87.962.409	100,00%	3.728	33,04%		102.389.191	116,40%	21.014.849	-36.160.854
Sub-total		3.704.267.514	1.665.882.735	73,02%	4.903.692.503	2,67%	247.005	31,78%		953.232.896	19,44%	35.728.917	-68.409.023
Retail - Secured by Residential real estate (RRE)													
	0,00 to <0,15	8.391.467.027	233.374.476	43,11%	8.439.138.112	0,12%	23.173	12,91%		297.061.305	3,52%	1.304.701	-9.463.331
	0,00 to <0,10	2.820.591	23.349.123	68,15%	18.732.401	0,05%	24	21,52%		558.129	2,98%	2.016	-3.308
	0,10 to <0,15	8.388.646.436	210.025.353	40,33%	8.420.405.711	0,12%	23.149	12,90%		296.503.176	3,52%	1.302.685	-9.460.023
	0,15 to <0,25	6.262.183.594	135.572.606	41,57%	6.274.611.234	0,19%	14.619	13,28%		323.046.872	5,15%	1.591.255	-11.459.574
	0,25 to <0,50	1.525.321.354	47.818.168	54,35%	1.539.297.897	0,40%	3.440	13,45%		138.580.390	9,00%	835.010	-10.114.919
	0,50 to <0,75	0	0		0		0			0		0	0
	0,75 to <2,50	935.509.381	26.603.358	41,13%	939.204.152	1,27%	2.127	13,89%		189.154.758	20,14%	1.674.869	-14.759.573
	0,75 to <1,75	690.823.026	16.399.981	41,65%	693.018.691	0,99%	1.599	13,57%		117.074.441	16,89%	930.893	-9.951.567
	1,75 to <2,5	244.686.355	10.203.377	40,30%	246.185.461	2,06%	528	14,80%		72.080.317	29,28%	743.975	-4.808.006
	2,50 to <10,00	193.400.138	3.804.030	42,90%	194.105.321	4,83%	386	13,59%		84.822.589	43,70%	1.273.542	-6.581.191
	2,5 to <5	167.955.926	3.334.723	43,31%	168.523.386	4,48%	332	13,60%		71.230.376	42,27%	1.025.874	-5.536.144
	5 to <10	25.444.212	469.307	40,00%	25.581.935	7,16%	54	13,52%		13.592.213	53,13%	247.668	-1.045.048
	10,00 to <100,00	83.109.637	305.504	40,00%	82.501.839	18,76%	190	13,22%		52.852.097	64,06%	2.053.211	-5.969.675
	10 to <20	73.299.993	305.504	40,00%	72.842.194	13,31%	167	13,19%		47.524.285	65,24%	1.280.406	-4.749.864
	20 to <30	0	0		0		0			0		0	0
	30,00 to <100,00	9.809.644	0		9.659.644	59,91%	23	13,47%		5.327.812	55,16%	772.805	-1.219.811
	100,00 (default)	239.303.711	5.148.662	40,00%	240.213.697	100,00%	454	17,79%		186.990.419	77,84%	27.973.432	-49.268.237
Sub-total		17.630.294.843	452.626.803	43,68%	17.709.072.252	1,72%	44.389	13,22%		1.272.508.431	7,19%	36.706.020	-107.616.500
Total - A-IRB approach		21.334.562.357	2.118.509.539	66,75%	22.612.764.755		291.394			2.225.741.327	9,84%	72.434.937	-176.025.523

as at 31.12.2025 F-IRB approach	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Corporates - Other													
	0,00 to <0,15	0	0		0		0			0		0	0
	0,00 to <0,10	0	0		0		0			0		0	0
	0,10 to <0,15	0	0		0		0			0		0	0
	0,15 to <0,25	0	0		0		0			0		0	0
	0,25 to <0,50	0	0		0		0			0		0	0
	0,50 to <0,75	1.824.272.979	1.172.654.319	60,45%	2.698.466.944	0,59%	1.298	38,30%	2,5	1.561.875.307	57,88%	6.088.042	-37.954.502
	0,75 to <2,50	698.566.055	319.536.785	51,42%	696.520.937	1,94%	217	35,75%	2,5	545.974.290	78,39%	4.807.420	-34.320.129
	0,75 to <1,75	47.089.478	40.799.465	50,40%	62.334.479	0,98%	17	39,25%	2,5	44.407.285	71,24%	240.011	-444.200
	1,75 to <2,5	651.476.576	278.737.320	51,57%	634.186.458	2,03%	200	35,41%	2,5	501.567.005	79,09%	4.567.410	-33.875.928
	2,50 to <10,00	486.654.227	136.829.073	52,42%	509.227.456	4,55%	186	37,98%	2,5	506.982.177	99,56%	8.817.516	-30.909.086
	2,5 to <5	444.678.142	119.128.023	53,24%	460.385.914	4,47%	165	37,46%	2,5	448.092.252	97,33%	7.710.054	-29.979.673
	5 to <10	41.976.086	17.701.050	46,95%	48.841.542	5,28%	21	42,94%	2,5	58.889.926	120,57%	1.107.462	-929.413
	10,00 to <100,00	218.539.657	31.380.806	72,44%	198.441.369	17,29%	135	37,57%	2,5	264.157.805	133,12%	13.234.248	-24.264.280
	10 to <20	172.109.079	30.393.460	73,45%	151.452.281	11,16%	119	36,99%	2,5	185.045.959	122,18%	6.367.810	-14.712.587
	20 to <30	0	0		0		0			0		0	0
	30,00 to <100,00	46.430.578	987.346	41,37%	46.989.089	37,04%	16	39,45%	2,5	79.111.847	168,36%	6.866.438	-9.551.693
	100,00 (default)	354.446.008	80.846.178	72,84%	388.337.058	100,00%	122	39,26%	2,5	0		152.471.266	-98.375.731
Sub-total		3.582.478.926	1.741.247.161	58,96%	4.490.993.763	10,58%	1.958	37,92%	2,5	2.878.989.580	64,11%	185.418.492	-225.823.728
Total - F-IRB approach		3.582.478.926	1.741.247.161	58,96%	4.490.993.763		1.958		2,5	2.878.989.580	64,11%	185.418.492	-225.823.728

The additional RWEA linked to the application of a minimum average risk weight of 15% in accordance with CSSF circular 16/643 are not included in table EU CR6.

Table EU CR6-A – Scope of the use of IRB and SA approaches

as at 31.12.2025		Total exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposurevalue subject to a roll-out plan (%)
		a	b	c	d	e
1	Central governments or central banks	0	13.002.177.656	100,00%	0,00%	0,00%
2	Regional governments and local authorities	0	91.145.733	100,00%	0,00%	0,00%
3	Public sector entities	0	2.533.973.345	100,00%	0,00%	0,00%
4	Institutions		6.889.792.079	100,00%	0,00%	0,00%
5	Corporates	6.631.933.290	12.635.338.282	47,51%	52,49%	0,00%
5,1	Of which Corporates - General		10.612.473.460	43,43%	56,57%	0,00%
5,2	Of which Corporates - Specialised lending		2.022.864.822	0,00%	100,00%	0,00%
5.2.1	Of which Corporates - Specialised lending, excluding slotting approach		0	0,00%	0,00%	0,00%
5.2.2	Of which Corporates - Specialised lending under slotting approach		2.022.864.822	0,00%	100,00%	0,00%
5,3	Of which Corporates - Purchased Receivables		0	0,00%	0,00%	0,00%
6	Retail	22.748.756.975	22.748.756.975	0,00%	100,00%	0,00%
6,1	of which Retail – Qualifying revolving		0	0,00%	0,00%	0,00%
6,2	of which Retail – Secured by residential immovable property		17.709.072.252	0,00%	100,00%	0,00%
6,3	Of which Retail - Purchased Receivables	0	0	0,00%	0,00%	0,00%
6,4	of which Retail - Other retail exposures	5.039.684.723	5.039.684.723	0,00%	100,00%	0,00%
7	Equity	0	1.755.445.785	100,00%	0,00%	0,00%
EU 7a	Collective investment undertakings (CIU)	0	8.902.757	100,00%	0,00%	0,00%
8	Other non-credit obligation assets	559.824.064	559.824.064	0,00%	100,00%	0,00%
9	**Total**	**29.940.514.329**	**60.225.356.676**	**50,29%**	**49,71%**	**0,00%**

Table EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

This table does not apply to Spuerkeess.

Table EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

A-IRB approach	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded creditProtection (FCP)									Unfunded credit Protection (UFCP)			
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
at 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n
1 Central governments and central banks														
2 Regional governments and local authorities														
3 Public sector entities														
5 Corporates														
5,1 Corporates – General														
5,2 Corporates – Specialised lending														
5,3 Corporates – Purchased Receivables														
6 Retail	22.612.764.755	0,18%	79,26%	79,26%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	2.226.433.802	2.225.741.327
6,1 Retail – Qualifying revolving														
6,2 Retail – secured by residential immovable property	17.709.072.252	0,03%	100,00%	100,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	1.272.508.431	1.272.508.431
6,3 Retail – Purchased Receivables														
6,4 Retail – Other retail exposures	4.903.692.503	0,74%	4,36%	4,36%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	953.925.371	953.232.896
7 Total	**22.612.764.755**	**0,18%**	**79,26%**	**79,26%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**2.226.433.802**	**2.225.741.327**

F-IRB approach	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded creditProtection (FCP)									Unfunded credit Protection (UFCP)			
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
at 31.12.2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n
1 Central governments and central banks														
2 Regional governments and local authorities														
3 Public sector entities														
4 Institutions														
5 Corporates	6.513.858.586	1,68%	4,00%	4,00%	0,00%	0,00%	0,01%	0,01%	0,00%	0,00%	6,93%	0,00%	4.295.628.226	4.276.585.132
5,1 Corporates – General	4.490.993.763	2,43%	5,81%	5,81%	0,00%	0,00%	0,01%	0,01%	0,00%	0,00%	10,06%	0,00%	2.898.032.674	2.878.989.580
5,2 Corporates – Specialised lending	2.022.864.822	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	1.397.595.552	1.397.595.552
5,3 Corporates - Purchased Receivables														
6 Total	**6.513.858.586**	**1,68%**	**4,00%**	**4,00%**	**0,00%**	**0,00%**	**0,01%**	**0,01%**	**0,00%**	**0,00%**	**6,93%**	**0,00%**	**4.295.628.226**	**4.276.585.132**

Table EU CR8 – RWA flow statements of credit risk exposures under the IRB approach

		Risk weighted exposure amount
		a
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**7.015.279.791**
2	Asset size (+/-)	180.820.744
3	Asset quality (+/-)	-237.987.602
4	Model updates (+/-)	12.910.507
5	Methodology and policy (+/-)	0
6	Acquisitions and disposals (+/-)	0
7	Foreign exchange movements (+/-)	-103.523
8	Other (+/-)	19.753.583
9	**Risk weighted exposure amount as at the end of the reporting period**	**6.990.673.501**

Table EU CR8 shows the drivers that explain the change in RWEA between 30 September 2025 and 31 December 2025 for credit risk exposures treated under the IRB approach.

The risk-weighted exposure amount (RWEA) decreased moderately from EUR 7.015.279.791 at 30 September 2025 to EUR 6.990.673.501 at 31 December 2025. The decrease is mainly driven by improvements in asset quality (-237.987.602) mostly offset by asset size growth (+180.820.744). The application of new internal LGD models has a moderate impact of EUR 12.910.507, which is reported in the line related to model updates.

While foreign exchange effects have a minor impact of EUR -103.523, there were no impacts from methodology or policy changes, or acquisitions and disposals during the period.

Table CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale)

as at 31.12.2025 **Total - IRB Advanced (A-IRB)**

	PD range	Number of obligors at the end of the previous year		Observed average default rate (%)	Exposure weighted average PD (%)	Arithmetic average PD (%)	Average historical annual default rate (%)
			of which: defaulted during the year				
		0010	0020	0030	0040	0050	0060
0010	0,00 to <0,15	200.550	215	0,11%	0,12%	0,09%	0,12%
0020	0,00 to <0,10	108.692	61	0,06%	0,05%	0,07%	0,08%
0030	0,10 to <0,15	91.858	154	0,17%	0,12%	0,12%	0,16%
0040	0,15 to <0,25						
0050	0,25 to <0,50	28.880	94	0,33%	0,40%	0,40%	0,35%
0060	0,50 to <0,75	3.173	17	0,54%	0,59%	0,59%	0,54%
0070	0,75 to <2,50	31.697	393	1,24%	0,00%	1,53%	1,35%
0080	0,75 to <1,75	20.523	193	0,94%	0,99%	1,09%	1,04%
0090	1,75 to <2,5	11.174	200	1,79%	2,06%	2,34%	1,92%
0100	2,50 to <10,00	13.676	470	3,44%	0,00%	4,47%	4,39%
0110	2,5 to <5	11.714	332	2,83%	4,42%	4,02%	3,46%
0120	5 to <10	1.962	138	7,03%	6,69%	7,12%	9,99%
0130	10 to <100	5.171	1.110	21,47%	18,02%	23,47%	18,34%
0140	10 to <20	2.972	359	12,08%	12,95%	11,77%	13,54%
0150	20 to <30	1.450	302	20,83%	20,40%	23,13%	16,57%
0160	30 to <100	749	449	59,95%	57,33%	70,57%	40,78%
0170	100 (default)	4.183	182	4,35%	100,00%	100,00%	100,00%

as at 31.12.2025 — Retail - Other - IRB Advanced (A-IRB)

	PD range	Number of obligors at the end of the previous year	of which: defaulted during the year	Observed average default rate (%)	Exposure weighted average PD (%)	Arithmetic average PD (%)	Average historical annual default rate (%)
		0010	0020	0030	0040	0050	0060
0010	0,00 to <0,15	159.159	156	0,10%	0,10%	0,09%	0,12%
0020	0,00 to <0,10	82.588	37	0,04%	0,05%	0,06%	0,07%
0030	0,10 to <0,15	76.571	119	0,17%	0,12%	0,12%	0,17%
0040	0,15 to <0,25						
0050	0,25 to <0,50	25.921	85	0,33%	0,39%	0,39%	0,33%
0060	0,50 to <0,75	3.161	17	0,54%	0,59%	0,59%	0,54%
0070	0,75 to <2,50	29.518	367	1,24%	1,47%	1,45%	1,21%
0080	0,75 to <1,75	19.052	183	0,48%	0,98%	1,04%	0,96%
0090	1,75 to <2,5	10.466	184	1,59%	2,07%	2,20%	1,66%
0100	2,50 to <10,00	13.128	443	3,37%	4,83%	4,52%	4,36%
0110	2,5 to <5	11.232	312	3,65%	4,35%	4,22%	3,72%
0120	5 to <10	1.896	131	4,32%	6,44%	6,27%	8,09%
0130	10 to <100	4.966	1.068	21,51%	17,32%	23,28%	18,92%
0140	10 to <20	2.865	347	13,20%	12,59%	12,44%	16,08%
0150	20 to <30	1.380	288	20,87%	20,40%	23,11%	16,38%
0160	30 to <100	721	433	54,05%	54,62%	66,68%	35,04%
0170	100 (default)	3.624	119	3,20%	100,00%	100,00%	100,00%

as at 31.12.2025 — Retail - Secured by RRE - IRB Advanced (A-IRB)

	PD range	Number of obligors at the end of the previous year	of which: defaulted during the year	Observed average default rate (%)	Exposure weighted average PD (%)	Arithmetic average PD (%)	Average historical annual default rate (%)
		0010	0020	0030	0040	0050	0060
0010	0,00 to <0,15	41.391	59	0,14%	0,12%	0,10%	0,12%
0020	0,00 to <0,10	26.104	24	0,09%	0,05%	0,08%	0,11%
0030	0,10 to <0,15	15.287	35	0,11%	0,12%	0,12%	0,13%
0040	0,15 to <0,25						
0050	0,25 to <0,50	2.959	9	0,30%	0,40%	0,42%	0,58%
0060	0,50 to <0,75	12	0	0,00%	0,00%	0,59%	0,00%
0070	0,75 to <2,50	2.179	26	1,19%	1,27%	1,37%	0,99%
0080	0,75 to <1,75	1.471	10	0,68%	0,99%	1,01%	0,92%
0090	1,75 to <2,5	708	16	1,14%	2,06%	2,13%	1,12%
0100	2,50 to <10,00	548	27	4,93%	4,83%	4,80%	2,64%
0110	2,5 to <5	482	20	2,08%	4,48%	4,53%	2,31%
0120	5 to <10	66	7	5,38%	7,16%	6,77%	4,99%
0130	10 to <100	205	42	20,49%	18,76%	22,52%	16,68%
0140	10 to <20	107	12	11,21%	13,31%	11,33%	7,99%
0150	20 to <30	70	14	20,00%	0,00%	23,54%	20,27%
0160	30 to <100	28	16	57,14%	59,91%	62,72%	40,90%
0170	100 (default)	559	63	11,27%	100,00%	100,00%	100,00%

as at 31.12.2025 — Total - IRB Foundation (F-IRB)

	PD range	Number of obligors at the end of the previous year	of which: defaulted during the year	Observed average default rate (%)	Exposure weighted average PD (%)	Arithmetic average PD (%)	Average historical annual default rate (%)
		0010	0020	0030	0040	0050	0060
0010	0,00 to <0,15						
0020	0,00 to <0,10						
0030	0,10 to <0,15						
0040	0,15 to <0,25						
0050	0,25 to <0,50						
0060	0,50 to <0,75	1.292	6	0,46%	0,59%	0,59%	0,66%
0070	0,75 to <2,50	202	4	1,98%	1,94%	1,95%	3,04%
0080	0,75 to <1,75	17	0	0,00%	0,98%	0,98%	1,27%
0090	1,75 to <2,5	185	4	2,16%	2,03%	2,03%	3,21%
0100	2,50 to <10,00	201	6	2,99%	4,55%	4,58%	5,45%
0110	2,5 to <5	175	6	3,43%	4,47%	4,47%	5,73%
0120	5 to <10	26	0	0,00%	5,28%	5,28%	3,58%
0130	10,00 to <100,00	132	27	20,45%	17,29%	17,64%	20,96%
0140	10 to <20	108	17	15,74%	11,16%	12,15%	16,36%
0150	20 to <30						
0160	30,00 to <100,00	24	10	41,67%	37,04%	42,36%	41,67%
0170	100,00 (default)	122	1	0,82%	100,00%	100,00%	100,00%

as at 31.12.2025 — Corporates - Other - IRB Foundation (F-IRB)

	PD range	Number of obligors at the end of the previous year		Observed average default rate (%)	Exposure weighted average PD (%)	Arithmetic average PD (%)	Average historical annual default rate (%)
			of which: defaulted during the year				
		0010	0020	0030	0040	0050	0060
0010	0,00 to <0,15						
0020	0,00 to <0,10						
0030	0,10 to <0,15						
0040	0,15 to <0,25						
0050	0,25 to <0,50						
0060	0,50 to <0,75	1.292	6	0,46%	0,59%	0,59%	0,66%
0070	0,75 to <2,50	202	4	1,98%	1,94%	1,95%	3,04%
0080	0,75 to <1,75	17	0	0,00%	0,98%	0,98%	1,27%
0090	1,75 to <2,5	185	4	2,16%	2,03%	2,03%	3,21%
0100	2,50 to <10,00	201	6	2,99%	4,55%	4,58%	5,45%
0110	2,5 to <5	175	6	3,43%	4,47%	4,47%	5,73%
0120	5 to <10	26	0	0,00%	5,28%	5,28%	3,58%
0130	10,00 to <100,00	132	27	20,45%	17,29%	17,64%	20,96%
0140	10 to <20	108	17	15,74%	11,16%	12,15%	16,36%
0150	20 to <30						
0160	30,00 to <100,00	24	10	41,67%	37,04%	42,36%	41,67%
0170	100,00 (default)	122	1	0,82%	100,00%	100,00%	100,00%

Table CR9.1 – IRB approach – Back-testing of PD per exposure class (only for PD estimates according to Article 180(1)(f))

Table EU CR9.1 does not apply to Spuerkeess as the Bank does not perform a PD estimate in accordance with Article 180 §1, point (f) of CRR.

