

ENVIRONMENTAL STATEMENT 2015

for the ProCredit institutions located in Germany



Information about the statement

The environmental statement gives an overview of the Environmental Management System established in the ProCredit institutions in Germany and of the main developments related to them in 2015. The scope of the statement and the EMAS validation includes the following four institutions:

- ProCredit Holding AG & Co. KGaA, Rohmerplatz 33-37, 60486 Frankfurt am Main
- ProCredit Bank AG, Rohmerplatz 33-37, 60486 Frankfurt am Main
- ProCredit Academy GmbH, Hammelbacher Straße 2, 64658 Fürth
- Quipu GmbH, Königsberger Straße 1, 60487 Frankfurt am Main

The statement was last updated in November 2016.

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List of abbreviations and names

BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht
BCA	Business Client Adviser
CO₂eq	Carbon dioxide equivalents
CRR	Capital Requirement Regulation
E&S	Environmental and social
EE	Energy efficiency
EMAS	Eco-Management and Audit Scheme
EMS	Environmental Management System
EUR	Euro
GEM	Group Environmental Management
GHG	Greenhouse gas
GR	Environmentally friendly projects
IPC	Internationale Projekt Consult GmbH
KWG	Kreditwesengesetz
kWh	Kilowatt hours
kWp	Kilowatt peak
LED	Light emitting diode
MB	Management Board
PCB	ProCredit Bank
PCH	ProCredit Holding
PV	Photovoltaic
SME	Small and medium enterprises
RE	Renewable energy
USD	United States dollar

1. Foreword

Dear Reader,

The fact that you are taking the time to read our environmental statement tells us that environmental management is important to you, too. Although the banking sector is not among the largest polluters in the economy, its environmental impact should nevertheless not be underestimated.

Financial institutions do indeed have an environmental impact – both direct (stemming from our own resource consumption and degree of awareness) and indirect (related, for example, to the projects that we finance or the environmental performance of the clients, suppliers and other counterparties who we choose to work with). At ProCredit, we are fully aware of this fact and we hope you will enjoy reading about the system we have developed to reduce our impact and improve our environmental performance.

Managing our environmental impact and proactively promoting a responsible way of doing business is a prominent part of our business strategy – not only in connection with lending and financial services in general, but also in our daily operations. As a development-oriented banking group for SMEs, all of our operations are guided by our mission of promoting sustainable development with an ethical corporate culture and long-term business relationships.

Commitment to environmental protection has been an integral part of our identity and mission for a very long time. To this end, our activities range from assessing and monitoring the environmental and social risks related to our clients' activities – a practice that we have been implementing since the beginning of our banking operations and which continues to be part of our credit risk assessment model – to disbursing specialised green loans and energy-efficient credit lines and encouraging environmentally friendly investments, an area in which the ProCredit banks are pioneers in their countries of operation. In addition, we continuously assess our own internal environmental performance and strive to improve it. Over time, we have accumulated in-house expertise and experience and positioned ourselves as the banking group of choice for green loans and environmental awareness. This, combined with the commitment shared by the entire group and its shareholders, gave us the confidence in 2011 to develop and institutionalise a comprehensive Environmental Management System aimed at systematically reducing the environmental impact of the ProCredit banks.

The success of our Environmental Management System ultimately depends on our staff and their attitude towards the environment. Therefore, continuous staff training, internal awareness-raising and in-house expertise are central components of our business philosophy in general and our environmental management approach in particular.

We see environmental management as a common challenge – a challenge we share with the societies in which we operate, and clearly and most directly with our staff, clients and counterparties. We strive to work with businesses that share and understand our concern for the environment. And that is how we want to help achieve something better for the future generations: by working hand in hand with our clients and counterparties to meet the common challenges we all face.

As of today, the ProCredit banks in Eastern Europe and South America have either already obtained or are in the process of obtaining ISO 14001 certification. The four ProCredit institutions located in Germany, ProCredit Holding AG & Co. KGaA, ProCredit Bank Germany, ProCredit Academy GmbH and Quipu GmbH, are also jointly pursuing EMAS validation.

However, external certification of our EMS does not mean that our work is done: we will continue to strive for continuous improvement of our environmental performance. Certification is merely a step towards more credibility and transparency with respect to our environmental management.



Borislav Kostadinov
Member of the Board of Management



2. The ProCredit group at a glance

The ProCredit group of banks is active in transition economies and developing countries as well as in Germany and focuses on the core activities of classical banking. The group also comprises a number of important support companies, such as the ProCredit Academies and Quipu, the group software company.

The ProCredit group is supervised on a consolidated basis by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, or BaFin) and the Deutsche Bundesbank. ProCredit Holding is the parent company of the group and the superordinated company of the group from a regulatory point of view.

In our operations, the group adheres to a number of core principles: We value transparency in our communication with our customers, we do not promote consumer lending, we strive to minimise our ecological footprint, and we provide services which are based both on an understanding of each client's situation and on sound financial analysis.

We focus on small and medium-sized enterprises, as we are convinced that they create jobs and make a vital contribution to the economies in which they operate. Our vision of development entails socially and environmentally conscious management, the diffusion of environmentally friendly technologies and information, and the creation of jobs. That is why we support businesses which, like us, have realised that economic growth cannot come at the expense of the environment.

Our shareholders expect a sustainable return on investment over the long term, rather than being focused on short-term profit maximisation. We invest extensively in the training and development of our staff in order to create an open and efficient working atmosphere and to provide friendly and competent customer service for our clients.



Figure 1: The locations of ProCredit Institutions in Germany

2.1. ProCredit Holding AG & Co. KGaA



ProCredit Holding is the parent company of the group and the super-ordinated company of the group from a regulatory point of view. As such, it is responsible for the strategic management, capital adequacy, reporting, risk management and proper business organisation of the group pursuant to section 25a of the German Banking Act (Kreditwesengesetz – KWG). ProCredit Holding is a financial institution pursuant to the Capital Requirement Regulation (CRR) that does not have a banking licence. It sets the overall policy guidelines and standards for all key areas of banking operations as well as for environmental management for all entities in the group.

ProCredit Holding is strongly involved in staff management and training issues. It takes the lead in the development and delivery of curricula for the central ProCredit Academy in Fürth, Germany, as well as for the group's Regional Academies. It also facilitates the rapid dissemination of best-practice approaches by holding regular seminars and workshops for the senior and middle managers of all ProCredit institutions, e.g. the half-yearly Green Seminar, where the Environmental Coordinators of all ProCredit banks meet to exchange knowledge and further develop the group's approach towards its environmental management.

ProCredit Holding is located in Bockenheim, a district of Frankfurt, in a rented building that is shared with three other companies, including ProCredit Bank Germany. Occupying four floors (the 2nd to the 5th floors) and an office area¹ of 2,390 m², ProCredit Holding is heated with a central gas heating system; some parts of the building are cooled by a central cooling system, while others are cooled by split air conditioning systems. The company has one car for business-related travel.

2.2. ProCredit Bank Germany



ProCredit Bank Germany was registered with the commercial register in 2012 as a 100% owned subsidiary of ProCredit Holding. It not only supports the ProCredit group worldwide, but also caters to German companies operating in ProCredit countries. The bank provides specific benefits to the other banks in the group such as lower-cost funding and international payment options and plays a central role in Group Treasury. In the process, it helps to broaden the modern banking perspective of the entire group.

ProCredit Bank Germany also presents attractive opportunities for German clients who have business interests in our countries of operation by supporting them in their efforts to develop business relationships with those countries. By opening a business account, for instance, companies can transfer money to their own or to suppliers' accounts in the Eastern European ProCredit banks in a very convenient, fast and inexpensive way. For business clients of the ProCredit banks in Bulgaria, Romania, Serbia, Georgia and Macedonia, our bank in Germany opens up valuable opportunities for co-operation since it provides attractive co-financing, international payments and trade finance instruments.

