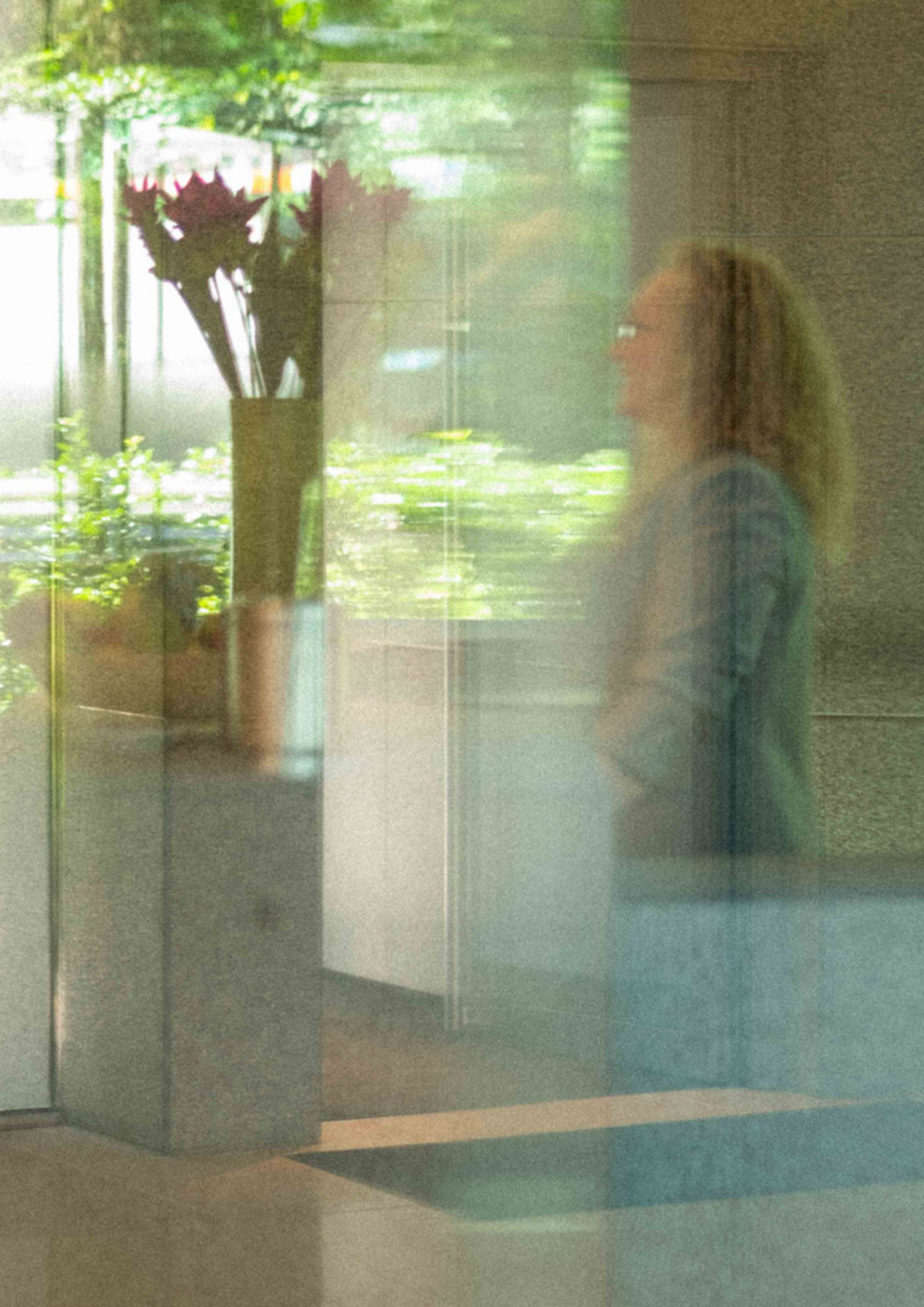




Non-Financial Report 2025

EN



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Introduction

1. Manifesto

Because what we do is only meaningful if we remain open to change and attentive to the needs of the generations to come.

We are

- **Solid**, with strong foundations, a long-term vision and sound financial structure;
- **Attentive**, to our clients, our colleagues and staff, building relationships of mutual trust;
- **Agile**, to adapt to a constantly changing world.

With rigour, local presence and a long-term view as our watchwords, we provide our private, business and institutional clients with the services they need when they need them. That's the power of Banque de Luxembourg. For more than 100 years, our Bank has proven it can navigate economic cycles and withstand shocks through robust governance, exacting risk management and the day-to-day dedication of our teams. Steering clear of passing trends, we focus instead on cultivating steady growth.

We are mindful of our economic and social responsibility and have made it central to everything we do. As a B Corp certified Bank, we balance profit and purpose. Sustainability, inclusion and measurable impact play a pivotal role in all aspects of our business. Our goal is very clear and that's to create lasting and shared value for our clients, our shareholder and all stakeholders, now and in the future.

2. Opening statement

Our mission is to offer sustainable solutions, tailored to our clients' needs and long-term interests, in a world where change – economic, social and environmental – is the one constant. We put our expertise to work for you, whether you're a private, business, institutional or asset management client, delivering consistent, personalised service backed by our hard-working teams.

A banker's core job is to anticipate risk and maintain a stable balance. Living up to this responsibility starts with our own sound fundamentals. Over time, prudent management, robust governance and a consistent business model have made us an increasingly steady anchor for our clients in a more volatile environment.

Yet, our responsibility extends beyond financial resilience. Since achieving B Corp™ certification in 2023, we have reshaped our activities to take in our overall impact. This means holding ourselves accountable to ensure that environmental, social and governance considerations are all taken on board, that we have measurable targets and are committed to continuous improvement.

Our journey in 2025 includes publishing this voluntary non-financial report, aligned with CSRD requirements, and finalising our transition plan to put us on a low-carbon pathway with informed decision-making to meet the challenges of climate change.

2025 also opened a new leadership chapter, in a transition at the top so that we remain a stable and committed bank, resolutely turned to the future.

While the global landscape is shifting, our values remain steadfast. And we will continue to deliver on our commitments to our clients, our people and our partners.

We are grateful for their loyalty and trust, which underpins everything we do and inspires us to rise to the challenges ahead.



Livia Moretti

Administratrice déléguée (from 16 April 2026)



Nicole Dochen

Member of the Executive Committee in charge of CSR

3. Context and sustainability commitments

Since it was founded, Banque de Luxembourg has been an active, diligent and responsible partner for its clients — individuals, institutions, families and businesses — supporting them in managing, growing and passing on their wealth. Close relationships, based on listening and trust, are the bedrock of our banking approach.

We operate in a constantly changing landscape, shaped by geopolitical, economic and regulatory shifts. Amid these developments, we remain a stable and reliable partner, offering tailored solutions while protecting our clients' long-term interests.

With the expertise of our parent company, Crédit Mutuel Alliance Fédérale (CMAF), we adhere to the principles of prudence, financial stability and rigorous management. Our investment strategy is based on selecting companies with solid fundamentals and significant long-term growth potential. For our clients, this positioning delivers stable performance in full compliance with the legal, regulatory and ethical standards that govern our operations.

With its roots in the heart of Luxembourg City, our Bank represents a balance between tradition and innovation. Our headquarters also play a pivotal role in delivering on our mission, coordinating all our business activities and upholding the quality of service for which we are renowned.

Two entities extend our reach and keep us close to our clients:

- Banque de Luxembourg Investments (BLI), our subsidiary, exemplifies our commitment to responsible, high-quality asset management, developing clear, rigorous investment strategies that are tailored for a complex world and the specific needs of our clients; and
- Banque de Luxembourg Belgium extends our geographical reach through branches in Brussels and Sint-Martens-Latem to offer our Belgian clients the same level of service provided to those in Luxembourg, including local, personalised support.

Our CSR commitments and their four key drivers



Clients

As a Bank with a long-term view, we actively contribute to a sustainable future, supporting our clients on their transition journeys and offering them responsible investment and financing solutions.



Community

As a B Corp certified company, we aim to generate local impact by supporting the community beyond our banking activities.



Employees

As a committed business, we value diversity in our workforce and promote our employees' skills development and personal fulfilment.



Environment

As a responsible entity, we constantly strive to reduce our environmental footprint.

B Corp: an overarching strategic commitment

Dedicated to maintaining a lasting balance between economic performance and social responsibility, Banque de Luxembourg has made sustainability a central pillar of its strategy. We took our commitment up a level in 2023 by becoming B Corp certified, joining an international community of companies that combine profitability with a positive impact on society and the environment.

We were the first bank in Luxembourg to achieve the certification, which is only awarded after a rigorous evaluation process to measure a company's overall impact on all its stakeholders. Unlike other certifications, B Corp applies to all sectors and not only to products.

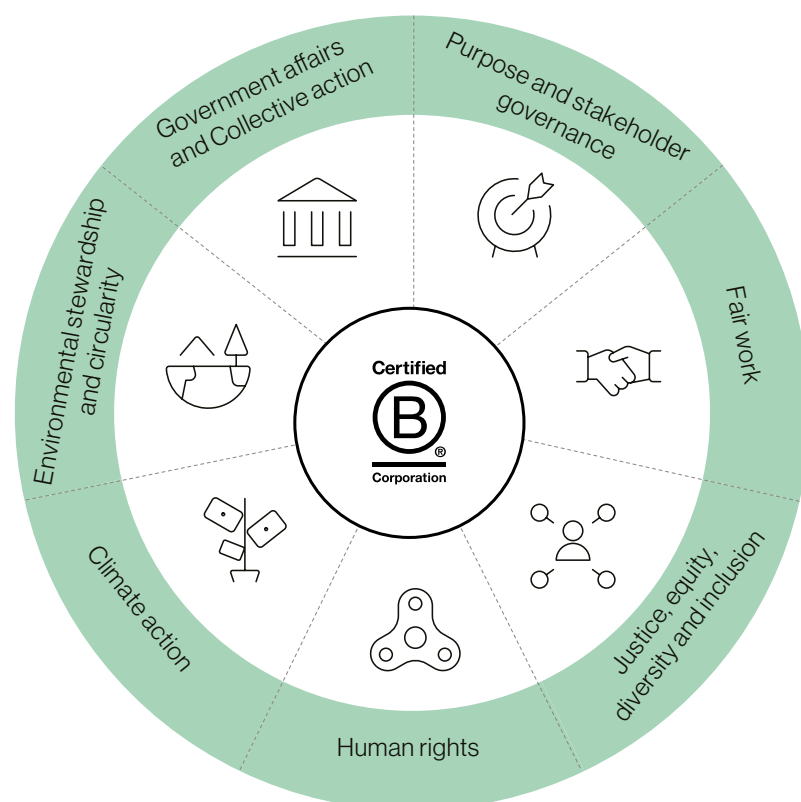
In 2025, B Corp raised the bar and updated its standards by establishing minimum requirements across seven key ESG topics to meet new challenges and align with European regulations. Under the new standards, which set minimum requirements by topic, companies may no longer remove the ability to compensate for weak performance in one area

with strong performance in another. The Bank is phasing in the newest standards as part of its current recertification process. While the substance is essentially similar, the angle of approach has changed.

Recertification is required every five years to measure compliance with our continuous improvement pledge and to demonstrate actual improvements across the seven impact areas. The renewal process pushes us to challenge our practices, strengthen our commitments and give our sustainability approach a long-term focus. Recertification also feeds into our strategic planning – one of the focal points being how we respond to the big social and environmental challenges of our time. The plan:

- prioritises the responsibilities to incorporate in our business model;
- ensures our broader local impact is a positive one;
- targets our on- and off-balance sheet decarbonisation actions;
- charts a path to reduce our environmental footprint.

Adopting the seven new B Corp impact areas



4. Scope, reporting framework and rationale for our progressive alignment with the CSRD

As part of the CMAF Group and as a subsidiary of Crédit Industriel et Commercial (CIC), we are exempt from the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD). This is because our majority shareholder is included in the scope of the regulation and consolidates sustainability information in its annual report, available [here](#).

However, we have been proactively publishing our own non-financial report since 2021 as part of our sustainable development strategy and long-standing commitment to corporate social responsibility (CSR).

This 2025 report builds on our established practices as part of our initiative to gradually align with the CSRD. We therefore decided to continue releasing our Annual Report as a separate publication and structure our reporting according to the principles and methodologies of the European Sustainability

Reporting Standards (ESRS), while drawing on our previous experience with the Global Reporting Initiative (GRI) framework. Our environmental, social and governance (ESG) information has been organised by theme, making it easier to navigate while maintaining continuity with our previous sustainability reports.

This sustainability statement includes information relating to our upstream and downstream value chain, which we identified as part of the double materiality assessment of our impacts, risks and opportunities. For more information about the methodology used and the results of this assessment, see Chapter 4, 'Materiality'.

We are aware that transparency and completeness in sustainability reporting are ongoing processes, and we are committed to improving our methodology in the coming years to optimise the quality and relevance of disclosures.

5. Additional information

In some cases, indicators and quantitative data are derived from estimates and assumptions. We publish indicators incorporating information from our value chain. This information includes data provided directly by our clients and the companies in which we invest, as well as estimated figures obtained indirectly from third-party suppliers. The latter figures may be based on estimation factors that have a significant effect on the published results. The Bank has no influence over estimates and assumptions made by these external providers.

The most significant estimates and assumptions relate to the reporting of greenhouse gas (GHG) emissions. Such estimates are subject to a high degree of uncertainty due to limitations in the approach and the available data, especially given our reliance on external sources for calculating GHG emissions from financed activities. In our analyses and when defining our climate objectives,

we use estimates based on the prevailing reference frameworks at the time of preparation. However, changes in methodology or assumptions may lead to different conclusions. GHG emission factors, for example, are subject to change. Uncertainties are also exacerbated by challenges related to data availability and quality. Accordingly, our methodologies are designed to adapt to ongoing developments.

In the coming years, we expect to see a gradual improvement in data quality, exhaustiveness and availability – which will be greatly accelerated by key factors such as the growing number of companies disclosing non-financial data.

To streamline the content and enhance clarity, we have opted not to use inclusive language systematically in this report, while remaining attentive to respectful and balanced communication.



Overview of the Bank

1. Key figures

Equity capital in €m

1 124

Net income from banking
operations in €m

381

Solvency ratio as %

23.56

Net profit in €m

83.4

Liquidity ratio as %

143.6

Loans and advances
to clients in €m

3 234



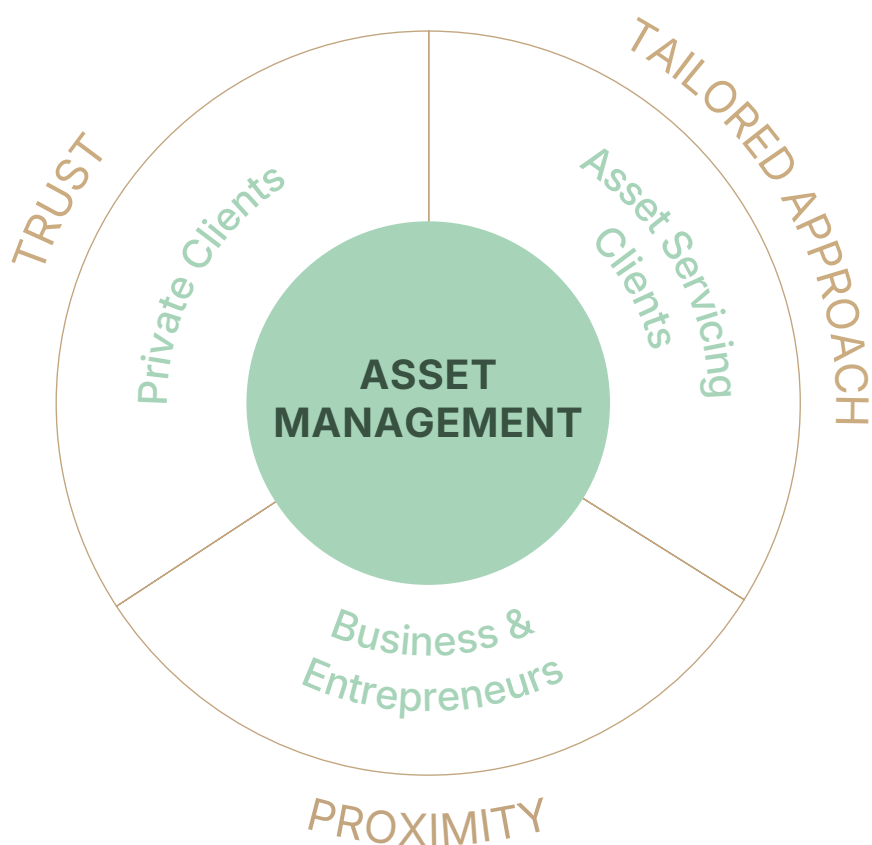
2. Our business model

Banque de Luxembourg prides itself on its long history of reliable and consistent service to its stakeholders. With our Luxembourg roots, we feel a particular responsibility to our clients, local communities and the Luxembourg economy more broadly. This is why we endeavour to uphold a sustainable and responsible approach that balances the needs of today with protecting resources for future generations. By keeping sustainability right at the heart of our decisions, we are determined to generate positive, visible and measurable impacts.

Because we have a responsible business model, our CSR goals evolve over time. In 2023, we achieved B Corp certification, an international designation that demonstrates our commitment to meeting rigorous environmental, social and governance standards and to do all we can to make a difference for good. This certification underpins our sustainability policy and we use its standards as our guide to regularly review our resources and the impacts of our business.

Our Bank has built the energy and focus needed to turn our convictions into measurable actions. We track the consequences of our decisions and adjust our priorities accordingly. This starts with strong governance to keep our efforts on track and provide continuous monitoring. Our model and overall strategy are grounded in four core commitments – to our clients, our employees, the community and the environment.

We provide products and services to three main client categories – Private Clients, Businesses & Entrepreneurs, and Asset Servicing Clients – and aim to deliver a tailored range of solutions designed to align fully with their goals and expectations.



Private Clients: personalised and responsible wealth management

We support our private clients through a strategy that is both comprehensive and individually tailored, with an emphasis on preserving and passing on their wealth. Our range of investment solutions integrates traditional and alternative options, including private equity, financing, and philanthropic initiatives like setting up foundations. We base our approach on open and transparent dialogue to ensure the right balance between performance and risk, while incorporating ESG criteria in our investment decisions. This combination of expertise and close relationships is the key to long-term support that is consistent with our clients' wealth management objectives.

Asset Servicing clients: a trusted partner for asset management professionals

We build close personal links with finance professionals, partnering with investment funds, asset managers and institutional clients. We provide depositary banking services to sponsors of liquid and alternative asset funds, supporting them across the full lifecycle of their investment solutions. We also work with third-party asset managers to safeguard the assets of their private clients and life insurance portfolios. Drawing on our expertise and strong relationships, we help our institutional clients to grow by delivering tailored solutions that comply with industry best practices. We also offer our services to third-party clients through our Belgium branch, solidifying our position as a partner of choice in asset servicing.

Business & Entrepreneurs: bespoke service to facilitate growth

In a constantly changing economic context, we support businesses and entrepreneurs with tailor-made financial solutions. These include business financing, real estate financing and leasing, as well as management of surplus cash. In addition to financing, we provide this family of clients with guidance on succession and on involving the next generation in the management of their business assets. Always mindful of sustainability, we incorporate ESG criteria into all our financing decisions and promote responsible practices among the companies we work with.

BLI - Banque de Luxembourg Investments

Our asset management company, Banque de Luxembourg Investments (BLI), specialises in active asset management guided by firmly held principles and a commitment to sustainability. As a signatory to the United Nations Principles for Responsible Investment (UN PRI), BLI is committed to embedding ESG criteria into all its investment processes. Its methodology focuses on quality and long-term profitability, only selecting companies with solid fundamentals and responsible governance. Backed by disciplined and independent management, BLI offers an extensive portfolio of investment funds, including equities, bonds and multi-asset strategies, as well as tailored solutions for institutional and private investors.

BLI is also recognised for its expertise in impact investing, placing particular emphasis on investments that make a measurable contribution to environmental and social objectives. As a strategic partner, BLI provides third-party fund sponsors with the tools and infrastructure they need to manage and expand their sustainable investment offerings.

3. Value chain

Driven by a culture of continuous improvement and transparency, we conduct our own comprehensive assessment of our value chain, in accordance with European Financial Reporting Advisory Group (EFRAG) recommendations. The value chain is understood as the full set of activities, resources and relationships that enable the Bank to design, produce, distribute and develop its products and services; from upstream phases (design, sourcing, financing) to downstream phases (delivery, use, impact and end-of-life).

Mapping the value chain helps us to identify the main challenges we face and provides a greater understanding of the broader context of our sustainability efforts. It is the starting point for:

- Identifying the key processes and internal and external stakeholders that make up our value chain;
- Engaging with relevant stakeholders through a clearly defined process designed to identify the issues considered material for our Bank;
- Identifying the impacts, risks and opportunities (IROs) associated with these material topics to position them appropriately in the value chain and to refer to them when preparing our non-financial report.