12. Disclosure of specialised lending exposures and equity exposures

Table EU CR10 – Specialised lending and equity exposures

Specialised lending : Project finance (Slotting approach)

Regulatory categories as at 31.12.2025	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	13.949.595	28.881.633	50%	25.502.248	10.827.046	0
	Equal to or more than 2.5 years	101.760.425	14.993.443	70%	111.533.868	66.409.853	446.135
Category 2	Less than 2.5 years	0	2.500	70%	1.000	533	4
	Equal to or more than 2.5 years	3.924.621	0	90%	3.924.621	2.817.446	31.397
Category 3	Less than 2.5 years	4.355.989	5.000	115%	4.357.989	4.223.451	122.024
	Equal to or more than 2.5 years	51.598.138	377.130	115%	51.975.268	50.454.544	1.455.308
Category 4	Less than 2.5 years	0	0	250%	0	0	0
	Equal to or more than 2.5 years	852.265	0	250%	852.265	1.623.351	68.181
Category 5	Less than 2.5 years	2.195.165	0		2.195.165	0	1.097.583
	Equal to or more than 2.5 years	0	10.619.199		4.307.680	0	2.153.840
Total	**Less than 2.5 years**	**20.500.749**	**28.889.133**		**32.056.402**	**15.051.030**	**1.219.610**
	Equal to or more than 2.5 years	**158.135.449**	**25.989.772**		**172.593.702**	**121.305.194**	**4.154.861**

Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)

Regulatory categories as at 31.12.2025	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	46.573.480	2.070.463	50%	47.401.665	19.905.228	0
	Equal to or more than 2.5 years	155.946.023	10.493.256	70%	160.923.326	95.431.903	643.693
Category 2	Less than 2.5 years	290.178.417	37.125.202	70%	305.028.498	186.088.388	1.220.114
	Equal to or more than 2.5 years	562.033.026	232.230.400	90%	702.375.643	542.786.215	5.619.005
Category 3	Less than 2.5 years	138.268.402	22.100.981	115%	147.108.794	145.396.187	4.119.046
	Equal to or more than 2.5 years	182.144.345	56.440.173	115%	218.374.770	208.548.569	6.114.494
Category 4	Less than 2.5 years	8.533.695	1.266.688	250%	9.040.370	18.991.973	723.230
	Equal to or more than 2.5 years	12.342.901	1.410.601	250%	13.744.597	27.988.238	1.099.568
Category 5	Less than 2.5 years	103.534.021	4.427.028		105.304.832	0	52.652.416
	Equal to or more than 2.5 years	81.670.554	16.476.011		92.436.965	0	46.218.483
Total	**Less than 2.5 years**	**587.088.015**	**66.990.361**		**613.884.159**	**370.381.776**	**58.714.806**
	Equal to or more than 2.5 years	**994.136.850**	**317.050.440**		**1.187.855.300**	**874.754.926**	**59.695.242**

Specialised lending : Object finance (Slotting approach)

Regulatory categories as at 31.12.2025	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	0	0	50%	0	0	0
	Equal to or more than 2.5 years	0	0	70%	0	0	0
Category 2	Less than 2.5 years	0	0	70%	0	0	0
	Equal to or more than 2.5 years	0	0	90%	0	0	0
Category 3	Less than 2.5 years	16.475.260	0	115%	16.475.260	16.102.627	461.307
	Equal to or more than 2.5 years	0	0	115%	0	0	0
Category 4	Less than 2.5 years	0	0	250%	0	0	0
	Equal to or more than 2.5 years	0	0	250%	0	0	0
Category 5	Less than 2.5 years	0	0		0	0	0
	Equal to or more than 2.5 years	0	0		0	0	0
Total	**Less than 2.5 years**	**16.475.260**	**0**		**16.475.260**	**16.102.627**	**461.307**
	Equal to or more than 2.5 years	**0**	**0**		**0**	**0**	**0**

Equity exposures under Articles 133 (3) to (6) and 495a(3) CRR

Regulatory categories as at 31.12.2025	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
	a	b	c	d	e	f
Total	**1.755.445.785**	**0**	**250%**	**1.755.445.785**	**4.388.614.462**	**0**
of which : Exposures treated under	1.755.445.785	0	250%	1.755.445.785	4.388.614.462	0

Spuerkeess does not have any exposure to Specialised lending in the Commodities Finance category.

13. Disclosure of exposures to counterparty credit risk (CRR)

Table EU CCRA – Qualitative disclosure related to CCR

(a) The capital requirement related to counterparty credit risk exposures, determined using the Credit Valuation Adjustment (CVA), represents less than 1% of Spuerkeess' capital requirement.
Transactions with central counterparties mainly relate to interest rate and currency hedging transactions.

(b) Impact on netting and collateral (EU CCR5)
Table CCR1 shows the value exposed to counterparty credit risk by approach. The exposure value is determined using the mark-to-market method based on the residual maturity, including the current replacement cost of the contracts as well as the potential future credit exposure.
Table CCR5 shows the fair value of collateral received and posted, in form of cash and securities, in connection with interest rate and foreign exchange contract transactions.

(c) In derivatives' transactions, the Bank mainly enters into interest rate swaps to hedge fixed-rate assets. The correlation between the valuation of the derivative and that of the counterparty is generally low, and is further reduced by the use of clearing brokers to settle these transactions.

(d) "Wrong-way risk" management.
"Wrong-way risk" is the risk that the future exposure to a given counterparty is negatively correlated with the credit quality of that counterparty (meaning that the exposure may increase as the counterparty's creditworthiness deteriorates). To mitigate this risk, the Bank ensures that the collateral received in the context of repurchase transactions (repos) is not issued by, nor directly linked to, the counterparty to the transaction.

(e) The level of collateral required under ISDA/CSA and/or GMRA contracts is not linked to the credit rating.

Table EU CCR1 – Analysis of CCR exposure by approach

		a	b	c	d	e	f	g	h
as at 31.12.2025		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU1	EU - Original Exposure Method (for derivatives)	0	0		1.4	0	0	0	0
EU2	EU - Simplified SA-CCR (for derivatives)	0	0		1.4	0	0	0	0
1	SA-CCR (for derivatives)	30.605.534	164.925.124		1.4	667.183.272	273.742.921	273.742.921	168.765.251
2	IMM (for derivatives and SFTs)			0	0,0	0	0	0	0
2a	Of which securities financing transactions netting sets			0		0	0	0	0
2b	Of which derivatives and long settlement transactions netting sets			0		0	0	0	0
2c	Of which from contractual cross-product netting sets			0		0	0	0	0
3	Financial collateral simple method (for SFTs)					0	0	0	0
4	Financial collateral comprehensive method (for SFTs)					4.105.179.406	556.085.462	556.085.462	383.391.014
5	VaR for SFTs					0	0	0	0
6	**Total**					**4.772.362.678**	**829.828.383**	**829.828.383**	**552.156.265**

Table EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

	Exposure classes as at 31.12.2025	Risk weight							
		a	e	j	m	p	t	y	z
		0%	20%	50%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	0	1.291.604	0	0	0	0	0	1.291.604
2	Regional government or local authorities	0	0	0	0	0	0	0	0
3	Public sector entities	1.692.221	0	0	0	0	0	0	1.692.221
4	Multilateral development banks	0	0	0	0	0	0	0	0
5	International organisations	0	0	0	0	0	0	0	0
6	Institutions	0	18.832.777	324	605.998	0	173.866.587	558.819.919	752.125.605
7	Corporates	0	1.144.868	8.257.172	28.034	75.918.605	0	0	85.348.679
8	Retail								
9	Institutions and corporates with a short-term credit assessment	0	152.380.905	376.833.940	0	585.178	0	0	529.800.022
10	Other items	0	0	0	0	0	166.121	0	166.121
11	**Total exposure value**	**1.692.221**	**173.650.154**	**385.091.435**	**634.032**	**76.503.783**	**174.032.708**	**558.819.919**	**1.370.424.251**

For readability purposes, the table displays only the columns for which the Bank has exposures.

Table EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

Corporates - Other (F-IRB)

as at 31.12.2025	PD scale	a Exposure value	b Exposure weighted average PD (%)	c Number of obligors	d Exposure weighted average LGD (%)	e Exposure weighted average maturity (years)	f Risk weighted exposure amounts	g Density of risk weighted exposure amounts
1	0.00 to <0.15	0	-	0	-	-	0	-
2	0.15 to <0.25	0	-	0	-	-	0	-
3	0.25 to <0.50	0	-	0	-	-	0	-
4	0.50 to <0.75	15.067.423	0,59%	11	40,00%	2,5	12.550.667	83,30%
5	0.75 to <2.50	3.775.730	2,03%	3	40,00%	2,5	3.873.003	102,58%
6	2.50 to <10.00	0	-	0	-	-	0	-
7	10.00 to <100.00	0	-	0	-	-	0	-
8	100.00 (Default)	0	-	0	-	-	0	-
9	**Subtotal (exposure class)**	**18.843.153**	**0,88%**	**14**	**40,00%**	**2,5**	**16.423.670**	**87,16%**
	Total F-IRB	**18.843.153**		**14**			**16.423.670**	

Retail - Other (A-IRB)

as at 31.12.2025	PD scale	a Exposure value	b Exposure weighted average PD (%)	c Number of obligors	d Exposure weighted average LGD (%)	e Exposure weighted average maturity (years)	f Risk weighted exposure amounts	g Density of risk weighted exposure amounts
1	0.00 to <0.15	0		0			0	
2	0.15 to <0.25	0		0			0	
3	0.25 to <0.50	0		0			0	
4	0.50 to <0.75	0		0			0	
5	0.75 to <2.50	148.695	2,07%	2	35,14%		67.411	45,33%
6	2.50 to <10.00	0		0			0	
7	10.00 to <100.00	0		0			0	
8	100.00 (Default)	0		0			0	
	Subtotal (exposure class)	**148.695**	**2,07%**	**2**	**35,14%**		**67.411**	**45,33%**
	Total A-IRB	**148.695**		**2**			**67.411**	

Table EU CCR5 – Composition of collateral for CCR exposures

as at 31.12.2025		a	b	c	d	e	f	g	h
Collateral type		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	0	892.675.887	0	371.734.789	0	8.851.616	0	0
2	Cash – other currencies	0	3.469.844	0	4.198.961	0	0	0	0
3	Domestic sovereign debt	0	0	0	0	0	0	0	0
4	Other sovereign debt	0	0	0	0	0	0	0	0
5	Government agency debt	0	0	0	0	0	0	0	0
6	Corporate bonds	0	0	0	0	0	0	0	0
7	Equity securities	0	0	0	0	0	0	0	0
8	Other collateral	0	0	0	0	0	0	0	0
9	**Total**	**0**	**896.145.731**	**0**	**375.933.750**	**0**	**8.851.616**	**0**	**0**

Table EU CCR6 – Credit derivatives exposures

As at 31 December 2025, Spuerkeess has no exposures in the form of credit derivatives.

Table EU CCR7 – RWEA flow statements of CCR exposures under the IMM

Spuerkeess does not apply the internal model method (IMM).

Table EU CCR8 – Exposures to CCPs

as at 31.12.2025		a	b
		Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**197.284.908**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	413.045.807	124.013.953
3	(i) OTC derivatives	413.045.807	124.013.953
4	(ii) Exchange-traded derivatives	0	0
5	(iii) SFTs	0	0
6	(iv) Netting sets where cross-product netting has been approved	0	0
7	Segregated initial margin	0	
8	Non-segregated initial margin	146.541.909	73.270.955
9	Prefunded default fund contributions	0	0
10	Unfunded default fund contributions	0	0
11	**Exposures to non-QCCPs (total)**		**0**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	0	0
13	(i) OTC derivatives	0	0
14	(ii) Exchange-traded derivatives	0	0
15	(iii) SFTs	0	0
16	(iv) Netting sets where cross-product netting has been approved	0	0
17	Segregated initial margin	0	
18	Non-segregated initial margin	0	0
19	Prefunded default fund contributions	0	0
20	Unfunded default fund contributions	0	0

Credit valuation adjustment risk

Table EU CVA1 – Credit valuation adjustment risk under the Reduced Basic Approach (R-BA)

		a	b
as at 31.12.2025		Components of Own Funds Requirements	Own funds requirements
1	Aggregation of systematic components of CVA risk	8.505.569	
2	Aggregation of idiosyncratic components of CVA risk	2.110.959	
3	**Total**		**3.008.895**

The value adjustment on assets (CVA) represents the difference between a risk-free valuation and a valuation that considers the probability of default by the counterparty. The Bank calculates a regulatory charge for CVA using the Reduced Basic Approach. The CVA calculation includes OTC derivatives only.

Table EU CVA 2 – Credit valuation adjustment risk under the Full Basic Approach (F-BA)

As Spuerkeess does not apply the Full Basic Approach, this table is not applicable.

Table EU CVA3 – Credit valuation adjustment risk under the Standardised Approach (SA)

As Spuerkeess does not apply the Standardised Approach, this table is not applicable.

Table EU CVA4 – RWEA flow statements of credit valuation adjustment risk under the Standardised Approach (SA)

As Spuerkeess does not apply the Standardised Approach, this table is not applicable.

Table EU CVAA – Qualitative disclosure requirements related to credit valuation adjustment risk)

(a) The credit valuation adjustment risk is not considered as a material risk by the Bank. Credit counterparty risk in general is assessed quarterly by the Financial Risk Management team in a dedicated report presented to the Risk Oversight Committee.

(b) The Bank uses the Reduced Basic approach (R-BA) for CVA risk, in line with the requirements set out in Article 384 of CRR. Spuerkeess is not allowed to use a simplified approach as it does not meet the conditions set out in Art. 273a §2 of CRR.

Table EU CVAB – Qualitative disclosure requirements related to CVA risk for institutions using the Standardised Approach

Table EU CVAB is not applicable, as the Bank calculates its CVA own funds' requirements using the reduced basic approach.

14. Disclosure of exposures to securitisation positions

<u>Table EU SECA – Qualitative disclosure requirements related to securitisation exposures</u>

(a) Since the last financial crisis, the supervisory authorities have been paying particular attention to the risk associated with asset-backed securities (ABS), where a credit institution is the sponsor and/or originator.

(b) Spuerkeess neither initiates nor sponsors securitization transactions, but acts as an investor in such securities for its own portfolio.

(c) The securitisation framework, set out in Part Three, Title II, Chapter 5 of the CRR, provides several methodologies for determining the capital requirements for securitisation exposures, namely the SEC-IRBA, the SEC-SA and the SEC-ERBA. Each method applies according to the availability and quality of underlying data, the characteristics of the position, and the bank's ability to use internal models.

All positions are treated under the SEC-ERBA approach for prudential purposes, in accordance with the CRR securitisation framework.
All securitisation positions held by the Bank are non-STS and therefore do not benefit from the preferential treatment foreseen for Simple, Transparent and Standardised securitisations.

(d) This point does not apply to Spuerkeess.

(e) This point does not apply to Spuerkeess.

(f) This point does not apply to Spuerkeess.

(g) The securitisation positions in which Spuerkeess acts as an investor are recognised on the balance sheet in accordance with the accounting policies described in Section 3 'Information on the rules applied to balance sheet items' of the notes to the 2025 financial statements.
These exposures represent a very limited share of the Bank's overall portfolio, accounting for approximately 0,1% of total exposures. In line with its Risk Appetite Framework, Spuerkeess has set a strict quantitative limit of EUR 100 million for securitisation exposures, corresponding to less than 0,5% of total exposures. This threshold reflects the Bank's conservative risk appetite with respect to securitisation-type assets.

Securitisation positions are classified either as 'Financial assets designated at fair value through profit or loss' or as 'Fixed-income securities measured at amortised cost', depending on the applicable business model and contractual cash-flow characteristics under the Bank's accounting framework.

(h) Spuerkeess uses the ratings provided by Fitch Ratings for its securitisation positions.

(i) The SEC-ERBA approach determines the risk weights based on the security's external rating, seniority, maturity and the granularity of the tranche in which the Bank has invested.

Table EU-SEC1 – Securitisation exposures in the non-trading book

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non STS					STS	Non STS			STS	Non STS		
as at 31.12.2025			of which SRT		of which SRT		of which SRT									
1	**Total exposures**	0	0	0	0	0	0	0	0	0	0	0	0	5.869.504	4.969	5.874.472
2	**Retail (total)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**5.793.058**	**0**	**5.793.058**
3	residential mortgage	0	0	0	0	0	0	**0**	0	0	0	**0**	0	5.793.058	0	**5.793.058**
4	credit card	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
5	other retail exposures	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
6	re-securitisation	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
7	**Wholesale (total)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**76.446**	**4.969**	**81.414**
8	loans to corporates	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
9	commercial mortgage	0	0	0	0	0	0	**0**	0	0	0	**0**	0	76.446	0	**76.446**
10	lease and receivables	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
11	other wholesale	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	4.969	**4.969**
12	re-securitisation	0	0	0	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**

Table EU-SEC2 – Securitisation exposures in the trading book

As Spuerkeess does not have securitisation exposures in its trading book, this table is not applicable.

Table EU-SEC3 – Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

Spuerkeess neither initiates nor sponsors securitisation transactions, but acts as an investor in such securities for its own portfolio.

Table EU-SEC4 – Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
as at 31.12.2025		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	Total exposures	4.769.191	1.023.867	0	4.969	76.446	0	5.874.472	0	0	0	2.205.119	0	0	0	176.410	0	0
2	**Traditional securitisation**	**4.769.191**	**1.023.867**	**0**	**0**	**76.446**	**0**	**5.869.504**	**0**	**0**	**0**	**2.188.226**	**0**	**0**	**0**	**175.058**	**0**	**0**
3	Securitisation	4.769.191	1.023.867	0	0	76.446	0	5.869.504	0	0	0	2.188.226	0	0	0	175.058	0	0
4	Retail underlying	4.769.191	1.023.867	0	0	0	0	5.793.058	0	0	0	1.232.655	0	0	0	98.612	0	0
5	*Of which STS*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
6	Wholesale	0	0	0	0	76.446	0	76.446	0	0	0	955.571	*0*	0	0	76.446	0	0
7	*Of which STS*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
8	Re-securitisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	**Synthetic securitisation**	**0**	**0**	**0**	**4.969**	**0**	**0**	**4.969**	**0**	**0**	**0**	**16.893**	**0**	**0**	**0**	**1.351**	**0**	**0**
10	Securitisation	0	0	0	4.969	0	0	4.969	0	0	0	16.893	0	0	0	1.351	0	0
11	Retail underlying	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Wholesale	0	0	0	4.969	0	0	4.969	0	0	0	16.893	0	0	0	1.351	0	0
13	Re-securitisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Table EU-SEC5 – Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

As Spuerkeess does not securitise exposures, this table is not applicable.