1) Office area does not include storage areas, balconies or parking spaces.

The bank applies all relevant group-wide standards and procedures on environment-related issues and a substantial part of its loan portfolio (almost 25% at the end of 2015) consists of green project finance.

ProCredit Bank is located in the same building as ProCredit Holding in Frankfurt. The bank expanded its office space² in 2015 from the first floor (804 m²) of the building to also include parts of the ground floor (617 m²). In the same year the majority of the servers were outsourced to an external data centre in Frankfurt. The bank owns no business cars.

2.3. ProCredit Academy GmbH



The ProCredit group dedicates significant resources to training as responsible financial intermediation requires staff who are able to establish long-term relationships with our customers, analyse credit risk reliably and provide good service in a friendly and efficient manner.

At our ProCredit Academy in Fürth in the Odenwald, we provide a three-year part-time course for our future high-level managers. Since the group of participants includes staff from every ProCredit institution, students have the unique opportunity to undergo intensive training with peers from different cultural backgrounds and discuss a wide variety of themes, including environmental topics such as climate change, water management, environmental management systems, etc.

The ProCredit Language Centre is a specialised learning institute which offers intensive residential courses in the English language. It is located on the ProCredit Academy campus. The focus of the courses is to help students prepare for the Academy programmes. This involves a combination of conventional language tuition; instruction in soft skills such as presentations, debating and essay writing; and content-based learning, providing students with important experience in active learning in English. The courses are for ProCredit employees from all countries, backgrounds and positions.

When it was purchased in 2006, the main Academy building, built in 1870 as a hotel, was in dire need of repair. The premises were renovated and the infrastructure was improved to enable the efficient use of energy. Today, the three modern, energy-efficient, comfortable buildings are heated by wood pellet boilers and electricity is generated by photovoltaic panels on the roofs. The total heated area amounts to 4,668 m². Six cars are owned by the Academy for logistical purposes. The Academy staff manage the training courses as well as the accommodation and catering for students and other visitors.

²) Office space does not include storage areas or parking spaces.

2.4. Quipu GmbH



Quipu is an IT consultancy and software development company which provides comprehensive end-to-end solutions for banks and financial institutions, from electronic payments to software systems. The company is a 100% subsidiary of ProCredit Holding.

Headquartered in Frankfurt, Germany, Quipu currently operates eight regional offices around the world, enabling the company to promptly address the needs of a global customer base. Quipu has over 35 years of experience in developing software applications, tools and other services to provide optimal technical support to financial institutions. By combining its global expertise with the knowledge of local requirements, Quipu plays a central role in enabling its customers to be competitive and efficient, and to successfully respond to the evolving demands of their industry, markets, and regulators.

As part of the ProCredit Group, Quipu has also taken measures to ensure that its activities and staff are environmentally and socially responsible. With an internal Environmental Management System in place, Quipu also engages its Frankfurt-based staff through training, informative newsletters and other activities intended to educate them and instil a more responsible attitude towards the environment. In 2015 Quipu moved to new rented premises in the Bockenheim district of Frankfurt. The modern and energy-efficient building reduces the environmental impact of the company. It is heated by a central gas heating system and cooled by a central cooling unit. The new building is shared with other companies; Quipu occupies parts of the ground floor and the entire first floor, for a total of 2,229 m². Quipu owns two business cars. The company's main servers are located in an external data centre in Frankfurt.



3. Our environmental principles

ProCredit Holding, ProCredit Bank Germany, Quipu and ProCredit Academy fully support and are committed to the environmental approach of the ProCredit group. We therefore support forward-thinking environmental management that enables us to detect and avoid potential environmental impacts early on. Within the framework of our Environmental Management System, we undertake to continually improve our environmental performance and to work towards reducing our direct and indirect impacts on the environment.

In order to achieve this, we set targets for the environmental performance of our institutions and develop concepts for implementing these goals. Management provides the necessary human and financial resources and is responsible for fulfilling the defined targets.

For the purpose of measuring and monitoring environmental performance, we have defined performance indicators. Every employee, by adapting his or her approach to work, contributes to the success of the EMS. All employees are informed about the EMS and are invited to actively participate in improving the environmental performance of our institutions.

We conduct our business activities in a sustainable and environmentally friendly manner and use resources as efficiently as possible. We pay additional attention to the environmental and social impact of our lending operations. Our ultimate objective is to protect the environment and prevent pollution, and to this end, we adhere to the following key principles:

- Identifying the environmental aspects and impacts of our business activity
- Developing and implementing measures to mitigate environmental impact
- Using resources as efficiently as possible
- Ensuring compliance with relevant legislation and international standards
- Raising environmental awareness among our staff
- Minimising the environmental and social impact of our lending operations
- Encouraging our clients to invest in an environmentally sound way

The Management and all staff of the ProCredit institutions are obliged to comply with the regulations of the Environmental Management System.



4. Implemented environmental measures in recent years – milestones

In the following, we present a selection of implemented environmental measures that improved our environmental performance in the past, along with some milestones of the historical development of the ProCredit institutions located in Germany.

2006

The first ProCredit Academies are established in recognition of the need to systematically develop and integrate our middle and senior managers. The company purchases the Academy premises in Fürth in the Odenwald and renovates the oldest part of the hotel, outfitting it with new electrical installations, water pipes and an insulated heating system. Old kitchen and laundry equipment are replaced with the newest and most efficient machines. ProCredit Bank Bulgaria becomes the first bank in the group to grant green loans to its clients. Other ProCredit banks follow suit.

2007

A new guest house for the Academy is built with emphasis on energy efficiency. The central heating system of the main Academy building is overhauled: the 20-year-old oil boiler and circulation pumps are replaced by highly efficient ones and expanded to also heat the new guest house.

2008

The Academy contracts an electricity supplier that supplies electricity generated solely from renewable energy sources.

2009

All Academy buildings are properly insulated from the cellar to the rooftop, double- or triple-glazed windows replace the single-paned variants, and photovoltaic panels are installed on the roofs. The generated electricity, which equals 30% of the total energy consumption at the Academy, is fed into the grid.



Figure 2: The ProCredit Academy then and now.

2010

The new Language Centre is built, including a pellet boiler for heating and hot water generation as well as photovoltaic panels on the roof. The total installed capacity of the solar panels amounts to 52.1 kWp.

A large share of the food purchased to provide catering for the Academy students and visitors is regional and organic.

2011

The consulting company IPC GmbH starts supporting ProCredit Holding in developing and implementing a comprehensive approach towards environmental management for the entire ProCredit group.

2012

A group approach towards green lending is developed by PCH and IPC GmbH; implementation starts at the ProCredit banks. The first Green Seminar is held to facilitate exchange between the Environmental Coordinators of all ProCredit institutions; in subsequent years it is organised on a half-yearly basis.

The heating system for the main building and guest house of the Academy is changed to a wood pellet boiler; the oil-fuelled heating remains only as a back-up system. Now, the entire electricity and heating system of the Academy can be considered as nearly carbon neutral.

2013

In the Fürth Academy vegetables, herbs and lettuces are grown in two greenhouses, so in summer time, less fresh produce needs to be purchased.

2014

The group approach towards environmental and social risk assessment in lending is amended to facilitate a comprehensive client analysis and implemented in all ProCredit banks in 2015.

ProCredit Bank AG provides a company bike to its employees. The document management system is adapted to send faxes via email, eliminating the need for print-outs.