We worked from the 2024 value chain map and concluded that the Bank's operating environment – activities, resources and stakeholders – remained substantially unchanged. We have therefore applied it once again this year.

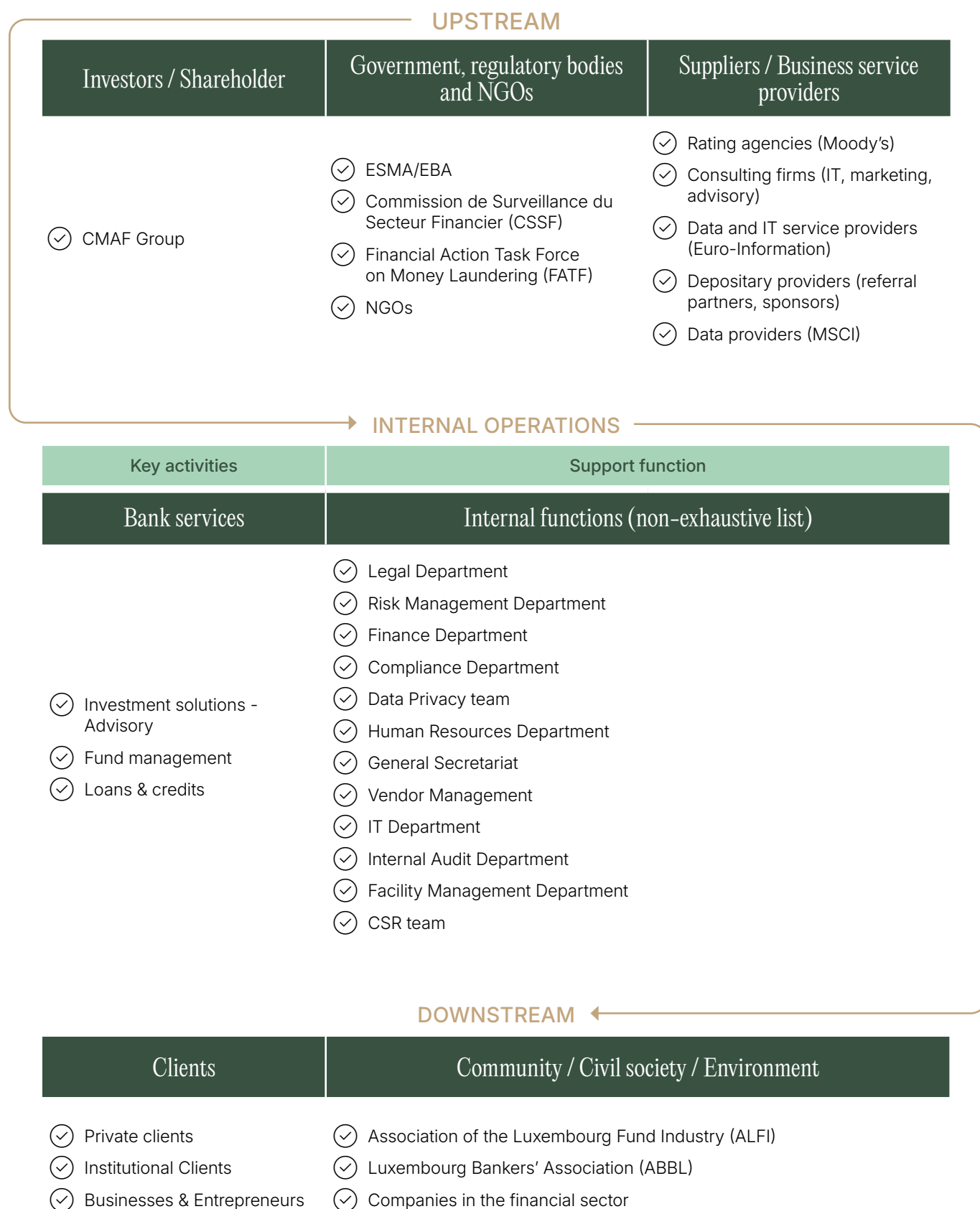
Our Bank's business model is grounded in trust, strong relationships and a commitment to creating long-term positive impact.

Its core businesses are client deposits, loans and credits and investing for private, institutional and corporate clients.

To effectively take in the activities that have a direct or indirect ESG impact, the business lines are selected according to their exposure and knowledge of the topics under review. These teams provide valuable input to the analysis of the environmental, social and governance areas included in the IRO materiality assessment and to the preparation of the non-financial report.

This cross-functional analysis is updated every year to reflect our progress on the various ESG impact areas. We aim to produce an even more robust analysis of both the value chain and the resulting double materiality assessment. Ultimately, our goal is to deepen our understanding of the sustainability levers available to us throughout the organisation and to apply a rigorous and consistent approach to these levers so we can fully incorporate our sustainability challenges in the Bank's overall strategy.

Value chain



We operate within a structured and interconnected ecosystem involving a broad range of stakeholders at every stage of our value chain. These stakeholders play a vital role in the quality, compliance, innovation and sustainability of the services we offer our clients.

Upstream, we are supported by our shareholder, which provides a long-term perspective on sustainability. We are supervised by several national and European regulatory bodies, including Luxembourg's financial regulatory authority (the Commission de Surveillance du Secteur Financier – CSSF), the European Banking Authority (EBA), the European Stability Mechanism Authority (ESMA) and international agencies like the global money laundering watchdog, the Financial Action Task Force (FATF). These ensure that our activities comply with the strictest financial, prudential and ethical standards.

We also work with a diverse range of suppliers and business partners:

- Rating agencies (e.g. Moody's) to benchmark our financial stability;
- Consulting firms (in strategy, IT, marketing, etc.) to enhance our technical and methodological capabilities;
- IT and data providers (especially Euro Information et MSCI ESG Manager) for data analysis, reporting and integration, including ESG data;
- Depositary providers and referral partners who have a pivotal role in the distribution and implementation of financial products and services;
- External providers for all other product and service procurement processes. For major collaborations, we conduct an assessment of their commitment to sustainability and human rights.

The Bank's own operations revolve around our core businesses – asset management, wealth planning advice, fund management and financing solutions. These business areas draw on the support of various teams, including Facility, IT, Data Protection, Legal, Compliance, Risk Management, Finance, Human Resources, Internal Audit, the General Secretariat and the CSR team. Client-facing teams – especially advisers and managers – also provide insights on the expectations, ESG preferences and concerns expressed by their clients, ensuring that the analysis is optimised from an end-user perspective.

Downstream, we serve three client families – private clients, businesses & entrepreneurs and institutional clients – delivering tailor-made services and solutions that incorporate their ESG preferences. Our client relationships are forged over time and grounded in trust, proximity and active listening.

We also engage with local communities, non-governmental organisations (NGOs) and industry associations like the Association of the Luxembourg Fund Industry (ALFI) and the Luxembourg Bankers' Association (ABBL), fostering a cooperative approach, sharing best practices and co-developing future standards for sustainable finance at the local level.

Thanks to this strong network of stakeholders at every stage of the value chain, we remain agile, responsible and resilient in an fast-changing environment, while continually optimising the quality and sustainability of our services.

4. Key stakeholders

We firmly believe that dialogue with our stakeholders plays a decisive role in shaping our future. That is why our rigorously defined stakeholder engagement process remains the cornerstone of our approach to sustainable growth.

Our methods are designed to be agile and collaborative to create an environment where people can exchange views openly, which in turns drives value co-creation and informed decision-making. Our stakeholder engagement process also aims to strengthen our resilience and adapt our strategy to the challenges of tomorrow's world.

We identify priorities, weigh them against the needs of all parties and consider many points of view – those of our staff, clients, service providers or other stakeholders in our ecosystem.

This approach helps the Bank to maintain solid, transparent and trust-based relationships, while cultivating a shared vision of a responsible and sustainable future.

Our stakeholder consultation process

Stakeholder consultation aims to be balanced and relevant to capture the diverse range of expectations, challenges and interactions between the Bank and its ecosystem. The scope of this year's consultation extended to end clients and the departments that play a key role in sustainability. The CSR team coordinated the process across the organisation. In the interests of continuity in our business model and activities, the parties consulted in the prior year served as the benchmark for the consultation, while the list of internal contributors was expanded to take into account internal feedback on the 2024 report.

We sent out the questionnaire drawn up by the CSR team to gather information on clients' ESG perceptions, expectations and concerns directly, either via the apps provided to them or in writing through their sales representative. For local companies, workshops were held to gather feedback and to gauge just how important environmental, social and governance issues are to our stakeholders. As clients are the cornerstone of our relationship model, we filled any gaps caused by a low response rate with information from the Bank's departments in direct contact with clients – Private Banking, Business & Entrepreneurs, Asset Servicing and our subsidiary BLI. The internal teams' legitimacy as representatives of our clients is based on the front-line information gathered from interactions with clients and from analysing indicators related to sustainable investment choices, ethical considerations and environmental preferences.

We also leveraged the operational expertise of the Bank's key businesses with contributions from the Human Resources, Loans & Credits, Facility Management, Risk Management, Compliance, Finance and Legal departments, the General Secretariat and the IT team. We combined identification of new impacts, risks and opportunities specific to their business with the double materiality assessment².

Our parent company's views and requirements were also part of the conversation, through calls, video conferences and face-to-face meetings.

The Executive Committee's involvement helped ensure we set the right priorities, especially once the double materiality assessment was completed, and confirmed the strategy. The CSR Management Committee worked on ensuring that CSR strategies align with the Bank's strategic governance.

We are sharpening our focus on addressing ESG challenges within the supply chain, reflecting our determination to create impact beyond the boundaries of our own organisation. Suppliers were represented, indirectly, by the Vendor Management team, who took part in the same information gathering campaign as the businesses mentioned above. Vendor Management is responsible for monitoring contractual commitments, for the selection criteria applicable to procurement and for managing sustainable relations with suppliers.

² The concept of double materiality is explained in Chapter 4, Materiality

To line up with best practice in the sector and since it cannot make a direct approach, the Bank keeps an active intelligence watch to stay abreast of regulatory development and publications by government, the regulators, certifying agencies and rating agencies.

Overall, our stakeholder consultation process, which was guided by the principles of accountability and balanced stakeholder participation, has deepened our understanding of the distinct expectations of each stakeholder group. It also provided concrete, context-specific input for mapping ESG impacts, risks, and opportunities. Stakeholder consultation is an essential plank in building a sustainable action plan that is fully aligned with our mission and long-term strategy.

Stakeholders	Engagement tools	Key topics covered
Clients	Represented by direct contact departments (Private Banking, Businesses & Entrepreneurs, Asset Servicing): - Questionnaires - Workshops - Analyses	- CSR perspectives and expectations - Ethical and environmental preferences - Sustainable investment choices - Feedback on information documents
Internal employees	- Targeted qualitative interviews with key departments - Cross-functional approach involving several teams (HR, Facility Management, Finance, Legal, Risk, Compliance, General Secretariat, CSR team)	- Well-being at work - Carbon footprint - Internal governance - IROs
Parent company/Group	- Regular discussions via calls, video conferences and face-to-face meetings	- Alignment with the Group's sustainability ambitions - Sharing of best practices and internal initiatives
Management teams	- Regular discussions with the Executive Committee and management committees (e.g. CSR Management Committee)	- CSR strategy alignment - Governance and relevance of priorities - Long-term strategic integration
Suppliers	- Indirect consultation via the Vendor Management teams - Analysis of supplier commitments and selection criteria	- Addressing CSR/ESG challenges within the supply chain - Monitoring of service delivery and tender processes
Public authorities, regulators, certifiers and rating agencies	- Consideration of regulatory frameworks and reference standards (CSRD, EU Taxonomy, CSSF guidelines, etc.) - Labels (e.g. B Corp)	- Regulatory alignment - Industry best practices - Regulatory monitoring and compliance

Understanding our key stakeholders' interests and perspectives

Stakeholder dialogue is an essential ingredient in our engagement strategy.

Understanding the interests and expectations of our key stakeholders is of paramount importance in our business model, which is built on strong relationships, trust and sustainability. This practice of active listening, which is an integral part of our continuous improvement policy, aids in adjusting our strategy, services and our impact on society as we respond to changes in the economy, the broader society and the environment.

Our value chain has not changed since last year and our structured – although not always regular – direct dialogue with stakeholders has, on the whole, confirmed that their key expectations remain unchanged:

- Clients: Greater demand for tailored and transparent financial solutions that fit with their values and preferences;
- Employees: Greater interest in meaningful work, inclusion and opportunities for personal development;
- Suppliers and partners: Increasingly mindful of responsible selection criteria;
- External stakeholders (including regulators, professional associations, and civil society): Demand for transparency, compliance and clear commitment to sustainability.

This two-way communication shows that our business model can stay on track and keep up with ongoing changes, while balancing financial performance with our contribution to ESG issues.



Sustainability governance

1. The role of our decision-making bodies and key functions

Banque de Luxembourg's governance structure clearly demonstrates its commitment to transparency and ethics. In accordance with CSSF Circular 12/552, as amended – relating to central administration, internal governance and risk management – executive and non-executive roles are clearly separated to foster responsible management.

Our governance structure comprises several key bodies, each playing a critical role in providing oversight and strategic direction.

We prioritise diversity in our governance bodies, firmly believing that it adds value to our decision-making and bolsters innovation, creativity and overall performance.

With this in mind, we have made it our mission to improve the gender balance in our decision-making bodies, while also promoting diversity in age, skills and knowledge.

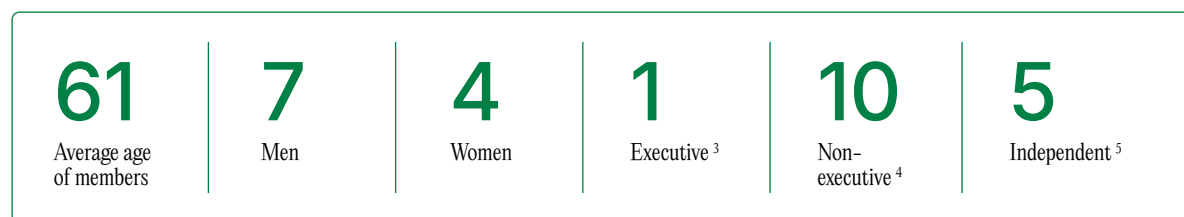
Board of Directors

The Board of Directors is our highest decision-making body. It defines the Bank's overall strategy and general policy, while safeguarding our stakeholders' interests.

In accordance with its internal charter, the Board of Directors oversees management, monitors risks and convenes regularly to discuss strategic issues.

It is also responsible for evaluating and re-approving the review of social and environmental performance. The Chair of the Board of Directors holds no executive responsibilities; the role of Administrateur Délégué is distinct and held separately. This structure is designed to guarantee rigorous supervision and appropriate decision-making.

Composition of the Board of Directors as of 31/12/2025



As of 31 December 2025, 45.45% of Board members are considered independent, in accordance with the

criteria defined by the applicable regulations.

Specialised committees

To uphold its ongoing commitment to exemplary governance, the Bank draws on the stability and expertise of its specialised committees. The

cornerstones of our decision-making structure, these committees ensure the integrity, transparency and effectiveness of our operations.

Credit Decision Committee

The Credit Decision Committee is responsible for determining competency thresholds and monitoring credit commitments. This Committee plays an active role in credit approval, handling credit applications above a specified threshold. It also ensures

that credit analysis is aligned with decision-making processes, adhering to the methodology and procedures of Crédit Mutuel Alliance Fédérale.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee ensures that financial incentives support the Bank's overall strategy. The Committee is responsible for proposing the remuneration for key management positions and maintaining an appropriate balance among the members of the Board of Directors.

It is also involved in identifying and recommending candidates for vacancies on the Board, as well as assessing the skills, expertise and experience of current members.

³ Executive profile: an individual in a management position, responsible for day-to-day decision-making and operational management of the Bank.

⁴ Non-executive profile: an individual who is not involved in day-to-day management but contributes to overall strategy and supervision without direct operational responsibilities.

⁵ An independent member of the supervisory body has no conflicts of interest that could affect their ability to exercise impartial judgement, stemming from a current or recent professional, familial or other relationship with the Bank, its controlling shareholder, or the management of either. To assess independence, we applied the criteria set out in Section 9.3 of EBA/GL/2021/06.

Audit and Risk Management Committee

The Audit and Risk Management Committee monitors the financial reporting process and upholds compliance with internal control rules. It assesses the Bank's risk appetite and the quality of the work performed by the Internal Audit, Compliance and Risk Management functions. The

Committee makes recommendations regarding the appointment or reappointment of the external auditor and guarantees effective follow-up on the recommendations of the internal control functions, supervisory authorities and the external auditor.

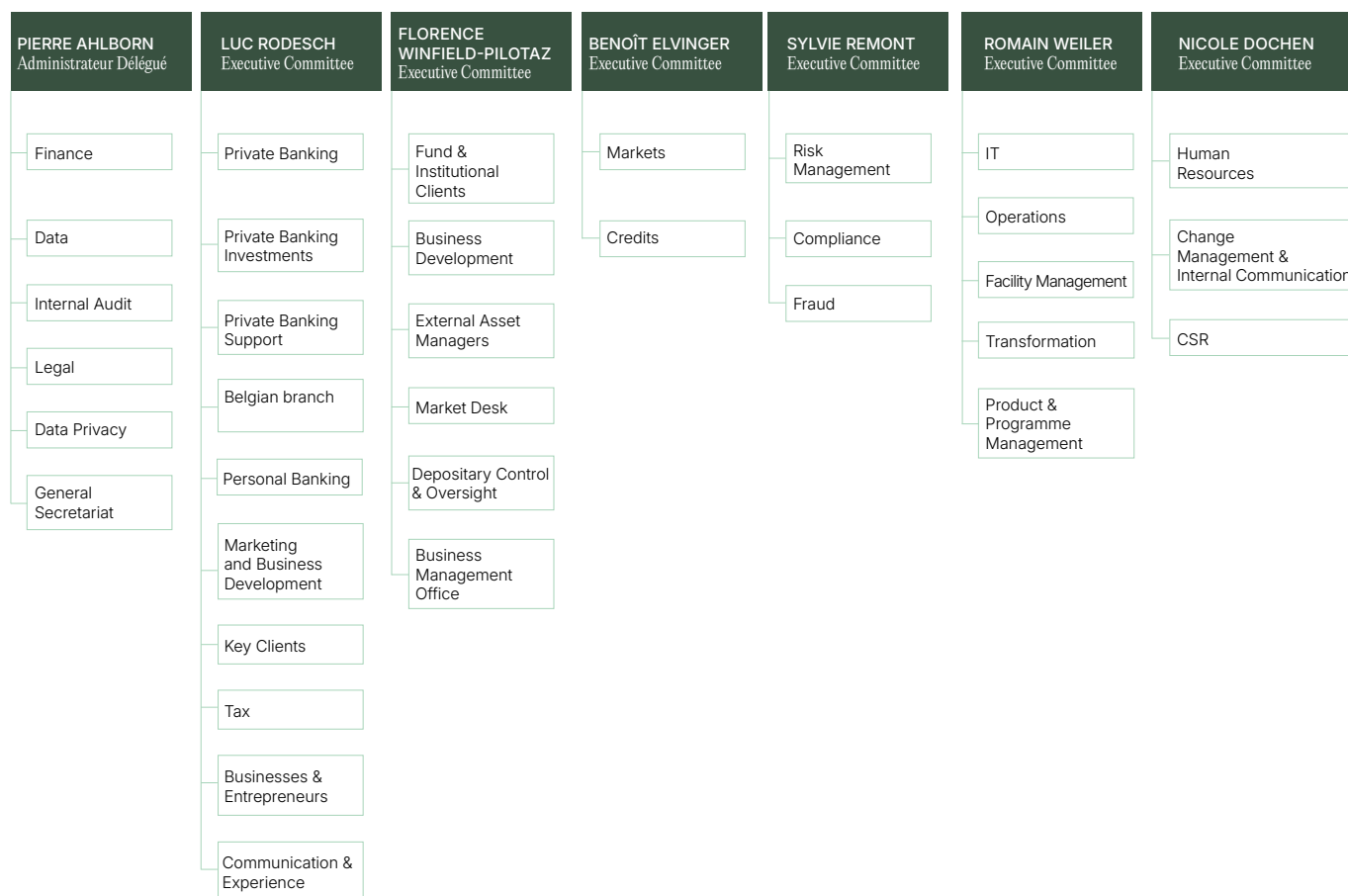
Executive Committee

Banque de Luxembourg's Executive Committee oversees the efficient, sound and prudent day-to-day management of the Bank's operations. It operates as a centralised body where all major decisions are taken under the guidance of the Administrateur Délégué. The Committee is responsible for ensuring that the strategy defined and approved by the Board of Directors is implemented across our operations. Its members have an in-depth understanding of the various

facets of day-to-day operations, enabling informed and effective decision-making. The Executive Committee meets weekly. At regular intervals, heads of departments are invited to attend the meetings to share their expertise and views on specific topics and/or regulatory developments. The Executive Committee has delegated its decision-making powers on certain matters to management committees.