15. Disclosures of market risk and interest rate risk in the banking book (IRRBB)

Table EU MRA – Qualitative disclosure requirements related to market risk

(a) The Bank is not active in trading financial instruments and therefore does not hold any trading portfolios. Its market risk under Pillar 1 is limited to the foreign exchange risk in the banking book and a very small position in precious metals. The Bank hedges its cash flows in foreign currencies, which significantly reduces the foreign exchange position. The resulting foreign exchange position is mainly explained by the unrealized gain on one of the Bank's strategic holdings, which is denominated in USD. The market risk policy describes the processes implemented to identify, measure and control market risks. The Bank has dedicated procedures to explain its objectives and hedging strategies.

(b) The Global Markets department (DBM) is responsible for Market Risk Management. The Risk Management department oversees this management as a second line of defence. The risks associated with foreign exchange positions and precious metals are governed by internal limits, which reflect the Bank's risk appetite for these risks.

(c) Compliance with limits is monitored and reported daily by the Support Reporting Financial Valuations (SRF) business unit to the heads of the DBM department, the Risk Management department, the Chief Financial Officer and the Chief Risk Officer.

(EU d) As Spuerkeess has no trading book positions, this section is not applicable.

Table EU MR1 – Market risk under the standardised approach

	as at 31.12.2025	a RWEAs
	Outright products	
1	Interest rate risk (general and specific)	0
2	Equity risk (general and specific)	0
3	Foreign exchange risk	398.178.049
4	Commodity risk	1.277.871
	Options	
5	Simplified approach	0
6	Delta-plus approach	0
7	Scenario approach	0
8	**Securitisation (specific risk)**	**0**
9	**Total**	**399.455.920**

Table EU MRB – Qualitative disclosure requirements for institutions using the internal Market Risk Models

As Spuerkeess does not apply internal market risk models, this table is not applicable.

Table EU MR2-A – Market risk under the internal Model Approach (IMA)

As Spuerkeess does not apply internal market risk models, this table is not applicable.

Table EU MR2-B – RWA flow statements of market risk exposures under the IMA

As Spuerkeess does not apply internal market risk models, this table is not applicable.

Table EU MR3 – IMA values for trading portfolios

As Spuerkeess does not apply internal market risk models, this table is not applicable.

Table EU IRRBBA – Qualitative information on interest rate risks of non-trading book activities

(a) Interest rate risk is defined as the risk of a decrease in the future net interest margin or economic value of equity due to interest rate movements that affect the Bank's asset and liability positions asynchronously.

The nature of this risk is inherent to the Bank's business model:
- Risk of interest rate mismatch between the customer deposit base, mainly savings and current accounts, and the loans and securities portfolio;
- Optional risk linked in particular to interest rate floors or loan prepayment options;
- Base risk linked to the interest rate structure of certain products.

The risk is measured on the basis of value and income indicators and is monitored continuously against the limit defined. If necessary, IRS transactions are carried out to mitigate the risk.

(b) Responsibility for managing interest rate risk lies with the ALM Committee, which is a specialized committee of the Executive Committee. The ALM Committee ensures that good governance is in place for interest rate risk management and defines the interest rate risk management strategy.

Generally speaking, interest rate risk management is based on the principle of the three lines of defence. Day-to-day management is carried out by the Asset Liability Management (ALM) and Financial Markets (FIM) business units, which represent the first line of defence. The ALM business unit is responsible for the risk arising from the balance sheet structure, while the FIM business unit is responsible for the risk arising from short-term IRRBB management for up to 2 years. The second line of defence, in particular the Financial Risk Management (FRM) business unit, ensures that risks are properly identified and assessed. It is also responsible for monitoring compliance with the limits defined in the Risk Appetite Statement and Limit Handbook. Limit monitoring and risk management are based on the monitoring of various Key Risk Indicators, namely:
- changes in economic value as a function of different scenarios (∆EVE and bpv);
- changes in interest income (∆NII);
- the interest rate gap.

The ∆EVE, ∆NII and interest rate gap are framed by internal limits reflecting the Bank's risk appetite. Compliance with limits is monitored by the Support, Reporting and Financial Valuations (SRF) business unit, which is a control unit within the first line of defence. The SRF business unit informs the Chief Risk Officer and the Chief Financial Officer on a daily basis of indicator levels and any limits that have been exceeded. If necessary, interest rate risk is mitigated through IRS transactions.

Interest rate risk and the related control system are supervised by the Financial Risk Management business unit, which acts as a second line of defence. As part of its work, the Financial Risk Management business unit monitors changes in interest rate risk. The models used to manage interest rate risk are developed by the ALM business unit and independently validated by the Risk Management department's Non-Financial Risk Management business unit. These models are an important pillar of interest rate risk management and are reviewed and updated as necessary, in principle annually or on an ad hoc basis if there are fundamental changes in the market. Each update after initial validation is also validated by the Non-Financial Risk Management business unit.
Finally, the internal Audit function carries out assignments to ensure that the framework put in place to manage interest rate risk in the banking book complies with regulatory requirements.

(c) The Bank measures its interest rate risk delta economic value of equity (∆EVE) and delta net interest income (∆NII) indicators. The metrics are calculated daily according to the Supervisory Outlier Test rules and monthly according to internal definitions. ∆ EVE and ∆ NII are based on cash flow projections derived from contractual data and ALM models related to non-maturing deposits, prepayments on loans and outstanding fixed rate loan offers. Internal measures include a retail deposit allocation model depending on the level of interest rates. The ∆NII over the 1-year and 2-year horizons is calculated on the assumption of a static balance sheet where positions maturing within the projection horizon are rolled over by positions with identical characteristics to the initial positions. The impact of explicit options (i.e. floors and caps) and interest flows excluding the trading margin (Interest Transfer Price flows) are included in the calculations. The impact of interest rate scenarios on early repayments is considered in all these calculations.

The calculation rules are aligned with the requirements of the supervisory outlier test, in particular the reduction in the value gain per currency, i.e. 80% for ERM II currencies (EUR, BGN, DKK) or 50 % for other currencies, and Deposits of financial customers are the exclusion of financial customers from liability models without maturities.

Rate schedule is also estimated daily. Like the ∆EVE and the ∆NII, it includes repricing of notionals, interest flows excluding trading margin, ALM models as well as the impact of explicit options.

Changes in credit spreads are not taken into account.

(d) D EVE and D NII are calculated following the 8 scenarios set out in Article 1 and article 2 of the COMMISSION DELEGATED REGULATION (EU) 2024/856. The curve is floored at the levels prescribed by the point 7 of the Article 3.

(e) This point does not apply to Spuerkeess as at 31 December 2025.

(f) An important part of managing interest rate risk is to mitigate it when indicators approach internal limits. To this end, the Bank uses rate swaps (IRS) and cross-currency interest rate swaps (CIRS) with market counterparties.

The Bank uses two types of hedging strategies: micro-hedging and macro-hedging. Micro hedging refers to the hedging of individual positions by dedicated IRS or CIRS. It is mainly used to hedge large individual exposures or bond positions. Macro-hedging refers to the hedging of a basket of granular assets or liabilities. It is mainly used to hedge exposure arising from fixed-rate property loans, which are not (sufficiently) covered by liabilities. Macro-hedging of sight deposits was also introduced in 2024. From an accounting point of view, these transactions are treated as fair value hedges in accordance with the principles of IAS39 (hedge accounting). In this context, the Bank regularly performs the hedge effectiveness tests required by accounting standards.

(g) Interest rate risk management depends on internal models covering different perimeters.

a. Non-maturing products: savings products and current accounts. These models are based on estimating the liquidity maturity of aggregates defined by product, currency, type of rate, type of customer and total customer deposits. Historical analysis, stress tests, back tests and expert judgement are used to determine stable and unstable parts and liquidity maturities. An analysis determines the sensitivity of the customer rate to market movements.
b. Early prepayment of loans, whether due to life events or market interest rates. Historical analysis and expert advice are used to establish the expected repayment profile based on the type of loan and anticipated market rates.
c. Fixed-rate loan offers. A historical analysis of the acceptance behaviour of home loan offers is used to take into account future production schedules for loans where the rate is already fixed.
d. Non-interest-bearing balance sheet items, including the Bank's own funds and fixed assets. Analyses of the stability of the various balance sheet items and management choices have resulted in a model with a philosophy similar to that of non-maturity deposits.

(h) The Bank's ∆EVE level is moderate. Indeed, the worst-case scenario represents only 5.55% of CET1 capital at 31 December 2025. Over the year, the ratio of ∆EVE in relation to CET1 capital has decreased following the update of NMDs' models for current accounts in January 2025. Generally speaking, the moderate risk in terms of economic value is explained by the Bank's practice of hedging its exposures of long-term interest rates.
The level of the Bank's ∆NII is low. Indeed, the worst-case scenario represents only 0.42% of CET1 capital at 31 December 2025.

(i) Spuerkeess does not disclose any other relevant information regarding the IRRBB measures in template EU IRRBB1.

(1) (2) The assumptions for calculating ∆EVE and ∆NII are already described in point (c).
The ∆NII entered in the IRRBB1 template is calculated over a 1-year horizon. The average maturity of non-maturity liabilities is 1,2 years and complies with EBA guidelines on the maximum average maturity. The average and maximum maturities of non-maturity liabilities of retail and non-financial non-retail customers are as follows:

Counterparty	Average repricing maturity	Longest repricing maturity
Retail	1,71	15
Core	7,41	15
Non-financial wholesale	0,54	7
Core	2,25	7

Table EU IRRBB1 – Interest rate risks of non-trading book activities

as at 31.12.2025		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
Supervisory shock scenarios		Current period	Last period	Current period	Last period
1	Parallel up	-321.942.521	-345.411.167	-24.316.507	-65.138.417
2	Parallel down	107.972.371	114.049.364	5.975.889	25.853.347
3	Steepener	-37.902.826	8.048.249		
4	Flattener	-11.185.013	-69.034.706		
5	Short rates up	-107.580.965	-173.691.116		
6	Short rates down	45.839.779	80.799.855		

16. Disclosure of operational risk

Table EU ORA – Qualitative information on operational risk

(a) The definition adopted by Spuerkeess for operational risk in line with EU Regulation No. 2024/1623(Capital Requirements Regulation, CRRIII) amending Regulation (EU) No. 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor, which describes operational risk as "the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including but not limited to legal risk, model risk or information and communication technology (ICT) risk, but excluding strategic and reputational risk ". This definition excludes strategic risk and commercial actions, such as a financial favour granted to a customer that is not the result of an error or failure of Spuerkeess.

Within the Bank, the terminology “Non-Financial Risk” is used to refer to Operational Risk which encompasses amongst others ICT, model, compliance and legal risks.
Non-Financial risk also includes cyber risk. The supervision of cyber risks follows the same principles and processes as those implemented for operational risks, which are explained in more detail below.

Non-Financial Risk Management objectives and policies

The management of non-financial risks has several key objectives:
- Providing frameworks, policies and standards to enable the Bank’s management to meet their risk management responsibilities;
- Ensuring a sound identification, analysis, measurement, treatment, monitoring and reporting of non-financial risks according to a standardized cycle approach in which business units identify risks and assess them against the risk appetite;
- Ensuring identified risks are organized and structured according to the Bank’s non-financial risk taxonomy;
- Keeping the non-financial risk profile consistent with the Bank’s strategy, its defined risk appetite and business needs;
- Ensuring non-financial risks are appropriately mitigated and related key controls are effective
- Addressing identified deficiencies to limit the impact of non-financial risk events and / or their occurrence;
- Promoting a strong non-financial risk culture (originated from the Bank’s top management ‘tone from the top’) across the organization.

The non-financial risk framework is embedded in the overall risk management framework (please refer also to section 2).
Non-financial risk management is governed by a set of policies, standards and procedures.
The non-financial risk management policy defines the following main principles:

- the framework and structure for understanding and managing non-financial risks, ensuring the resources allocated are proportionate and used effectively;
- roles and responsibilities, including the various decision-making bodies;
- non-financial risk management methodologies
- the overall non-financial risk management system and related taxonomies, scales and risk matrix,
- the risk identification and assessment process and operational risk management practices, based on different approaches:
  - Prospective approach to identify potential risks (such as Risk Control Self-Assessment);
  - Detective approach to capture proven risks by collecting and monitoring operational incidents;
  - Predictive approach to track changes in environment and risk factors by monitoring risk indicators.

(b) Structure and organization of the non-financial risk management function

The non-financial risk management framework is underpinned by strong governance based on the principle of the three lines of defence and by policies and procedures that clearly define roles and responsibilities within the Bank's organization. The management of the risks remains the responsibility of the business units.

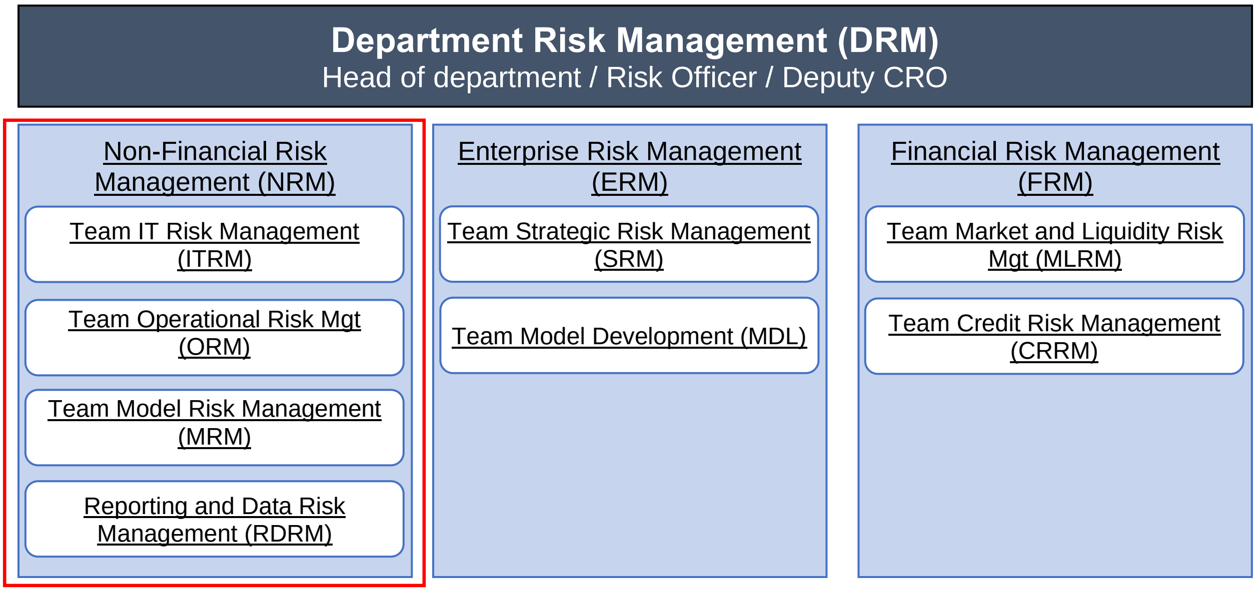
In line with the principles set out in CSSF circular 12/552 as amended, the first line of defence (Risk ownership), made up of the business units, takes or acquires risks and is responsible for anticipating, identifying, assessing, measuring, monitoring, managing, mitigating and reporting risks. Business units are responsible for:

- Forward-looking risk identification and assessment;
- The implementation of an effective control environment within the first line of defence; and,
- The identification and assessment of emerging risks induced by regulatory developments, new products or other material changes.

The second line of defence is represented by the Non-Financial Risk Management business unit and the Compliance business unit. These business units control the non-financial risks on an independent basis and ensure that the operational units follow the non-operational risk framework.

The third line of defence (Internal Audit department), carries out an independent, objective and critical assessment and provides assurance to the Executive Committee and to the Board of Directors on the governance arrangements for risk management and control, and the policies and processes put in place and carried out by the other two lines of defence.

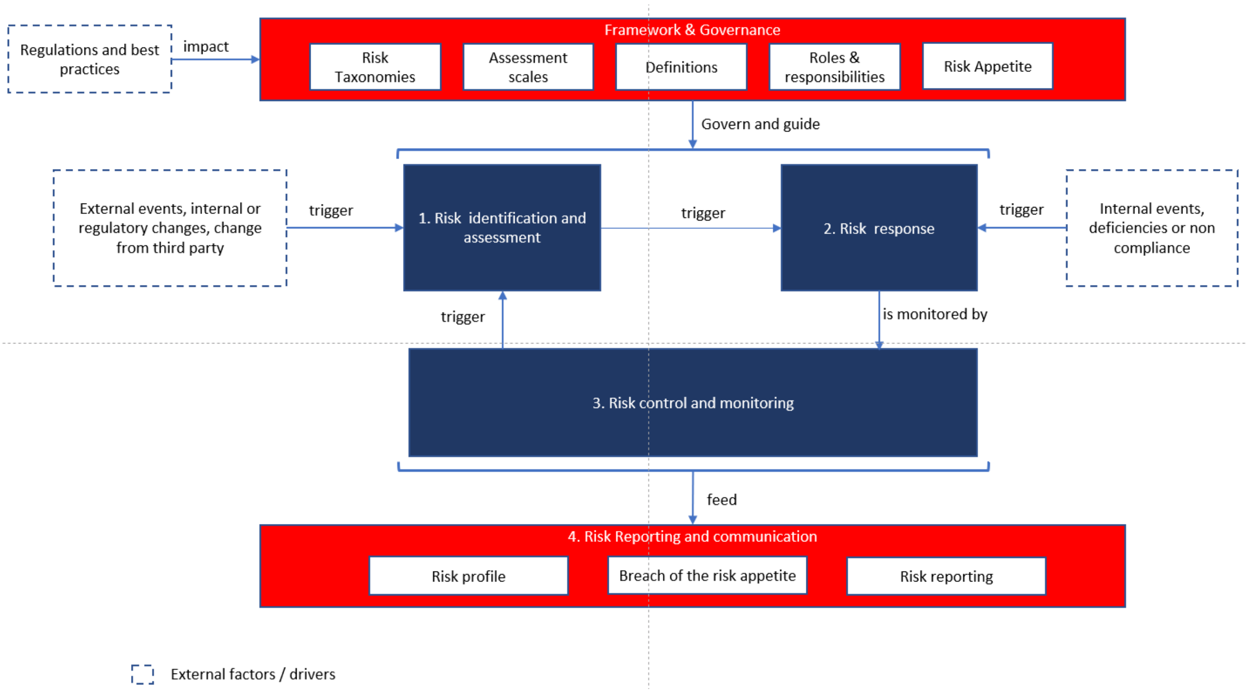
Non-financial risk Management is part of the Risk Management Department which is composed of three different business units as shown in the figure below:



Non-financial risk management is overseen by various committees, including the Risk Oversight Committee at Executive Committee level and the Risk Committee at Board level. Guidelines, ultimate supervision and the definition of operational risk appetite are defined by the Board of Directors, and are implemented by the Executive Committee.