2015

All ProCredit banks fully apply the three-pillar approach towards environmental management. All ProCredit institutions collect their environmental data in a systematic way using the iEMS Tool developed by Quipu and IPC GmbH.

Quipu moves its head office, which was previously split into two offices in Frankfurt am Main, into a new building that provides larger, more modern offices, as well as ensures greater efficiency in terms of environmental performance. Thanks to better insulation and thermostats installed in every office, emissions are lowered for heating and air conditioning. Car travel decreases, as staff no longer have to travel between the two offices in Frankfurt. In addition, the better public transport connections encourage staff to commute by bus or train rather than driving.

2016

The existing EMS for all ProCredit institutions in Germany is formalised in accordance with EMAS regulations.

By the end of July, the ProCredit banks in Bulgaria, Colombia, Georgia and Kosovo obtain ISO 14001 certification for their EMS.

5. The ProCredit approach to environmental management

Ensuring that the economic development that the ProCredit institutions support is as environmentally and socially sustainable as possible is a central component of our development mission. For this reason, all ProCredit institutions set high standards regarding the impact of their operations on the environment and play an important role in raising the environmental awareness of their staff, clients, counterparties and the general public through the implementation of a comprehensive and sustainable system for managing environment-related activities.

5.1. The three-pillar approach

The ProCredit group has developed and implemented a three-pillar approach for a comprehensive Environmental Management System which aims to reduce both the internal and external environmental impact of the ProCredit banks (see figure 3 below). This approach is tailored to the environmental aspects of a financial institution and is therefore not fully applicable to the ProCredit institutions with a different business activity (ProCredit Academy, Quipu). The approach is part of the corporate identity of the group and ProCredit Holding controls the environmental performance of the ProCredit banks through its definitions.

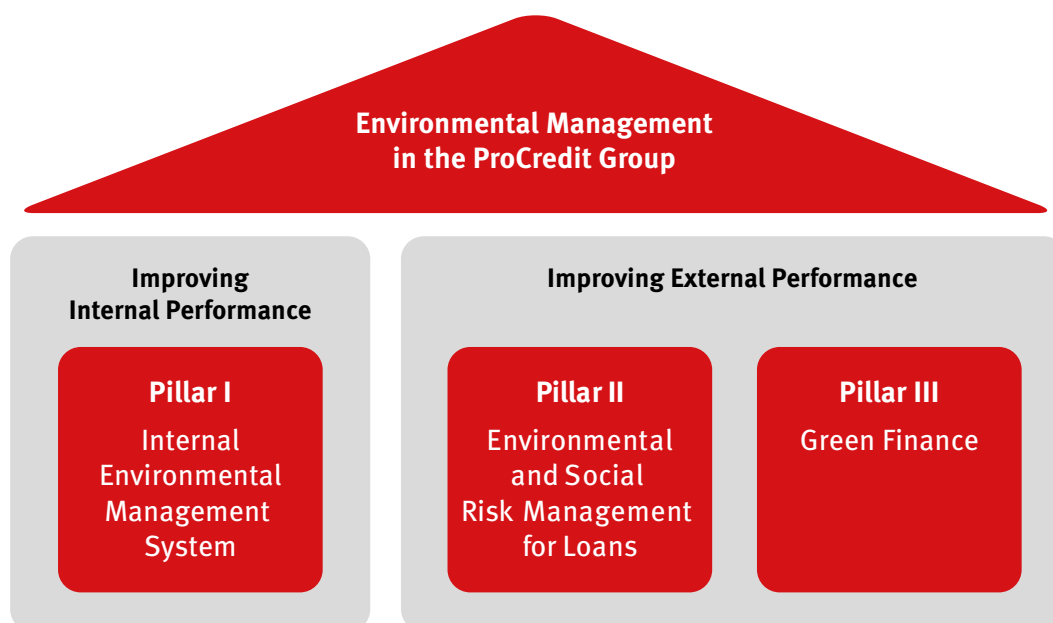


Figure 3: The three-pillar approach of the ProCredit group

Pillar I: Internal environmental management

Internal environmental management relates to all in-house measures taken to reduce the banks' environmental impact. The ProCredit institutions continually monitor their own energy and resource consumption in terms of environmental impact and opportunities for improvement. These activities include implementing energy and resource efficiency measures, raising the level of environmental awareness among staff and carrying out communication measures to provide staff with relevant environmental information. Environmental education makes up a significant part of continuing professional development for our staff on both the regional and international level.

ProCredit institutions forge partnerships with suppliers who adhere to sustainable and environmentally friendly business practices.

Pillar II: Management of environmental and social risk in lending

The goal of this pillar is to reduce the adverse impact caused indirectly by the banks' lending activities. This includes assessing and monitoring the environmental and social (including also health and safety) risks of a client's business, filtering out and rejecting loan applications involving activities that are harmful to the environment, and incentivising clients to reduce the environmental impact of their activities.

In the framework of managing the environmental and social risks in the lending process, the ProCredit group has implemented an environmental and social risk categorisation system that is based on international standards and which assigns individual economic sectors to the low, medium or high environmental and social risk category, depending on their potential environmental and social impact. All companies whose business activities fall into the medium or high risk categories are subject to a further on-site individual assessment of their performance with regard to environmental, health and safety issues.

In addition, ProCredit banks engage business clients in dialogue to discuss how our services can help them to improve their environmental and social performance in an economically sound way.

Pillar III: Green finance/green loans

This pillar aims to improve the banks' external environmental performance by designing and offering specialised loans for green investments and improvements of business processes in an environmentally sound manner. ProCredit banks work with a list of eligible measures which result in significant positive impacts on the environment like heating boilers, solar systems and organic agriculture. For complex investments like manufacturing facilities, biogas plants and sewage treatment plants, a case-by-case analysis is carried out by in-house technical experts. All green investments are classified into one of the following categories: energy efficiency, renewable energies or environmentally friendly measures.

ProCredit banks play a pioneering role in their markets by offering special green loans for the above-mentioned types of investments. This initiative is motivated by the commitment

shared by the entire ProCredit group and its shareholders to accelerate the adoption of energy efficient and renewable energy technologies as well as to incentivise and support businesses in realising environmentally friendly investments.

5.2. EMS organisational structure at a group level

As with any other management system, there is a defined centralised structure for the EMS at group level and an independent structure for each institution. At group level, strategic decisions are taken by Group Environmental Steering Committee, which meets quarterly and is chaired by a member of the PCH Management Board. The committee is made up of representatives of the Management Board, the Group Environmental Management team, the Heads of Group Marketing and Funding, the Head of Group IT and HR, and the Head of Administration, as well as a senior member of IPC GmbH.

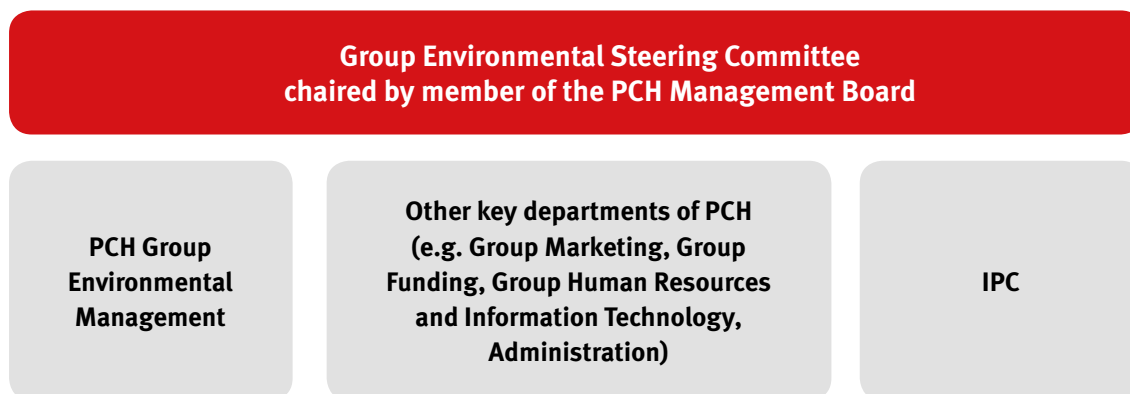


Figure 4: EMS structure at group level

Group Environmental Management (GEM), which is an organisational unit at ProCredit Holding, supports the ProCredit group approach to environmental management in all its dimensions. Against this backdrop, GEM also supports and organises the implementation and maintenance of an EMS at all ProCredit institutions in Germany. IPC GmbH provides technical support and training at the group and bank level for every aspect of the EMS.