Under the leadership of our Administrateur Délégué, the Bank's organisation is structured around key pillars to deliver coherent and strategic management at every level. Each member of our Executive Committee oversees critical areas, ensuring that our commitments to corporate responsibility are embedded in all our processes and practices.

Banque de Luxembourg organisation chart as at 31/12/2025



Selection process for decision-making bodies and key functions

We are committed to a rigorous and transparent process when appointing members of our decision-making bodies and key functions, in accordance with best governance practices and the regulatory requirements set out by the Commission de Surveillance du Secteur Financier (CSSF), including the amended CSSF Circular 12/552, as well as the guidelines issued by the European Securities and Markets Authority (ESMA) and the European Banking Authority (EBA).

Appointments to a management body must always be preceded by an individual assessment of the person concerned, based on the following four criteria:

- **Good reputation, honesty and integrity:** Candidates must demonstrate good reputation, integrity and moral standing, verified through a rigorous due diligence process, including the provision of a clean criminal record certificate.
- **Individual and collective knowledge, skills and experience:** Knowledge and experience are evaluated taking into account the nature, size and complexity of the Bank's activities, as well as the position's specific responsibilities.
- **Time commitment to the role:** We ensure that candidates are able to devote sufficient time to carrying out their duties.
- **Conflicts of interest and independence of mind:** We assess whether there are any financial or non-financial interests that could lead to potential conflicts of interest, focusing particularly on past and/or present relationships that could influence the candidate's judgement.

As a specific requirement, all members of the decision-making body must possess basic theoretical knowledge in banking covering the following areas:

- Financial markets;
- Regulatory framework and obligations;
- Strategic planning, familiarity with a credit institution's business model, and strategy implementation;
- Risk management (identification, assessment, monitoring, control and mitigation of a credit institution's primary risk categories), including environmental, social, and governance (ESG) risks;
- Assessing the effectiveness of a credit institution's frameworks and establishing robust governance, oversight and control mechanisms;
- Interpreting a credit institution's financial information, identifying major issues based on this information and implementing appropriate measures and controls.

Members of the management body must also demonstrate expertise in social and environmental responsibility.

When appointing a new member to a specialised committee of the Board of Directors, the specific skills of the specialised committees' members and chairs must also be reviewed and assessed, comprising:

- Knowledge and experience in the specialised committee's specific field;
- Possession of any relevant professional certifications;
- The collective competencies of the specialised committee.

Moreover, the Bank assesses whether the Director qualifies as an independent director, based on established criteria. This means that the individual must not have any conflicts of interest that could impair their ability to make impartial decisions, due to a current or former business relationship — familial or otherwise (including employment relationships) — with the Bank, its controlling shareholder, or the management of either.

Lastly, appointments to the Board of Directors and the Authorised Management (Executive Committee) must be approved by the European Central Bank (ECB). The successful candidate is put forward to the General Meeting for approval.

For appointments to key positions, the candidate is first assessed to ensure that they are of sufficiently good character, demonstrate honesty and integrity, and possess the knowledge, skills and experience necessary to carry out their duties. The CSSF is then notified of the appointment.

Ongoing evaluation

The Bank continuously evaluates the members of its management body and the holders of key positions. All the competencies initially required for the role are re-evaluated annually, including those related to social and environmental responsibilities. The Bank is also obliged to inform the relevant authorities immediately if it becomes aware of any incident or information that may cast doubt on an individual's capability, of any significant shortcomings identified in the collective composition of the management body, and of the corrective measures planned by the institution and accompanying time frame for their implementation. The annual assessment encompasses the effectiveness, competencies and commitment of the members of decision-making bodies and of managers in key functions.

Training

As part of our commitment to effective corporate governance, we have established a comprehensive training programme for the members of our Board of Directors, beginning with induction training when a Director assumes office to familiarise them with the Bank's operations and strategy. In addition, all Board members receive ongoing training (either individually or collectively) on governance, risk management, recent developments in the sector. Depending on each member's individual needs, supplementary training may be provided on specific topics to sustain and deepen their knowledge.

Each year, Directors must complete at least 12 hours of training, and members of the Executive Committee at least 18 hours, to ensure that they remain informed and vigilant, particularly in overseeing the Bank's sustainable and ethical practices.

During the second half of 2025, all Board and the Executive Committee members attended a training course delivered by an independent organisation, focusing on sustainability (CSR, governance and regulatory developments).

Continuity and succession

Continuity of functions and succession planning are key components of our governance strategy. Mindful of challenges that could arise from unforeseen employee absences or departures, we have established a robust framework to ensure seamless transitions and safeguard operational integrity. This framework includes:

1. Succession planning: A succession plan is defined for each key function, specifying the selection criteria and appointment procedure for successors. This guarantees the availability of qualified candidates should the need arise;
2. Risk assessment: A risk assessment is performed for each key position to identify vulnerabilities and prepare appropriate mitigation strategies;
3. Talent development: We invest in the development of our people, providing training and growth opportunities to prepare them for future leadership roles;
4. Transition management: Protocols are in place to manage departures and/or changes of function, thus minimising operational impact and ensuring effective communication with all stakeholders;

Communicating sustainability-related information to the Bank's administrative, executive and supervisory bodies

We have established a formal process to guarantee regular and effective communication on sustainability issues to our decision-making bodies. Every year, the outcomes of the IROs identified as part of the double materiality assessment, updated in line with regulatory requirements, are submitted to the Executive Committee for approval. This process ensures informed decision-making and optimal integration of ESG risks and opportunities in the Bank's overarching strategy. The Board of Directors, is kept updated on factors that contribute to our strategy and are in line with our group's ambitions.

Progress on sustainability is also reported through the CSR Management Committee, on which all members of the Executive Committee sit.

CSR team

CSR governance occupies a pivotal role in our strategy, underscoring our commitment to balancing performance requirements with sustainability objectives. It is the bedrock of our approach to responsibility and transparency, ensuring that the sustainability principles guiding our daily actions are applied practically and consistently.

There are four people on the CSR team, led by Executive Committee member, Nicole Dochen.

The team works closely with all departments to encourage ethical and sustainable practices, ensuring that sustainability principles are integrated at every level of our operations. It reports regularly on its progress to the Executive Committee, providing for transparent management that aligns with the Bank's strategic objectives.

CSR Management Committee

Set up in 2023, our CSR Management Committee reflects the Bank's determination to embed social and environmental considerations at the core of its operations and stakeholder relationships. Fulfilling a role that extends far beyond overseeing sustainability compliance, this strategic committee embodies the Bank's vision for inclusive, ethical and environmentally responsible growth.

Since 2025, the CSR Management Committee has included members of the Executive Committee. This development marks a significant step towards an enhanced governance framework by ensuring strategic oversight of sustainability at the highest level of our organisation.

This new CSR governance structure exemplifies our commitment to embedding sustainability at the core of our strategy and maintaining cohesive integration of CSR criteria at every level of our organisation.

This transformation is part of a broader alignment with leading industry practices, aimed at amplifying our positive impact, mitigating financial risks, seizing opportunities and meeting our stakeholders' growing expectations in the area of social responsibility.

CSR Forum

We have also created a special sustainability Forum as a platform for cross-functional dialogue and engagement on ESG issues. The Forum brings together a diverse group of members from the Bank's various business units, ensuring a well-rounded representation of internal expertise and perspectives.

This diversity enhances our CSR discussions and decision-making, enabling us to develop precise targets, deploy effective strategies and rigorously evaluate our performance on key issues.

Private Banking SRI Committee

The Private Banking SRI (Socially Responsible Investment) Committee is responsible for defining and implementing the policy for integrating sustainability risks.

Its duties include:

- Ensuring that model portfolios are in line with the ESG criteria set out in the policy;
- Tracking controversies and managing sector-specific policies;

- Ensuring that regulatory changes are taken into account in PBI (Private Banking Investment) management and implemented in portfolios;
- Assessing and approving any new products that could constitute 'responsible', 'sustainable' or 'impact' investing for Private Banking clients;
- Developing proposals on the positioning of ESG investment products for Private Banking clients.

ESG Financing Committee

The ESG Financing (Credits) Committee, plays a key role in embedding sustainable development in our financing policies. This committee rigorously evaluates specific loan applications from an ESG perspective and ensures that our credit procedures

are aligned with ESG criteria. As part of its commitment to responsible financial governance, the committee convenes as necessary to review applications. It consistently strives to reach a consensus in its assessments.

2. Ethics policy

As a responsible bank, our commitment to sustainability is underpinned by a strict ethics policy, which is an indispensable part of our business model. We do everything in our power to guarantee the integrity, compliance and transparency of our operations. This commitment is reflected in a solid procedural framework, built on clearly defined and regularly updated internal policies that address all critical aspects of responsible governance. These include conflict of interest prevention, anti-money laundering and counter-terrorism financing, data protection, professional integrity and due diligence, as well as the integration of ESG criteria into investment, credit and management decisions.

This framework is supported by two independent and complementary control functions: Compliance and Internal Audit.

The Compliance Department ensures that our activities consistently meet all applicable regulatory and ethical requirements. It is responsible for issuing alerts, providing guidance and training, supervising activities, and verifying that all procedures implemented comply with current regulations. Internal Audit provides independent and objective oversight of the Bank's monitoring and governance mechanisms. Specifically, it verifies the effectiveness of risk management systems, the adequacy of internal controls and adherence to ethical and sustainability principles. These measures guarantee rigorous oversight and continuous improvement of our practices.

Our ethics policy extends beyond mere regulatory compliance to embody a corporate culture firmly grounded in responsibility, integrity and long-term thinking in all decisions. It is inseparable from our mission of being attentive to future generations and is critical for fostering trust, mitigating risks and making sure our practices align with the best international standards.

As a signatory to the National Business and Human Rights Pact, we are firmly committed to promoting its fundamental principles, including respect, fairness and the protection of human rights across all our activities. This commitment is part of a comprehensive CSR strategy and translates into concrete initiatives that serve our clients' interests. The publicly stated commitment detailed in our Human Rights Policy, published in 2024, applies in its entirety to Banque de Luxembourg (including its Belgium branch) and its subsidiary Banque de Luxembourg Investments (BLI). It covers employees (all employees under contract to the Bank), service providers (all persons and entities providing goods and services to the Bank), partners (strategic partners involved in the Bank's activities) and clients (private, professional and corporate clients).

Governance and implementation of human rights commitments are based on close collaboration between the CSR team, the Human Rights Officer, the Executive Committee and the Board of Directors, who respectively ensure operational implementation, strategic supervision and overall assessment and compliance with current standards and regulations.



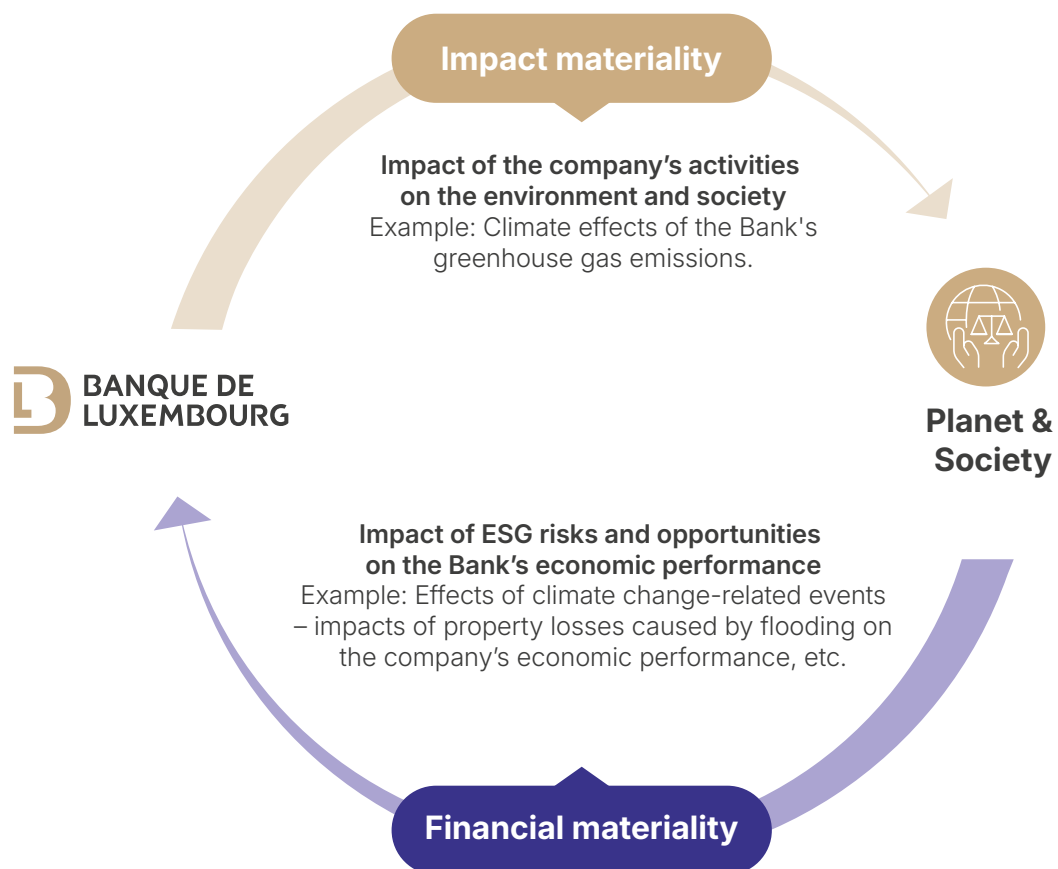
Materiality

1. Double materiality assessment

Double materiality is key to CSRD reporting. It aims to identify, assess and prioritise the ESG impacts, risks and opportunities (IROs) by looking at both impact materiality and financial materiality.

- Financial materiality aims to identify events that are likely to affect the company's financial performance in the short, medium and long term;
- Impact materiality aims to analyse the Bank's actual or potential, positive or negative impacts on people or the environment.

Double materiality matrix



2. Methodology

In 2025, we reviewed the previous year's in-depth double materiality assessment, drawing on the European Sustainability Reporting Standards (ESRS) and European Financial Reporting Advisory Group (EFRAG) guidelines. This voluntary process is a key step in gradually structuring our sustainability efforts. It underpins our sustainability reporting, informs risk management and provides insight to shape future developments in our business model.

The analysis covers the scope of the entities consolidated in the financial statements, namely Banque de Luxembourg S.A., including its branch in Belgium, and Banque de Luxembourg Investments (BLI). It takes into account our core activities – financing, investments, human resources management and customer relations – and our internal governance structure.

The assessment was guided by a set of objective criteria and conducted in consultation with the various business lines. It led to a careful selection of the ESRS most relevant to our organisation, which now form the basis of our sustainability reporting. The material topics are focused in key areas of our operations.

The double materiality assessment (DMA) gave us greater insight into key priorities and will help to shape future developments in our sustainability strategy, governance and risk management.

Topics pre-selected for Banque de Luxembourg

We used a methodical process combining several sources of information and complementary analyses to select potentially material ESG issues.

In 2024, the Bank drew on a detailed analysis of its value chain, covering all our core business lines, particularly Private Banking, Businesses & Entrepreneurs and Asset Servicing, as well as asset management through BLI. This analysis was deepened by discussions with cross-functional departments such as Human Resources, Risk Management, Finance, the General Secretariat and

Facilities Management to identify the relevant ESG issues at every level of our Bank. In 2025, the Bank carried out a detailed review of this assessment to ensure it remains current.

A sector benchmarking exercise, based on disclosures by comparable organisations and market research, helped identify the most common issues considered to be material within the banking sector. In turn, this analysis was cross-referenced against the ESRS requirements to ensure that all relevant topics were covered.

We drew up an initial list of topics, which was then narrowed down to a final list following a strict methodology. We were particularly careful to include topics specific to our business model, including some not explicitly covered by the ESRS but considered relevant, such as human rights and corporate philanthropy.

Stakeholder engagement

Stakeholder identification and engagement are based on a value chain analysis to identify the internal and external parties that engage with our Bank.

They are categorised in accordance with the ESRS general requirements as follows:

- Affected stakeholders who are directly concerned by the impacts of the activities;
- Users of sustainability statements, who are more concerned with risks and opportunities.

The Bank took a pragmatic and gradual approach, tailoring the materials and communication to each stakeholder, in particular depending on whether they were internal or external. External stakeholders, such as clients or suppliers, were consulted either directly using questionnaires or indirectly via 'internal proxies'. Proxies are representatives with in-depth knowledge of these stakeholders' expectations and challenges. They include the teams involved in day-to-day business in direct contact with clients and departments responsible for supplier relations.

We arrived at our method after considering operational constraints – related to the schedule for the financial year-end in particular – and the desire not to overburden external stakeholders who are already involved in other initiatives. It is also in line with market practice and complies with the requirements of the CSRD, which calls for transparency on how engagement is organised (methodology), rather than a requirement to directly consult with all stakeholders.

Nevertheless, the Bank plans to gradually expand direct consultation with external stakeholders over the coming financial years, mainly through simplified questionnaires and targeted interviews.

Identifying Impacts, Risks and Opportunities (IRO)

Our methodology is based on a clearly-defined and well-documented approach, combining quantitative and qualitative metrics to give a robust and consistent assessment of IROs.

We draw on a combination of internal and external data sources to identify IROs. These sources include a database of IROs defined by our parent company and tailored to the specific features of the Bank's business model. Irrelevant IROs were excluded, while others were amended or supplemented following discussions with the departments.

Each IRO is then assessed using illustrated assessment grids, which help to ensure consistency in the responses provided by the various contributors. The results are consolidated to facilitate analysis by theme and sub-theme and department.

Stakeholder engagement is targeted based on their area of expertise. Internally, for example, the Human Resources department is called on relating to our own staff and the investment and finance teams are more involved in environmental and client-related issues.

This analysis drew on work already completed in prior years and fresh contributions gathered through interviews and questionnaires. Departments also had the option of proposing new IROs when they identified issues specific to their activities. The analysis covers our entire value chain, including the Bank's own operations, our financing and investment activities, and our business relationships with our partners and suppliers. It also takes into account the main geographical areas of operation – Luxembourg and Belgium.

The links between impacts, risks and opportunities were formally integrated into the double materiality matrix, ensuring a holistic view of ESG and financial issues.

Assessing impact materiality

The impact assessment was carried out in accordance with ESRS requirements, taking four criteria into account:

1. Scale;
2. Scope;
3. Irreversibility;
4. Likelihood of occurrence.⁶

It uses a qualitative scale, supplemented by illustrative examples to guide contributors.

The assessment distinguishes between direct impacts, linked to our Bank's internal operations, and indirect impacts, resulting in particular from financing and investment decisions or business relationships. We paid particular attention to the impacts generated by the financing and investment portfolios, which are a major means of exerting influence.

Assessing financial materiality

Financial materiality was assessed by analysing risks and opportunities, using two main criteria:

1. The scale of their potential financial impact;
2. The likelihood of their occurrence.

This approach identifies the issues that are likely to have a significant impact on the Bank's financial performance.

The findings highlight several categories of risk, including those linked to exposure to climate-related hazards – especially in the property sector – as well as cyber-security and HR risks.

We also identified significant opportunities, notably relating to the development of sustainable financial products, supporting the energy transition and enhancing the organisation's employer brand.

These factors are being phased in to our internal risk management processes and strategic planning, with the aim of further integrating ESG issues into the Bank's overall management.

IDENTIFYING THE SIGNIFICANCE OF IMPACTS

	Positive	Negative
Actual	Scale x Scope	Scale x Scope x Irreversibility
Potential	Scale x Scope x Likelihood of occurrence	Scale x Scope x Irreversibility x Likelihood of occurrence

Short / medium / long

IDENTIFYING THE SIGNIFICANCE OF RISKS AND OPPORTUNITIES

	Risks	Opportunities
Real	Scale	Scale
Expected	Scale x Likelihood	Scale x Likelihood

Short / medium / long term

⁶ Likelihood of occurrence was assessed over a three-year time horizon in an effort to balance strategic relevance with operational feasibility. Using this approach, we can address short- and medium-term impacts, whilst implicitly taking account of longer-term challenges, particularly those linked to climate change.

Materiality threshold and validation of results

Identification of material topics is based on a comparative analysis of the scores awarded to the various IROs. Rather than being defined arbitrarily, this threshold was established through a comparative analysis of the scores assigned to the various IROs, supplemented by professional judgement.

IROs with scores above the defined threshold were deemed material. However, adjustments may be made to reflect the reality of our business model and our stakeholders' expectations. Consequently, some IROs that fall slightly below the threshold were still included as material if they are considered strategic, while others may be excluded if they are considered to be of little relevance.