(c) Non-financial risk measurement system

The identification, measurement and control of operational risk follows a cycle in which, on an ongoing basis, business units (and also other functions within their own processes) identify risks and assess them against risk appetite. Based on these assessments, risk responses are defined and measures are taken to improve the control environment where necessary. Risks are continuously monitored, leading to a new cycle of risk identification, assessment and response. This operational risk management cycle is illustrated below:



The identification, analysis, evaluation, management and supervision of operational risks within Spuerkeess are based on a set of practices and instruments that enable operational risk to be measured and managed. These practices and tools are used at various stages of the operational risk management cycle, as illustrated in the diagram above. The main instruments are the following:

Risk & Control Self-Assessment (RCSA)

The Risk and Control Self-Assessment (RCSA) methodology is based on a self-assessment by the business units of the risks to which the Bank is exposed through its activities. This methodology is based on the Bank's process mapping and the internal taxonomy of operational risks. The purpose of the RCSA is to:

- identify and evaluate, on an expert basis, the inherent operational risks, i.e. the risks intrinsic to the nature of an activity, without taking into account the prevention and control mechanisms, which could potentially impact the activities and environment of Spuerkeess;
- assess the adequacy of internal controls to mitigate these risks;
- determine the level of residual risk to which the Bank is actually exposed.

Risk assessment process

Risk assessment involves the following steps:

- Estimation of the likelihood of occurrence;
- Determination of potential impact according to one or more of the following categories;
  - Financial impact;
  - Legal & regulatory impact;
  - Impact on reputation;
  - Organizational impact.

The assessment of the level of risk is defined as the potential exposure to the risk determined by the combination of the impact and the likelihood of the risk. When the risk has several impacts, the highest level of exposure is used.

Risk Response and Mitigation

Depending on the level of residual risk, an appropriate response (mitigation, transfer, acceptance, avoidance) is provided. Most material risks are mitigated by defining action plans. Acceptance of a risk is subject to formal validation by the appropriate hierarchical level.
The action plans defined by the first line of defence following the identification and assessment of risks are monitored by the Non-Financial Risk Management business unit.
As a second line of defence exercising independent control, the Non-Financial Risk Management business unit carries out a critical analysis of these action plans using a risk-based approach, and may also issue recommendations aimed at improving the control environment and limiting risks.
The monitoring of action plans and recommendations is a source of objective information that feeds directly into other operational risk management practices in the reassessment of the impact and likelihood of occurrence of the respective risks.

The identification and assessment of risks resulting from the self-assessment carried out by the business units are put into perspective with the results of other operational risk management practices, in accordance with the operational risk management cycle.

Check of the control effectiveness (Control Testing & Challenge by 2nd line of defence)

The Bank's control system includes verification by the business units of the effectiveness of the key controls mitigating the main operational risks. Verification of the effectiveness of controls involves testing the selected key controls based on criteria which ultimately determine the level of control. The two evaluation criteria for a key control are:
- Control design, in particular the conception of the control, its description and its objectives in terms of risk mitigation;
- The performance of the control, in particular the execution of the control and the documentation proving this execution.

The NRM business unit carries out supervision (‘second line of defence challenge’) by reviewing, on a risk-based approach, the tests on the control effectiveness carried out by the operational business units.

Risk Appetite / Key Risk Indicators (KRI)

Risk indicators are metrics used to identify risk exposures and monitor changes in these exposures. They are considered as risk indicators when they measure, among other things:
- the degree of risk;
- the effectiveness of controls;
- the performance of the exposure management.

The indicators are monitored as part of the Bank's operational risk appetite.

Risk event management

Collecting, analysing and monitoring operational risk events, including the identification of their causes, is an essential core activity in the process of identifying and assessing operational risks.
Non-financial risk events/incidents are reported and recorded in a dedicated central database, providing a maximum amount of information. Incidents that have a financial impact are also recorded. Incidents without financial impact but with a legal, regulatory, organizational or reputational impact are also collected. Operational incidents assessed on the basis of the criteria defined in the impact scale used for risk assessment, are an important source of information for assessing operational risks.

Operational risk capital charge calculation

The Bank assesses its operational risk capital requirements using the Standardised Approach in accordance with the Capital Requirement Regulation (EU) 2024/1623 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor.

(d) Non-financial risk reporting

Following the execution of the different operational risk management practices, the Non-Financial Risk business unit produces a set of different internal and external reportings, amongst others:
- Internal Reporting:

- Annual RCSA Report;
  - Semi-annual Control Testing Report;
  - Quarterly Incident Reports,
  - Weekly Dashboard for the follow-up of issues and actions plans (including Overdues);
  - Monthly RAF Dashboard;
- External / Regulatory Reporting:
  - Semi-annual COREP Reporting (C 17) on operational risk events;
  - Annual ICT risk assessment related to the Payment Service Directive.

These reportings are subject to internal validation processes by the bank's various decision-making bodies.

(e) Non-financial risk mitigation and hedging

Spuerkeess' risk management policy aims at reducing the occurrence and/or impact of risks if they should arise.
One of the components of the risk mitigation policy is the implementation of mitigating actions, in particular during the risk identification and assessment process or through the collection of operational incidents that highlight material risks exceeding risk appetite.

In order to mitigate the risks with a potential impact on business continuity, the Bank has robust continuity plans, in particular the Business Continuity Plan (BCP), which aims at ensuring the continuity of critical activities in the event of a major operational incident, and the Disaster Recovery Plan (DRP), which aims at ensuring the continued operation of critical information systems supporting the BCP's critical processes, or their recovery within the defined timeframe in the event of a major IT incident.

Finally, Spuerkeess has a range of insurance policies to cover exposure to loss or damage that the Bank would be unable or unwilling to absorb in terms of its expenses or by raising additional capital. This insurance program, with first-class companies, mitigates the significant impact of any damage or loss resulting from fraud, theft, natural disasters or liability claims against the Bank or its employees.

The Bank has also set up an insurance program to transfer the financial consequences of certain risks.

The non-financial risk management policy is reviewed annually.

Cyber risks

In addition to the processes and practices in place to monitor cyber risks, there are a number of other processes to complete the protection system:
- A tactical group made up of representatives from the IT department and the Risk Management department, which meets on a weekly basis to closely monitor the management of cyber threats and risks;
- IT and cyber risks are presented, analysed and discussed at Risk Committee sessions;
- A "Cyber Protection Plan", which is a roadmap of IT security projects that are monitored specifically and jointly by the first and second lines of defence;
- Digital and operational resilience have been integrated into the same Cyber Protection Plan;
- Strong and systematic integration of the "cyber risks" into projects and developments in information and communication technologies;

- An ongoing program of penetration tests is carried out to identify and quickly correct any vulnerabilities in IT systems;
- The Bank also subjected its central infrastructure to a stress test to assess its operational resilience to extreme events;
- Ongoing cooperation is being sought and developed with other players in the IT security field;
- A program to raise employee awareness of cyber threats is in place, as well as phishing campaigns through regular testing to raise employee awareness of how to recognize phishing attempts and react appropriately.

Table EU OR1 – Operational risk losses

		a	b	c	d	e	f	g	h	i	j	k
		T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Ten-year average
Using €20,000 threshold												
1	Total amount of operational risk losses net of recoveries (no exclusions)	6.943.440	1.080.738	200.038	6.554.525	4.222.544	1.125.688	231.041	48.585	86.446	14.501.362	3.499.441
2	Total number of operational risk losses	9	9	6	11	5	8	2	2	3	6	6
3	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
4	Total number of excluded operational risk events	0	0	0	0	0	0	0	0	0	0	0
5	Total amount of operational risk losses net of recoveries and net of excluded losses	6.943.440	1.080.738	200.038	6.554.525	4.222.544	1.125.688	231.041	48.585	86.446	14.501.362	3.499.441
Using €100,000 threshold												
6	Total amount of operational risk losses net of recoveries (no exclusions)	6.637.187	785.000	145.080	6.135.000	4.109.446	959.132	207.533	0	0	14.299.395	3.327.777
7	Total number of operational risk losses	2	1	4	4	2	3	1	0	0	2	2
8	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
9	Total number of excluded operational risk events	0	0	0	0	0	0	0	0	0	0	0
10	Total amount of operational risk losses net of recoveries and net of excluded losses	6.637.187	785.000	145.080	6.135.000	4.109.446	959.132	207.533	0	0	14.299.395	3.327.777

Table EU OR2 – Business Indicator, components and subcomponents

		a	b	c	d
	BI and its subcomponents	T	T-1	T-2	Average value
1	Interest, lease and dividend component (ILDC)				935.935.537
EU 1	ILDC related to the individual institution/consolidated Group (excluding entities considered by Article 314(3)				935.935.537
1a	Interest and lease income	2.615.263.259	3.075.047.618	2.681.786.218	2.790.699.032
1b	Interest and lease expense	1.686.485.573	2.230.049.268	1.903.587.128	1.940.040.656
1c	Total assets/Asset component	58.334.038.648	55.352.481.224	54.814.278.599	56.166.932.824
1d	Dividend income/ dividend component	90.027.750	88.541.769	77.261.964	85.277.161
2	Services component (SC)				247.353.500
2a	Fee and commission income	254.716.198	222.981.365	197.413.280	225.036.948
2b	Fee and commission expense	56.889.022	48.440.302	49.504.186	51.611.170
2c	Other operating income	33.832.906	19.138.313	13.978.438	22.316.552
2d	Other operating expense	26.993.368	10.833.269	263.639	12.696.759
3	Financial component (FC)				33.147.074
3a	Net profit or loss applicable to trading book (TB)	8.646.034	5.519.166	10.992.257	8.385.819
3b	Net profit or loss applicable to banking book (BB)	9.815.328	32.860.751	31.607.686	24.761.255
EU 3c	Approach followed to determine the TB/BB boundary (PBA or accounting approach)				Accounting approach
4	Business Indicator (BI)				1.216.436.111
5	Business indicator component (BIC)				152.465.417

Table EU OR3 – Operational risk own funds requirements and risk exposure amounts

as at 31.12.2025		a
1	Business Indicator Component (BIC)	152.465.417
EU 1	Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	0
3	Minimum Required Operational Risk Own Funds Requirements (OROF)	152.465.417
4	Operational Risk Exposure Amounts (REA)	1.905.817.708

17. Disclosure of remuneration policy

Table EU REMA – Remuneration policy

(a) The Nomination and Remuneration Committee advises the Board of Directors in its supervisory role and thus prepares the decisions to be adopted by the Board. It provides support in specific areas such as the remuneration and appointment of members of Spuerkeess' management body, i.e. the Board of Directors and the Executive Committee, as well as those responsible for internal control functions other than members of the management body, and material risk-takers.

The Nomination and Remuneration Committee consists of five members, appointed by the Spuerkeess Board of Directors among its members.
A majority of the members of the Nomination and Remuneration Committee meet the independence criteria, in accordance with the applicable rules and the guidelines of the European Banking Authority.

Mr Camille Fohl	Chairman
Mr Nima Ahmadzadeh	Member
Ms Bettina Blinn	Member
Mr Pierre Krier	Member
Ms Chantal Schumacher	Member

Staff representatives on the Board of Directors are members of the Nomination and Remuneration Committee, in case of ad hoc meetings as Remuneration Committee.

Ms. Carmen Jaffke	Member of the Remuneration Committee
Ms. Marilène Marques	Member of the Remuneration Committee

The Nomination and Remuneration Committee had 6 meetings in 2025, of which 3 meetings as an ad-hoc Remuneration Committee.

The term of office for members of the Nomination and Remuneration Committee is 1 year, renewable by decision of the Board of Directors.

Spuerkeess has not sought the advice of external remuneration consultants in 2025.

The remuneration policy applies to all staff.

For the purposes of applying the remuneration policy and taking account of the Bank's remuneration structure and the qualitative and quantitative criteria laid down in the legislative framework, the Nomination and Remuneration Committee, acting on a proposal from the Executive Committee, identifies each year the categories of staff and agents whose professional activities have a significant impact on the risk profile of Spuerkeess.

Under Luxembourg law and regulations applicable to the Bank, the following persons are deemed to be material risk-takers:

The members of the management body in its executive function (the Executive Committee)
Members of staff who are Heads of Department
Members of staff who are Heads of Department or Deputy Heads of Department for internal control functions

Members of staff who can make decisions involving major commitments at the level of the Market Banking department or who hold positions of particular responsibility.

(b) Considering the specific nature of the tasks assigned to Spuerkeess by its Organic Law of 1989 and its status as an autonomous public institution, the Bank has opted to introduce the following remuneration structure for all its staff:

Neither the fixed remuneration nor the variable remuneration paid to any member of staff is linked to quantitative financial performance criteria either individually or collectively.

This remuneration is not structured in such a way as to act as an incentive for behavior that has an impact on the Bank's financial position or risk profile.

By virtue of its status under the Organic Law of 1989, Spuerkeess is not authorized to issue traded shares or instruments linked to shares or similar securities with the aim of serving as a supplement to the fixed or variable remuneration of its Staff. Spuerkeess does not provide any form of direct or deferred remuneration for Staff, the amount of which is based directly or indirectly on the value shares or instruments reflecting the Bank's capital.

On the basis of article 34(2) of its Organic Law of 1989, the Bank pays its staff a Pillar I pension supplement; the "defined benefit" contributions paid by Spuerkeess to the "Spuerkeess compartment" of the pension savings association “Compagnie Luxembourgeoise de Pension” ensure that this pension supplements will be granted in due time to staff.

Spuerkeess does not provide any additional discretionary pension benefits for its staff.

Spuerkeess does not grant compensation in connection with the early termination of an employment contract ("good-bye package") or the buy-out of obligations arising from previous employment contracts ("welcome package") of a new employee.

The remuneration policy guarantees absolute neutrality with regard to gender or any other distinctive characteristic linked in particular to sexual orientation, religious belief, nationality or ethnic origin or affiliation.

In order to ensure sound and effective risk management and not to encourage risk-taking that exceeds Spuerkeess' risk appetite as reflected in the Risk Appetite Framework, the granting and amount of remuneration supplements are disconnected from any quantitative criteria linked to Spuerkeess' financial result. They are also independent of the achievement of commercial or financial objectives set individually, where applicable, by line managers and which through additional risk-taking, including in terms of sustainability, would be achievable.

The performance appraisals of Bank staff will take into account the following elements, depending on their respective responsibilities:

- leadership skills;
- cross-disciplinary skills from the skills reference framework.

The fixed and variable components are arranged in such a way that the fixed component represents the largest part of the total remuneration. This ensures the greatest possible flexibility in terms of the variable component, in particular the possibility for Spuerkeess to pay none at all.

After consulting the Nomination and Remuneration Committee, the Board of Directors is asked to approve a total variable remuneration package.

The Board of Directors ensures that variable remuneration is:

- consistent with Spuerkeess' strategy, objectives, values and long-term interests,
- compatible with the provisions of the Organic Law on Staff Remuneration,
- compatible with the adequacy of capital to meet Spuerkeess' regulatory and sound management requirements,

- compatible with the indicators of the Risk Appetite Framework and the current and future risks incurred by Spuerkeess, and more specifically the indicators of profitability, liquidity, capital adequacy and the development of the Net Banking Income,
- compatible with the regulations applicable to healthy remuneration policies,
- compatible with EBA guidelines on internal governance.

Before approving this global envelope, the Bank's Chief Risk Officer is asked to confirm that the global envelope does not have a significant negative impact on the RAF indicators as a whole.

The remuneration policy is reviewed annually. It was approved by the Board of Directors on 23 April 2025.

(c) The remuneration policy also applies to staff considered to be material risk- takers. Remuneration supplements for material risk-takers, including heads of internal control functions, are not dependent on the specific performance of Spuerkeess or the areas of business reviewed by the control functions.

The Bank does not use distributors or tied agents to distribute its products and services.

The Board of Directors delegates, under its responsibility and in compliance with the guidelines set out in this remuneration policy, to its Nomination and Remuneration Committee:

- The fixing of the variable remuneration, if any, awarded to members of the Executive Committee,
- on the basis of a proposal from the Executive Committee, the setting of the overall variable remuneration package to be awarded to material risk-takers,
- the decision on the variable remuneration to be awarded, where appropriate and on the recommendation of the Executive Committee, to the heads of the three internal control functions.

(d) Variable remuneration for all staff amounts to 5,2% of total remuneration for the 2025 financial year.

(e) The Organic Law of Spuerkeess allows the granting of allowances for extraordinary work (article 35), or supplementary remuneration for major commercial responsibilities requiring special banking qualifications (article 33), but these allowances and supplements are:

- submitted for approval to the Bank's Board of Directors and the Government in Council (Article 35), or to the Bank's Board of Directors (Article 33) on a proposal from the Nomination and Remuneration Committee;
- independent of the level of risk taken by the individual member of staff; the award criteria therefore do not take into account quantitative factors in relation to the Bank's results and do not encourage members of staff to take additional risks;
- linked to the financial situation of the Bank as a whole.

Any variable remuneration is only paid on condition that its payment is sustainable and justified having regard to the performance of Spuerkeess and the individual staff members. All variable remuneration is paid directly to the staff and without the use of any intermediary structures, dividends or similar payments.

(f) Given the specific governance model established by the organic law on Spuerkeess, staff are remunerated almost exclusively by fixed salaries, the scale of which follows the table applicable to the Luxembourg Civil Service.

Given that variable remuneration is paid directly to the individuals concerned and without the use of any intermediary structures, dividends or similar payments, there is no capital ownership requirement to be imposed (see point (e)).

(g) This point does not apply to Spuerkeess.

(h) This point does not apply to Spuerkeess.

(i) The Bank does not benefit from a waiver under Article 94(3) of the CRD in accordance with Article 450(1)(k) of the CRR.

(j) Information relating to remuneration of members of the Board of Directors is provided in note 4.28.3 to the financial statements.