5.3. EMS organisational structure at ProCredit Institutions located in Germany

Environmental Management according to EMAS aims to achieve the continual improvement of the institution's environmental performance and to review the implementation of measures on a regular basis. To achieve this, a framework of responsibilities and documents has been set up at the ProCredit institutions in Germany. The Group Environmental Policy on Environmental Management defines the general outlook of the EMS for all ProCredit institutions, including the three-pillar approach, the set-up of the Environmental Committees, the Environmental Management Units at the banks, the various responsibilities, etc. This document also includes the environmental principles valid for the entire group as guidelines for our environmentally sustainable development (see paragraph 4).

The policy has been implemented at ProCredit Holding, ProCredit Bank Germany, Quipu and the Academy using a joint Environmental Management Manual as well by determining the

general activities, required documents and responsibilities within Pillar I (internal environmental management). ProCredit Bank Germany follows the group-wide standard procedure when assessing the environmental and social risks in lending (Pillar II) and green lending (Pillar III).

Each institution has an Environmental Committee that is chaired by a Management Board member and is composed of staff members from different departments, as well as an Environmental Coordinator who is appointed by the Management Board (see Figure 5). At ProCredit Holding, the Environmental Coordinator is a member of the Group Environmental Management team. The Group Environmental Steering Committee provides guidance to both the group and ProCredit Holding.

EMS guidelines, individually adapted to the specifics of each institution, define requirements with regard to procurement, the selection of suppliers, data collection and monitoring, environmental planning, legal compliance, waste management, document control and internal audit. The first environmental review assessed the relevant environmental parameters of each institution. Depending on the status of environmental aspects, environmental targets, measures and the responsibilities for implementation are defined each year in the Annual Environmental Plans. Legal compliance is ensured through the annual review of compliance obligations and our adherence to these obligations. All relevant laws and regulations are listed in the legal environmental registers. However, for all institutions, mainly regulations on waste management are deemed relevant, in addition to obtaining necessary permits, e.g. for the oil tank at the Academy.

External communication about the EMS is carried out in the form of the environmental statement as well as through information provided on the webpages. The EMS of the four institutions is regularly audited by the Audit Department at ProCredit Holding and ProCredit Bank AG to ensure effectiveness and compliance with EMAS standards. The findings of the audits are discussed in the Environmental Committee meetings of each institution and necessary corrective measures are defined.

The Environmental Committees play a central role in analysing the environmental performance of the institutions, defining targets and measures and involving staff members in the topics at hand. The committees are organised and carried out by the Environmental Coordinator of each institution who is also responsible for the general implementation and maintenance of the EMS. Internal communication about environmental management has a high level of importance. Thus, regular trainings, mailings or other internal information initiatives are to be carried out.

The EMS is validated on-site at each institution by an authorised environmental verifier.

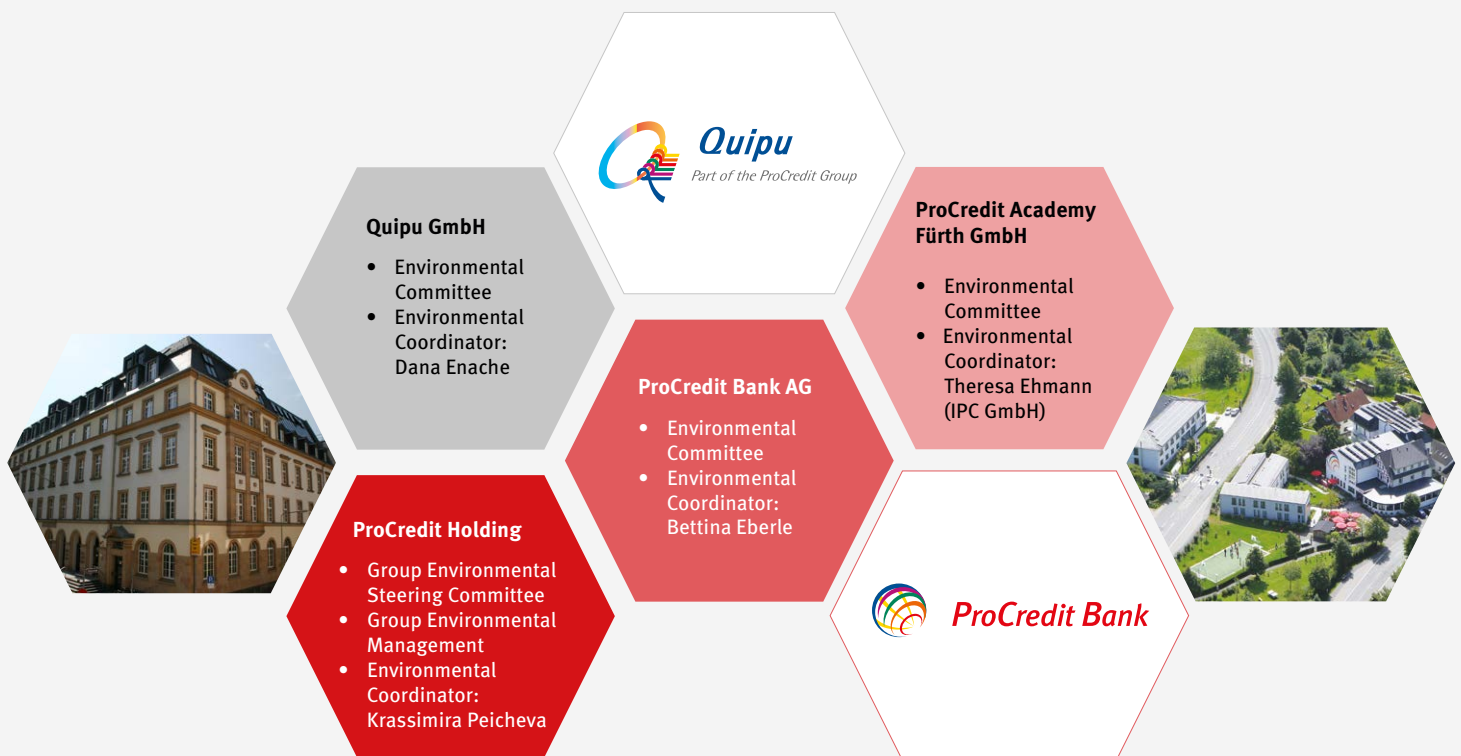


Figure 5: Environmental Coordinators and Committees

6. Environmental aspects and impacts

Environmental aspects are elements or features of the business activities of an organisation and actually have, or can have, environmental impacts. Environmental aspects are categorised as direct and indirect. Direct environmental aspects are those associated with activities, products and services of the organisation over which it has direct control. Paper consumption, generation of waste or emissions, for example, can be considered direct aspects, as they are a direct consequence of the activities carried out on ProCredit premises and can be controlled. Indirect environmental aspects can result from the interaction of an organisation with third parties, which can be influenced by the organisation to a reasonable degree, such as the environmental performance of contractors, the procurement of office materials or food, etc. The environmental performance of the ProCredit banks is also an indirect aspect for ProCredit Holding, as is the environmental performance of clients for ProCredit Bank Germany.