The results are then validated in stages, including a qualitative review by the CSR team, followed by final approval by the Executive Committee via the CSR Management Committee.

Summary of material IROs

	Impact materiality		Financial materiality	
	Upstream value chain / own operations	Downstream value chain	Upstream value chain / own operations	Downstream value chain
E1 Climate change	-	-	R	R/O
E2 Pollution	○	○	○	○
E3 Water and marine resources	○	○	○	○
E4 Biodiversity and ecosystems	○	○	○	○
E5 Resource use and circular economy	○	○	○	○
S1 Own workforce	+	/	R/O	/
S2 Workers in the value chain	○	○	○	○
S3 Affected communities	○	○	○	○
S4 Consumers and end-users	+	+/-	○	○
G1 Business conduct	+/-	+/-	R/O	○

Key

-	Negative impact	R/O	Risk and opportunity (O)	○	Non-material
+/-	Positive and negative impacts	R	Risk		

Detailed breakdown of material IROs

 ESRS E1 – Climate change

Sub-topic	Type of IRO	IRO	Value chain			Time horizon			Businesses
			Upstream	Operational	Downstream	ST	MT	LT	
Climate change mitigation	-	Financing of high-emissions real estate construction		•	•	•	•	•	Financing
	-	Financing of GHG-intensive activities or projects (SMEs in the craft sector, industry, etc.)		•	•	•	•	•	Financing
	-	Investments in GHG-intensive sectors		•	•	•	•	•	Investments (asset management) Proprietary trading
	R	Financial risk arising from holding assets exposed to climate-related hazards		•	•	•	•	•	Financing
	O	Development of a range of financing products and services aimed at mitigating and reducing energy consumption for businesses			•	•	•	•	Financing
Climate change adaptation	R	Credit risk relating to the client portfolio whose business is exposed to climate risks, particularly in the real estate sector		•	•	•	•	•	Financing

 ESRS G1 – Business conduct

Sub-topic	Type of IRO	IRO	Value chain			Time horizon			Businesses
			Upstream	Operational	Downstream	ST	MT	LT	
Business conduct policies	O	Development of ESG data governance and improvement of IT processes relating to ESG issues		•		•	•	•	Cross functional
	+	Involvement in local and regional initiatives and commitment to being a key local social responsibility actor	•	•	•	•	•	•	Cross functional
Corruption	-	Negative impact arising from non-compliance with processes or regulations (AML/CFT, corruption, GDPR, combating tax evasion)	•	•	•	•	•	•	Cross functional
	R	Risk of fines or penalties arising from non-compliance with regulations (AML/CFT, corruption, GDPR)		•		•	•	•	Cross functional
	R	Financial risk associated with internal/external fraud				•	•	•	Cross functional

Key

- Negative impact
+ Positive impact

O Opportunity
R Risk

ST Short term
MT Medium term
LT Long term



ESRS S1 – Own workforce

Sub-topic	Type of IRO	IRO	Value chain			Time horizon			Businesses
			Upstream	Operational	Downstream	ST	MT	LT	
Working conditions	+	Social dialogue with trade unions and social policy		●		●	●	●	Human Resources
	0	The organisation's appeal (promoting health, safety and well-being at work), which reduces recruitment and training costs		●		●	●	●	Cross functional
Equal treatment	+	Career management: internal mobility and training / Work-life balance / Diversity and inclusion policy		●		●	●	●	Human Resources
	R	Rising recruitment and training costs		●		●	●	●	Human Resources
	R	A lack of expertise that gives rise to operational risk and financial costs		●		●	●	●	Cross functional
	0	Employee engagement, skills, expertise and productivity		●		●	●	●	Cross functional



ESRS S4 – Consumers and end users

Sub-topic	Type of IRO	IRO	Value chain			Time horizon			Businesses
			Upstream	Operational	Downstream	ST	MT	LT	
Inclusion of clients	+	Focus on clients through products and services tailored to their needs		●		●	●	●	Cross functional
	0	Access to new markets through a new range of products and services in line with what clients want, with a focus on ESG		●			●	●	Cross functional
Impacts relating to information on consumers	-	Data protection, phishing attempts and IT system downtime		●	●	●	●	●	Cross functional
	0	Strengthening the brand's image through a commitment to sustainability issues	●	●	●	●	●	●	Cross functional



ESG performance

Sustainability was embedded in our DNA long before it emerged as a key priority in the wider banking sector. Today, our long-standing commitment is embodied in an ambitious strategy, grounded

in concrete actions and robust management of environmental, social and governance issues.

1. Environment

At Banque de Luxembourg, we recognise the urgent need for climate action and strive to play an active role in supporting the transition towards a greener, more sustainable economy.

We reiterate our commitment to sustainable growth by embedding climate considerations as one of the core pillars of our strategy and operations. By taking action now, we seek to strengthen resilience and contribute to a more sustainable future for all.

This section of our report outlines what we are doing to reduce greenhouse gas emissions related to our activities, optimise energy consumption and promote eco-friendly practices.

We are also working on a climate transition plan that charts how we aim to be carbon-neutral by 2050, in line with the CMAF Group's targets.

This section also addresses our approach to incorporating environmental risks in our overall risk management, including physical and transition risks related to climate change, and how they are factored into our decision-making process.



Climate change

- We aim to be a net zero bank by 2050 by stewarding our carbon-reduction and climate-transition policies, with a laser focus on financed emissions, which account for more than 98% of the Bank's total emissions.
- Actions to reduce the direct impact of our operations,, including better building energy efficiency, use of renewable power, sustainable waste management, and promotion of greener mobility.
- Incorporating ESG criteria in the Bank's businesses through sector and exclusion policies.

Policies

- ➔ Sector and exclusion policies
- ➔ Responsible purchasing policy
- ➔ Responsible investment policy
- ➔ Risk management: policy

Actions

- ➔ Clearly defined monitoring of scopes 1, 2 and 3 emissions according to the Greenhouse Gas (GHG) Protocol and Partnership for Carbon Accounting Financials (PCAF) accounting methods
- ➔ Charting a decarbonisation trajectory to be carbon neutral by 2050, with interim targets for 2030
- ➔ Optimising building energy efficiency
- ➔ Sustainable waste management
- ➔ Integrating climate risks in overall risk management

- Negative impact

Financing of high-emissions residential real estate construction

Exposure to GHG emissions through credit lines to carbon-intensive projects or sectors

Investments in GHG-intensive sectors

R Risks

Credit risk stemming from the client portfolio, generated by client exposure to climate risks, particularly in the real estate sector

Financial risk of holding assets exposed to climate-related hazards

o Opportunities

Development of a range of financing products and services aimed at mitigating and reducing energy consumption for businesses

Key indicators

5 years

tracking our carbon footprint and gradually extending the scope

1 099 (tCO2)

scope 1 and 2 emissions (market-based)

-42%

operational emissions target

2050

carbon-neutrality target

440 028 (tCO2)

Financed emissions

100%

Renewable energy for sites held by the Bank

Carbon footprint

It is now five years since we began monitoring our greenhouse gas (GHG) emissions.

All GHG emissions are in scope and are classified according to the categories defined by the GHG Protocol:

- Scope 1 emissions are direct emissions from resources owned or controlled by the Bank, including those from our vehicle fleet and heating systems;
- Scope 2 covers indirect emissions from the generation of purchased energy, such as electricity and thermal energy used to heat and cool our buildings;
- Scope 3 is split into two categories: indirect operational emissions and financed emissions.

Operational emissions arise from the purchase of goods and services (e.g. office supplies and internal or external events), waste management, capital goods (equipment, furniture and infrastructure), business travel and employee commuting.

Financed emissions are those caused by the Bank's financing and investment activities, such as business loans, asset portfolios and financial products offered to clients.

Breakdown of GHG emissions calculated using the location-based method defined by the GHG Protocol

Scope 3 upstream	Scope 1 and 2	Scope 3 downstream
Purchases of goods and services (4371t)	Own activities and buildings Energy consumption and emissions linked to buildings (1.489t)	Financed activities Financing across all asset classes
Fixed assets (390t)		Investments Direct investments by the Bank (440.028t)
Upstream energy (557t)	Car fleet Bank vehicles (866t)	Waste generated Financing across all asset classes (43t)
Upstream transport (2t)		
Employee mobility Business travel and employee commuting (968t)		

Scope of the Bank's carbon footprint



OPERATIONAL EMISSIONS

account for less than 2% of our total emissions



FINANCED EMISSIONS

account for almost all of our emissions (more than 98%)

The CSR team oversees carbon footprint management and coordinates the entire process – data gathering and consolidation, calculation and analysis, and implementation of corrective actions – working with a broad range of departments and functions in the Bank. On the operational side, the Human Resources, Facility Management, IT and Communication Departments are instrumental in collecting data and implementing corrective measures. In the area of financed emissions, the Finance, Credit and Businesses & Entrepreneurs teams, as well as specialists from other business areas, collaborate closely to guarantee comprehensive coverage and a detailed understanding of carbon exposures.

This collaborative, cross-functional approach helps to embed carbon footprint management at the centre of the Bank's internal processes, in close alignment with our sustainability strategy and long-term climate commitments.

We have a methodical decarbonisation plan in place to support the transition to carbon neutrality by 2050, including ambitious interim targets to reduce GHG emissions across Scopes 1 and 2 and the financed emissions portion of Scope 3 by 2030.

This trajectory is underpinned by a robust approach to measuring and managing the carbon footprint of our activities. Given the importance of the data, we also focus on continuously improving data quality.

In 2025, we cut our operational carbon footprint (market-based⁷ reporting) by 18% following improvements to data quality and a review of certain GHG Protocol emission factors for our inputs, as well as a reduction in emissions from our buildings and travel.

For our financed Scope 3 emissions, we aim to progressively increase the proportion of primary data collected directly from our clients or investment counterparties. When such data is unavailable, we use alternative sources such as the MSCI ESG Manager platform, adhering to the quality standards defined by the PCAF⁸ framework to ensure the reliability and traceability of results.

⁷ 'market-based': a calculation based on the emissions factor of the product actually chosen, whereas the 'location-based' approach takes into account the GHG emissions factor of the site's location. This is typical for electricity.

⁸ The PCAF methodology quantifies GHG emissions based on a financial institution's loans and investments. It provides a standardised framework for assessing the carbon emissions of financial assets, thus promoting comparability and transparency.

Gross GHG emissions

	Baseline year ⁹	2024	2024
Scope 1 GHG emissions			
Gross scope 1 GHG emissions (tCO ₂ e)	1,673	916	874
Scope 2 GHG emissions			
Gross scope 2 GHG emissions – location-based method (tCO ₂ e)	2,054	2,246	1481
Gross scope 2 GHG emissions – market-based method (tCO ₂ e)	62	316	225
Material scope 3 GHG emissions			
Total gross indirect scope 3 GHG emissions (tCO ₂ e) ^{10 11}	1,039	443,647	446,360
1. Products and services purchased	464	6,195	4,371
2. Capital goods	8	20	390
3. Activities related to the fuel and energy sectors (not included in scopes 1 and 2)	531	397	557
4. Upstream transport and distribution	0	11	2
5. Waste generated during operations	35	55	43
6. Business travel	0	58	42
7. Employee commuting	0	828	927
15. Investments (baseline year 2023)	465,623	436,083	440,028

Gross scope 3 GHG emissions (financed)

	Baseline year ⁹	2024	2025
GHG emissions (tCO₂e)			
Total scope 3 - financed emissions on the balance sheet (scope 1 & 2)	195,347	207,236	216,719
Total scope 3 - financed emissions on the balance sheet (scope 3)	270,276	228,847	223,309
Total	465,623	436,083	440,028

⁹ The baseline year is 2021 for all emissions except category 15 Scope 3 financed emissions, Investments

¹⁰ Scope 3 coverage was expanded between 2023 and 2024 to include all purchased goods and services.

¹¹ Total gross indirect scope 3 GHG emissions are calculated using the 'location-based' method, as defined by the GHG Protocol. Using the 'market-based' method, activities related to the fuel and energy sectors (excluding scopes 1 and 2) accounted for 437 tCO₂e in 2021, 258 tCO₂e in 2024 and 269 tCO₂e in 2025.

Emissions calculation method

We use an internationally recognised methodology to calculate our carbon footprint. The approach considers two factors: our operational emissions (also called the 'internal footprint') and our financed emissions.

Internal footprint

Operational emissions were calculated in kg of CO₂e, with the assistance of a Luxembourg-based carbon footprint calculation expert and in accordance with the revised GHG Protocol Standard. The emission factors were sourced primarily from the French environment agency's (ADEME) Carbon Base®, Ecoinvent, Agribase, ENTSOE 2025 (Luxembourg location-based electricity), IEA (Belgium location-based electricity), Sudcal for urban heating in Belval, and, where relevant for market-based calculations, directly from suppliers. The calculation takes GHG emissions over the entire life cycle into account. Slight differences arise due to rounding of CO₂e.

As required by the GHG Protocol, the Bank discloses the results in a dual report of market-based and location-based emissions.⁷

Financed emissions

To measure our financed emissions, we follow the methodology defined by our parent, Crédit Mutuel Alliance Fédérale, in accordance the GHG Protocol international standards.

Here calculations are based on the methodology developed by PCAF, an international initiative for measuring and disclosing greenhouse gas (GHG) emissions associated with financial activities. The PCAF framework is now widely accepted and recommended in the European CSRD requirements. It is fully consistent with the GHG Protocol.

In accordance with the PCAF standards, the scope of our calculation covers the following main asset classes:

- Quoted shares and corporate bonds
- Loans to companies and unlisted shares
- Project financing
- Commercial real estate
- Residential real estate (mortgage lending)
- Car loans
- Sovereign debt

Calculation principle and attribution factor

The PCAF methodology is based on a proportional attribution, in other words, a share of its counterparties' GHG emissions is allocated to the Bank according to its financial exposure to that counterparty. Financed emissions are calculated for each contract using the following formula:

Financed emissions =
attribution factor × client's GHG emissions

The attribution factor depends on the asset class under consideration. For example, the attribution factor for loans to unlisted companies is calculated as:

Attribution factor =
Outstanding/(Enterprise Value =
equity capital + debt)

The client's emissions are drawn from primary data when available, or estimated using models and sector proxies when no data is available.

Data quality scores

The PCAF methodology also includes a system of data quality scores to gauge the reliability and accuracy of the data used to measure emissions. Data quality is ranked from 1 (top quality) to 5 (the poorest quality):

- Scores of 1 and 2 correspond to primary data that is disclosed by the financed companies and may or may not be verified;
- PCAF score 3 is based on estimates based on company-specific data, such as production volume or its energy consumption;
- Scores of 4 and 5 are estimates based on either sector or macroeconomic proxies. When counterparty-specific data are not available, emission factors expressed as carbon intensity (such as tonnes of CO₂ equivalent per €m of revenue or financing) are applied. The bulk of these proxies are sourced from PCAF databases, which are in turn based on widely accepted databases such as Exiobase¹² for 'Company' emission factors and CRREM¹³ (Carbon Risk Real Estate Monitor) for real estate assets. CRREM has become the scientific reference standard for aligning real estate assets with the Paris Agreement.

¹² Exiobase est une base de données mondiale de type Input-Output Multi-Régionale (MRIO) qui permet d'estimer les émissions de carbone indirectes en se basant sur les flux financiers mondiaux.

¹³ CREEM (Carbon Risk Real Estate Monitor) est une initiative de recherche issue de financement de l'Union Européenne.

Main methodological challenges and limitations

The Bank is still quite dependent on estimated data, since a significant portion of our calculations are currently based on mid- to poor-quality scores (3 – 5). Stepping up data availability and quality is therefore a key priority for us to better measure our financed emissions.

Policies linked to climate change mitigation

Mindful of climate challenges and our duty to the environment, we have formalised our commitment by developing and implementing a comprehensive environmental policy. It will guide our every action and decision to reduce our carbon footprint and continuously improve our energy performance. Under the policy, energy audits are conducted on the main buildings occupied or owned by the Bank. In 2025, these audits pinpointed several optimisation opportunities, many of which have already been acted upon. Through careful tracking of these measures, we are able to evaluate their effectiveness and prioritise future investments.

Funds are allocated to energy efficiency projects, focusing particularly on managing heating, ventilation and air conditioning systems and upgrading technical equipment. The Bank also has real-time energy consumption monitoring for proactive control of equipment and swift detection of any irregularities. This system is supplemented by regular checks to verify that measured data matches actual consumption billed.

These efforts are part of a wider strategy for responsible procurement and sustainable resource management. All key procurement decisions and major contracts for equipment, services or office supplies incorporate CSR criteria. These combined initiatives ensure that the energy transition remains central to our operational priorities.

We are extending our commitment by continuously advancing our efforts in renewable energy production and utilisation. In 2025 we upped our solar game with the purchase of 40 new-generation, high-wattage photovoltaic panels to add to the existing 26 solar panels installed in 2024 over an area of some 50 sq. m. Manufactured in Luxembourg, the new panels will replace the older ones. The array allows for a theoretical on-site consumption of 73.84 MWh per year. It reflects our commitment to decentralised production and complements our existing efforts to reduce the energy consumption of our infrastructure.

We are addressing water consumption by installing regulation devices and alert systems to identify anomalies or excessive use. These systems help to minimise consumption in our buildings while cultivating responsible workplace habits. In 2025 we also invested in rainwater collection to be used for watering outside areas.

And for many years now, all our owned sites have been powered exclusively by electricity from renewable sources. By using 100% certified green energy, we actively reduce indirect emissions (scope 2) and increase our positive environmental impact.

In Luxembourg, supplier contracts guarantee that our energy consumption (gas and electricity) is covered exclusively by renewable energy. In Belgium, we rely on a mix of Belgian renewable energy sources, with emissions calculated based on the product's Life Cycle Assessment (LCA).

Investment in ecodigesters under our environment policy has paid dividends: the weight and volume of food waste from our canteens has been cut by 90–95% since 25 April 2025. We again obtained the Label SDK (SuperDrecksKëscht® fir Betriber), which is only awarded to Luxembourg organisations actively committed to sustainable waste management. SDK is supported by the Luxembourg Environment Agency and the Chambers of Commerce and Skilled Trades. To obtain it, we implemented a series of concrete measures, including: strict waste sorting to support specialised waste management streams, secure and compliant storage, use of certified collection services and precise monitoring of both hazardous and non-hazardous waste flows. The accreditation underscores the willingness of the people in our organisation to do better, with a series of waste-prevention measures and a sufficient number of collection points that are easy to access.

This shows our determination to continuously improve our environmental performance in ways that are measurable and compliant with national standards and upholds the commitments defined in our overall CSR strategy.

Alongside these initiatives, employees are informed and educated about responsible practices, notably through internal campaigns focusing on waste reduction, sorting and recycling.

Parallel initiatives are underway to promote green mobility by encouraging alternatives to individual motorised transport, particularly by developing

cycling infrastructure, providing EV charging points and adopting more sustainable internal transport policies. In 2025, we also set up a carpooling platform and an additional satellite office close to a bordering country where some of our staff live.

Our environmental policy also extends to the Bank's procurement processes, with a clearly stated preference for partners that share our CSR commitments. We have established a CSR due diligence process to assess the practices of key suppliers before entering into any partnership. The assessment is based on a special questionnaire designed to confirm whether a formal environmental strategy is in place and whether a sustainability report has been published. We are also looking into making a code of ethics or conduct an integral part of contractual relations with suppliers. This approach aims to strengthen our supply chains and prioritise suppliers who demonstrate a clear commitment to sustainable development.

The Bank also focuses on raising awareness and engagement among its employees, for example through our immersive training programme 'The Week', initially attended by members of the Executive Committee and those reporting directly to them, then gradually rolled out to all employees. By the end of 2025, more than 265 people had completed this programme, designed to deepen understanding of climate issues and inspire collective engagement. At the end of the training, participants are encouraged to share tangible ideas for improving the Bank's environmental footprint. Their ideas are analysed by the CSR team, in coordination with the CSR Forum and the CSR Management Committee, to assess their feasibility and decide on actions to be implemented. This collaborative approach aims to generate innovative, employee-driven solutions that align with the Bank's strategic commitments.

Turning to financed emissions, we are pursuing two complementary routes to advance the ecological transition. The first involves preparations for dialogue with our highest-emitting institutional clients, with the aim of helping them move toward lower-carbon business models. The second focuses on expanding our range of sustainable financial products – such as transition loans and green financing – designed to support projects with a positive environmental impact.

This multidimensional approach reflects our determination to transition toward a more resilient, carbon-efficient and responsible business model.

Transition plan

As climate change accelerates, stakes rise, regulations evolve and the economy transforms, we've set out how our business model will address transition risks over the long term with a structured and forward-looking approach.

Banque de Luxembourg's official transition plan, finalised in 2025, is a major step forward. The plan will frame and guide our decisions, priorities and actions over the long term.