Table EU REM1 – Remuneration awarded for the financial year

as at 31.12.2025		MB Supervisory function 0010	MB Management function 0020	Other senior management 0030	Other identified staff 0040
0005	**Fixed remuneration**				
0010	Number of identified staff	9	5	0	80
0020	Total fixed remuneration	511.600	1.131.563	0	15.049.484
0030	Of which: cash-based	511.600	1.101.568	0	14.805.494
0040	Of which: shares or equivalent ownership interests	0	0	0	0
0050	Of which: share-linked instruments or equivalent non-cash instruments	0	0	0	0
0060	Of which: other instruments	0	0	0	0
0070	Of which: other forms	0	29.996	0	243.990
0075	**Variable remuneration**				
0080	Number of identified staff	0	5	0	80
0090	Total variable remuneration	0	156.000	0	2.686.690
0100	Of which: cash-based	0	156.000	0	2.686.690
0110	Of which: deferred	0	0	0	0
0120	Of which: shares or equivalent ownership interests	0	0	0	0
0130	Of which: deferred	0	0	0	0
0140	Of which: share-linked instruments or equivalent non-cash instruments	0	0	0	0
0150	Of which: deferred	0	0	0	0
0160	Of which: other instruments	0	0	0	0
0170	Of which: deferred	0	0	0	0
0180	Of which: other forms	0	0	0	0
0190	Of which: deferred	0	0	0	0
0200	**Total remuneration**	**511.600**	**1.287.563**	**0**	**17.736.174**

Table EU REM2 – Remuneration awarded for the financial year - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

as at 31.12.2025		MB Supervisory function 0010	MB Management function 0020	Other senior management 0030	Other identified staff 0040
0005	**Guaranteed variable remuneration awards**				
0010	Guaranteed variable remuneration awards - Number of identified staff	0	0	0	0
0020	Guaranteed variable remuneration awards -Total amount	0	0	0	0
0030	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	0	0	0	0
0035	**Severance payments awarded in previous periods, that have been paid out during the financial year**				
0040	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	0	0	0	0
0050	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	0	0	0	0
0055	**Severance payments awarded during the financial year**				
0060	Severance payments awarded during the financial year - Number of identified staff	0	0	0	0
0070	Severance payments awarded during the financial year - Total amount	0	0	0	0
0080	Of which paid during the financial year	0	0	0	0
0090	Of which deferred	0	0	0	0
0100	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	0	0	0	0
0110	Of which highest payment that has been awarded to a single person	0	0	0	0

Table EU REM3 – Deferred remuneration

as at 31.12.2025		Deferred and retained remuneration							
		Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
		0010	0020	0030	0040	0050	0060	0070	0080
0010	**MB Supervisory function**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0020	Cash-based	0	0	0	0	0	0	0	0
0030	Shares or equivalent ownership interests	0	0	0	0	0	0	0	0
0040	Share-linked instruments or equivalent non-cash instruments	0	0	0	0	0	0	0	0
0050	Other instruments	0	0	0	0	0	0	0	0
0060	Other forms	0	0	0	0	0	0	0	0
0070	**MB Management function**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0080	Cash-based	0	0	0	0	0	0	0	0
0090	Shares or equivalent ownership interests	0	0	0	0	0	0	0	0
0100	Share-linked instruments or equivalent non-cash instruments	0	0	0	0	0	0	0	0
0110	Other instruments	0	0	0	0	0	0	0	0
0120	Other forms	0	0	0	0	0	0	0	0
0130	**Other senior management**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0140	Cash-based	0	0	0	0	0	0	0	0
0150	Shares or equivalent ownership interests	0	0	0	0	0	0	0	0
0160	Share-linked instruments or equivalent non-cash instruments	0	0	0	0	0	0	0	0
0170	Other instruments	0	0	0	0	0	0	0	0
0180	Other forms	0	0	0	0	0	0	0	0
0190	**Other identified staff**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0200	Cash-based	0	0	0	0	0	0	0	0
0210	Shares or equivalent ownership interests	0	0	0	0	0	0	0	0
0220	Share-linked instruments or equivalent non-cash instruments	0	0	0	0	0	0	0	0
0230	Other instruments	0	0	0	0	0	0	0	0
0240	Other forms	0	0	0	0	0	0	0	0
0250	**Total amount**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Table EU REM4 – Information on identified staff remunerated EUR 1 million or more per financial year

as at 31.12.2025	Total remuneration: Remuneration payment band	Identified staff that are high earners as set out in Article 450(i) CRR
	0010	0020
1	1 000 000 to below 1 500 000	0
2	1 500 000 to below 2 000 000	0
3	2 000 000 to below 2 500 000	0
4	2 500 000 to below 3 000 000	0
5	3 000 000 to below 3 500 000	0
6	3 500 000 to below 4 000 000	0
7	4 000 000 to below 4 500 000	0
8	4 500 000 to below 5 000 000	0
9	5 000 000 to below 6 000 000	0
10	6 000 000 to below 7 000 000	0
11	7 000 000 to below 8 000 000	0

Table EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

as at 31.12.2025		Management body remuneration			Business areas						
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
		0010	0020	0030	0040	0050	0060	0070	0080	**0090**	**0100**
0010	**Total number of identified staff**										**92**
0020	Of which: members of the MB	9	5	14							
0030	Of which: other senior management				0	0	0	0	0	0	
0040	Of which: other identified staff				0	14		48	18	0	
0050	**Total remuneration of identified staff**	**511.600**	**1.287.563**	**1.799.163**	**0**	**2.885.119**		10.954.472	3.896.583	**0**	
0060	Of which: variable remuneration	0	156.000	156.000	0	429.898		1.664.322	592.470	0	
0070	Of which: fixed remuneration	511.600	1.131.563	1.643.163	0	2.455.221		9.290.150	3.304.113	0	

18. Disclosure of encumbered and unencumbered assets

Table EU AE1 – Encumbered and unencumbered assets

as at 31.12.2025		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	**1.093.961.447**	**623.921.750**			**57.977.816.147**	**18.098.964.852**		
030	**Equity instruments**	**0**	**0**	**0**	**0**	**2.336.191.819**	**0**	**2.336.191.819**	**0**
040	**Debt securities**	**632.431.512**	**623.921.750**	**620.128.112**	**611.610.507**	**16.374.580.916**	**12.354.979.415**	**16.292.979.312**	**12.269.158.128**
050	of which: covered bonds	106.583.306	106.583.306	101.720.717	101.720.717	4.256.705.392	4.230.134.131	4.195.717.928	4.171.339.664
060	of which: securitisations	0	0	0	0	6.548.779	0	6.372.998	0
070	of which: issued by general governments	410.055.329	410.055.329	402.987.127	402.987.127	3.036.871.423	3.012.442.388	3.024.520.069	2.999.855.787
080	of which: issued by financial corporations	162.639.176	154.129.413	157.802.422	149.284.817	10.018.464.393	6.670.424.497	9.937.816.670	6.595.161.714
090	of which: issued by non-financial corporations	37.604.933	37.604.933	37.321.158	37.321.158	3.642.784.410	2.990.458.352	3.643.571.723	2.990.925.996
120	**Other assets**	**455.774.503**	**0**			**39.494.437.109**	**5.656.263.274**		

Table EU AE2 – Collateral received and own debt securities issued

as at 31.12.2025		Fair value of encumbered collateral received or own debt securities issued		Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the disclosing institution**	**0**	**0**	**3.898.472.803**	**254.085.489**
140	Loans on demand	0	0	703.258.174	0
150	Equity instruments	0	0	328.008.751	0
160	Debt securities	0	0	2.775.565.631	254.085.489
170	of which: covered bonds	0	0	203.850.528	197.728.068
180	of which: securitisations	0	0	0	0
190	of which: issued by general governments	0	0	30.040.796	6.635.460
200	of which: issued by financial corporations	0	0	2.412.946.906	225.074.037
210	of which: issued by non-financial corporations	0	0	265.116.504	13.629.512
220	Loans and advances other than loans on demand	0	0	0	0
230	Other collateral received	0	0	0	0
240	**Own debt securities issued other than own covered bonds or securitisations**	**0**	**0**	**0**	**0**
241	**Own covered bonds and securitisation issued and not yet pledged**			**0**	**0**
250	**TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	**1.093.961.447**	**623.921.750**		

Table EU AE3 – Sources of encumbrance

as at 31.12.2025		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	Carrying amount of selected financial liabilities	790.381.000	787.065.368

Table EU AE4 – Accompanying narrative information

(a) The differences related to the scope of consolidation are described in detail under EU LIA. The information on encumbered and unencumbered assets is provided as required under Article 443 of the CRR, as specified in EBA/GL/2014/03 and implemented through the Commission Implementing Regulation (EU) 2021/451. Reported amounts correspond to rolling quarterly median values calculated over the last twelve months in accordance with Annex II, paragraph 1 of Regulation (EU) 2021/637.

(b) An asset is considered encumbered when it is pledged or used to guarantee or secure a transaction and cannot be freely withdrawn. The encumbered assets shown in table EU AE1 mainly relate to securities lending transactions, repurchase agreements (repos) and margin calls.

Table EU AE2 includes collateral received, in particular from reverse repos and securities borrowings transactions, which may be reused. In 2025, the Bank did not reuse any of this collateral in its operations.

Table EU AE3 discloses the carrying amount of the liabilities associated with the encumbered assets.

19. Disclosure of exposures to crypto-assets

Table EU CAE1 – Exposures to crypto-assets

As Spuerkeess does not have exposures to crypto-assets, this table is not applicable.

20. Disclosure of ESG risks

Introduction

In accordance with the requirements of Article 449a of Regulation (EU) No 575/2013, Spuerkeess publishes information on ESG (Environmental, Social and Governance) risk management and provides qualitative information related to ESG risks and quantitative information on climate risks for the financial year 2025.

Table 1 – Qualitative information on Environmental risk

Sub-Chapter I: Business strategy and processes

(a) Integrating environmental factors and risks into the Bank's strategy

Context and sustainability challenges

Luxembourg has defined its sustainable transition pathway through its Integrated National Energy and Climate Plan (PNEC) and its 2020 Climate Law, which set the objective of achieving climate neutrality by 2050 and a 55% reduction in greenhouse gas emissions by 2030 compared to 2005.

This ambition is based on a structural transformation of the Luxembourg economy, including the decarbonisation of the housing, transport and other economic sectors, as well as a significant scale-up of sustainable investments. The success of this transition requires the mobilisation of both public and private financing. In parallel with climate-related challenges, the national strategy focuses on economic resilience, social cohesion, access to housing and inclusion, in a context of demographic growth and pressure on infrastructure.

In this national context, public authorities recognise the central role of the financial sector as a lever for transitioning the real economy. In the meantime, transition risks, linked to changes in public policies, technologies and business models, and physical risks, stemming from the increase in extreme weather events, may affect asset quality and the financial resilience of banking institutions. For Spuerkeess, progressively aligning its activities with the sustainability objectives of the PNEC, while managing risk associated with the climate transition, represent major challenges.

Spuerkeess' sustainability strategy

As a central player in the financing and the development of the Luxembourg economy, Spuerkeess offers a comprehensive range of banking and financial services to all customer segments, including individuals, professionals, corporates, public institutions and institutional clients.

Retail banking as well as housing and SME financing constitute major pillars of its business model whose built on long-term trust-based relationships with its clients, grounded in service quality, financial stability and social responsibility and supported by a prudent approach to risk management and capital allocation.

Sustainability is integrated transversally into its business model through the consideration of ESG factors into its credit and investment decisions in order to better manage transition risks and identify sustainable growth opportunities, while supporting its clients in the energy and economic transition.

Ensuring the resilience and long-term viability of its business model in the face of climate, environmental, social and regulatory challenges is a priority.
The Bank is therefore implementing a comprehensive 2030-horizon strategy structured around three strategic pillars in order to contribute to combating climate change and addressing issues related to energy, social inclusion, diversity and financial education:

- **Ensuring the resilience of the business model**

  The Bank integrates ESG considerations into risk management and into credit, investment and advisory services. This approach aims to anticipate impacts related to sustainability risks and to strengthen the robustness of the Bank's model while supporting sustainable economic performance in a constantly evolving environment.

- **Investing in a sustainable future**

  Spuerkeess – as a "Transition Enabler" – mobilises its banking activities as levers to support the transition towards a more sustainable economy. By supporting its clients and the projects that contribute to this transition, the Bank aims to prepare the economic ecosystem of the Grand-Duchy for the challenges associated with the transition.

- **Leading by example**

  As a leading employer and financial institution in Luxembourg, the Bank's decisions and initiatives can impact its employees, its clients and also Luxembourg's society. It is essential for Spuerkeess that its activities, products, services, and all its actions are based on ethical and responsible principles. This commitment relies on sound, robust, and transparent governance, as well as a corporate culture that values integrity and accountability.

  Spuerkeess has also decided to strengthen its environmental engagement by joining the Climate Foundation created by the Luxembourg Foundation, which brings together a wide range of actors committed to fights against climate change.

  The Bank's global sustainability framework is articulated around key inspiring and recognised guiding principles:
  - The **Principles for Responsible Banking of the United Nations Environment Programme Finance Initiative** (UNEP FI) that Spuerkeess signed in October 2019;
  - The IMS **Diversity and Inclusion Charter** (October 2020);
  - The former **Net Zero Banking Alliance** (NZBA) since 2021 to help align the Bank's operations and activities to net zero emissions by 2005;
  - The **Partnership For Accounting Financials** (PCAF) methodology since June 2022 to measure and disclose the Greenhouse Gas Emissions (GHG) financed by the Bank;
  - The **National Pact on Business and Human Rights** (September 2023);
  - The **Women in Finance Charter** (March 2023).

A strategy that considers the whole value chain of Spuerkeess

In order to achieve its sustainability objectives and ambitions, Spuerkeess adopts a double materiality approach throughout its value chain (upstream, own operations and downstream):

1. **Upstream:** Suppliers, shareholders, regulators, authorities, associations, investors, peers;
2. **Own operations:** Employees, governing bodies, internal functions, subsidiaries;
3. **Downstream:** Customers who benefit from the Bank's products and services.

Double Materiality Analysis (DMA)

The DMA is a core component of the Corporate Sustainability Reporting Directive (CSRD) requiring companies to identify, assess and disclose the Impacts, Risks and Opportunities (IROs) related to ESG topics.

The analysis is based on **two dimensions**:

- Impact materiality to assess the positive or negative impact of the Bank's activities, products and services on society and the environment across the value chain
- Financial materiality to identify ESG events that may represent risks or opportunities with significant financial effects on the Bank's cash flows, financial exposures or performance.

All 93 topics defined in the European Sustainability Reporting Standards (ESRS) have been reviewed. A rigorous selection and screening process has been carried out to identify the material topics to be considered by the Bank: Climate Change, Own Workforce, Consumer and End-users, Business Conduct.

The process was based on the following elements:

- Recognised standards and reference frameworks;
- Peer benchmarking;
- Internal review of the issues disclosed in the previous reporting exercise;
- Regulatory recommendations;
- National ESG objectives;
- ESG risk materiality assessment.

To deliver on its strategy, Spuerkeess relies on a **Sustainability Policy** that sets the guiding principles to integrate sustainability considerations into its strategy and business model, as well as on a **responsible credit and investment portfolio management policy** that frames the ESG measures adopted in the Bank's lending and investment activities.

Spuerkeess also outlines in its **exclusion policy** the sectors and companies deemed to present ESG risks and thus not compatible with the Bank's sustainability commitments.

Spuerkeess' Sustainability Policy defines the Bank's key principles on sustainability and describes the roles and responsibilities of the various governing bodies and functions involved in sustainability-related decisions and actions.

Spuerkeess' responsible credit and investment portfolio management Policy presents the main principles and measures implemented by the Bank in its financing and investment activities to integrate ESG considerations. It formalises the roles and responsibilities of the committees and stakeholders involved in the management of its portfolios. It complements the guiding principles established in the sustainability policy, as well as the exclusion strategy.

Specific ESG measures and solutions offered by Spuerkeess include:

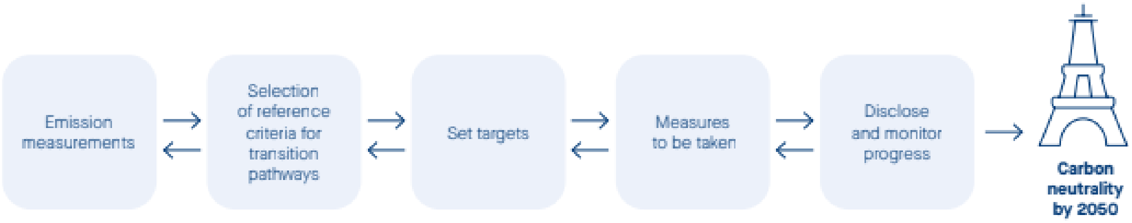
- New metrics and risks indicators into the Risk Appetite and the risk management frameworks;
- Dedicated policies, procedures and rules to integrate ESG criteria into existing business and operational processes (exclusions, limits, ESG factors);
- Targeted products and services (renovation loans, green bonds, socially responsible savings, e-mobility financing, ESG investment solutions);
- Engagements with clients (Transition Enabler / Energy Coach Programmes).

(b) Objectives, targets and limits for the assessment and management of environmental risks

Spuerkeess is actively working to reduce its carbon footprint and support the transition to a low-carbon economy, in accordance with the Paris Agreement targets by 2050.

The Bank's transition plan formalises the key guiding principles and decarbonation levers of the Bank. The Bank voluntarily relies on two widely recognised frameworks (NZBA, TPI) for defining climate objectives. Their use complements the minimum regulatory requirements and helps to strengthen the coherence and credibility of the plan.

Spuerkeess aims to reduce its emissions in line with net zero target by 2050 or sooner. To this end, the Bank has implemented a five steps approach that will enable us to achieve emissions reductions across the Bank's entire value chain, in particular its financed emissions which represent the main part of the Bank's carbon footprint.



The carbon footprint of Spuerkeess' banking activities includes the Scopes 1, 2 and 3 emissions of its counterparties. Emissions figures are based on a combination of reported and estimated greenhouse gas (GHG) emissions, as well as economic activity emission factors for customers/issuers for which no data is yet available.

The Bank is focusing on five carbon-intensive sectors for setting targets using sector-specific carbon intensity metrics:

- Oil and gas;
- Power generation;
- Automotive;
- Airlines;
- Residential real estate.

Spuerkeess applies the Transition Pathway Initiative (TPI) approach to track the alignment of the climate transition trajectory of companies in the four most carbon-intensive sectors represented in our portfolios. Spuerkeess uses the International Energy Agency's (IEA) Net Zero (NZE) scenario as applied by the TPI, as well as the decarbonisation targets for the Luxembourg real estate sector. The table below summarizes the interim decarbonisation targets set by the Bank for 2030 for these high-GHG-intensity sectors.

Sector/Activities	Outstanding amount (EUR million) 2024	Metric	Pathway/ Scenario	Reference year 2022 Portfolio value	2024 Pathway value	2024 Portfolio value	2024 Alignment	2030 target Pathway value	2030 target Distance alignment
Oil & Gas	182	gCO2e/MJ	IEA 2°C	71,05	62,03	67,78	9,11%	54,26	20%
Power generation	165	gCO2e/Mwh	IEA 1,5°C	0,16	0,39	0,16	-58,97%	0,19	-16%
Automotive	193	gCO2e/km	IEA 2°C	129,60	117,20	119,69	2,12%	80,91	48%
Air freight transport	499	gCO2e/FTK	IEA 1,5°C	488,00	522	515,00	-1,34%	415,20	24%
Air passenger transport	565	gCO2e/RTK	IEA 1,5°C	1.052,00	870,00	934,00	7,36%	692,00	35%
Mortgage loans	18.957	kgCO2e/m2	NPCE 1,5°C	28,89	/	31,66	/	24,10	31%
					2024 value		2025 target	2030 target	
Own Operations		tCO2e / FTE	/	1,17	1,06		1,00	/	

Below the pathway   <10% above the pathway   >10% above the pathway

Three major decarbonation levers have been identified and are further described in the 2025 Sustainability Report of the Bank:

- Tools and financial products/solutions integrating ESG factors;
- Policies and limits to support the decarbonation of the Bank's lending and investment portfolios, and manage climate and environmental risks (business reliance);
- Engagement strategies with clients to support their own transition.

