

Spuerkeess successfully completes its inaugural Green Covered Bond transaction



Spuerkeess is pleased to announce the successful placement of its inaugural EUR 500 million, 7-year (expected Aaa-rated) green covered bond, issued on 30 September 2026. The transaction marks Spuerkeess' entry into the covered bond market and constitutes a major milestone in the continued diversification of the Bank's funding strategy.

This also marks a landmark transaction for the Luxembourg financial market, representing the first covered bond issued by a universal bank under Luxembourg's new covered bond legislation and the second primary issuance under Spuerkeess' Green Bond Framework. Backed exclusively by Luxembourg residential mortgage loans, the bond offers investors a unique diversification opportunity through exposure to the domestic housing market while supporting the financing of energy-efficient residential properties in Luxembourg.

Doris Engel, Chief Financial Officer, commented: "This inaugural issuance broadens our funding capabilities and provides a solid foundation for future activity in the covered bond market. It adds a cost-efficient, resilient and long-term funding instrument to our funding mix, while further diversifying our sources of financing. Covered bonds can contribute positively to the financing and refinancing of residential real estate in Luxembourg and, over time, support the continued development of the domestic housing market."

The bond carries a 3,875% coupon and priced at Midswap + 31 and will be listed on the Luxembourg Stock Exchange (LuxSE). Belfius acted as Global Coordinator, with Deutsche Bank, LBBW and Natixis serving as Joint Bookrunners.

Despite more challenging market conditions, the transaction generated strong investor interest, with the order book exceeding EUR 1,9 billion and representing an oversubscription of 3,8 times the issue size, allowing Spuerkeess to tighten pricing by 7 basis points during the execution process. Demand was driven predominantly by high-quality real-money accounts, with broad participation across the international institutional investor base.

Claude Origer, Head of Global Markets, commented: *"We are proud to be the first Luxembourg universal bank to successfully issue a covered bond under the new Luxembourg covered bond framework. Despite more challenging market conditions, the strong demand from international investors reflects their confidence in Spuerkeess, the quality of the underlying mortgage assets and the attractiveness of this new investment opportunity linked exclusively to the Luxembourg residential mortgage market."*