The transition plan:

- forms part of a strategic approach, consistent with the requirements of the CSRD, aimed at demonstrating the gradual alignment of our activities, our portfolios and our business model with a credible transition pathway;
- meets prudential requirements, in line with European regulations, with the aim of strengthening the Bank's resilience to climate and ESG risks in the short, medium and long term.

It is based on widely accepted standards and clearly distinguishes between operational emissions and financed emissions. The approaches and pathways in the plan are tailored to what we do, the data available and the maturity levels of our business lines. It is realist, progressive and designed to evolve over time.

Transition plan governance

The CSR team is responsible for oversight of the transition plan in accordance with clear procedures, working closely with the relevant business lines. The plan is approved and monitored by the CSR Management Committee, which includes the entire Executive Committee to guarantee strict alignment with the Bank's strategic guidelines.

Regular progress reports ensure actions are monitored, progress is reviewed and adjustments made as necessary.

Targeted discussions are also held with members of the Executive Committee appropriate to their specific areas of responsibility, focusing in particular on financing, asset management and risk management. The transition plan was presented to the Audit and Risk Management Committee at the end of 2025 for regular monitoring in 2026. Presentations to the Board of Directors will also be scheduled to make sure transition issues are firmly embedded in the Bank's governance framework.

A phased approach tailored to our activities

The Bank has been measuring and managing its carbon footprint across all scopes in the GHG Protocol since 2021 and has set milestones to 2030.

We have set a target for reducing operational emissions (scopes 1 and 2) is 42% by 2030 vs. 2021. We will do this by continuously improving building energy efficiency, using renewable electricity sources, moving to all-electric vehicles and continuing current measures to bring down scope 1 and 2 emissions.

To address financed emissions (part of scope 3), we are taking a phased approach depending on the type of activity. For some portfolios, the Bank has defined specific decarbonisation pathways when we have enough data and good enough methodologies, while for others, we're still ramping up our efforts towards setting targets.

Main levers to reduce financed emissions

For real estate lending, the Bank has defined sector-specific trajectories to 2030 for the residential and commercial portfolios, in line with the sector's transition pathways. To do this, we rely on gradually collecting energy efficiency certificates, stepping up dialogue with clients, including energy efficiency in our lending criteria and developing financing solutions for energy efficiency and upgrade projects. Here our aim is to provide realistic and responsible backing for the transition of the financed real estate portfolio, taking the specific features of the Luxembourg market into account. We are working closely with the Private Banking and Credit teams to bring these efforts to fruition.

For our credits business, we are targeting our approach, concentrating on counterparties with the greatest exposure to climate risk. Here our aim is to allocate lending to the emission-reduction levers we have identified, strengthen dialogue and support for clients, and to incorporate climate and ESG criteria into our credit assessment process. Working with the Credit and Business & Entrepreneurs teams in the Bank, our efforts in this area are consistent with sector transition pathways and Luxembourg's integrated national energy and climate plan.

We have yet to set out a detailed decarbonisation pathway for the proprietary and treasury portfolio – for the most part invested in European sovereign debt and bonds issued by multilateral development banks. However, the Bank continues to look into how we can ramp up our contribution to financing the transition, according to our portfolio profile, the materiality of the emissions and the tools available. This work is being undertaken in collaboration with the Asset Servicing and Treasury, Structured Products & Forex teams.

We have also taken a phased approach for our asset management activities and are increasingly attentive to climate and ESG considerations in our investment processes. However, we have yet to set a quantified target. Our maturity in this area will improve as better management tools are developed and better data and analytical capability come on stream. The PBI and BLI teams are closely involved with this work.

In tandem, the Bank is strengthening its climate and ESG risk management framework. This project takes in transition and physical risks and how to gradually incorporate them in analytical tools, monitoring indicators and decision-making processes. The process aims to be prudent, proportionate and consistent with the European prudential framework.

A management tool to drive our transformation

Essentially a management and governance tool, the transition plan offers valuable insight to inform financing and investment decisions, structure dialogue with clients and bolster climate and ESG risk management across the organisation.

Implementation is cross-functional and involves the CSR and sales teams, Risk Management, Finance, IT, Human Resources and the Transformation department.

A collective and phased implementation

Operational roll-out began in 2025. At the same time, teams are upskilling and strengthening communication with clients, data quality is gradually improving and monitoring frameworks maturing.

These practical steps will continue in 2026 with deeper integration into the Bank's operational processes, management systems and decision-making frameworks. This new phase will aim to consolidate what we have already put in place, strengthen ownership by our businesses, continue improving data reliability, consolidate monitoring

indicators and embed climate considerations into our commercial, investment and risk management practices.

Our transition plan is part of a continuous improvement process, according as tools, data reliability and practices mature and taking into account developments in regulations and methodologies.

Rather than an add-on, the transition plan represents a gradual change in how we operate, while staying true to our identity as a responsible, prudent and client-centric Bank focused on the long term.

Integration of climate risks into our strategy

We are incorporating climate and environmental risks (CER) into our strategy through a phased and tailored process, taking into account the specific characteristics of each business line. Our methodology relies on a set of complementary measures in line with best practice.

These are based on the following five key principles, adapted to the specific business activity:

- Exclusion of highly carbon-intensive or controversial assets, by avoiding financing sectors or activities that are highly polluting or that conflict with the Bank's ethical and environmental commitments;
- Promoting and supporting sustainable assets by channelling financing into projects that have a positive environmental impact or contribute to the ecological transition;
- Performance-based support for the transition through financing linked to measurable sustainability targets;
- Selection on a 'best effort' basis to support rapidly transitioning companies with a credible, fast-tracked plan to reduce their carbon footprint;
- A 'best-in-class' approach that prioritises companies leading their sector in terms of environmental responsibility.

Application of these principles differs depending on the business activity: The Group's sector policies are applied to actively exclude highly emitting and controversial sectors.

We also offer energy and green transition loans, as well as sustainable financing that is conditional on the beneficiary company's ESG performance.

In keeping with our long-term investment philosophy, these ESG criteria are now fully factored into our investment decision-making:

- Problematic social, environmental or governance practices: consideration of controversies, which involves assessing a company's potential or confirmed involvement in incidents or practices;
- Sectoral exclusions, which apply to companies whose activities do not comply with our exclusion policy, as detailed below.

We apply a CER identification methodology that maps the materiality of the Bank's activities against their potential exposure to environmental risks. The framework factors in concentrations by economic sector, geographic region, market, product and service.

This integrated approach involves identifying activities with potential sensitivity to climate or environmental factors – including physical and transition risks – and assessing the materiality of their potential impacts. It is a dynamic process, which considers the Bank's environment, its products and services and the evolving availability of technical indicators. Following the identification of sensitivity to climate or environmental factors, the next step is to assess the potential transmission to banking risks. This analysis specifically applies to the Bank's credit risks, operational risks (including reputational and legal risks) and to strategic and business risks.

The exercise is conducted through collaborative workshops with key business lines, guided by a list of potential climate and environmental risk factors. Based on this discussion phase we are able to compile a shortlist of the CER deemed most relevant to the Bank's activities, identify quantifiable risks and assess data needs (both internal and external). To ensure consistency and alignment, we

systematically cross-reference the analyses with our ESG framework.

The exercise is based on the following focused assessments:

- A survey of operational risk losses experienced over a 20-year timeframe;
- Monitoring progress with developing control systems;
- Collection of client and market data;
- Analysis of exposures and guarantees received.

Changes in the methodology used to monitor climate risks are approved by the Executive Committee (ComEx) or the relevant Management Committee to ensure optimum strategic alignment and the integration of climate and environmental risks at all levels of the organisation.

Climate and environmental risks identified as relevant to the Bank's activities are presented in the table below.

PHYSICAL RISKS

Acute weather events	Chronic climate change
An increase in the frequency and severity of extreme weather events (acute), and the worsening of gradual climate change (chronic), leading to degradation or destruction of real estate assets or infrastructure, and disruptions to the operations of businesses and financial institutions.	
Floods <i>Value of real estate collateral</i> <i>Corporate solvency</i>	Temperature variations <i>Corporate solvency</i>
Storms / Hail / Snow <i>Value of real estate collateral</i> <i>Corporate solvency</i>	Precipitation variations <i>Corporate solvency</i>
Drought / Soil shrinkage <i>Value of real estate collateral</i>	Water stress <i>Corporate solvency</i>
Heatwaves <i>Corporate solvency</i>	

TRANSITION RISKS

Regulatory	Technological	Behavioural
Impacts of the transition to a low-carbon economy, including climate policies (carbon taxes, bans on combustion engine vehicles, etc.), disruptive technological innovations, and changes in preferences and behaviours, causing economic shocks with financial implications (profitability of activities, sudden revaluations of assets and expected returns in certain sectors, etc.)		
New regulations leading to lower value/yield on real estate assets <i>Value of real estate collateral</i>	New technologies causing adaptation challenges <i>Corporate solvency</i>	Declining interest in less energy-efficient properties <i>Value of real estate collateral</i>
New regulations leading to a reallocation of investments <i>Value of pledged securities</i> <i>Commission base</i> <i>Own portfolio</i>		Unanticipated change in preferences <i>Corporate solvency</i>
New regulations involving substantial adaptation costs <i>Corporate solvency</i> <i>Costs / Bank profitability</i>		Declining interest in solutions without ESG considerations, or overestimation of interest <i>Commission base</i> <i>Service/product development costs</i>
Greenwashing (inc. unintentional) <i>Compliance</i> <i>Reputation</i>		

Since the fiscal year ending 31/12/2024, the standardised approach of the six-monthly Internal Capital Adequacy Assessment Process (ICAAP) incorporates stress

assumptions related to physical and transition climate risks, in accordance with the methodology of the Bank's parent company.

Exclusion policy

In the course of our financing and investment activities, we carefully review transactions involving sensitive sectors with exposure to material social and environmental risks. Alive to our responsibility in this regard, and as a wholly-owned subsidiary of the CMAF Group, we are committed to adopting a policy that aligns with the Group's strategy and its broader approach to sustainable development. The Group's ambition is to support its clients in transforming their business models while playing an active role in the fight against global warming, biodiversity loss and environmental damage.

CMAF applies stringent application criteria for its exclusion policies by introducing dedicated analytical frameworks for each industry sector. They take into account counterparties' non-financial ratings to give a more objective assessment of their ESG performance. The aim is to foster ethical business relationships and strengthen financial analysis through a responsible approach.

Exclusion policies are applied in several key sectors:

- Mobility (aviation, maritime and road transport): financing strictly limited to low-carbon assets to accelerate the decarbonisation of transportation;
- Coal: exclusion of companies whose activities rely heavily on coal extraction, targeting a complete withdrawal from coal financing by 2030;
- Oil and gas: cessation of funding for new exploration and production projects, with increasingly stringent criteria applied to companies active in unconventional hydrocarbons;
- Mining: financing prohibited for projects that pose critical risks to the environment and biodiversity, particularly in protected areas;
- Civil nuclear power: strict monitoring of operations and financial activities to verify compliance with international standards and regulations;
- Defence and security: refusal to participate in any activities involving controversial weapons, coupled with strict adherence to principles governing the financing of companies within the sector;
- Deforestation: implementation of safeguards to prevent involvement in any project contributing to deforestation or the degradation of forest ecosystems;
- Agriculture: robust measures to support farmers, such as subsidies and grants to cover costs related to environmental certifications;
- Real estate: support for the renovation of building energy and thermal systems, as well as the sector's broader decarbonisation objectives.

2. Social

2.1. Own workforce



Employees

- Active investment in employee development
- Introduction of measures to foster well-being and work-life balance
- Setting gender balance targets in the context of signature of the Women in Finance Charter

Policies

- Integrated HR policy
- Diversity, Equality and Inclusion policy
- Remuneration policy
- Human Rights policy
- Code of Ethics and Professional Conduct
- Harassment policy

Actions

- DEI policy with quantified targets
- Significant investment in training and upskilling with structured career monitoring
- Regular internal surveys and discussions with HR
- Promotion of internal mobility
- Individualised support for career advancement

+ Positive impact

Career management: internal mobility and training / Work-life balance / Diversity and inclusion policy

Social dialogue with trade unions and social policy

R Risks

Higher recruitment and training costs.

Lack of expertise, which generates operational risk and financial costs.

0 Opportunities

The organisation's appeal (promoting health, safety and well-being at work), which reduces recruitment and training costs

Employee engagement, skills, expertise and productivity

Key indicators

1185

employees

42-43 years

average age of employees

-0.5%

adjusted gender pay gap according to LOGIB

1.22

Ratio of men/women

11 years

average seniority

33 hours

training hours on average per employee

13 and 22

nationalities represented for men and women, respectively

100%

of employees participated in regular performance and career development assessments

96%

of employees received ESG risk training

Responsible human resource management

People are at the heart of how we perform and how we endure over time. This means we give priority to creating a working environment that is inclusive, equitable and respects each and every person's fundamental rights. Equal opportunities, diversity, inclusion and adherence to labour standards are core priorities throughout every level of the organisation. From the moment they join the Bank, we ensure that each team member is welcomed into a nurturing environment that fosters personal and professional growth.

Managing and developing talent is strategically important for transforming and consolidating our enterprise culture.

In this section of the report, we outline the measures in place to ensure equal treatment and pay, improve working conditions, protect workers' rights, and promote inclusion for all, as part of a sustainable and responsible model.

Characteristics of our workforce

The 'workforce' referred to in this report corresponds to our own employees, meaning those who have a direct contractual relationship with the Bank. This includes employees on permanent contracts and employees on fixed-term contracts. The scope does not include interns, corporate officers, temporary workers or external contractors. Workforce numbers are counted in full-time equivalents (FTE), whether employees work full-time or part-time, with part-time employment expressed as a percentage of full-time hours.

We rely on a stable and engaged workforce, enriched by diversity at multiple levels. This diversity is not limited to cultural background or nationality – although our teams are made up of many nationalities – but also encompasses a variety of career paths, professional backgrounds, ages, skills and viewpoints. We strive to ensure gender balance at all levels, backed by a robust equal opportunity policy. Our low employee turnover rate and investment in employee training reflect a stimulating, inclusive work environment that fosters professional development. This mix of stability, diversity and employee engagement is a cornerstone of the resilience and innovation that sustain our long-term strategy.

By gender

Gender	Number of employees (headcount/FTE)	
	2024	2025
Men	626	656
Women	524	529
All employees	1150	1185

Average workforce ¹⁴

	2024	2025
Men	605	641
Women	514	527
Total workforce	1119	1168

Other workers at the Bank

2025

226 external agents ¹⁵ (229 in 2024)	74 interns ¹⁶ (62 in 2024)	6 VIE ¹⁷ (0 in 2024)
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By contract type and gender

	Women		Men		Total	
	2024	2025	2024	2025	2024	2025
Number of employees (headcount/FTE)	524 / 484	529 / 489	626 / 615	656 / 646	1150 / 1099	1185 / 1135
Number of permanent employees (headcount/FTE)	519 / 479	519 / 480	624 / 613	648 / 638	1143 / 1092	1167 / 1118
Number of temporary employees (headcount/FTE)	5 / 5	10 / 9	2 / 2	8 / 8	7 / 7	18 / 17
Number of employees with non-guaranteed working hours (headcount/FTE)	-	-	-	-	-	-
Number of full-time employees (headcount/FTE)	328 / 328	342 / 342	569 / 569	604 / 604	897 / 897	946 / 946
Number of part-time employees (headcount/FTE)	196 / 156	187 / 147	57 / 45	52 / 42	253 / 201	239 / 189

¹⁴ The workforce figure corresponds to the total headcount at 31 December 2025, while the average workforce is the mean of the headcount at 31 December 2024 (1150) and 31 December 2025 (1185).

¹⁵ Employees of external service providers with active access at 31 December 2025, with no indication of FTE or contract duration.

¹⁶ Interns or young people on international volunteer placements present at the Bank during 2025, with no indication of duration or activity as of 31 December 2025.

Turnover

Gender	Employee departures		Turnover rate	
	2024	2025	2024	2025
Men	40	27	7%	4%
Women	36	33	7%	6%
All employees	76	60	7%	5%

Age and years of service

Luxembourg and Belgium				
	2024	2025	2024	2025
Average age	42	42	43	43
Average years of service	11	10	12	12

Nationalities

	Men		Women	
	2024	2025	2024	2025
Number of nationalities represented	13	13	19	22

Senior Management employees¹⁷

Gender	Total		Percentage	
	2024	2025	2024	2025
Men	25	26	74%	74%
Women	9	9	26%	26%

Breakdown of employees by age group

	Men		Women		Total	
	2024	2025	2024	2025	2024	2025
Under 30	100	103	70	75	170	178
30-49	342	363	276	273	618	636
50 and over	184	190	178	181	362	371
Total	626	656	524	529	1150	1185

¹⁷ Senior Management refers to the Executive Committee (ComEx) and one level below (ComEx -1).

Policies related to our own workforce

Clearly-defined policies are in place to ensure consistent and equal treatment of our employees every time a decision is taken, spanning HR policy (career development, internal mobility, etc.), DEI policy, whistleblowing, and more.

→ DEI policy and action plan

Introduced in 2022 and amended in 2024, our DEI policy sets out the commitments of the Executive Committee and the Board of Directors in quantified metrics. By 2030, we commit to:

- Promoting gender balance (40%) on the Board of Directors, the Executive Committee and in roles with managerial responsibilities;
- Achieving a 50/50 gender balance in management positions.

The policy also explains the scope of application and framework (decision-making processes, awareness-raising and corporate culture initiatives, dedicated measures for the executive body, measures applicable to all employees and monitoring procedures).

Under the action plan to achieve these objectives, there were several initiatives in 2025, including:

- proactive and targeted recruitment to rebalance our talent pool from early career onwards. These include recruiting 70% female candidates (Master's degree or equivalent and under 35 years old) and systematically drawing up gender-balanced shortlists when recruiting externally for leadership positions, aiming to promote the under-represented gender when qualifications are equal.
- guaranteeing equal access to skills development and career opportunities;
- open and inclusive leadership training;
- awareness and improvement of psychological safety was highlighted by the DEI committee, the HR Care & Counsellor¹⁸ and personnel representatives to strengthen team spirit, focusing on four themes defined early in 2025:
 - Promoting cultural diversity in the teams: talk and management workshop entitled "What if we looked at things differently?"
 - Support for neurodivergent employees: talk on ADHD and collaboration with the autism foundation;
 - Insight into the challenges faced by people with a disability: talks (deafness, adaptation) and taking part in the DUO DAY (workplace disability awareness days);
 - Providing an inclusive environment for LGBTQIA people: creation of a community and organising meetings.

→ DEI Guide

We published our in-house guide, 'Diversity, Equity, Inclusion, which provides tools to challenge our limiting beliefs and behaviours in March 2025, marking yet another step towards the transformation of our corporate culture. With practical suggestions on how to make inclusion part of our everyday experience in the Bank, it is invaluable for managers and employees alike. The content and tools were developed from a deep dive (including quantitative and qualitative surveys, collaborative workshops and verbatim comments gathered during DEI training sessions). We intend to adapt the guide according to changes and developments in the organisation, current events and feedback from staff.

This guide demonstrates our commitment to continually improve integration of Human Rights Principles.

Engaging with our employees

Employees' interests, opinions and rights are central to our decisions and shape our overall strategy and business model.

This is the context for surveys like our biennial campaign ***Vous avez la Parole*** (meaning 'Have your say' in English), which addresses wide-ranging topics spanning work-life balance, working conditions, change management, strategy and internal communication, leadership, recognition, training, career development and environmental commitments. The survey responses give us a comprehensive understanding of how employees perceive their work environment, management practices and company culture.

At 85%, the response rate for the most recent annual survey, conducted in 2024, was up 12 points on 2022 (73%). The high participation rate reflects employees' interest in and commitment to this process of listening and continuous improvement.

The ***Vous avez la Parole*** campaign is a qualitative tool designed to gather direct, honest feedback anonymously. The results are shared with management, heads of department and various teams, helping to identify strengths, priority issues and best practices, and guiding the development of action plans that are directly relevant to employee concerns.

The Staff Representation Committee also plays a crucial role in our efforts to recognise employees' interests, perspectives and rights. Serving as an intermediary between employees and Human

¹⁸ The HR & Care Counsellor provides support to employees who need it through active listening and confidential non-judgmental discussions. The role also entails raising awareness and implementing various initiatives aimed at promoting staff wellbeing and preventing psychosocial risks.

Resources, it ensures that employee concerns are heard and taken into account, helping to foster constructive dialogue and build a culture of trust.

We have also put several additional measures in place to ensure that the voices of potentially vulnerable employees are heard, including those with disabilities.

The role of HR & Care Counsellor supports employees as they navigate challenging situations – whether temporary or ongoing – and in times of change in their professional and personal lives. It provides them with a listening ear and a space for confidential, non-judgemental dialogue.