The Bank's governance bodies are regularly informed of the progress of the Bank's ESG strategy, projects and initiatives, as well as on the implementation of the plan in line with the targets adopted.

More information can also be found in Spuerkeess' 2025 Sustainability Report.

(c) Investment activities and objectives towards activities aligned with the European taxonomy

EU Taxonomy Regulation (EU 2020/852) set the condition for an economic activity to qualify as sustainable. Environmentally sustainable economic activities must meet certain conditions that determine whether they contribute substantially to one or more of the EU's climate and environmental objectives, while not causing significant harm to any of these objectives.
In addition, minimum social requirements must also be met as well as technical criteria established by the European Commission.

The six environmental objectives defined in the Taxonomy Regulation are as follows:

- Climate change mitigation;
- Climate change adaptation;
- The sustainable use and protection of water and marine resources;
- The transition to a circular economy;
- Pollution prevention and control;
- The protection and restoration of biodiversity and ecosystems.

In accordance with the EU Taxonomy Regulation, Spuerkeess is required to disclose its exposures to activities aligned with the EU Taxonomy.

Spuerkeess carried out a full balance sheet analysis to determine which exposures are Taxonomy-eligible and Taxonomy-aligned and therefore, drawing on:

- Data provided by corporate clients via a dedicated platform;
- Data from external data providers for the investment and lending portfolios;
- Energy Performance Certificate (EPC) data for real estate exposures;
- Internal assessment against the EU technical screening criteria.

The Bank is committed to improve the proportion of its exposures aligned with the EU Taxonomy, as well as the data quality and coverage (more details can be found in our sustainability report 2025).

(d) Measures to mitigate environmental risks

Spuerkeess maintains continuous dialogue and relationships with its counterparties on sustainability matters to understand their level of ESG maturity and their capacity to face sustainability challenges. On top of regular exchanges with its customers, Spuerkeess has developed a dedicated “Energy Coach” program to support and advise its retail customers regarding sustainable construction or renovation projects.

Similarly, the transition of corporate clients requires dedicated support, given the various levels of ESG maturity of Luxembourg companies depending on their respective sectorial challenges.

Spuerkeess’ transition Enabler program aims to provide the Bank’s corporate clients with an assessment of their maturity regarding sustainability challenges and develop action plans facilitating access to financing sustainable projects. The program relies on tools to collect ESG data combined with a scoring methodology integrated into the credit-granting process. Ultimately, such a mechanism encourages companies to become more sustainable and resilient.

ESG due diligence and engagement also applies to the upstream part of Spuerkeess’ value chain.
Regarding suppliers and service providers, the bank has:

- Adopted a voluntary commitment declaration, consistent with the principles of responsible business conduct and ESG practices;
- Defined a supply chain policy relating to minerals and metals that may originate from conflict-affected or high-risk areas;
- Published a report on its policies and practices regarding supply-chain due diligence;
- Developed an enhanced ESG questionnaire to improve the coverage and the quality of ESG data collected.

The Bank has established several due diligence procedures governing the management of procurement and supply management. These mechanisms include a voluntary commitment declaration for suppliers, a structured process for risk management as well as supplier and contract management.
These combined measures ensure fair treatment of all suppliers and proper understanding of their capacity to manage their ESG risks. Whenever possible, the Bank favors the use of local suppliers and sourcing, while maintaining fair, responsible and balanced relationships with its partners.

The Bank also works closely with its subsidiary - Spuerkeess Asset Management – in developing sustainable investment products as well as aligning practices and policies to manage environmental risks in a consistent way.

Sub-Chapter II: Governance

(e) Responsibilities of management bodies in relation to environmental risk

Spuerkeess has established a robust governance framework to ensure effective oversight and execution of its sustainability strategy. Responsibilities are clearly divided among multiple governance bodies and operational functions, ensuring accountability, transparency and alignment with regulatory expectations. Particular emphasis is placed on the monitoring of ESG risks, with a specific focus on climate and environmental risks.

The **Board of Directors** oversees and approves strategic decisions related to sustainability matters, with the support of its specialized committees. In particular, the Board:

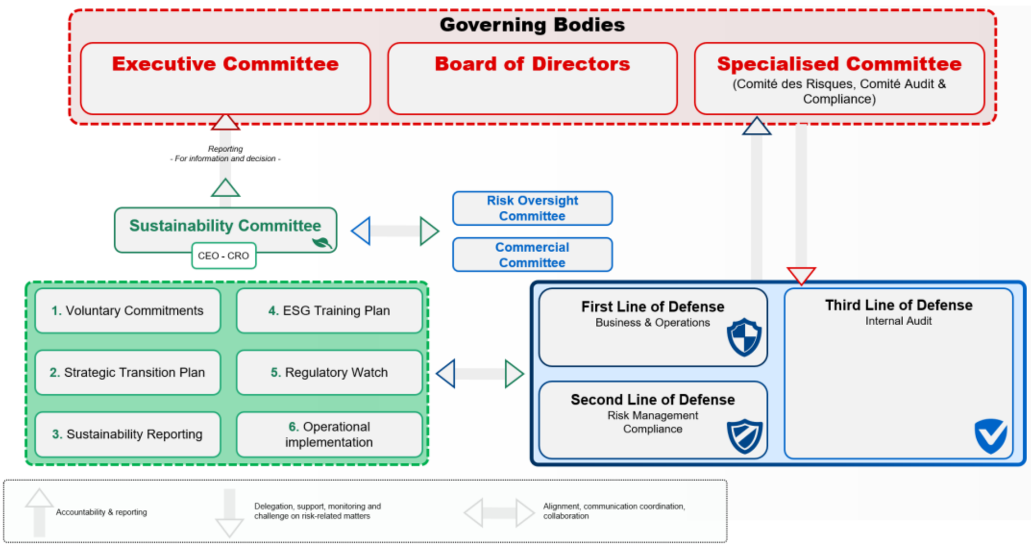
- Approves the ESG strategy, the associated policies and their updates (when relevant);
- Oversees the proper integration of impacts, risks and opportunities into the Bank's strategy;
- Approves the sustainability report.

The administrative, management and supervisory bodies are regularly informed about sustainability matters through structured and formalized reporting mechanisms.

The **Sustainability Committee** meets on a quarterly basis and ensures the coordination, the monitoring and overall coherence of the Bank's ESG initiatives, in line with strategic objectives set by the Board of Directors and the Executive Committee. It also aims to ensure effective knowledge-sharing and information exchange on ESG transversal matters affecting the Bank's activities, including related impacts, risks and opportunities. In addition, it issues recommendations regarding the operational implementation of the Bank's ESG strategy, as well as potential partnerships and cooperation initiatives. It monitors the ESG training plan and policies. Finally, the **Board and the Executive Committee** are informed on a quarterly basis, through an ESG Progress Report, about the decisions and recommendations of the **Sustainability Committee** – in particular the strategic matters and decisions falling under their responsibility.
The report also provides an update on the progress of the Bank's main sustainability initiatives as well as any key points requiring particular attention.

The Sustainability Committee is composed of two members of the Executive Committee and eight permanent members from the key involved departments in the Head of Sustainability.

<u>Governance of the Sustainability Committee</u>



(f) Integration of the effects of environmental factors and risks over different time horizons by the management bodies and by the organizational structure within the business lines and internal control functions:

Managers	**Roles and responsibilities**
Board of Directors	• Guides the Bank's strategy, considering sustainability issues • Oversees the management of sustainability impacts, risks and opportunities • Approves sustainability report and ESG policies
Executive Committee	• Ensures the execution of the strategy, taking into account and monitoring sustainability issues • Validates sustainability report and ESG policies
Extended Management	• Defines the strategic and commercial aspects of the ESG programme for the Bank as a whole • Makes proposals to the management bodies for the ESG strategy and its updating and ensures that the objectives of the Bank's ESG strategy and ESG programme are met within the given time-frame • Validates Sustainability Committee proposals on guidance and the roadmap to achieve the Bank's sustainability objectives • Validates sustainability key performance indicators in line with the provisions of the Bank's ESG strategy
Sustainability Committee	• Coordinates, monitors and maintains the overall coherence of sustainability initiatives and actions undertaken within the Bank • Ensures effective sharing of knowledge and information related to cross-cutting sustainability issues • Ensures cross-functional coordination and consultation in the development and execution of the Bank's strategic transition plan
Strategic & Sustainability Office (SSO) within the DSG	• Steers and coordinates the Bank's various sustainability projects and work • Draws up the general schedule for this work and monitors it • Ensures and coordinates regulatory compliance actions on sustainable finance topics • Acts as an ESG competence centre for the Bank • Coordinate the development and drafting of the sustainability report • Coordinates the deployment and monitoring of the ESG training plan • Represents Spuerkeess in European and national bank representative bodies
1st line of defence	• Integrates sustainability issues into the Bank's business strategy • Designs and offers products and services that incorporate sustainability issues • Applies new regulatory sustainability requirements • Executes and manages related first-level operations and controls in compliance with sustainability policies, procedures and limits • Contributes to the sustainability report
2nd line of defence	• Integrates sustainability risks into risk mapping • Ensures second line of defence permanent control and therefore guarantees that all sustainability risks are detected, assessed, measured, monitored, managed and duly reported by the business units • Ensures the integration of climate and environmental risks as well as ESG risks more broadly in the Risk Management Framework. • Implements a system of controls over the Bank's ESG data and operational processes. • Assesses and controls non-compliance risks as second line of defence in the annual control plan and is in charge of supervising reputational risk, with particular attention to the risk of greenwashing.
3rd line of defence	• Integrates sustainability issues into the multi-year internal audit plan and regularly assesses the Bank's sustainability control systems • Conducts an independent, objective and critical review of the sustainability control system in place and provides assurance to the governing bodies that related ESG risks are adequately managed

(g) Organisation of risk committees – roles and responsibilities

See chapter 2. "Publication of risk management objectives and policies"

(h) Integration of environmental risks into internal reporting framework

The monitoring of environmental risks is fully embedded in existing internal governance framework (See sections a) and b) above).

(i) Alignment of the remuneration policy with environmental risk considerations

Regarding the main features of incentive schemes, the members of the Board of Directors receive a quarterly lump sum allowance as well as directors' fees:

- For each meeting they attend (whether a Board or the specialized committees);
- For each training session they take part in.

Spuerkeess may grant compensation for extraordinary work to staff members, including the Executive Committee, on the proposal of the Executive Committee and subject to the approval of the Board of Directors and the Board of Government. This allowance is awarded annually based on the length of service during the reference period. The Bank does not apply variable remuneration based on qualitative performance or risk-taking criteria, but rather on the commitment and strategic alignment of ESG strategic objectives. Each year, the Bank's governing bodies decide whether this compensation will be granted and determine a maximum amount to be distributed.

To date, specific sustainability-related objectives have not yet been formalized within the organization.

Sub-Chapter III: Risk Management

(j) Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework

Spuerkeess has defined three time horizons to assess physical and transition risks:

- Short term (ST) 0-1 years;
- Medium term (MT) 1-5 years;
- Long-term (LT) > 5 years.

The analysis of climate and environmental risk factors feeds into and supplements the Risk Identification and Assessment Report, particularly with regard to the consideration and study of the transmission channels through which climate and environmental risk factors affect financial risks. The materiality analysis goes beyond a purely short-term view and incorporates medium- and long-term assessment of these risk factors.

Structuring risks over three time horizons reflects the fact that physical and transition risks emerge at different speeds and intensities over time. The short term is defined as a period of less than one year and centers around the identification of immediate impacts and very short-term risks that may result from sudden climate events or rapid economic shocks related to climate change. The medium term covers a period of one to five years and allows for the identification of emerging risks, including the early impacts of shifts in climate policies, new regulations or market trends. Finally, the long term is defined as a period spanning from five to thirty years, and focuses on the more sustained and progressive effects of climate change, systemic risks, and evolutions in consumer behaviours, infrastructure and technology, which may have significant and lasting consequences for the Bank and its activities.

(k) Definitions, methodologies and international standards on which the environmental risk management framework is based

Definition of climate and environmental risks

Spuerkeess considers ESG risks as stemming from the current or potential impacts of environmental, social and governance factors. Climate and environmental risks, which are a major component of these ESG risks, materialize through their impacts on the traditional categories of financial risks related to the Bank's core activities, in particular through credit, market, liquidity, operational, and non-financial risks. Spuerkeess does not therefore view climate and environmental risks as a new risk category, but rather as a risk driver for financial and non-financial risk categories. This approach has been developed in the materiality analysis of ESG risks and included in the risk identification and assessment process. The climate and environmental risks considered relevant for the Bank have been identified and assessed with a forward-looking perspective, taking into account different time horizons.

These risks fall into two broad categories: physical and transition risks.

Physical risks:
First, physical climate risk refers to the financial effects of climate change, particularly in regard to the increasing frequency and intensity of extreme events and gradual changes in climate. Acute risks include extreme weather events that occur suddenly and cause devastating short-term impacts. These events include floods, water level rise, droughts, heat waves, or forest fires, and are increasingly frequent and intense due to climate change.

These events can cause significant damage to infrastructure, disrupt economic activities with impacts on supply chains, and generate serious consequences for communities and ecosystems. On the other hand, chronic risks are characterized by gradual but lasting changes in the climate over the long term. These risks include rising global temperatures, rising sea levels and changing rainfall patterns, which can lead to phenomena such as coastal erosion, water shortages and perturbations in agricultural systems.

These chronic risks, although they manifest at a slower pace, are likely to have devastating cumulative effects and impact the resilience of societies and economies over the long term. In addition, physical environmental risks are defined as any potential financial impact resulting from environmental and ecosystem degradation. This refers to the process by which elements of the natural environment such as air, water, soil or biodiversity undergo negative alterations, especially due to human activities.

This may include air, water or soil pollution, overexploitation of natural resources, loss of biodiversity and habitats, and other forms of environmental degradation. Environmental degradation can have serious and irreversible consequences on human health, biodiversity and ecosystems. Finally, it should be noted that these two types of risks are highly interconnected and that climate change is one of the major factors influencing environmental risk.

Transition risks:
Transition risks arise from the shift toward a low-carbon economy, which can lead to significant changes in regulations, legal frameworks, technologies as well as market preferences. Depending on the nature, speed, and objectives of these changes, transition risks can trigger varying impacts on the financial and reputational risks of economic actors. For example, an accelerated transition scenario could pose very severe risks for a high-risk sector, while a business continuity scenario might present only moderate risks.

Building on the European Central Bank (ECB) Supervisory Expectations set out in the Guide on climate-related and environmental risks as well as the standards from the Basel Committee on Banking Supervision (BCBS), and the Task Forces on Climate- and Nature-related Financial Disclosures (TCFD and TNFD), the Bank is currently enhancing its ESG risk management framework to progressively align with the latest EBA Guidelines[1]. Regarding the analysis of climate scenarios and their consequences on financial risks, Spuerkeess refers to the scenarios published by the Network for Greening the Financial System (NGFS).

(l) Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels.

Spuerkeess implemented an Enterprise Risk Management Framework (ERMF) which includes a set of cross-functional and interdependent processes used for the detection, identification, assessment, measurement, monitoring and reporting of risks across the Bank. ESG risks, focused on climate and environmental risks, are fully integrated into the various components of this ERMF, across successive stages:

Identification of climate and environmental risks and materiality analysis

During the risk identification phase, Spuerkeess conducts a detailed mapping of climate and environmental aspects, distinguishing between physical risks and transition risks.

The assessment of climate-related and ESG risks is based on a structured methodology designed to measure their potential impact. The ESG risk materiality assessment methodology is broken down into several complementary stages, ranging from the analysis of major ESG exposures to the identification of risk drivers and corresponding ESG indicators, and to the determination of their materiality level over the short, medium, and long term.

Integration into the Risk Appetite Framework (RAF)

The RAF includes a monitoring of ESG indicators along with associated limits and targets, that are formalised in the Limit Handbook and the Risk Appetite Statement (RAS). This ensures that ESG aspects are treated in the same way as the major financial risks faced by Spuerkeess, thereby supporting strategic consistency, ongoing monitoring, and alignment of the risk profile with the Bank's sustainable strategy.

Stress Testing Framework including ESG risks

Spuerkeess' Stress Testing Framework integrates ESG risk factors into its quantitative models through:
- climate scenario analysis;
- stress tests covering physical and transition risks;
- the design and development of a dedicated strategy for environmental stress testing.

These elements help assess the Bank's resilience to shocks related to climate transition or physical climate risks.

[1] EBA/GL/2025/01 [January 2025] - Guidelines on the management of environmental, social and governance (ESG) risks & EBA [February 2025] - Consultation paper on draft Guidelines on ESG scenario analysis.pdf, EBA/GL/2025/02

Capital and liquidity adequacy (ICAAP/ILAAP)

The results of the stress tests are incorporated into the ICAAP/ILAAP to analyse the Bank's capital and liquidity adequacy. These analyses are carried out over a defined time horizon considering various future scenarios, such as an accelerated climate transition or flood related physical risk. The ICAAP/ILAAP outcomes demonstrate the viability of the Bank's business model and strategic plan.

Monitoring and reporting

As part of monitoring and reporting processes, Spuerkeess has developed a set of specific indicators for assessing ESG risks, including:
- the Bank's exposures to ESG risks;
- progress on its sustainability commitments;
- and an assessment of the effectiveness of implemented policies.

(m) Activities, commitments and exposures contributing to mitigate environmental risks

Spuerkeess integrates environmental risk mitigation across its value chain in alignment with ESRS standards and aims to reduce the environmental impact of its operations, financing and investment activities.

The identification and assessment of ESG risks lead to the definition of mitigation strategies, including:
- First line controls carried out within the operational departments;
- The annual update of ESG policies (e.g., exclusion policy);
- Ongoing regulatory monitoring notably performed by the Compliance Department (DCP);
- Internal Audit acting as third line control;
- The use of Key Performance Indicators (KPIs) to monitor the evolution of indicators and their respective levels/limits, providing the means to detect any potential deviations.

(n) Implementation of tools for identification, measurement and management of environmental risks

Spuerkeess uses many tools to identify and measure ESG risks, including stress testing and scenario analysis methods, ESG risk materiality analyses, and ad hoc environmental analyses.
The continuous improvement of the monitoring of climate and environmental indicators forms an integral part of the Bank's overall strategy to assess and mitigate climate risk. Spuerkeess applies a *top-down* approach to supervise and limit ESG risks, and a *bottom-up* approach to integrate specific criteria and indicators into its credit and investment policies. The integration of ESG risks into the Risk Appetite Framework (RAF) supports the definition of strategic and operational limits based on their impacts.

Six climate and environmental risk indicators are monitored within the Bank's Risk Appetite Dashboard and include both physical and transition risk indicators (such as exposures to fluvial flood zones, carbon intensity of the Bank's counterparties, etc).

In addition, more detailed and targeted analyses of ESG risk factors are consolidated in a dedicated report, the "ESG Risk Report".