In order to decide whether the direct and indirect environmental aspects of the ProCredit institutions are significant or insignificant, they are assessed according to internally developed criteria. Each aspect is assessed to determine its relevance (low/medium/high) with regard to its magnitude over time in comparison to benchmarks for similar institutions or

the country average, its importance for the organisation, the severity of its impact, the fragility of the local and global environments, and legal requirements that are related to the respective aspect.

The significance also depends on the degree of influence and control (low/medium/high) that the institution has over the magnitude of the environmental aspect.

The two mentioned dimensions are depicted in matrixes and the direct and indirect aspects are rated as having at least a medium level of relevance and a medium level of control are defined as significant environmental aspects for the institution (see sections 6.1. and 6.2.). Improvement measures are developed for significant aspects with higher priority than for insignificant environmental aspects, because the impact and degree of control is higher.

In a similar effort, various key environmental indicators are compared to German and European averages as well as to the EMAS benchmarks of excellence for the tourism sector in 2016 (Annex 10.4). This measure is solely meant to give a general understanding of the success of the environmental management systems of the various institutions; therefore, the indicators used for comparison should not be understood as a fixed goal, since our aim is to constantly improve the environmental performance wherever possible.

6.1. Direct aspects

The following describes the most important direct environmental aspects of the ProCredit institutions in Germany. The significance of the direct environmental aspects was determined for each institution during an environmental review and the results are shown in the matrixes in Figure 6. Of course, the level of environmental significance and control over these aspects differs among the institutions, due to varied business activities and premises. However, in general, energy consumption, paper consumption, consumption of office materials, as well as road and air travel, are important areas of consideration for all institutions, whereas the consumption of food is the most significant area for the Academy.



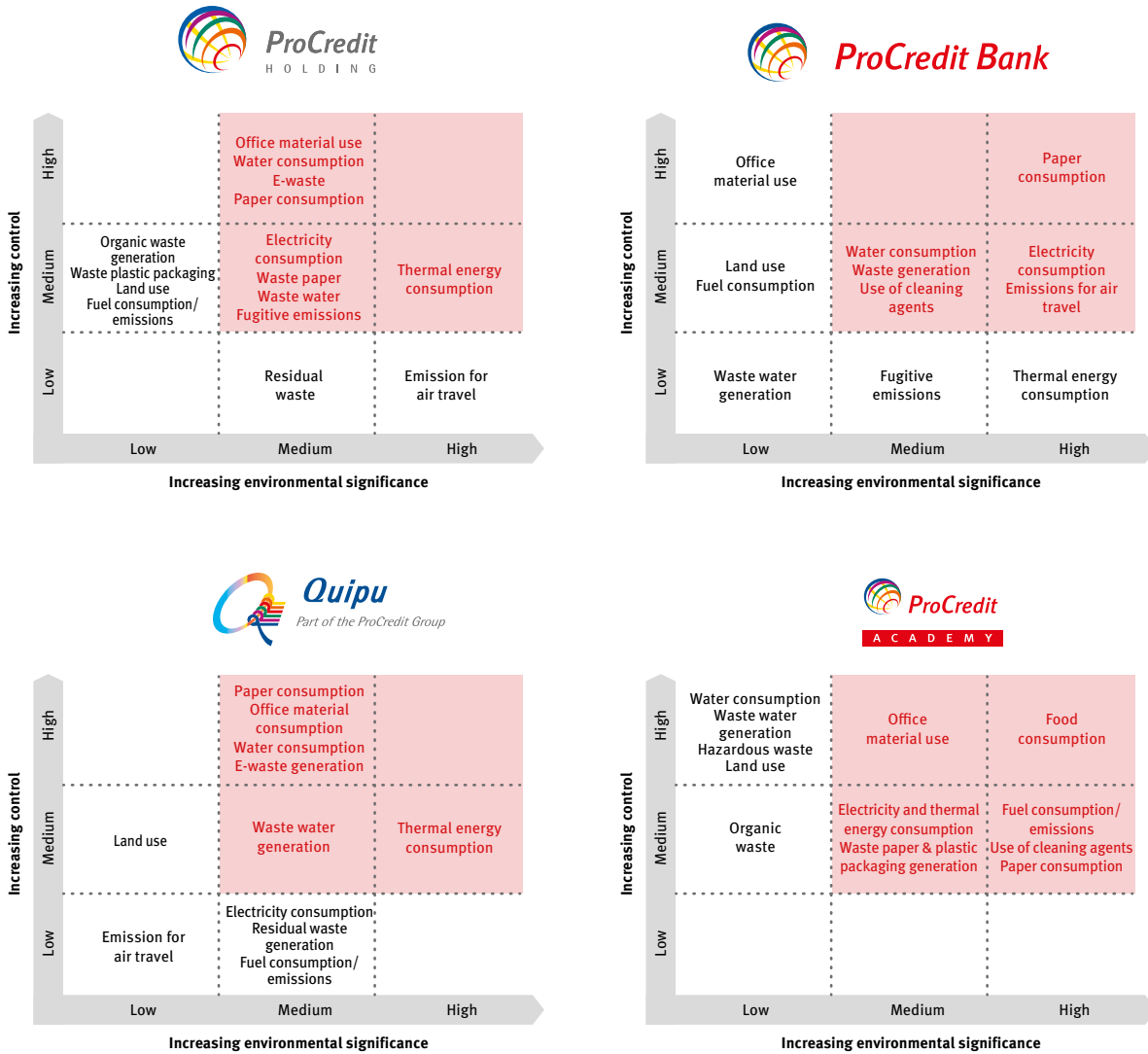


Figure 6: Result of the assessment of the direct environmental aspects of 2015 for the different institutions (Red boxes indicate significant environmental aspects)

Quantitative data are not available for all direct aspects, which is why estimates are made, such as for the amount of printer paper consumed by Quipu or for different types of waste (details can be found in the footnotes of the table). The data shown in the following tables are for the full year of 2015.

The data show that electricity, paper consumption and air travel have significant environmental impacts. Therefore, there are several measures included in the Annual Environmental Plans to mitigate the impact of aspects that can be controlled.