The HR & Care Counsellor is also responsible for initiatives and awareness-raising activities aimed at promoting employee well-being and preventing psychosocial risks. These include workplace well-being programmes to improve the working environment. Other specific initiatives, such as DUO DAY (a workplace disability awareness day), organised by ADEM, the Luxembourg employment agency help to promote inclusion. Awareness-raising talks organised in cooperation with the Staff Representation Committee also address disability and diversity and strengthen our culture of inclusion.

Internal processes and channels for reporting harassment concerns

The Bank is actively committed to making its internal procedures widely known. It does this through responsible communication via the intranet, which guarantees equal access and broad dissemination of essential information. An online space centralises internal regulations and guides and can be easily consulted by all personnel. In addition, online training on our code of ethics and business conduct is now compulsory. These initiatives reflect our determination to promote a responsible enterprise culture aligned with best practice.

Harassment in any form is strictly prohibited, and we are committed to taking all necessary steps to immediately stop any act of harassment, whatever its nature. In accordance with current legislation, we have implemented a procedure that is reviewed annually and aims, in particular, to:

- Prevent inappropriate behaviour by raising employee awareness around harassment issues and establishing proactive measures to avoid such situations; In this regard, we carried out preparatory work in 2025 to design a mandatory online training course, which will be rolled out in

2026 to all the Bank's staff. For managers, this training will be supplemented by awareness-raising workshops, with a view to improving their understanding of these risks in relation to their role, in particular through practical case studies and role-play exercises.

- Take effective action in cases of harassment by defining clear protocols for handling reported incidents and ensuring they are followed up;

We have established internal channels for our employees to report harassment through our internal whistleblowing system and/or by contacting the Staff Representation Committee, the HR & Care Counsellor or the HR Business Partner.¹⁹

Externally, our employees can also raise their concerns directly with the ASTF (*Association pour la Santé au travail des secteurs Tertiaire et Financier*, Luxembourg's Occupational Health Association for the Tertiary and Financial Sectors) and the Inspectorate of Labour and Mines (ITM), the agency responsible for working conditions and the protection of workers.

A sustainable approach to talent development

→ Continuous training: key to our competitiveness and employer brand

At Banque de Luxembourg, we firmly believe that the professional development of our staff is an investment in the future, enhancing job satisfaction and employee engagement. In 2025, we invested €1,997,653 in training (before tax and excluding payroll and BLI), which amounts to 3.47% of total payroll. We remain committed to making this a key contributor to our competitiveness, attractiveness and retention.

Having set up a new training management platform, MyAcademy, in 2024, in 2025 we delivered:

- training to develop employees' technical expertise and financial literacy;
- content tailored to our digital transformation, with training programmes to back the roll-out of various tools;
- social and environmental responsibility initiatives, such as a course on human rights for all our staff and the voluntary 'The Week' awareness campaign on environmental responsibility;
- a focus on creating a culture of feedback for the Bank's managers, with training for all managers in authentic leadership;
- the 'Sophía' programme, to promote successful retirement while also ensuring that skills and knowledge are passed on.

¹⁹ HR Business Partners act as intermediaries between HR and their assigned business lines, supporting them in meeting their objectives.

Professional qualifications and diplomas (CFA, ICMA, CAMBOC, etc.) are also still encouraged and supported: 16 women and 22 men obtained qualifications in 2025 (excluding BLI).

We continue to support career development at both managerial and non-managerial levels (e.g. through Assessment Centres and Individual Development Plans), including our training offer for senior management.²⁰

→ Young talent and positive impact: Open Up

As part of our commitment to developing talent and promoting internal engagement, we launched the Open Up initiative to grow our brightest young talent with the potential for career progression in the Bank and involve them in designing projects that will make a positive difference, in line with our Bank's social, societal and environmental priorities. In 2025, 16 staff took part in the programme, divided into four working groups and tasked with identifying a problem, coming up with a practical solution and evaluating the potential impacts. The projects were then presented to a selection committee, made up of members of the CSR and Human Resources teams. In the next stage, two of the four were selected by the CSR Forum and the CSR Management Committee, and will be rolled out from 2026. Open Up is the perfect illustration of our commitment to encouraging collaborative innovation, strengthening engagement and developing practical solutions that deliver on our sustainability strategy.

Training hours per employee (excl. BLI)

Gender	Average number of hours	
	2024	2025
Men	37	32
Women	38	34
Total workforce	37	33

→ Internal mobility

Our career model promotes internal mobility. It offers non-linear career prospects based on clear guidelines for advancement. In 2025, the mobility rate was 7%, down 2%, with 86 people (44 women and 42 men) changing jobs during the year. 65% of these moves were among managers, an increase of 10%.

By encouraging vertical, horizontal and diagonal career moves, we aim to align employees' aspirations with the Bank's strategic objectives and its organisational needs. This approach helps to build a dynamic and responsive corporate culture, where transfers within or across departments are perceived as opportunities for learning and growth.

With promotion of equal opportunities as a key social objective, Vacancies are routinely published on the intranet, with access to all job descriptions and to the competency framework. This ensures that all our people have equal access to career opportunities and equips everyone with the tools to manage their own career and professional development. We have also made the internal selection process more robust using tools for more objective decision-making, including competency-based interviews, a personality questionnaire and the Assessment Centre.

Internal mobility is essential to enhance employability and is a motivating and empowering factor in charting a career path. In 2025 we prepared guides for employees on how best to manage their career and navigate opportunities for internal mobility.

→ Evaluating performance

The performance review process takes place every year between mid-September and the end of October. During this period, employees are initially invited to complete a self-assessment of their goals and soft skills in relation to their role (according to the competency framework). This exercise is a key opportunity for dialogue between the manager and the employee, providing the basis for a constructive discussion and a comprehensive assessment of objectives, behavioural competencies and technical expertise. During the review meeting, performance objectives for the year are set and an Individual Development Plan may be agreed that may be amended over the course of the year.

Performance objectives are set for each employee by their manager, and are aligned with the Bank's overall objectives (cascading objectives principle) and the responsibilities of the role. Each employee has four objectives (individual and collective), defined using the SMART²¹ criteria, with qualitative and/or quantitative performance indicators. An additional objective related to compliance criteria is set for all employees in order to meet regulatory requirements, security principles, audit points and other obligations.

²⁰ Senior Management refers to the Executive Committee and the level immediately below the Executive Committee (N-1).

100%

of employees participated
in regular performance
and career development
assessments.

In 2025, we extended the deadline for setting objectives to give managers and employees additional time to consider all relevant factors to align objectives with strategy.

All managers are informed and trained on best practices to effectively prepare for the performance reviews – from setting objectives to evaluating them, including the assessment of soft skills and preparing an Individual Development Plan.

All managers are invited to a practical discussion session to help them prepare for the performance reviews. They focus on each manager's specific cases with the aim of fairly assessing progress towards achieving objectives and the development of skills and technical expertise, while also verifying the quality of the objectives and performance indicators they plan to set.

→ Collective bargaining and social dialogue

We demonstrate our commitment to social dialogue by taking part in the Luxembourg banking sector's collective bargaining agreement, which preserves a fair, transparent and protective work environment for contracted employees. Our HR Management actively participates in discussions during negotiations aimed at renewing or adapting the provisions of this agreement.

For the 2024-2026 period, non-executive employees are covered by the collective labour agreement for bank employees, concluded between the Luxembourg Bankers' Association (ABBL), representing employers, and three national trade unions:

- The *Association Luxembourgeoise des Employés de Banque et d'Assurance (ALEBA)*, Luxembourg's bank and insurance employees' association, a historic sector-specific trade union for employees in the financial sector;

- *L'Onofhängege Gewerkschaftsbond Lëtzebuerg (OGBL)*, Luxembourg's independent trade union confederation, the country's largest cross-sector trade union;
- *Le Lëtzebuerger Chrëschtliche Gewerkschaftsbond (LCGB)*, Luxembourg's Christian trade union confederation, a generalist trade union promoting social and family values.

This collective agreement regulates fundamental aspects of working conditions, such as:

- Remuneration systems and job categories;
- Legal provisions (probation period, notice periods, etc.);
- Working hours, leave, and public holidays.

On 31 December 2025, 50% of the Bank's employees were covered by this collective agreement.

We encourage frequent, open discussions between the HR Director and employees. Our HR Director is assisted by HR Business Partners assigned to each business unit, making it easier to address individual teams' specific needs. Regular formal and informal meetings are held between the HR Director, the Administrateur Délégué and the Staff Representation Committee.

→ Health, safety and well-being at work

Health, safety, and workplace well-being are fundamental components of our social responsibility towards employees. We have continuous preventive measures in place to ensure a safe, healthy and supportive work environment. Thanks to our ongoing vigilance, the number of workplace accidents remained low in 2025 (18 commuting and workplace accidents at 31/12/2025).

To round out our support for our people, and to complement the active listening and tailored assistance provided through the dedicated HR Care Counsellor role, we have established a network of trusted individuals. These are employees trained in listening and mental health support, who are available to speak informally with anyone experiencing psychological distress, provide assistance and signpost them to appropriate resources if needed. While they cannot replace healthcare professionals, they play an essential role in identifying early warning signs and helping to build a caring work environment. Each member of the network has completed specialised training in mental health coaching, to develop the appropriate responses and behaviours for different situations.

Managing working hours and work-life balance

→ Flexibility and balance

Respect for working hours and flexible working arrangements are key elements of our HR policy, helping to ensure a better balance between business demands and our employees' personal needs. We allow employees to work remotely one day a week (subject to the weekly working hours limit and the tax-exempt days for cross-border workers).

We have also set up two satellite offices on the French and Belgian borders to save commuting time.

We understand the importance of well-being at work and have implemented several initiatives to help employees manage stress and maintain a healthy equilibrium between their professional and private lives. These initiatives include training sessions, mindfulness workshops, seminars on detecting burnout, and a dedicated health week.

→ Family leave and support systems

In full compliance with the regulations on employee rights, all employees are entitled to family leave, which includes maternity leave, paternity/parental leave, leave for family reasons, standard parental leave and leave for caregivers.

Paternity/parental leave is an exceptional leave allowance of 10 days, fully paid by the Bank, for the father or second parent in the case of the birth of a child or the adoption of a child under the age of 16. It must be taken in the two months following the birth or adoption, giving new parents the opportunity to be fully involved from the beginning of this new stage in their family life.

Caregiver leave allows each employee to take five days per year to assist a family member or another member of their household in the event of a serious medical condition confirmed by a doctor. Employees also have the option of purchasing additional leave days so that they can maintain their usual work schedule and weekly workload, as specified in their employment contract (whether full-time or part-time), while benefiting from extra time away from work. The extra days are paid for through a deduction from their gross thirteenth-month salary.

Employees may use the Time Savings Account system for unused leave. The hours saved up can be used later for early retirement, a personal project, the extension of maternity or parental leave or for a special family event.

Our Sophía support programme provides support for employees who are approaching retirement. Structured in five key stages, this course is designed to facilitate a smooth and informed transition to the next phase of their lives:

- Practical information: introduction to the main aspects of retirement to enable effective preparation;
- Personal reflection: exploring the significance of retirement and the personal values associated with it;
- Health and well-being: improving awareness of the physical and mental health challenges associated with this transition;
- Preparing for handover: defining the new roles for future retirees and their successors to guarantee seamless continuity;
- Personalised dialogue: discussions on exit arrangements, tailored to individual needs.

All these measures illustrate just how committed we are to ensuring a good work-life balance and providing support for our employees throughout their career.

Pay equity and transparency

We ensure fair compensation and complete transparency on our pay policies, in accordance with current laws, standards and regulations.

Our remuneration policy is based on the following principles:

- Internal equity: applying a rigorous classification of managerial roles to ensure fair compensation based on responsibilities and required skills;
- Gender pay equity: ensuring that men and women receive equivalent remuneration for comparable positions and skills, in compliance with Articles L. 225-1 and L. 225-5 of the Luxembourg Labour Code;
- External attractiveness: using external benchmarks to ensure that our salaries remain competitive in the market.

For several years, we have been using LOGIB¹³, an analysis tool provided by the Luxembourg government, to assess pay equity within the Bank. LOGIB is based on a scientifically validated multiple regression method, verified by an independent third party, which detects any unexplained pay gaps between men and women after accounting for objective factors such as experience, education and level of responsibility.

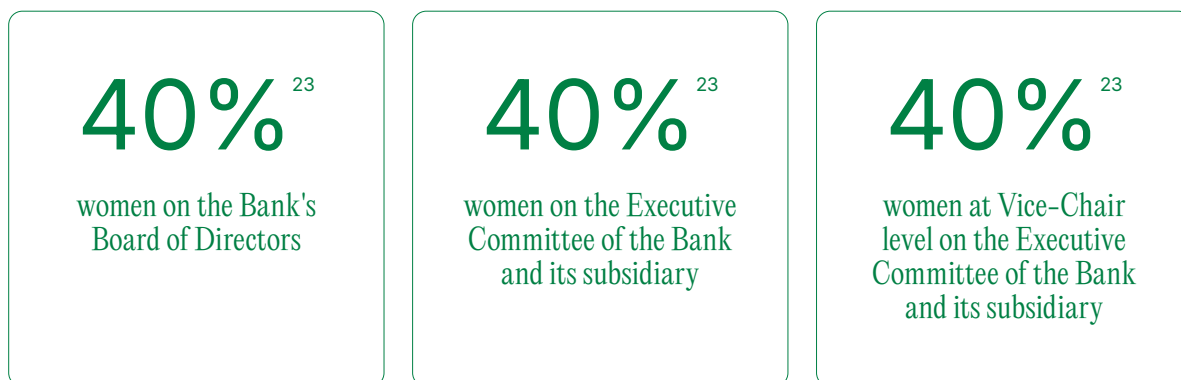
Over the past three years, the gender pay gap (encompassing salaries and variable compensation) within the Bank, including our Belgian branch, has decreased as follows:

	Gross pay gap	Adjusted pay gap ²²
2023 remuneration	-14.5%	-1.5%
2024 remuneration	-12.10%	+0.20%
2025 remuneration	-10.0%	-0.5%

These results underscore our ongoing commitment to reducing pay disparities and promoting equal pay throughout our organisation.

On 8 March 2023, we signed the Women in Finance Charter, an initiative launched by the ABBL with the support of the Ministry of Finance to foster gender balance in Luxembourg's financial sector. By becoming a signatory, we committed to publishing measurable gender diversity targets for the Board of Directors, Executive Committee and Senior Management, and to reporting annually on our progress.

To fulfil our commitment, we aim to achieve the following targets by 2030, as outlined in our DEI policy:



Position at

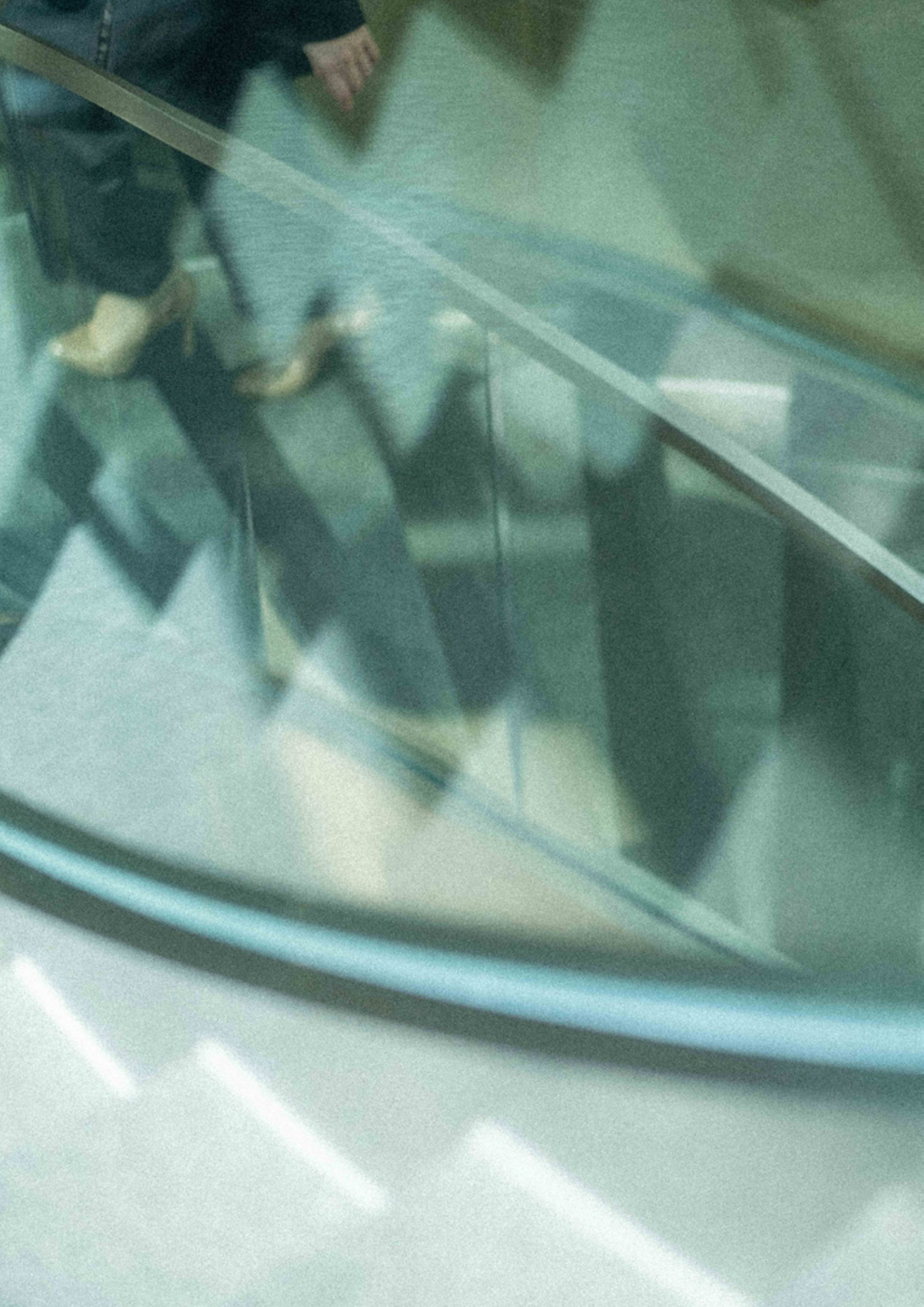
31 December 2023: 40%	31 December 2023: 27%	31 December 2023: 30%
31 December 2024: 36%	31 December 2024: 36%	31 December 2024: 22%
31 December 2025: 36%	31 December 2025: 38%	31 December 2025: 21%

This change reflects the fact that some women at Vice-Chair level have joined the Executive Committee since 2023, but have not been replaced by women.

Another factor is the Bank's long-term relationships with staff, all of which means that turnover in these roles is too low to quickly rebalance representation.

²² The LOGIB tool calculates the adjusted difference using a statistical methodology based on multiple regression, which identifies any potential unexplained salary differences between men and women after accounting for objective factors such as experience, education and level of responsibility.

²³ Min. 33%



2.2 Consumers and end users



Clients

- Close client relations, built on listening to our clients, personalised and tailored products and services
- Responsible financial solutions integrating ESG criteria and promoting informed investment decisions
- Stronger client protections through advanced security, cybersecurity and data protection safeguards

Policies

- ➔ Code of Ethics and Professional Conduct
- ➔ Sustainable investment policy
- ➔ Principal adverse impacts (PAI) policy
- ➔ Engagement policy
- ➔ Sector policies
- ➔ Policy for integrating sustainability risks (products)
- ➔ General internal policy on compliance of personal data processing
- ➔ New product governance policy
- ➔ Lending policy
- ➔ Complaints policy

Actions

- ➔ Strengthening relations with clients
- ➔ Offering practical ESG solutions
- ➔ Including client feedback in strategy
- ➔ Supporting corporate clients on their transition journey
- ➔ Developing financial education
- ➔ Boosting system security and resilience
- ➔ Clearly defined approach to gathering feedback and ensuring client satisfaction

- Negative impact

Data protection, phishing attempts and IT system downtime

+ Positive impact

Focus on clients through products and services tailored to their needs

0 Opportunities

Access to new markets through a new range of products and services in line with what clients want, with a focus on ESG

Strengthening the brand's image through a commitment to sustainability

Key indicators

100%

of clients have a dedicated adviser (Private Bank)

1 programme

NextGen (special masterclass and seminar)

16 complaints

newly registered clients

15

companies benefited from ESG workshops

0 major outage

in critical services

Responsible client relationship management

Client relationships have been central to our business model for more than 100 years. As a private institution, we are committed to supporting our different client segments – individuals, professionals, entrepreneurs and businesses – at every stage of their lives, through an approach grounded in close relations, personalisation, active listening and high-quality service.