(o) Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile

As part of the Internal Capital Adequacy Assessment Process (ICAAP), Spuerkeess uses medium-term climate scenarios from the Network for Greening the Financial System (NGFS). This exercise aims to assess the potential impact of climate and environmental risks on the Bank's solvency, its loss-absorbing capacity, and its ability to meet prudential requirements over the three-year projection horizon used for the ICAAP. The results of the various scenario analyses lead to an increase in ECLs, but these remain at levels that Spuerkeess can absorb.
Furthermore, Spuerkeess has incorporated a climate component (i.e. an average climate scenario) in the form of a GDP add-on, which is taken into account in the calculation of provisions and has an impact on Spuerkeess' metrics and ratios.

The ambitious "Net Zero 2050" scenario leads to higher ECLs compared to other climate scenarios. This is explained by the fact that the Bank's counterparties are mainly located in Luxembourg and in countries belonging to the "Advanced Economies" group, subject to a high transition risk in the next 5 to 10 years under the "Net Zero 2050" scenario. In contrast, physical risks materialise mainly from 2037 and 2038 onwards, which has a limited impact on current Expected Credit Losses (ECL).

Besides, the assessment of each individual risk driver confirms the trend observed in the analysis of the climate scenarios, namely that the overall materiality of both physical and transition risks progressively rises throughout the assessment horizon. In the short-term, Spuerkeess still maintains the assessment of those risks as moderate, although the Bank expects their materiality to increase over time.

(p) Data availability, quality and accuracy, and efforts to improve these aspects

The availability, the quality and reliability of ESG information represent a major challenge for the banking sector, particularly concerning forward-looking data as well as for ESG topics beyond climate.

The Bank applies a strict hierarchy of data sources. First and foremost, Spuerkeess priorities data directly reported by clients and the information provided by external providers and partners. When such information is not available, proxies and estimates are used following structured methodologies (such as PCAF). For instance, in the case of the real estate portfolio, emissions are obtained using the collected energy performance certificate or the estimated energy class, otherwise using the relevant PCAF emission factors when data are missing. With regards to suppliers and service providers, the Bank has developed a specific ESG questionnaire structured across three maturity levels, depending on their materiality for the Bank.

In order to cover a wider scope of relevant ESG data for the Bank and to improve its quality, several actions have been undertaken:

- Development of a centralized ESG data repository to establish a centralized governance and system for managing the Bank's ESG data;
- Deployment of the Transition Enabler Program, designed to support our customers in the energy transition and to enable the collection of both quantitative and qualitative information on their sustainability performance and objectives;
- Strengthening the quality and coverage of ESG data sourced from external providers;
- Redesign of the ESG due diligence questionnaire for suppliers and service providers to systematically integrate ESG data.

These initiatives will enable the Bank to improve the quality of information used in its risk management and to improve the consideration of ESG impacts in its investment and financing decisions, in line with its sustainability objectives and ambitions.

(q) Description of limits to environmental risks that are set, and triggering escalation and exclusion in the case of breaching these limits

The Bank's exclusion policy defines the list of environmentally sensitive sectors that the Bank excludes from its investments activities, as well as the exclusion process based on controversies related to the United Nations Global Compact (UNGC) and the OCDE Guidelines for Multinational Enterprises.

Sector-based exclusions

To limit financial flows into activities with a negative environmental impact, Spuerkeess has implemented exclusion perimeters from its own investment activities, namely the investment advisory universe and portfolio management:

- Companies whose turnover from coal-related activities (e.g. coal production and coal power generation) exceeds 10% of their total turnover;
- Companies whose turnover from unconventional fossil fuels (e.g. oil sands extraction and processing and shale gas extraction) exceeds 5% of their total turnover;
- Palm oil producers whose uncertified RSPO (Roundtable on Sustainable Palm Oil label) palm oil production exceeds 10% of their revenues;
- Companies involved in deforestation (exclusion of forest and paper companies that do not use sustainable offsetting practices);
- Controversial weapons manufacturers;
- Companies from oil and gas sectors whose turnover from oil-related activities exceeds 10% of their total turnover, or whose turnover from gas-related activities exceeds 50% of their total turnover.

As part of the strengthening of its climate strategy, Spuerkeess expanded its exclusion policy in 2025 to cover the oil and gas sector for its proprietary investments. The following segments are now excluded:

- Companies involved in the exploration, production, or expansion of conventional or unconventional oil and gas activities;
- Companies developing new fossil-fuel projects, including related infrastructure such as pipelines, LNG terminals, or additional extraction projects.

Controversy-based exclusions

Spuerkeess uses a mechanism, developed by an external service provider specialized in the analysis of ESG data, to check and verify any issuer's actual involvement in controversial negative impact activities, as reported by the media, Non-Governmental Organizations (NGOs) or other relevant stakeholders.

As soon as a controversy is identified, the Bank takes a set of criteria into account to classify the impact of this controversy, namely:

- The type (structural or non-structural) of controversy.
- The degree of severity.
- The status (in progress).
- The international standards and conventions that were violated, defined according to the UNGC principles.

Securities issued by entities involved in severe controversies related to one of the ten principles of the United Nations Global Compact are excluded from Spuerkeess' own portfolio investment activities, the investment advisory universe, and eligible financial instruments at the level of the Bank's portfolio management. This identification process is determined by a decision tree defined in the associated policy.

(r) Description of the link between environmental risks and other risks in the risk management framework

The ESG risk factors are associated with the main categories of prudential risks through an analysis of their links and interrelationships. These include the following risks:

- **Credit risk**: Climate risks may affect the customers' ability to repay, or the value of collateral provided. These risks can be physical, akin to damages caused by a natural disaster, or transition-related such as the impact of a carbon tax on high-carbon companies, or the inability of certain counterparties to adapt to changes in consumer behavior due to climate change.

- **Market risk**: These risks can lead to increased volatility and a decrease in asset values in certain markets exposed to physical or transition risks, potentially associated with rapid and significant price adjustments, especially if these risks are not yet priced by the market. Besides, such a situation could also affect the Bank's liquidity reserve.

- **Liquidity risk**: The Bank's liquidity risk profile may be affected both directly by an inability to secure funding, or liquidate assets under normal market conditions, and indirectly through an increase in customers' liquidity needs.

- **Operational and reputational risks**: Physical risks have the potential to damage the Bank's assets such as buildings or IT equipment, and to disrupt business continuity. In addition, changing consumer perceptions of climate issues can damage the Bank's reputation, particularly if it funds activities that are considered environmentally harmful. Transition risks, such as changes in climate policies or consumer expectations, can also affect banking operations, including products and services that require adaptation to new sustainability requirements. In particular, Spuerkeess could be exposed to sanctions or legal remedies if non-compliant products are offered.

Table 2 – Qualitative information on Social risk

Sub-Chapter I: Business strategy and processes

(a) Integrating social factors and risks into the Bank's strategy

In addition to the measures implemented by the Bank that are described in the “Business strategy and processes” section of the sub-chapter I on environmental risk, Spuerkeess has implemented several measures to mitigate the social risks while supporting social objectives of its counterparties:

- Engagement with clients through its Transition Enabler program;
- Scoring methodology of corporate clients as part of the credit-granting process covering social aspects;
- Due-diligence procedures for suppliers and service providers;
- Double materiality assessment covering social topics;
- Active contribution to national initiatives and working groups on social considerations, such as the Luxembourg Banking Association, the IMS, the National Pact on Business and Human Rights, or the Women in Finance Charter;
- The ETIKA programme, which channels savings into ESG-impacts projects.

Spuerkeess also plays a vital role in financing projects that address fundamental needs of the population, like the access to affordable housing. Thanks to the construction support scheme set up by the State of Luxembourg to promote the development of accessible housing, the Bank supports social actors, both public and private, in the financing and construction of subsidized housing for low-income households.

To complement government measures aimed at supporting Luxembourg's real estate activity, Spuerkeess has revised the terms of its "home loan" product to offer its retail customers more flexibility, encouraging access to home ownership by reducing the burden of the loan. In addition, Spuerkeess offers its customers different types of financing to facilitate the purchase of a first home.

For low-income customers wishing to become homeowners, advantageous conditions are offered, such as a reduction in handling fees for applications to finance properties developed by socially responsible developers. The state guarantee scheme also applies to mortgage borrowers. Through its commitment, the Bank seeks to address the needs of underserved and economically more vulnerable populations.

Spuerkeess places the social dimension at the heart of its activities in order to consolidate its attractiveness as an employer of choice, by improving working conditions, promoting health and well-being, and supporting the development of our employees’ skills and the fight against all forms of discrimination.

Spuerkeess also recognises education as essential for preventing over-indebtedness and enabling responsible financial behaviour. Main actions include delivery of financial literacy through websites, podcasts or public conferences, dedicated youth products and focused initiatives targeting vulnerable groups, including personal guidance and accessible digital solutions.

In 2025, Spuerkeess reached an important milestone in its social engagement with the creation of the Spuerkeess Foundation. Hosted under the Luxembourg Foundation, it aims to support projects that shape the country’s future: social inclusion, financial education and the promotion of artistic heritage.

(b) Objectives, targets and limits for the assessment and management of social risks

Spuerkeess assesses its partners based on their capacity to comply with environmental, social and ethical requirements and works with them to guarantee more transparent and responsible supply chains. The Bank has defined several due diligence policies governing the management of its purchases and suppliers, including a voluntary ESG commitment charter for suppliers, a report on supply chain due-diligence policies and practices as well as a dedicated human rights policy.

Internally, the Bank ensures that social and environmental responsibility is integrated into its relevant processes. Spuerkeess' Code of Conduct emphasizes its commitment to social and governance responsibility, requiring compliance with laws and professional standards, promoting respect, diversity and a healthy working environment. Through mandatory training, a compliance function and a whistle blowing system, the Bank ensures an inclusive and respectful environment. The Bank's diversity and inclusion policy promotes fair recruitment, working conditions and skills development, while supporting the well-being of employees and ensuring a healthy work-life balance.

These initiatives strengthen Spuerkeess' commitment to integrating sustainable and responsible practices, while building trust among employees and partners.

(c) Measures to mitigate social risks

As a signatory to the *National Pact for Companies and Human Rights*, Spuerkeess strives to integrate human rights considerations into its Human Resources, purchases, investments and loans processes. Spuerkeess implements tangible actions to promote social responsibility and respect for human rights. In this context, the Bank has identified priority areas such as:

- Combating discrimination;
- Mobbing and harassment;
- Respect for health and safety at work;
- Promoting social dialogue and staff training;
- Financial inclusion;
- Considering the impacts on third parties affected by its activities.

Spuerkeess' **Staff Code of Conduct** sets out the Banks' fundamental values and commitments in terms of human rights and social and environmental responsibility. It describes the rules of conduct that all Spuerkeess staff must observe in the performance of their duties, to provide a respectful and inclusive working environment, free from any form of discrimination, harassment or disrespectful behavior towards any person involved in the Bank. The Bank also works closely with its subsidiary - Spuerkeess Asset Management – in developing sustainable investment products as well as aligning practices and policies to manage environmental risks in a consistent way.

Additional measures regarding clients and providers/suppliers are described in the section on environmental risks.

Sub-Chapter II: Governance

(d) Responsibilities of management bodies in relation to social risk

See similar “Governance” section of the sub-chapter I on environmental risk – the same governance, including roles and responsibilities, reporting and escalation processes applies equally to environmental, social and governance risks.

(e) Organization of risk committees – roles and responsibilities

See chapter 2. "Publication of risk management objectives and policies".

(f) Integration of environmental risks into internal reporting framework

See similar “Governance” section of the sub-chapter I on environmental risk – the same governance, including roles and responsibilities, reporting and escalation processes applies equally to environmental, social and governance risks.

Structured HR practices – including training, ESG education, anti-discrimination safeguards and accessible career-development processes – reflect a mature social governance system. The Bank sees employees as central to sustainable value creation and aligns its HR policies with international social standards.

Employees’ rights, consumer protection, human rights, diversity, and social inclusion are embedded in the Bank’s overarching governance and due diligence processes. The Board and Executive Committee receive quarterly ESG updates and social factors are monitored through KPIs, stakeholder feedback and risk assessments.

(g) Alignment of the remuneration policy with environmental risk considerations

See similar “Governance” section of the sub-chapter I on environmental risk – the same governance, including roles and responsibilities, reporting and escalation processes applies equally to environmental, social and governance risks.

Sub-Chapter III: Risk Management

(h) Definitions, methodologies and international standards on which the social risk management framework is based

In defining and understanding social risk, Spuerkeess relies on the Guidelines on the management of environmental, social and governance (ESG) risks published by the European Banking Authority (EBA). Furthermore, the Bank draws on the ten principles of the United Nations Global Compact, which set out minimum requirements in the areas of human rights, labor, the environment and anti-corruption. As a signatory of the UNEP FI, the Bank strives to integrate human rights considerations into its HR processes, procurement practices, as well as its investments and lending activities.

(i) Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk

The Bank has integrated the definition and analysis of social risks into its risk identification and assessment process. At this stage, this mainly concerns social risks related to employee relationships and internal labor standards, which are considered part of operational risk.

(j) Activities, commitments and assets contributing to the mitigation of social risk

In addition to the analysis of social risks related to operational activities, the Bank measures the profile of international counterparties according to their current involvement in controversial activities with negative impacts, as reported by the media, non-governmental organizations (NGOs) and other stakeholders. To assess these controversies, the Bank relies on data provided by an external service provider specialized in ESG data analysis. To better mitigate social risks, the Bank has included in its exclusion policy a criterion that excludes counterparties violating various standards, such as the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights and the main conventions of the International Labor Organization (ILO).

(k) Implementation of tools for identification and management of social risk

The Bank primarily uses internal studies and data to assess the social risks associated with employee relations. It also complies with the principles and requirements concerning health and safety at work as defined by national regulations (such as the Administrative Code of the Civil Service or the Labor Code). For the collection and evaluation of controversies related to the investment activities, the Bank uses data in the form of a social “score”. Finally, in order to measure reputational risk stemming from social risk, the Bank has set up an indicator tracking the alignment of its investment portfolio with sustainable activities, and more specifically those linked to bonds labeled as "Green, "Social”, "Sustainability" and "Sustainability-linked (SLB)". The classification must be certified by a label recognized by LuxBourse.

(l) Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits

The only limits defined by the Bank to reduce social risks are set within the exclusion policy, under which counterparties are excluded based on the severity of the controversy and the violation of various social standards.

(m) Description of the link (transmission channels) between social risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk framework

The Bank has identified the main transmission channels between social risk factors and operational and reputational risks. Social risks can have a direct impact on the Bank's employees. In addition, non-compliance and violation of various social standards by the Bank's counterparties and stakeholders can lead to reputational risk.

Table 3 – Qualitative information on Governance risk

Sub-Chapter I: Governance

(a) Integration of governance performance in governance arrangements

The Bank's exclusion policy defines exclusion processes based on controversies related to the United Nations Global Compact (UNGC) and the OCDE Guidelines for Multinational Enterprises.

Spuerkeess uses a mechanism, developed by an external service provider specialized in the analysis of ESG data, to verify an issuer's actual involvement in controversial negative impact activities, as reported by the media, Non-Governmental Organizations (NGOs) and other stakeholders.

As soon as a controversy is identified, the Bank takes a set of criteria into account to classify the impact of this controversy, namely:

- The type (structural or non-structural) of controversy;
- The degree of severity;
- The status (in progress);
- The international standards and conventions that were violated, defined according to the UNGC principles and the OECD Guidelines for Multinational Enterprises.

Based on a decision tree defined in the associated policy, securities issued by entities involved in severe controversies related to one of the ten principles of the United Nations Global Compact are excluded from Spuerkeess' own portfolio investment activities, the investment advisory universe, and eligible financial instruments at the level of the Bank's portfolio management.

(b) Consideration of the role of counterparties' governing bodies

Spuerkeess does not currently take into account the role of the counterparty's highest governance body in non-financial reporting.

(c) Integration of considerations related to conflict of interest

The process of handling controversies is part of the Bank's exclusion policy. A dedicated internal group of experts is reviewing each controversial case to assess the degree of severity of the controversy and how the counterparty manages it and communicates about it.

Regarding conflict of interest, the Bank has established a centralized framework for the management of conflicts of interest within the Compliance function. For each outsourcing arrangement, the Compliance department is systematically consulted to assess the file from a conflicts of interest perspective. An email address specifically dedicated to conflicts of interest is available and communicated to our counterparties, enabling them to report any situation giving rise to, or likely to give rise to, a conflict of interest.

Furthermore, a clause included in our contracts with external service providers stipulates that the entity declares not being subject to any direct or indirect conflict of interest that could compromise impartiality or independence in the performance of duties. The service provider also undertakes to promptly inform the Compliance team of any actual or potential conflict of interest through the dedicated email address.

Sub-Chapter II: Risk Management

(d) The Bank's integration in risk management arrangements of the governance performance of its counterparties

- Ethical considerations are not explicitly integrated into the Bank's counterparty evaluation process. Nevertheless, breaches of ethical standards and behaviour are identified and assessed as part of the monitoring of controversies related to issuers and may lead to a recommendation for exclusion.
- The counterparty's business strategy and risk management process are analysed and evaluated as part of the credit assessment of a counterparty.
- Inclusion is not explicitly incorporated into the Bank’s assessment of counterparties.
- Transparency is not explicitly incorporated into the Bank's assessment of counterparties.
- The management of conflicts of interest is not explicitly integrated into the assessment of the Bank's counterparties.
- Internal communication on critical concerns is not explicitly integrated into the Bank's counterparty assessment.

The Bank is continuing to analyse the links between the aforementioned elements and the existing risk categories and aims to gradually integrate them into the Bank's counterparty assessment process.

Quantitative information on environmental risk

In 2025, certain securities were reallocated to different economic sectors due to a reclassification of the NACE codes assigned to its assets. Consequently, the gross carrying amount and the associated financed emissions reported under the respective NACE codes are not directly comparable with prior reporting periods. This reclassification impacts Templates 1, 3, and 5 of the present report.

Template 1 - Banking book - Indicators of potential climate change transition risk:
Credit quality of exposures by sector, emissions and residual maturity.

The table below shows the gross carrying amount by industrial sector of our investments (bonds and equities issued by companies in sectors covered by NACE code A-L) and for financing granted to companies operating in sectors considered climate-sensitive (NACE code A-L). For these exposures, we also provide information in this table:

- Outstandings that fall under the exclusions of the Paris Aligned Benchmark (column b).
  The application criteria are:
  - Companies generating more than 1% of their revenue from coal;
  - Companies generating more than 10% of their revenue from oil;
  - Companies generating more than 50% of their revenue from gas;
  - Companies generating more than 50% of their income electricity production with a carbon intensity exceeding 100 gCO_2/kWh;
  - companies that are detrimental to one or more of the environmental objectives defined in article 9 of European regulation 2020/852.
- value adjustments (columns f to h);
- maturity buckets (columns l to o);
- weighted average maturity (column p).

The GHG emissions in this template were calculated in accordance with the PCAF methodology. The formulas were applied based on the availability and quality of the underlying data. All necessary data was obtained either from our external ESG data provider or directly from the relevant stakeholders.