Table 1: Environmental parameters 2015³

General data	Unit	Total	ProCredit Holding	ProCredit Bank	Quipu	ProCredit Academy
Employees ⁴	No.	301.7	110.0	61.7	98.0	32.0
Heated area ⁵	m ²	10,707.6	2,389.6	1,421.0	2,228.5	4,668.5
Overnight stays	No.	28,508.0	-	-	-	28,508.0
Number of cars (gasoline fuelled)	No.	4.0	1.0	0.0	1.0	2.0
Number of cars (diesel fuelled)	No.	5.0	0.0	0.0	1.0	4.0
Energy						
Electricity generation	kWh	50,889.0	-	-	-	50,889.0
Total energy consumption	kWh	1,777,208.4	347,177.1	205,926.9	253,961.9	970,142.6
Electricity	kWh	489,074.8	111,661.8	74,354.8	99,197.2	203,861.0
Cooling energy ⁶	kWh	64,200.0	64,200.0	-	-	-
Heating energy (weather adjusted)	kWh	1,102,345.4	162,268.5	131,572.2	141,876.2	666,628.5
Liquid gas for cooking	kWh	12,485.5	-	-	-	12,485.5
Fuel	kWh	109,102.7	9,046.7	-	12,888.4	87,167.6
Air travel ⁷	km	2,811,996.0	875,033.0	227,879.0	1,576,530.0	132,554.0
Road travel	km	133,557.0	13,379.0	-	17,033.0	103,145.0
Printing Paper						
Total⁸	kg	3,924.5	1,823.6	735.2	345.0	1,020.7
Recycled	kg	2,574.2	1,823.6	735.2	-	15.4
FSC certified	kg	1,005.3	-	-	-	1,005.3
Non-recycled	kg	345.0	-	-	345.0	-
Water						
Water consumption	m ³	8,174.0	831.0	452.0	602.0	6,289.0
Waste						
Total	kg	112,628.9	24,245.6	12,711.3	6,715.0	68,957.0
Residual waste	kg	33,926.4	11,479.5	6,826.4	5,438.5	10,182.0
Paper	kg	16,531.5	7,822.8	2,958.6	600.0	5,150.0
Plastic	kg	10,262.4	4,554.2	2,708.2	-	3,000.0
Organic ⁹	kg	38,400.0	-	-	-	38,400.0
Waste from grease trap ¹⁰	kg	12,000.0	-	-	-	12,000.0
Waste fat	kg	225.0	-	-	-	225.0
Electronic waste ¹¹	kg	1,283.8	389.0	218.1	676.6	-

General data	Unit	Total	ProCredit Holding	ProCredit Bank	Quipu	ProCredit Academy
Emissions¹²						
Total CO ₂ eq emissions	t	908.5	327.7	94.4	406.2	80.2
Electricity (incl. cooling energy)¹³						
CO ₂ eq	t	78.1	71.8	5.8	0.6	0.0
SO ₂	kg	150.5	47.8	20.2	27.0	55.5
NO _x	kg	270.0	85.8	36.3	48.4	99.5
PM	kg	10,009.2	5.8	2.5	3,273.5	6,727.4
Heating¹⁴						
CO ₂ eq	t	127.0	40.6	32.9	35.5	18.1
SO ₂	kg	21.4	1.9	1.6	1.7	16.1
NO _x	kg	93.2	30.2	24.5	26.4	12.2
PM	kg	40,570.5	40,567.1	0.9	1.0	1.4
Business travel						
CO ₂ eq Fuel	kg	34,085.7	2,813.5	0.0	4,019.2	27,253.0
CO ₂ eq Air transport (direct)	kg	251,400.0	81,919.0	21,699.0	135,076.0	12,706.0
CO ₂ eq Air transport (indirect)	kg	414,577.0	130,628.0	34,072.0	231,029.0	18,848.0
Cooking gas						
CO ₂ eq	t	3.4	-	-	-	3.4
SO ₂	kg	1.4	-	-	-	1.4
NO _x	kg	2.2	-	-	-	2.2
PM	kg	0.2	-	-	-	0.2

- 3) The data in the table refer to the total for 2015, apart from the data for employees, heated areas and cars, which refer to the average for 2015.
- 4) Data for employees represent the average for 2015 and include employees who are working in Germany, excluding staff on maternity and parental leave. The PCH data also include staff from the Exchange Programme. Quipu's data refer only to staff working at the Frankfurt headquarters.
- 5) Data for heated area refers to office space, excluding the area for storages and parking places.
- 6) Cooling energy is only available for PCH; for the other institutions, it is included in the electricity usage. The PCH data for cooling energy for 2015 were calculated by extrapolating the data for 2014 and will be updated with the values for 2015 as soon as the invoices are available.
- 7) The climate factors for the weather adjustment can be found in Annex 10.23). Flight data for Academy staff for 2015 are not yet available; the figure therefore includes estimates.
- 8) Quipu began collecting data about the consumption of printer paper in April 2015; data for the previous months have been extrapolated.
- 9) PCH and PCB did not separate organic waste from other waste in 2015.
- 10) Data for waste from the grease trap are calculated based on the volume of the storage containers and the number of pick-ups that are made.
- 11) Data for Academy e-waste are included in the data for Quipu's e-waste.
- 12) Conversion factors for emissions are stated in Annex 2. Only the CO₂ eq. emissions could be obtained from the electricity supplier. All other emissions were obtained using the GEMIS model, taking as a basis the average German energy mix. This results in a very conservative estimate, since all of our institutions obtain an energy mix with an above average proportion of renewable energy sources.
- 13) CO₂ emissions from the electricity consumption of the Academy and Quipu are considered zero, due to a contract with a renewable energy supplier; the same is valid for a share of ProCredit Bank's premises.
- 14) Pellet heating at the Academy is considered to have zero emissions, due to the renewable origin of the input material; the emissions shown arise from the oil heating system that serves as a back-up for the pellet heating system.

The following table shows the core indicators required by EMAS III for the ProCredit institutions in Germany. The indicators are shown per employee and in some cases per square meter.

Table 2: Core annual indicators for 2015 in accordance with EMAS III

Indicator	Unit	Total	ProCredit Holding	ProCredit Bank	Quipu	ProCredit Academy
Energy						
Total energy/employee	kWh/pp	5,891.2	3,156.2	3,339.2	2,591.4	30,317.0
Total energy/overnight stay	kWh/night	-	-	-	-	34.0
Electricity (incl. cooling energy)/employee	kWh/pp	1,834.0	1,598.7	1,205.7	1,012.2	6,370.7
Electricity (incl. cooling energy)/area	kWh/m ²	51.7	73.6	52.3	44.5	43.7
Heating energy/employee	kWh/pp	3,654.1	1,475.2	2,133.5	1,447.7	20,832.1
Heating energy/area	kWh/m ²	102.9	67.9	92.6	63.7	142.8
Fuel/employee	kWh/pp	361.7	82.2	-	131.5	2,724.0
Share of renewable energy (electricity, cooling & heating)	%	58.6%	21%	32%	41%	85%
Materials						
Printing paper/employee	kg	13.0	16.6	11.9	3.5	31.9
Printing paper/overnight stay	kg	-	-	-	-	0.036
Water						
Water/employee	m ³ /pp	27.1	7.6	7.3	6.1	196.5
Water/overnight stay	m ³ /night	-	-	-	-	0.22
Waste						
Total waste/employee	kg/pp	373.4	220.4	206.1	68.5	2,154.9
Total waste/overnight stay	kg/night	-	-	-	-	2.4
Emissions						
Total CO ₂ emissions/employee	tCO ₂ eq/pp	3.0	3.0	1.5	4.1	2.5
Total CO ₂ emissions/overnight stay	tCO ₂ eq/night	-	-	-	-	0.003
Biodiversity						
Heated area/employee ¹⁵	m ² /pp	35.5	21.7	23.0	22.7	145.9

15) As most of the buildings are rented, only the heated area and not the built-up area is indicated.

6.1.1. Thermal energy usage

Demand for heating depends strongly on the age of the buildings and the technical equipment used. All offices are rented and the heating system is shared with other parties. Only the Academy premises are owned and are thus fitted with an efficient wood pellet heating system that heats the building and the water. The pellet heating system is backed up by an oil heating system in the event of a very cold winter or maintenance work. The heating demand of the Academy buildings is lowered by the insulation of the walls, roof and the modern windows. On the rented premises of ProCredit Holding, ProCredit Bank and Quipu, gas is used for water and space heating. Since the infrastructure at these locations can only be influenced to a limited extent, the awareness of staff is very important with regard to using heating facilities in an efficient manner. Through the adjustment of heating parameters, we influence energy consumption as well. In this way we can report that we are well below the average thermal energy usage of 5,463 kWh/pp for offices in Germany with a consumption of 1,475.2 kWh/pp at ProCredit Holding, 2,133.5 kWh/pp at ProCredit Bank, and 1,447.7 kWh/pp at Quipu. With a consumption of 20,832.1 kWh/pp at the ProCredit Academy, we only slightly exceed the average thermal energy usage of accommodation businesses of 18,269 kWh/pp in Germany. Even in comparison to the latest EMAS Benchmark of accommodation businesses regarding the entire energy usage of the building (heating and electricity), the total energy consumption of the ProCredit Academy of 186.5 kWh/m² only slightly exceeds the benchmark of 180 kWh/m².

