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ProCredit Holding AG

Scope 1 and 2: ProCredit Holding AG commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year.

Scope 3 Portfolio Targets

Headline target: ProCredit Holding AG's portfolio targets cover 57% of its total investment and lending by total assets as of 2022. As of that year, required activities made up 6% of ProCredit Holding AG's total investment and lending by total assets while optional activities made up 57% and out of scope activities made up 37%.

Scope 3 asset class level targets

Asset class	Method	Target language
Electricity generation project finance	Sector Decarbonization Approach (SDA)	ProCredit Holding AG commits to continue only financing renewable electricity projects through 2030.
Long-term loans	Portfolio Coverage	ProCredit Holding AG commits to 28% of its long-term loan portfolio by financed emissions setting SBTi validated targets by 2027 from a 2022 base year.

Summary

ProCredit Holding AG will implement the following strategy and actions to achieve its targets:

The group will reduce its own footprint by increasing the share of renewable energy providers among its suppliers as well as the number of electric cars in its vehicle fleet, while also introducing more energy efficiency measures at its premises and in its processes.

Furthermore, ProCredit Holding AG will focus on supporting its clients in their efforts to decarbonize, from carbon accounting and setting targets to getting the financial support they need to implement their strategies. These efforts will certainly take time, and the group wants

to continue providing support to clients during the transition. ProCredit Holding AG's target for 2027 is to engage with the clients responsible for 28% of the group's portfolio emissions, with emphasis on the agriculture and manufacturing sectors.

The group's electricity generation project finance consists entirely of renewable electricity (RE) projects, and ProCredit Holding AG will continue to be a strong financial partner for RE projects in its countries of operation. Moreover, 20% of the group's portfolio is allocated to supporting its clients in the acquisition of green assets, such as energy-efficient equipment, PV systems, green buildings, e-cars, waste management equipment and other items. Over the next 5-7 years, ProCredit Holding AG aims to increase this share to 25%.

ProCredit Holding AG selected these actions because they resonate with its corporate values and business approach. In fact, sustainable development has been closely tied to the group's operations from the very beginning: it has been disbursing green loans and screening its clients' investment proposals against environmental exclusion lists for the past 18 years. Climate action is also fully in line with the long-term perspective the group applies to its business relationships, which includes engaging with clients to improve their environmental footprint.