This commitment is evident in our ongoing efforts to ensure clear and accessible information, fair treatment, protection of clients' fundamental rights and solutions that are tailored to their evolving expectations. Our focus on end users is embodied in a rigorous approach to client relationships, rooted in the Bank's long-standing values and aligned with the sustainability principles that now underpin our operations.

This section of the report focuses on what we are doing to ensure that our clients and their concerns remain at the core of our strategy.

Tailored solutions to meet individual client needs

→ Private Banking

Our Private Banking offer is developed with a focus on rigour, clarity and sustainability. It is based on prudent management principles, a robust methodology and a long-term vision that avoids fleeting trends and approaches driven by short-term profits. Our clients share this commitment and benefit from personalised support designed to promote clear understanding of wealth management challenges, notably through educational initiatives, such as an updated web page explaining the principles of responsible investing and what the Bank is doing to put these principles into practice.

In line with our ESG commitments, we offer a range of investment solutions that fully integrate environmental, social and governance criteria:

- SRI (socially responsible investment) discretionary mandate: fully invested in socially responsible funds, this mandate is characterised by a rigorous selection of assets based on the highest ESG and impact standards. It received LuxFLAG²⁴ ESG certification in 2024, renewed in 2025, attesting to our ability to balance sustainable performance with quality standards.
- ESG advisory services: the recommendations provided by our advisory services take into account the ESG preferences expressed by clients, while systematically excluding issuers associated with controversies or operating in sensitive sectors (coal, hydrocarbons, etc.). We also include solutions classified under Article 9 of the SFDR (Sustainable Finance Disclosure Regulation), especially through our partnership with BLI - Funds For Good.

Although not an official definition of responsible and sustainable investment, since this is an umbrella term that covers different practices and methods in the sector, the Bank distinguishes between four major investment categories:

- Traditional investments, which generally focus on return on investment;
- Responsible investments, aimed at generating a return while also considering ESG risks and opportunities;
- Sustainable investments, to deliver financial returns by investing in companies that support sustainable development;
- Impact investments, which seek to generate a positive social or environmental impact that is meaningful, measurable and, above all, creates additionality. Impact investing is a proactive approach to addressing urgent social and environmental problems such as poverty, climate change and access to healthcare. The concept of additionality – meaning that the intended positive impact could not have been achieved otherwise – is central to this type of investment.

We have also launched a range of positive impact financing solutions for clients as they work towards achieving the energy and environmental transition:

- Energy efficiency loan to finance works to improve efficiency and cut consumption;
- Green mobility loan, to finance the purchase of more sustainable, eco-friendly mobility solutions;
- Green renovation loan, to fund energy upgrade works. We maintain close relationships with clients, supported by careful and systematic oversight. Each client is assigned a dedicated Private Banking Adviser who partners with them across all services offered by the Bank, providing a comprehensive review of their financial situation, investment projects and portfolio, as applicable.

²⁴ The LuxFLAG label is an independent certification that recognises investment products with the highest standards in responsible and sustainable investing.

We maintain close relationships with clients, supported by careful and systematic oversight. Each client is assigned a dedicated Private Banking Adviser who partners with them across all services offered by the Bank, providing a comprehensive review of their financial situation, investment projects and portfolio, as applicable.

Ultimately, we strive to enhance the social, educational and societal impact of our wealth management support and have implemented high-value educational initiatives to do so, such as themed workshops for our clients (covering topics like passing on wealth, philanthropy, and sustainability as value creator for companies). We also organise financial masterclasses for our younger clients. We also develop specialised informational content, ranging from publications and articles to interactive materials, covering key topics such as estate planning, ESG challenges in wealth management, and relevant tax and legal developments. Through these activities, we aim to help our clients navigate wealth management challenges in an ever-changing environment, enabling them to make informed decisions that align with their personal and family values.

We regularly gather feedback to evaluate these initiatives, enhance our offer, tailor our formats and ensure that our services are continually evolving. This approach demonstrates our commitment to building lasting relationships with our clients, anchored in trust, transparency and the co-creation of solutions that generate positive impact.

→ Businesses & Entrepreneurs

We continue to build on our core principle of staying close to our clients, especially the leaders of family businesses whom we have supported, in many cases, for multiple generations. This relationship of trust is founded on a personal approach with bespoke support and a long-term perspective.

We deliberately limit the number of clients per adviser to ensure we provide the most effective and tailored response based on an in-depth understanding of each situation. As an attentive Bank, we prioritise direct and regular dialogue, which we consider fundamental to the quality of our advice and relationships.

Mindful of our role in the energy and societal transition, we introduced a new range of specialised financing products designed to offer ongoing support for businesses in their sustainability efforts:

- An energy transition loan to fund renovation projects, improvements in energy efficiency and renewable energy production;
- A sustainable transition loan, which incorporates sustainability indicators into the credit review, to support business transformation;
- A societal engagement loan aimed at supporting entrepreneurial initiatives with a strong social impact.

In 2025 we financed five energy upgrade projects and three social housing projects. In addition, we partnered with CIC Market Solutions to issue a €200m green bond for investment in energy infrastructure.

Working to ensure that sustainability is always part of the products and services we offer our clients and to increase awareness of the challenges, all our Business client advisers assisted with a purpose-designed training cycle.

In the context of our B Corp certification, we created a dedicated engagement programme to coordinate the efforts of Luxembourg family businesses around sustainability issues.

Flush with the success of the 2024 and 2025 series, we will offer another programme of workshops for our SME clients to encourage them to build sustainability into their strategy. Critical themes, such as climate, social and governance issues, are addressed in these workshops.

As a founding member of the Luxembourg chapter of the Family Business Network, we seek to foster connections, encourage the sharing of experiences and inspire the Next Gen to shape the changes ahead.

→ Asset Servicing

Banque de Luxembourg has been a key player in Asset Servicing for several decades, partnering with investment funds, institutional clients and independent asset managers. We offer a comprehensive range of depositary banking services, spanning custody, execution, settlement and delivery, clearing, financing and reporting.

These solutions are all designed to address the growing complexity of financial markets, backed by over 40 years of experience and rooted in our heritage of private banking expertise.

Our approach centres on long-term, trust-based relationships and individually tailored support. To customise our services to the specific needs of our partners and their end clients, we have developed connectivity flows and dedicated banking platforms, providing a broad range of efficient, digitalised services, including:

- Digital account opening to streamline the client journey;
- Access to individual or grouped overviews of positions and transactions;
- Transmission of individual or consolidated orders;
- Extended access to the trading desk until 10 p.m., providing greater flexibility.

As part of our efforts to continually enhance client relationships, we keep our CRM systems under constant review to optimise relationship management with prospects and clients, increase operational agility and tailor our business communications more effectively.

Amid increasingly stringent regulations and growing interest in responsible investments, the integration of ESG criteria represents a strategic opportunity for our depository banking business.

While we do not yet offer structured ESG services to our clients, a voluntary process is underway to assess our assets under management against environmental, social and governance criteria. Leveraging external ESG data sources and the development of analytical dashboards, the initiative sets out to assess the ESG footprint of portfolios and proactively align with our clients' evolving expectations.

To optimise service quality, our Funds & Institutional Clients (F&IC) teams have implemented a clearly-defined framework for gathering feedback and tracking client satisfaction:

- For strategic clients, annual relationship reviews (Client Relationship Plans) are conducted by the Relationship Managers;
- These are supplemented by Service Quality Reviews, conducted monthly, quarterly or annually, depending on each client's preference;
- A CRM system is currently being deployed, featuring key performance indicators (KPIs) and a consolidated RAG (Red, Amber, Green) rating to assess satisfaction and help prioritise corrective measures.

In addition to Relationship Managers, several key roles contribute to client relationship management and operational oversight. Operational teams provide cross-functional coordination to uphold service quality and ensure efficiency in processing instructions and, when necessary, handling potential incidents.

Furthermore, the Depository Control Department plays a crucial supervisory role, conducting regular reviews of transactions, cash flows, net asset values, and distributions as well as targeted due diligence with management companies and their service providers.

The Asset Servicing management team also maintains regular dialogue with its partners through formal governance mechanisms (committees, site visits, strategic reviews), scheduled as part of an annual engagement plan.

For the External Asset Managers business, we conduct annual reviews with our main asset management and insurance firm partners. These discussions are formalised in client reports, which provide the basis for continuous qualitative analysis of the relationship.

→ BLI

Through BLI, Banque de Luxembourg's asset management company, we focus on meeting client expectations by offering a targeted range of tailored financial products.

BLI's solutions are developed through ongoing dialogue with distributors, primarily with Banque de Luxembourg itself. Our close partnership is based on consistent interaction between the two entities, including monthly meetings providing opportunities to communicate the needs expressed by end clients.

This feedback is then analysed by BLI's Product Governance Committee, which is responsible for adapting and evolving the product offer based on market demands. Overseen directly by BLI's Executive Committee, the Product Governance Committee ensures clear governance and a direct link to the company's decision-makers.

All product management activities take place within a strict regulatory framework, most notably under the UCITS Directive, ensuring maximum transparency for end clients.

BLI has established a three-tier structure to organise the gathering and processing of feedback from its various distributors:

- The Distributor Relations & Communication team: responsible for daily interactions with distributors, this team supports fund marketing, centralises distributor feedback and coordinates follow-up on requests with the relevant BLI departments;
- The Oversight team: as well as supervising Banque de Luxembourg as a distributor, this team organises regular Quality Meetings with the Bank's teams, providing a platform for addressing underlying challenges that could not be resolved through daily operational exchanges;
- The Complaints Handling Officer: as a last resort, and if previous levels have not resulted in a satisfactory solution, clients may submit a formal complaint to BLI's Complaints Handling Officer, who ensures rigorous follow-up of each case.

BLI is conscious of the growing importance of sustainability issues and actively promotes transparency regarding the integration of ESG criteria within its products. It provides information to all its clients and partners through multiple channels, including:

- Thematic blog articles;
- Its annual non-financial report;
- Collaboration with Banque de Luxembourg's sales teams during client meetings;
- ESG Masterclasses, primarily targeting Next Gen clients.

A large proportion of the SICAV BL funds is now classified under Article 8 of the Sustainable Finance Disclosure Regulation (SFDR), confirming BLI's commitment to embedding environmental, social and governance factors in its investment policy.

For over ten years, BLI has partnered with Funds For Good,²⁵ a specialist in impact investing. There are two complementary components to this partnership:

- Funds For Good Impact, the social pillar, supports entrepreneurs facing challenges by offering them zero-interest loans ('loans of honour') and personalised support to help them carry out their projects;
- Funds For Good Invest, the economic pillar, creates high-performing investment funds that incorporate strict sustainability criteria. Funds For Good redistributes half of the profits generated to its social pillar, thereby ensuring a virtuous and solidarity-based model.

Since 2023, we have deepened our collaboration by launching a 'Double Impact' fund range, which combines financial performance with tangible social impact.

Client interests and perspectives

Our strategy is based on an in-depth understanding of our clients' needs and values, which play a central role in shaping our priorities, particularly when it comes to sustainability. Our offer is structured around our three key client segments, private, professional, and Business & Entrepreneurs.

To make sure our strategy aligns with our clients' expectations, we have implemented several listening and co-development tools:

- Stakeholder consultation: we regularly organise consultation campaigns. In 2025, a survey of our clients through banking apps and collaborative workshops for companies, identified their sustainability priorities, information that in turn informs our ESG strategy. Despite the low response rate, this type of feedback provides insight to adjust our products and services to reflect our identity as an engaged and responsible bank.
- Personalised support: in line with our private banking ethos, we deliberately limit the number of clients per adviser to ensure close relationships, attentive listening and better capacity to meet individual needs. Our advisers are not paid on commission. They make independent recommendations and focus entirely on their clients' real needs and best interests, in keeping with our responsible and sustainable advisory principles.
- Innovation and adaptation: we continuously develop new products and services that align with societal and environmental changes.
- Consideration of ESG preferences: to address diverse sustainability expectations, we have implemented an ESG questionnaire (currently being revised), which allows us to assign each client a 'neutral', 'responsible' or 'committed' profile, depending on their sensitivity to sustainability issues. This categorisation is used for more precise targeting and tailoring of our products and services.

Informed by our clients' expectations and values, we opt for responsible practices that respect human rights to offer the best possible support to our clients and the broader society.

²⁵ Funds For Good is a social enterprise that finances and supports entrepreneurs in precarious employment situations or undertaking projects with a social dimension.

Client security

→ Internal and external fraud prevention

Deeply committed to protecting the security of transactions carried out by or on behalf of our clients, we maintain heightened vigilance against all forms of fraud.

To prevent internal fraud:

- All our employees are required to adhere to our Code of Ethics and Professional Conduct. This reminds employees that they must carry out their activities in accordance with the Bank's values and in compliance with legal and regulatory provisions, the Articles of Association and internal procedures;
- The separation of duties and functions is a non-negotiable rule to avoid conflicts of interest and ensure data security, including active management of employee access to information systems;
- The Bank has a robust internal control system in accordance with the principles of the 'three lines of defence' model. This includes ongoing and ad hoc operational controls, as well as independent assessments by the Internal Audit function to prevent fraudulent activity.

To combat external fraud:

- We conduct regular awareness campaigns with our clients to keep them informed on essential security practices and on the alert for attempted fraud;
- We apply advanced technologies and the most recent market standards, including encryption and strong authentication.
- Control tools and procedures are in place to monitor transactions, ensuring swift detection and prompt response to any suspicious or unusual activity.

In today's environment, where digital tools are increasingly prevalent in financial services, digitalisation presents both significant opportunities and emerging risks. Effective management of these risks is crucial to safeguard the integrity of our systems and maintain our clients' trust.

→ Cybersecurity and digital incident management

In response to the rising threat of phishing²⁶ attacks targeting our identity, employees and clients, the Bank has established a rigorous structure built on

four pillars: detection, prevention, response and remediation. Our strategy is based on advanced filtering technologies, continuous monitoring of the digital environment and enhanced authentication and approval procedures.

We conduct regular awareness campaigns for clients and employees to increase vigilance against fraud attempts. We have made improvements to the secure messaging system, which is our preferred channel for communication, and the size of attachments to make it easier to use and ran an information campaign to encourage adoption.

In the event of confirmed identity theft or fraud, an immediate and coordinated response is activated, involving blocking accounts, sending alerts to affected clients, and cooperating with authorities when necessary. Each incident is followed by an in-depth analysis to adapt our systems, improve our processes and, where applicable, coordinate collective actions at banking sector level.

→ Managing IT systems downtime

Banque de Luxembourg is firmly committed to maintaining a resilient IT infrastructure.

While service disruptions are infrequent and isolated, business continuity and disaster recovery measures are in place and routinely tested to ensure swift restoration of service availability.

Every software update is accompanied by rigorous testing, careful planning and proactive communication with our clients. If system downtime cannot be avoided, measures are taken to mitigate the impact.

We are particularly attentive to the impact on clients with the highest dependence on digital services (institutional and professional clients). Should an incident occur, we tailor our communications to provide clear information, functional alternatives and prioritised support, including for individual customers.

In the event of an incident, business continuity and disaster recovery plans are activated immediately. Secure data recovery is carried out when necessary. Each incident is thoroughly analysed to gather insights and, if need be, adapt the service architecture or internal processes. In addition to these measures, test scenarios are regularly enhanced to prepare for complex situations and strengthen the overall resilience of the system.

²⁶ These attacks, which target Luxembourg's entire banking sector, aim to fraudulently collect sensitive data or misappropriate funds.

→ Governance framework for personal data protection

Data protection is one of our top priorities. We follow a risk-based approach and take appropriate measures to ensure we are in compliance with current legislation.

The Bank has appointed a Data Protection Officer (DPO), who is the main contact person for everything relating to data privacy (personal data breaches, exercising rights, data protection projects, etc.) for data subjects, counterparties and the supervisory authority.

The DPO acts independently and is responsible for informing and advising on data protection, as well as checking and ensuring compliance with laws and regulations (GDPR²⁷). The DPO is also in charge of the Bank's Data Privacy documentation, including policies, procedures, document templates, standard contractual clauses, recommendations, and more.

They take part in meetings of the Compliance and Executive Committees and provides information on the risks identified and the remediation measures implemented to assist the business lines.

DPO Liaison Officers are appointed to manage the specific requirements of each business line, provide the appropriate assistance and support the DPO.

The Bank's Data Privacy team maintains the records of data processing activities, inputs all relevant information and keeps the records updated. A risk assessment is conducted at the start of every project (Privacy by Design & by Default) to ensure that GDPR principles are incorporated right from the design stage and to guarantee the highest level of protection for our clients' personal data.

Each year, the Data Privacy team carries out an audit of a sample of data processing operations, based on risk criteria and compliance level, to provide support where needed and verify GDPR compliance.

The DPO trains all staff on their day-to-day roles and responsibilities to promote and maintain a data privacy culture in the Bank. In 2025, the Data Privacy team held 47 training sessions. The DPO

Liaison Officers also keep personnel informed about the data privacy aspects of their roles, thus ensuring that all Banque de Luxembourg's relevant policies and procedures are applied by all our staff.

The Bank has defined performance indicators, which are consolidated in a dashboard and included in various reports for the purpose of monitoring our data protection system. The indicators are used to assess the efficacy of actions undertaken, pinpoint opportunities for improvement, inform decision-making and align priorities to our objectives. There were no complaints submitted to the Luxembourg data protection authority (CNPD) in 2025.

Our data protection policy is available on our public website: [The Bank's protection of your personal data – Banque de Luxembourg](#)

→ Channels for clients to voice concerns

Client satisfaction is our highest priority. If, despite our efforts, a client or another party is dissatisfied and wishes to raise a complaint, we have a system and appropriate procedures in place, in accordance with the applicable regulatory requirements for diligent, transparent and objective handling of grievances. Various communication channels are available:

- The claimant may contact their usual adviser by telephone, letter, fax or e-mail;
- The claimant may lodge a complaint directly with the Legal Department, whose contact details are provided in our General Terms and Conditions and on our website;
- The claimant may fill out the 'Concerns or complaints' form provided on our website;
- The claimant may fill out the standard contact form provided on our website.

If the claimant is not satisfied with the solution proposed by the Bank, a written complaint may be submitted to the CSSF. Claimants are informed of this right in our General Terms and Conditions.

We make sure that these channels are available to clients, by facilitating access to the various systems, incorporating the procedure for handling complaints into our contractual documents, and informing our staff through appropriate procedures and training.

27 These attacks, which target Luxembourg's entire banking sector, aim to fraudulently collect sensitive data or misappropriate funds.

The control department responsible for operational risk management works alongside business lines on implementing plans to reduce risks and analyse incidents and complaints. This department works closely with the business and support teams to:

- Centralise complaints;
- Ensure complaints are properly followed up;
- Analyse the root causes and identify opportunities to improve our operational procedures;
- Ensure action plans are implemented where relevant;
- Prepare quarterly internal reports;
- Prepare the annual report for submission to national regulatory authorities.

To protect our own and our clients' integrity and reputation, it is essential that anyone reporting an issue can freely raise any dysfunction or behaviour they consider to be non-compliant with legal or regulatory obligations, professional standards or applicable internal procedures – especially if such matters have not received a response they deem satisfactory.

The Bank offers clients who report issues in good faith the highest level of confidentiality and protection against any acts or threats of retaliation or reprisal. Every precaution is taken to ensure data security at every stage of the process, from collection and transmission to storage.

3. Governance and business conduct

Ethics, integrity and transparency are the touchstones for everything we do. True to our mission of responsible asset management and our strong local roots, we strive to apply the highest standards of professionalism across all our operations, both in our governance and in our relationships with clients, partners and employees.

This section of the report describes how the Bank delivers on its business conduct commitments through structured governance, robust internal control systems, a culture of integrity and a clear framework for preventing ethical risks and combating corruption. It also outlines the policies and practices in place to ensure regulatory compliance, protect stakeholders and promote exemplary conduct at all levels of the organisation.



Business conduct

- Enterprise culture based on integrity, responsibility, inclusion and transparency
- Robust policies and procedures to prevent corruption, manage compliance risks and protect whistleblowers

Politiques

- ➔ Supplier Code of Conduct
- ➔ Purchasing and third-party relations policy
- ➔ Conflict of interest policy
- ➔ AML/CFT policy
- ➔ Market abuse policy
- ➔ Whistleblowing policy
- ➔ Crisis management policy
- ➔ Engagement policy

Actions

- ➔ Training and awareness-raising for all employees covering ethics, compliance, corruption and conflicts of interest
- ➔ Reinforced internal control measures (supervision, audit, incident monitoring)
- ➔ Creating secure channels for reporting concerns

- Negative impact

Negative impact arising from non-compliance with processes or regulations (AML/CFT, corruption, GDPR, combating tax evasion, KYC)

+ Impact positif

Participation in local and country-wide initiatives and endeavours to be a major local player on social responsibility initiatives

R Risques

Risk of fines or penalties arising from non-compliance with regulations (AML/CFT, corruption, GDPR)

Financial risk associated with internal/external fraud

O Opportunités

Development of ESG data governance and improvement of IT processes relating to ESG issues

Key indicators

0€

In fines or penalties for corruption

0 incidents

of whistleblowing

100%

of discrimination cases resolved

100%

receive anti-corruption and ethics training every year

100%

receive AML/CFT training every year

Ethics, compliance and alignment with ESG standards

Banque de Luxembourg's corporate culture is built on core values of responsibility, integrity, inclusion and transparency. These values guide all our actions and decisions and are at the heart of our sustainable development strategy.