6.1.2. Electricity consumption and generation

At ProCredit's office-based institutions, the major share of electricity is consumed by computers, monitors, printers, copiers, lighting fixtures and especially the server and air conditioning systems (only some rooms at ProCredit Holding are air-conditioned, as are server rooms and the offices of Quipu). Electronic equipment and lighting is procured with energy efficiency in mind and employees are instructed to turn off electronic devices when leaving the office for the day and on how to use air conditioning in an efficient manner. The main servers of ProCredit Bank were outsourced over the course of 2015, which decreases the electricity consumption significantly. They are now located in a data centre in Frankfurt, as are all major servers of the ProCredit institutions. The space is rented by Quipu, which uses its own equipment and pays close attention to energy efficiency when selecting devices. In addition, environmentally friendly measures, such as contracting a renewable electricity supplier, have been implemented at the data centre itself. As a result, the electricity consumption of ProCredit Holding, ProCredit Bank and Quipu (1,598.7 kWh/pp, 1,205.7 kWh/pp and 1,012.2 kWh/pp, respectively) is well below the German average of comparable office businesses of 2,177 kWh/pp.

At the Academy, the major share of electricity is consumed by kitchen equipment, cooling chambers and washing machines. Staff are trained to use the equipment in an efficient manner (turn off, no standby, only fully loaded washing machines, etc.) and students are also aware of the energy consumption of their appliances and avoid leaving on unneeded lighting or leaving charging devices connected. The electricity consumption of 6,370.7 kWh/pp and 43.7 kWh/m² is below the national average for accommodation businesses of 7,829 kWh/pp and well below the EMAS benchmark of 80 kWh/m².

The roofs of the Academy are fitted with photovoltaic panels, producing electricity which is fed into the energy grid. In this way, nearly 30% of the electricity consumption at the Academy can be compensated. In addition, the electricity consumed at the Academy and at ProCredit Bank is procured from a renewable energy supplier.

6.1.3. Fuel consumption of company-owned vehicles

Road transport is a relevant environmental aspect for the Academy, due to the shuttles used to pick up students and other visitors from the airport. To minimise the environmental impact of this service, only energy-efficient vehicles are selected and drivers are instructed to drive in a fuel efficient manner. The Academy owns two diesel-fuelled vans for the shuttle service as well as four normal passenger cars used for other purposes. The other institutions have fewer passenger cars that are used for short business trips only.

6.1.4. Emissions

Emissions are mainly caused by the consumption of energy – electricity, heating, fuels. The most significant share of our emissions result from air travel. These emissions are very high for ProCredit Holding, as its business model requires frequent travel. Flights are needed to enable close communication between ProCredit Holding and its international affiliates. Employees of ProCredit Bank and Quipu also need to fly to the other banks on a regular basis, in order to provide on-site support when necessary. Nevertheless, video conference systems have been installed in all institutions, except the Academy, to replace business trips whenever possible.

In comparison, other emissions arising from road transport, electricity consumption and heating are on a lower level, due to the carbon neutral purchase of electricity for two of the institutions and the pellet heating system at the Academy.

6.1.5. Food consumption

Food quality is very important at the Academy, as large amounts are needed every day to provide catered meals for staff, students and visitors. The kitchen staff have defined a list of foods that are only procured either from regional producers or from producers with organic certification. This list includes food that is consumed in large quantities, such as meat, milk, pasta, flour, coffee, certain types of vegetables and fruits. The Academy is in close contact with its suppliers, in order to expand the range of sustainably produced goods in quantities sufficient for the Academy's needs. Food is prepared cautiously, in order to avoid generating food waste. Meal planning is always adjusted to the expected number of people on-site and food leaves the kitchen only if needed (food that has left the kitchen needs to be disposed of if not consumed and cannot be served again, in accordance with hygiene regulations). Vegetables and fruits are grown in the Academy's garden and in two greenhouses.

Furthermore, the other institutions pay attention to the environmentally friendly procurement of their food, such as coffee, tea, sugar and milk, even though the quantities consumed are not comparable to those consumed at the Academy.

6.1.6. Water consumption

Water is used in limited quantities in the kitchens and restrooms of the office premises and in more significant amounts at the Academy in the rooms, bathrooms, and kitchen, as well as to

do laundry, clean the facility and water the garden in summer. Water use is reduced through the use of water aerators, automatic sensor faucets, dual flush toilets, and water efficient washing machines and shower heads. The water consumption of the ProCredit institutions of 7.6 m³/pp at ProCredit Holding, 7.3 m³/pp at ProCredit Bank and 6.1 m³/pp at Quipu is below the national average of 8.1 m³/pp as published by the Environmental Agency of the city of Hamburg in 2001 and above the more conservative average of Hoffman and Karger (2013) of 5.5 m³/pp. The water consumption of the Academy of 220.6 L/overnight stay is above the 2016 EMAS benchmark for accommodation businesses of 140 L/overnight stay, yet well below the European average of 394 L per overnight stay.

6.1.7. Printing paper consumption

Printing paper is used in all institutions in varying amounts due to different needs, e.g. ProCredit Bank prints documents for clients, the Academy prints its own course books, etc. In any case, reducing paper consumption through a systematic review of procedures, followed by process optimisation and automation, is being carried out by ProCredit Bank, Quipu and ProCredit Holding. In addition, all printers and computers have paper-saving default settings. In 2016, at all four institutions, only printing paper from certified sustainable sources was purchased in order to minimise the indirect environmental impact of paper production. The paper consumption in pages per employee per day of 15 at ProCredit Holding, 11 at ProCredit Bank, and 3 at Quipu is well below the average of 45 pages per employee per day.

6.1.8. Waste generation

The primary aim of our waste management system is waste avoidance. We believe that avoidance is better than recycling and that recycling is better than disposal. This principle is also visible in our daily activities and our procurement, as we give preference to reusable products and because we define our own printer settings. At the Academy, a great deal of attention is paid to planning each meal according to the expected number of people on-site and the food served at the buffet is replenished as needed, in order to avoid extensive food waste. Waste is also minimised by avoiding individual packaging as commonly used in hotels for butter, marmalade, soap, etc.

The waste separation in rented offices is usually defined depending on the landlord. The waste produced by ProCredit Holding, ProCredit Bank and Quipu is separated mostly into paper, packaging, residual waste and partly organic waste. Other waste types, such as e-waste or toner, are also separated. Furthermore, the amount of waste produced at office premises is very low and cannot be quantified in most cases.

At the Academy, the amount of waste produced is higher and is managed very carefully. Waste is separated into paper, packaging, organic, glass, residual, oil, waste from grease separator, electronic waste and other hazardous waste. Garden waste is composted on-site and reused as fertiliser. For all institutions, waste is collected by disposal companies that hold the appropriate waste management certificates and comply with legislation.

All staff are aware of the waste separation system and Academy students are introduced to the topic through a brochure in each guest room and during an Academy orientation session. Regarding the EMAS benchmark of 2016, the Academy's residual waste generation of 0.36 kg/overnight stay still exceeds the EMAS benchmark of 0.16 kg/overnight stay, yet beats the European average of 1 kg/overnight stay.