The amounts reported under NACE code K include exposures to banks and other financial corporates but exclude exposures to central banks, to align with NACE-defined economic activities and sector-based disclosures. This differs from the previous 2024 financial year reports, when all the three types of counterparties were included. Subject to further clarifications on the applicable scope and in light of forthcoming regulatory developments, the scope of disclosures may be adjusted to include exclusively exposures to non-financial corporates.

	Sector/subsector		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
				Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions						
			0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120	0130	0140	0150	0160
1	**Exposures towards sectors that highly contribute to climate change***	**0010**	**8.410**	**583**	**186**	**1.798**	**481**	**-245**	**-106**	**-118**	**3.011.126**	**2.219.964**	**34%**	**5.505**	**1.457**	**1.313**	**135**	**5,4**
2	**A - Agriculture, forestry and fishing**	**0020**	**51**	**0**	**0**	**11**	**2**	**-1**	**0**	**0**	**15.894**	**8.002**	**0%**	**28**	**10**	**13**	**0**	**6,7**
3	**B - Mining and quarrying**	**0030**	**28**	**10**	**0**	**0**	**0**	**0**	**0**	**0**	**108.210**	**99.802**	**49%**	**28**	**0**	**0**	**0**	**2,2**
4	B.05 - Mining of coal and lignite	0040	0	0	0	0	0				0	0		0	0	0	0	0,0
5	B.06 - Extraction of crude petroleum and natural gas	0050	12	0	0	0	0	0	0	0	74.411	68.127	0%	12	0	0	0	2,0
6	B.07 - Mining of metal ores	0060	0	0	0	0	0				0	0		0	0	0	0	0,0
7	B.08 - Other mining and quarrying	0070	10	10	0	0	0	0	0	0	31.878	30.657	100%	10	0	0	0	1,0
8	B.09 - Mining support service activities	0080	5	0	0	0	0	0	0	0	1.921	1.018	67%	5	0	0	0	5,0
9	**C - Manufacturing**	**0090**	**1.818**	**568**	**16**	**130**	**64**	**-22**	**-11**	**-9**	**1.161.289**	**1.027.640**	**65%**	**1.415**	**357**	**46**	**0**	**3,8**
10	C.10 - Manufacture of food products	0100	209	153	0	4	0	0	0	0	106.510	102.308	77%	152	50	6	0	4,1
11	C.11 - Manufacture of beverages	0110	292	149	0	0	0	0	0	0	66.649	61.130	70%	224	69	0	0	3,3
12	C.12 - Manufacture of tobacco products	0120	0	0	0	0	0	0	0	0	1	1	0%	0	0	0	0	1,0
13	C.13 - Manufacture of textiles	0130	3	0	0	3	0	0	0	0	4.230	3.633	0%	3	0	0	0	1,0
14	C.14 - Manufacture of wearing apparel	0140	105	0	0	7	0	0	0	0	19.457	19.270	67%	84	21	0	0	3,9
15	C.15 - Manufacture of leather and related products	0150	25	0	0	0	0	0	0	0	9.118	8.877	0%	25	0	0	0	3,7
16	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0160	59	0	0	59	0	-9	-9	0	38.754	31.109	0%	6	49	4	0	7,2
17	C.17 - Manufacture of paper and paper products	0170	10	0	0	0	0	0	0	0	5.144	4.038	82%	10	0	0	0	2,4
18	C.18 - Printing and reproduction of recorded media	0180	4	0	0	1	0	0	0	0	2.180	1.992	0%	1	0	2	0	10,3
19	C.19 - Manufacture of coke and refined petroleum products	0190	26	26	0	0	0	0	0	0	109.835	104.781	94%	26	0	0	0	3,8
20	C.20 - Manufacture of chemicals and chemical products	0200	208	158	0	1	0	0	0	0	163.104	151.689	93%	135	73	0	0	4,5
21	C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	0210	138	3	0	3	0	0	0	0	9.246	8.717	67%	114	23	0	0	3,7
22	C.22 - Manufacture of rubber products	0220	32	0	0	1	31	-4	0	-4	26.405	20.399	0%	6	4	22	0	8,8
23	C.23 - Manufacture of other non-metallic mineral products	0230	56	0	1	19	0	-1	-1	0	99.490	24.541	16%	45	12	0	0	3,3
24	C.24 - Manufacture of basic metals	0240	30	0	0	1	26	-3	0	-3	31.673	22.410	0%	18	13	0	0	4,4
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	0250	17	0	0	6	7	-2	0	-2	13.245	11.498	0%	13	2	3	0	4,6
26	C.26 - Manufacture of computer, electronic and optical products	0260	156	0	0	0	0	0	0	0	29.409	27.917	75%	153	3	0	0	2,3
27	C.27 - Manufacture of electrical equipment	0270	30	0	0	3	0	0	0	0	27.569	27.147	11%	30	0	0	0	3,8
28	C.28 - Manufacture of machinery and equipment n.e.c.	0280	83	0	0	1	0	0	0	0	31.450	30.532	28%	79	4	0	0	3,5
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	0290	191	80	14	16	0	0	0	0	314.332	312.461	100%	177	14	0	0	2,9
30	C.30 - Manufacture of other transport equipment	0300	2	0	0	0	0	0	0	0	2.822	2.795	0%	1	1	0	0	4,2
31	C.31 - Manufacture of furniture	0310	0	0	0	0	0	0	0	0	57	55	0%	0	0	0	0	1,0
32	C.32 - Other manufacturing	0320	126	0	0	0	0	0	0	0	44.713	44.546	66%	109	15	1	0	3,2
33	C.33 - Repair and installation of machinery and equipment	0330	16	0	0	2	0	0	0	0	5.895	5.793	0%	4	5	7	0	10,2
34	**D - Electricity, gas, steam and air conditioning supply**	**0340**	**586**	**4**	**137**	**113**	**2**	**-6**	**-4**	**-1**	**330.718**	**206.287**	**39%**	**382**	**157**	**47**	**0**	**6,0**
35	D35.1 - Electric power generation, transmission and distribution	0350	530	0	137	112	1	-6	-4	-1	268.087	156.700	43%	369	118	43	0	5,2
36	D35.11 - Production of electricity	0360	316	0	65	112	1	-6	-4	-1	114.675	57.381	28%	166	107	43	0	6,7
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	0370	6	4	0	0	2	0	0	0	43.358	43.004	0%	5	0	0	0	2,0
38	D35.3 - Steam and air conditioning supply	0380	50	0	0	1	0	0	0	0	19.272	6.583	0%	7	39	4	0	8,0
39	**E - Water supply; sewerage, waste management and remediation activities**	**0390**	**20**	**0**	**2**	**4**	**0**	**0**	**0**	**0**	**15.643**	**10.771**	**55%**	**10**	**10**	**0**	**0**	**4,4**
40	**F - Construction**	**0400**	**1.468**	**0**	**9**	**452**	**211**	**-87**	**-23**	**-61**	**387.366**	**375.134**	**3%**	**1.016**	**175**	**246**	**31**	**4,6**
41	F.41 - Construction of buildings	0410	1.258	0	1	399	198	-79	-22	-55	289.086	282.102	0%	874	138	216	30	4,5
42	F.42 - Civil engineering	0420	87	0	8	3	0	0	0	0	39.354	37.296	43%	53	23	11	0	5,5
43	F.43 - Specialised construction activities	0430	123	0	0	50	14	-7	-1	-6	58.926	55.736	0%	89	14	19	1	4,4
44	**G - Wholesale and retail trade; repair of motor vehicles and motorcycles**	**0440**	**334**	**0**	**0**	**113**	**12**	**-12**	**-5**	**-5**	**226.840**	**219.021**	**20%**	**184**	**97**	**53**	**0**	**6,1**
45	**H - Transportation and storage**	**0450**	**1.955**	**0**	**23**	**97**	**0**	**-11**	**-8**	**0**	**674.419**	**193.277**	**64%**	**1.621**	**231**	**88**	**16**	**2,9**
46	H.49 - Land transport and transport via pipelines	0460	434	0	18	97	0	-10	-8	0	59.309	43.930	13%	256	151	27	0	4,6
47	H.50 - Water transport	0470	10	0	0	0	0	0	0	0	5.431	1.848	0%	10	0	0	0	1,4
48	H.51 - Air transport	0480	1.110	0	0	0	0	0	0	0	543.847	94.554	100%	1.109	1	0	0	1,0
49	H.52 - Warehousing and support activities for transportation	0490	329	0	0	1	0	-1	0	0	25.763	21.535	3%	211	41	61	16	6,6
50	H.53 - Postal and courier activities	0500	72	0	4	0	0	0	0	0	40.069	31.411	100%	35	37	0	0	4,9
51	**I - Accommodation and food service activities**	**0510**	**114**	**0**	**0**	**8**	**3**	**-2**	**0**	**-1**	**17.716**	**16.368**	**45%**	**73**	**29**	**12**	**0**	**4,8**
52	**L - Real estate activities**	**0520**	**2.150**	**0**	**0**	**880**	**189**	**-107**	**-55**	**-41**	**73.030**	**63.663**	**0%**	**821**	**421**	**820**	**87**	**9,2**
53	**Exposures towards sectors other than those that highly contribute to climate change***	**0530**	**19.216**	**218**	**51**	**517**	**58**	**-64**	**-17**	**-34**				**15.908**	**3.099**	**187**	**22**	**3,0**
54	**K - Financial and insurance activities**	**0540**	**17.437**	**191**	**51**	**395**	**41**	**-45**	**-7**	**-28**				**14.501**	**2.851**	**72**	**13**	**2,9**
55	**Exposures to other sectors (NACE codes J, M - U)**	**0550**	**1.665**	**27**	**0**	**113**	**15**	**-18**	**-9**	**-5**				**1.334**	**220**	**102**	**9**	**3,6**
56	**TOTAL**	**0560**	**27.625**	**801**	**237**	**2.315**	**539**	**-310**	**-123**	**-152**				**21.412**	**4.557**	**1.500**	**157**	**3,7**

* In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Template 2: Banking book – Indicators of potential climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral

	Counterparty sector		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Total gross carrying amount amount (in MEUR)															
			Level of energy efficiency (EP score in kWh/m² of collateral)							Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
				0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
			0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120	0130	0140	0150	0160
1	**Total EU area**	**0010**	**23.080**	**10.082**	**4.285**	**3.606**	**3.280**	**490**	**461**	**1.652**	**740**	**214**	**194**	**728**	**1.028**	**1.477**	**17.047**	**1**
2	Of which Loans collateralised by commercial immovable property	0020	4.068	1.671	631	752	144	11	16	102	51	14	14	29	29	37	3.793	1
3	Of which Loans collateralised by residential immovable property	0030	19.011	8.411	3.654	2.854	3.137	480	445	1.550	689	200	180	699	999	1.441	13.254	1
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	0040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	0050	16.172	7.537	3.111	2.487	2.651	212	174									
6	**Total non-EU area**	**0060**	**2**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2**	**1**
7	Of which Loans collateralised by commercial immovable property	0070	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Of which Loans collateralised by residential immovable property	0080	2	2													2	1
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	0090	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	0100	2	2	0	0	0	0	0								0	0

The table shows loans collateralised by real estate properties according to the type of collateral (commercial or residential).

The energy performance (expressed in kWh/sqm of the collateral) is determined on the basis of the data indicated on the energy performance certificates collected (columns b to g, lines 2, 3 for the EU zone, and 7 and 8 for the non-EU zone) or, in the absence of an EPC, on the basis of estimates made using the PCAF methodology (lines 5 for the EU zone and 10 for the non-EU zone).

The evolution of the distribution of the Gross Carrying Amount across all energy classes is mainly driven by the fact that the loans repaid during the period mostly did not have an EPC, whereas most of new loans have an EPC. For this reason, the Bank expects a significant evolution of these figures over the next years, before they stabilize.

The evolution of the distribution of the Gross Carrying Amount across primary energy demand (columns b to g) relates to amounts linked to either an EPC or a PCAF estimate. These figures are not expected to experience major year-on-year changes. The increase observed over the period in certain primary energy demand buckets is explained by an improvement in the algorithm used to estimate energy classes, on which the primary energy demand depends.

Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics

a	b	c	d	e	f	g
Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mn EUR)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
0010	0020	0030	0040	0050	0060	0070
Power	35.11, 35.12, 35.13, 35.14, 35.21, 35.22	285	0,14 gCO2e/Mwh	2025	-26%	0,26 gCO2e/Mwh
Fossil fuel combustion	08.99, 09.10	28	74,97 gCO_2/MJ	2025	38%	56,85 gCO_2/MJ
Automotive	28.29, 29.10	205	119,62 gCO2e/km	2025	39%	97,24 gCO2e/km
Aviation - Passenger airlines	51.10	578	934,00 gCO2e/RTK	2025	35%	738,00 gCO2e/RTK
Maritime transport				2025		
Cement, clinker and lime production				2025		
Iron and steel, coke, and metal ore production				2025		
Chemicals				2025		
... potential additions relavant to the business model of the institution				2025		
Mortgage loans	N/A	20.154	35,49 kgCO2e/sqm	2025	47%	26,62 kgCO2e/sqm
Aviation - Cargo airlines	51.21	531	515,00 gCO2e/FTK	2025	24%	442,80 gCO2e/FTK

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

Spuerkeess chose to apply the Transition Pathway Initiative (TPI) approach to assess the alignment of the climate transition trajectories of companies operating in the four most carbon intensive sectors represented in its portfolios. This assessment relies on the International Energy Agency's (IEA) Net Zero Emissions (NZE) scenario, as used by the TPI, as well as the NECP decarbonisation targets for the Luxembourg real estate sector.

Since the TPI's transition pathways are regularly updated to remain consistent with the latest scientific evidence (IEA scenarios), the Bank adjusts its target setting approach accordingly to ensure methodological coherence and scientific robustness.

Template 4 - Banking book – Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms

		a	b	c	d	e
		Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
		0010	0020	0030	0040	0050
1	0010	73	0,3%	0	2,4	4

*For counterparties among the top 20 carbon emitting companies in the world

The table shows the gross carrying amount of the counterparties on our balance sheet, which are among the 20 companies with the highest GHG emissions. We have 4 of these 20 companies on our balance sheet for a total of EUR 72,84 million.

Template 5 - Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk.

Template 5.1 – Luxembourg

	a		b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Luxembourg		Gross carrying amount (Mln EUR)													
				of which exposures sensitive to impact from climate change physical events												
				Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
				<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
			0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120	0130	0140
1	A - Agriculture, forestry and fishing	0010	50	0	0	0	0	1	0	0	0	0	0	0	0	0
2	B - Mining and quarrying	0020	0													
3	C - Manufacturing	0030	289	1	0	2	0	8	0	4	0	2	0	0	0	0
4	D - Electricity, gas, steam and air conditioning supply	0040	302	1	0	6	0	11	0	7	0	7	0	0	0	0
5	E - Water supply; sewerage, waste management and remediation activities	0050	9	3	0	0	0	4	0	3	0	3	0	0	0	0
6	F - Construction	0060	1.397	158	5	9	0	2	0	172	0	120	31	-14	-6	-7
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0070	226	3	2	5	0	8	0	10	0	3	1	0	0	0
8	H - Transportation and storage	0080	1.756	5	1	0	0	2	0	6	0	1	0	0	0	0
9	L - Real estate activities	0090	2.118	9	5	16	1	12	0	31	0	17	0	-1	-1	0
10	Loans collateralised by residential immovable property	0100	18.554	49	60	284	598	21	0	991	0	71	18	-6	-1	-3
11	Loans collateralised by commercial immovable property	0110	4.014	433	49	121	38	6	0	640	0	212	128	-30	-6	-22
12	Repossessed collaterals	0120														
13	Other relevant sectors (breakdown below where relevant)	0130														

Template 5.2 – Rest of the World (RoW)

	a		b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: RoW		Gross carrying amount (Mln EUR)													
				of which exposures sensitive to impact from climate change physical events												
				Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
				<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
			0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120	0130	0140
1	A - Agriculture, forestry and fishing	0010	0													
2	B - Mining and quarrying	0020	28	15	0	0	0	2	10	5	0	0	0	0	0	0
3	C - Manufacturing	0030	1.529	874	168	0	0	3	241	141	659	30	0	-2	-1	0
4	D - Electricity, gas, steam and air conditioning supply	0040	285	123	17	0	0	4	52	0	88	52	0	-1	-1	0
5	E - Water supply; sewerage, waste management and remediation activities	0050	11	1	4	0	0	5	0	0	5	0	0	0	0	0
6	F - Construction	0060	72	42	0	0	0	3	0	0	42	0	0	0	0	0
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0070	108	37	12	0	0	4	0	0	49	0	0	0	0	0
8	H - Transportation and storage	0080	200	32	10	0	0	4	0	0	42	0	0	0	0	0
9	L - Real estate activities	0090	32													
10	Loans collateralised by residential immovable property	0100	459													
11	Loans collateralised by commercial immovable property	0110	55													
12	Repossessed collaterals	0120														
13	Other relevant sectors (breakdown below where relevant)	0130														

The Bank has divided the template 5 report on chronic and acute physical risks into two parts.

- In the first template 5.1 (LU), the Bank reports the exposure of counterparties located in Luxembourg. According to the World Risk Index[2], Luxembourg is not subject to either chronic or acute physical risk. Luxembourg's overall classification is "very low". For this reason, we have not broken down the various dimensions presented in the table.

- The second template 5.2 (Rest of the World (RoW)) includes counterparties located outside Luxembourg. For companies (including their subsidiaries) that are listed on the stock exchange and/or that issue equities and bonds, the Bank has access to the detailed data on the company's geographical exposure to physical risks, expressed as a percentage of the value of assets subject to chronic and acute physical risks (0-100%).

To assess physical flood risk (main driver of acute climate change events) across its loans collateralised by residential and commercial immovable property portfolio, the bank uses a three-level scoring system that reflects how well each address can be processed in the automated geospatial mapping. Score 1 covers complete and standardised addresses that can be matched precisely to flood-risk maps. Score 2 applies when the address format does not allow a full match but still supports a reliable postal-code-level mapping, meaning the exposure is assessed at PLZ granularity rather than at the exact street level. Score 3 is used when the available address information can only be aligned at the city level—for example, when the address format is too unstructured for postal-code mapping—resulting in a much coarser match where the entire municipality is treated as potentially exposed. This scoring determines the reliability of the resulting flood-risk classification.

In the banks' June 2025 reporting, all exposures with address-quality scores 1, 2, and 3 were included in the flood-risk assessment. A subsequent review showed that Score 3, which is based only on city-level information, leads to significant overestimation of risk because even very small flood-affected areas within a city caused the entire exposure to be flagged. Manual checks confirmed that almost all of these Score 3 assets are not actually located in flood zones.

To ensure a more accurate and reliable assessment, we have refined the scope and now classify only Score 1 and Score 2 exposures as being at risk. These scores provide sufficient address granularity for meaningful mapping, while Score 3 will be treated as insufficient data quality rather than as confirmed physical risk. This adjustment improves the precision of our reporting while maintaining transparency around data limitations.

[2] World Risk Index (2022): https://weltrisikobericht.de/weltrisikobericht-2022-e/#worldriskindex