To sustain this culture, we have implemented several programmes and initiatives aimed at promoting a collaborative and ethical work environment:

- Employees are encouraged to participate in training programmes covering topics such as ethics, corporate social responsibility and human rights;
- We cultivate ethical and authentic leadership at all levels of the organisation.

The Bank's culture is promoted via numerous channels and activities, including:

- Conferences, workshops and events;
- Internal communication campaigns (intranet and newsletters) highlighting our values.

We make sure that our values are shared and reflected in our relationships with clients and partners. Our commitments to sustainable development and social responsibility are regularly communicated in our non-financial reports, on social media and via our website.

As part of our B Corp certification, we also assess our corporate culture and the actions implemented to ensure they match our sustainability and responsibility objectives.

In the firm belief that corporate culture is key to the achievement of our long-term sustainability goals, we make every effort to establish, nurture, promote and evaluate a culture grounded in strong values of integrity, responsibility and collaboration.

The Bank has robust business conduct policies and has established reliable mechanisms to identify, report and review any concerns associated with unlawful behaviour or violations of its internal rules.

→ Code of Ethics and Professional Conduct

Our Code of Ethics and Professional Conduct is reviewed annually. Comprising 12 sections, It details the standards of good conduct applicable to all employees in the execution of their duties, particularly with regard to mitigating conflicts of interest and combating corruption. Employees must conduct their activities in accordance with the Bank's values, applicable regulatory requirements and internal standards.

The Code is available to all employees on our intranet and annual updates are shared through internal news channels. In addition, we organise an annual e-learning programme on the Code for employees, focusing particularly on whistleblowing, corruption and conflicts of interest.

This online training includes practical examples and reiterates the principles outlined in the Code's different sections. Employees complete a test at the end of the course to verify their understanding of each section.

The HR Monitoring & Ethics team conducts regular checks to ensure compliance with the Code. The results are presented to the Ethics and Conduct Committee, and any instances of non-compliance are reported to the Compliance Department (Regulatory & Ethics team).

Based on defined risk criteria, anonymised cases may be escalated to the Ethics and Conduct Committee. Following analysis, the Committee will propose measures to the HR Director, who will make a decision after consulting the Head of the relevant business line. A report summarising cases submitted to the Ethics and Conduct Committee and its conclusions is presented to the Executive Committee at least once a year for information purposes.

→ Internal whistleblowing policy

Our Internal Whistleblowing Policy offers a mechanism for any employee to raise concerns about significant and legitimate issues related to internal governance. It covers a broad range of topics, including but not limited to: banking, finance, accounting, anti-corruption, competition law, market abuse, environmental protection, human rights and freedoms, occupational health, labour law, discrimination, harassment, health and safety.

The Policy sets out the general principles applicable to whistleblowing and defines the organisational arrangements within the Bank to ensure:

- confidentiality for whistleblowers;
- protection of personal data in accordance with applicable regulations;
- no retaliation, discrimination or unfair treatment of employees who report a concern internally.

The whistleblower's identity must not be disclosed without their explicit consent, except to designated staff members who are authorised and competent to receive or follow up on such reports. The same restrictions apply to any other information from which the whistleblower's identity can be directly or indirectly inferred. We have established secure reporting channels that ensure the confidentiality of the whistleblower's identity and those of any third parties mentioned, while preventing access by unauthorised employees.

All processing of personal data is carried out in accordance with data protection regulations, including the General Data Protection Regulation (GDPR).

Personal data that is clearly irrelevant to the handling of a specific report is not collected or, if collected inadvertently, is deleted. The retention of data resulting from the use of the internal whistleblowing system is governed by the following conditions: when a report is not acted upon, the data is destroyed or archived within two months following the closure of verification procedures; otherwise, it is retained until the conclusion of the process. Any information identifying the whistleblower or the persons implicated is destroyed.

Under no circumstances may sanctions or disciplinary measures be taken against any person who, acting in good faith, has made use of this system, even if the information provided proves to be inadequate or inaccurate.

→ Anti-corruption manual

The Bank maintains a zero-tolerance policy towards corruption and bribery. Prevention of these practices is a critical priority and an integral part of our overall commitment to responsible business conduct. We have implemented a robust framework for detection, control and awareness-raising, aligned with applicable regulations, including the requirements of the French Sapin II law. This framework is designed to protect the integrity of our operations, preserve stakeholder trust and ensure a sustainable culture of compliance.

Our anti-corruption manual is intended for all employees and describes the applicable standards of good conduct, along with our organisation and framework.

Employees are asked to read this manual alongside the Code of Ethics and Professional Conduct, as it supplements and elaborates on certain provisions related to corruption. The framework comprises a set of measures and procedures to ensure compliance with the prevailing regulatory requirements and alignment with the practices implemented within our parent company.

The following policies and procedures related to the Code of Ethics and Professional Conduct form part of the Bank's anti-corruption framework:

- The procedure for declaring gifts and benefits;
- The market abuse policy;
- The conflict of interest management policy;
- The Code of Conduct for the Mandate Acceptance Committee, which decides on requests to hold corporate mandates;
- The procedure for transactions by sensitive personnel defines how the list of sensitive employees is drawn up, their obligations to declare personal transactions, and the monitoring of these transactions.

The conflict of interest management policy reiterates to employees that they must never directly or indirectly favour their own personal interests, those of a close associate or those of any company or entity with which they have a privileged relationship, to the detriment of the Bank's interests. While the link between a conflict of interest and an act of corruption is not always direct, professional behaviour may be influenced by related activities or responsibilities. An employee may be tempted to use their position for personal gain. Preventing conflicts of interest is therefore a key element in the broader anti-corruption framework.

Every single member of our staff is informed about preventing bribery and corruption, since the Bank considers that all roles in all our businesses and at all levels of the organisation may be exposed to the risk of corruption. We consider that risk may be present in any business unit and therefore promote vigilance across all our departments.

To ensure adequate training for members of the management, executive and supervisory bodies, we have developed a specific policy that requires them to complete a minimum number of training hours. To achieve these targets, we rolled out a structured training plan in 2025 aimed at developing their anti-corruption competencies. The training plan will be continued in the coming years.

No cases of corruption, attempted corruption or bribery were recorded in the Bank in 2025. We have never been subject to any convictions or sanctions related to such practices. The fact that there are no such cases is due to our strict preventive measures, supported by a robust internal control system, a zero-tolerance policy, regular training programmes and a code of conduct clearly communicated to all our employees.

→ Internal control system and anti-money laundering and combating the financing of terrorism (AML-CFT) policies

The Bank has a series of procedures and organisational measures in place to ensure that each line of defence actively contributes to combating money laundering and the financing of terrorism. Managers and their supervisors are responsible for carrying out controls at the first line of defence. The Compliance department carries out additional checks to ensure compliance with our AML-CFT policy. For an even more robust system, the Compliance department has two dedicated teams working solely on AML-CFT and international financial sanctions, with 17 staff members between them. In addition, Internal Audit's annual audit procedures include checks on our AML-CFT policy and procedures. Finally, as part of its annual audit, the external auditor analyses compliance with anti-money laundering laws and regulations. To do this, the external auditor reviews a sample of files, procedures and controls in place, as well as the scope of the Bank's AML-CFT measures. This audit work is documented in the annual analytic report, which is sent to the Luxembourg financial supervisor, the Commission de Surveillance du Secteur Financier (CSSF) and the Banque Nationale de Belgique (BNB). The Compliance department reports periodically to the Executive Committee, the Group and the CSSF.

All our staff are informed about the AML/CFT risks to which the Bank may be exposed in its national and international activities. Staff are therefore kept up to date on these risks, and on the methods, trends and patterns of money laundering or terrorist financing, their duty of due diligence to clients, the legal and regulatory requirements, as well as our approach to managing and reducing risk.

Our AML-CFT policy is updated annually and made available to all staff via the intranet. Staff receive regular updates to keep them informed about the rules and prevention procedures to be followed. In addition, a training programme set up by the Compliance department in collaboration with Human Resources aims to provide regular, targeted training tailored to different groups in the Bank. All new hires receive training on AML-CFT requirements when they join the Bank, while an annual training programme is compulsory for all staff.

Committed to the general interest

At Banque de Luxembourg, we've long had a tradition of philanthropy and play an active role in the life of our local communities, bringing stakeholders together around some of the major challenges of the future. We support our partners in many ways, including through our teams' expertise, volunteering, financial, logistical and in-kind contributions. We select partners who make a proven positive local and overall impact based on a strict set of evaluation criteria.

Whom we support

The EME Foundation and Handicaps Solidaires Luxembourg, a non-profit disability association, receive support from our Bank. Both groups work on fostering the inclusion of marginalised people through music and sport. Other partners, like the Luxembourg Red Cross and NGO Friendship International, support vulnerable populations both locally and internationally.

We need no convincing about the power of the arts to bring people together. For many years we have invested in partnerships in line with our commitment to preserving and nurturing cultural heritage, a powerful driver of cohesion and generational ties. Our partners include: Lët'z Arles, les Amis des Musées d'Art et d'Histoire Luxembourg, Mudam, Musée d'Art Moderne Grand-Duc Jean, the Philharmonie Luxembourg, the Solistes Européens Luxembourg and Luca, the Luxembourg Center for Architecture.

This year, we helped sponsor LUGA, Luxembourg Urban Garden 2025, an open-air exhibition exploring ideas for more sustainable cities through temporary and permanent landscaping, gardens and arts events.

Staying with the environment and nature, we continue to partner with the Fondation pour le Climat and the Fondation Hëllef fir d'Natur, a nature and biodiversity foundation, on their initiative to restore local watercourses and preserve biodiversity through reintroducing freshwater mussel farming. This initiative is fully aligned with the European Union's Water Framework Directive (WFD) and supports the sustainable management of local ecosystems.

2025 saw us enter a partnership with UNature, a research, education and awareness initiative that aims to convince public authorities, professional organisations and the general public about the benefits that connecting with nature has on our physical, mental and cognitive health and well-being.

From its earliest beginnings, we have been a partner of the Relay for Life, organised by the Cancer Foundation every year. As well as providing funding, a hundred or so of our employees volunteer to help or take part in the run.

The Bank is proud to partner with Chaîne de l'Espoir Luxembourg, an NGO that provides specialist medical care – from consultations to surgery – for sick children in poor countries. Care can extend to bringing children to Luxembourg for the treatment they need when it cannot be provided in their home countries.

Education and information is another priority for our work for good causes. We entered a partnership with Ingénieurs et Scientifiques du Luxembourg asbl, for their *Wëssensatelier* (an outreach workshop to inform and educate children and teenagers about technical and technology career possibilities and to involve their parents in educational choices).

And last but not least, we also support local entrepreneurial initiatives through our partnership with the Women in Business (WIB) network of female executives and Microlux, the Luxembourg specialist in micro-credit for projects, providing our teams' expertise granting loans.

Promoting a culture of volunteering

We want our actions to make a difference to the local community and actively encourage our people to volunteer their time by offering one paid volunteer day per year and through our support for the internal initiative *Hëllef Hëllef* ('help to help').

Introduced in 2006 to organise and boost our efforts for good, *Hëllef Hëllef* was set up to provide funding or in-kind support for the social, educational, environmental and humanitarian initiatives led or promoted by our staff. Because of the direct involvement of our teams in identifying worthy causes or getting projects up and running, it encourages solid and lasting engagement.

Hëllef Hëllef also suggests company-wide initiatives offering employees the opportunity to get involved in a number of ways, including through different fundraising activities (funding for specific causes, micro-donations, in-kind donations or fundraising campaigns).

Opting to make *Hëllef Hëllef* a non-profit association in 2025 marks another milestone. The

move cements its governance, reinforces its reach and capacity and brings on board even more of the Bank's people, including retired employees.

It is the perfect example of how we embrace volunteering as a way to make a positive difference together over time. These measures help make volunteering a cornerstone of our corporate culture.

Political influence and lobbying activities

In the interest of transparency and compliance with best practices in responsible governance, we wish to stress that the Bank does not engage in any lobbying activities, either directly or through representatives, professional associations or specialised consultants. Therefore, no related topic or subject, whether pertaining to environmental, social, regulatory or economic policies, is addressed in this report.

Furthermore, the Bank does not make any political contributions – either monetary or in kind – to parties, candidates, electoral campaigns or politically

affiliated organisations, at national, European or international level. This position reflects our firm commitment to independence, political neutrality and strict compliance with applicable regulations.

We ensure that our interactions with regulatory authorities or institutional representatives are strictly limited to a technical, regulatory or prudential framework, and are conducted in an ethical, transparent and proportionate manner, in the interests of our clients, our employees and the stability of the financial sector.

Acknowledgements

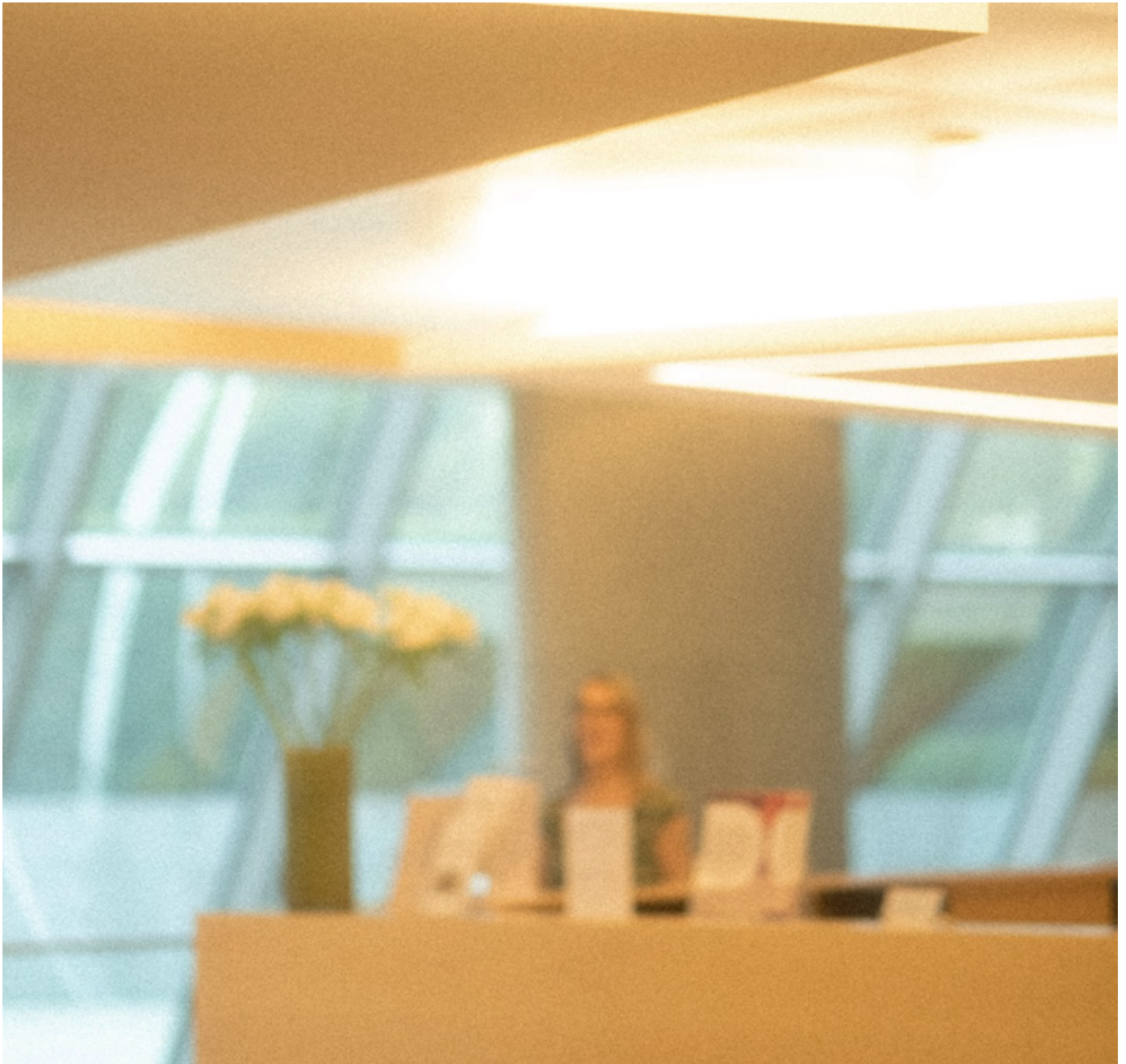
We would like to express our deep gratitude to all those who contributed to the production of this report.

We also thank our employees, clients and partners for their ongoing engagement and trust, which inspire us every day.

We acknowledge the valuable contributions made by our shareholders, management and the members of the Board of Directors, whose strategic vision and

commitment to action have been crucial throughout this process.

And finally, our sincere thanks to all those whose input has been so valuable for this non-financial report. We thank them for their expertise, their diligence and engagement with the process. We acknowledge the importance of this collective effort as we chart a course towards a more sustainable and meaningful future.



Appendices

ANNEX 1: Glossary

Acronym	Definition
ABBL	The Luxembourg Bankers' Association
ALFI	Association of the Luxembourg Fund Industry
AML-FT	Anti-Money Laundering Financing of Terrorism
ASTF	Occupational Health Association for the Tertiary and Financial Sectors
ECB	European Central Bank
BLI	Banque de Luxembourg Investments
BLU27	Banque de Luxembourg's strategic plan for 2024-2027
GDPR	General Data Protection Regulation
CFA	Chartered Financial Analyst
CIC	Crédit Industriel et Commercial
CMAF	Crédit Mutuel Alliance Fédérale
ComEx	Executive Committee
CSRD	Corporate Sustainability Reporting Directive
CSSF	Commission de Surveillance du Secteur Financier
EBA	European Banking Authority
EFRAG	European Financial Reporting Advisory Group
ESG	Environmental, Social, Governance
ESM	European Stability Mechanism
ESMA	European Securities and Markets Authority
ESRS 1	European Sustainability Reporting Standard 1 - General requirements
ESRS 2	European Sustainability Reporting Standard 2 - General disclosures
ESRS E1	European Sustainability Reporting Standard E1 - Climate change
ESRS E2	European Sustainability Reporting Standard E2 - Pollution

ESRS E3	European Sustainability Reporting Standard E3 - Water and marine resources
ESRS E4	European Sustainability Reporting Standard E4 - Biodiversity and ecosystems
ESRS E5	European Sustainability Reporting Standard E5 - Resource use and circular economy
ESRS G1	European Sustainability Reporting Standard G1 - Business conduct
ESRS S1	European Sustainability Reporting Standard S1 - Own workforce
ESRS S2	European Sustainability Reporting Standard S2 - Workers in the value chain
ESRS S3	European Sustainability Reporting Standard S3 - Affected communities
ESRS S4	European Sustainability Reporting Standard S4 - Consumers and end-users
FATF	Financial Action Task Force on money laundering
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GWP	Global Warming Potential
LGBTQIA	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex and Asexual
LOGIB	Lohnungleichheitsinstrument Bund
MUDAM	Musée d'Art Moderne Grand-Duc Jean
SDG	Sustainable Development Goals
UN	United Nations
UCITS	Undertaking for Collective Investment in Transferable Securities
IPCC	Intergovernmental Panel on Climate Change
IROs	Impacts, Risks and Opportunities
SRI	Socially Responsible Investing
MWh	Megawatt Hour
PATM	Private Assets Transaction Management
PCAF	Partnership for Carbon Accounting Financials
CER	Climate and Environmental Risks
CSR	Corporate Social Responsibility
SICAV	Société d'Investissement à Capital Variable
SMART	Specific, Measurable, Achievable, Relevant, Time-bound
EU	European Union
UNPRI	United Nations Principles for Responsible Investment
WIB	Women in Business

ANNEX 2: ESRS content index

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	GOV-3 – Integration of sustainability-related performance in incentive schemes	Not covered
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	ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Pages 33-38
	E1-2 – Policies related to climate change mitigation and adaptation	Pages 43-44
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ESRS E1 Climate change	E1-4 – Targets related to climate change mitigation and adaptation	Page 49
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	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	Pages 43-45
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	E2-3 – Targets related to pollution	
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	E2-5 – Substances of concern and substances of very high concern	
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	E3-1 – Policies related to water and marine resources	
	E3-2 – Actions and resources related to water and marine resources	
	E3-3 – Targets related to water and marine resources	
	E3-4 – Water consumption	
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	E4-2 – Policies related to biodiversity and ecosystems	
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