6.1.9. Land use

Land use is only relevant for the Academy, as the other premises are rented. At the Academy, the largest share of land is made up of the garden and the area where vegetables and herbs are grown. Most of the area is unpaved in order to allow the rainwater to soak into the ground.

6.2. Indirect aspects

The daily operations of the PCBs (including PCB Germany) have an indirect impact on the environment in various ways. The most important factor is the loan portfolio of the banks, with a special focus on the green loan portfolio and the environmental and social risk assessment of all exposures. ProCredit Holding plays an especially important role with respect to the indirect aspects, due to the significant impact that the institution has in adjusting the strategy, processes and standards of the entire group with regard to environmental friendliness and sustainability. In this regard, for ProCredit Holding, the environmental performance of the other ProCredit institutions can also be considered an indirect environmental aspect.

The commitment of ProCredit Holding and all ProCredit banks to green finance has led to a considerable reduction of CO₂ emissions through investments in energy efficiency or renewable energies made by clients worldwide.

All institutions manage their indirect environmental impacts through special criteria for procurement and supplier management, as well as through the training of employees and internal awareness-raising campaigns.

The matrix below shows the different levels of control and environmental relevance of these aspects as an overall summary of the four ProCredit institutions in Germany. Our significant indirect environmental aspects are shown in red boxes. The methodology behind the matrix is explained in section 6.

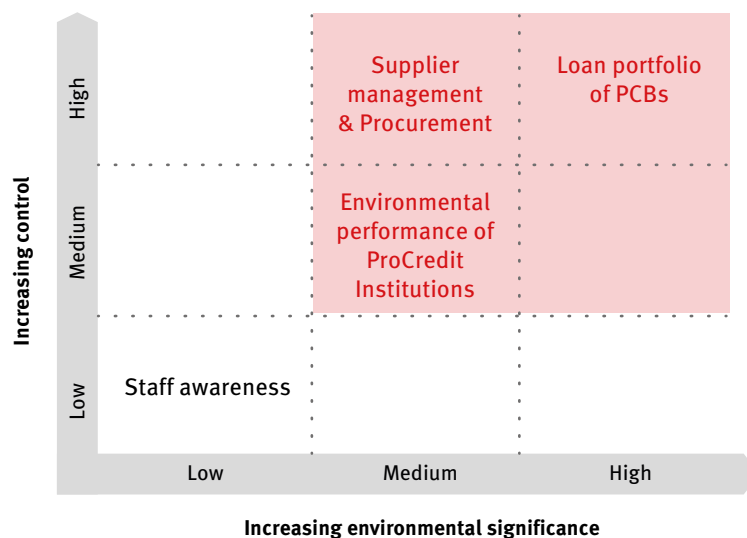


Figure 7: Significance matrix of the environmental aspects of the ProCredit institutions in Germany as of 2015

6.2.1. Green loan portfolio

The PCBs offer specialised loans for investments in energy efficiency, renewable energies and other environmentally friendly activities, as part of our aim to promote economic development that is as environmentally and socially sustainable as possible. We work with a list of eligible standard measures which result in significant positive impacts on the environment.

Energy efficiency and renewable energy investments made by our clients naturally result in energy savings (and/or respective CO₂ savings). Other positive environmental impacts are achieved via other green investments such as the installation of wastewater treatment plants, investment in electric vehicles or organic farming. By supporting our clients in their efforts to make a positive environmental impact, PCBs contribute to the overall positive impact on the environment.

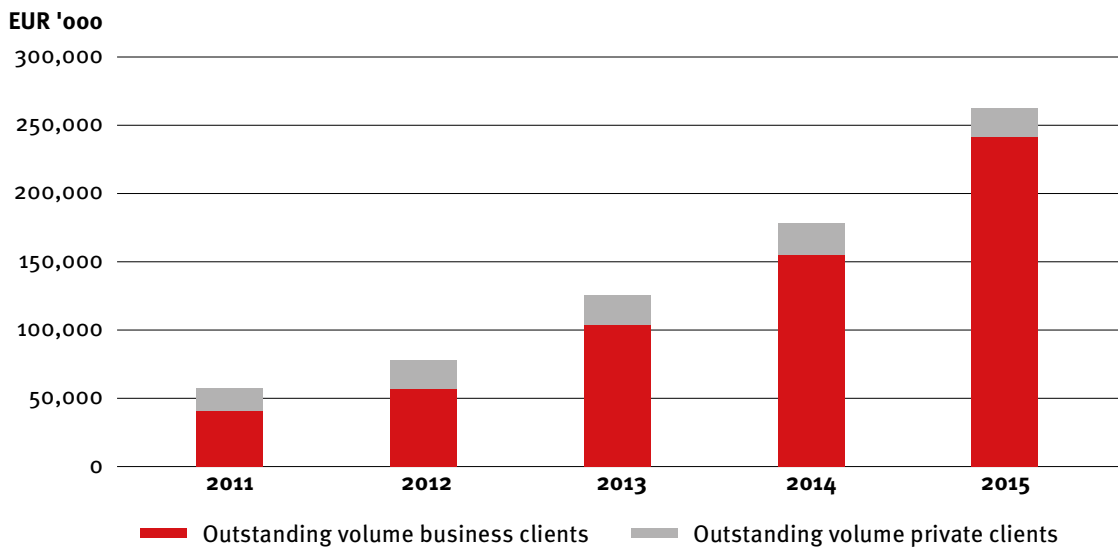


Figure 8: ProCredit group green loan portfolio development for private and business clients

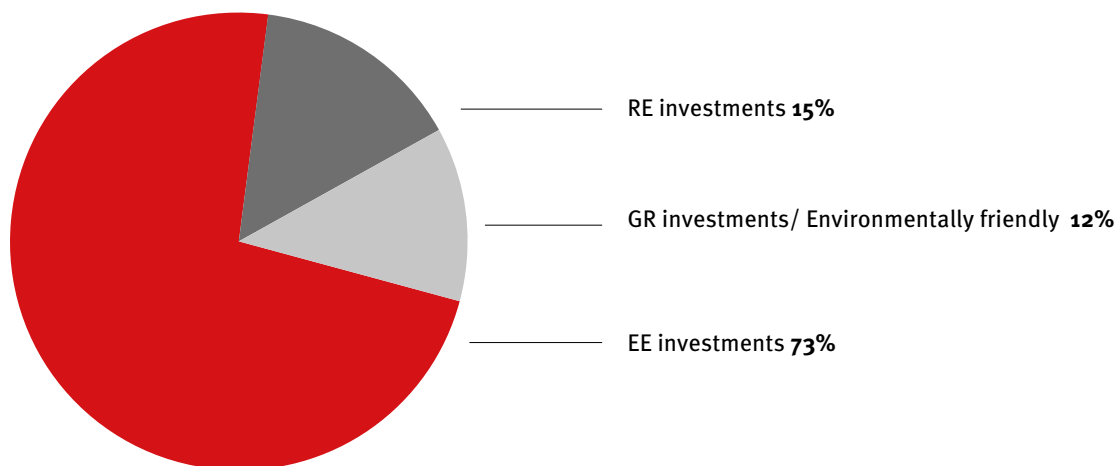


Figure 9: ProCredit group green loan portfolio by group of investments as of December 2015 (in volume)

6.2.2. Environmental and social risk assessment

In addition to performing a business analysis, we also assess our clients in terms of the impact their activities have on society and the environment. We have been analysing our clients in this manner since the beginning of our banking operations. We work with businesses that do not endanger the environment, health, safety or well-being of their staff or neighbours. All borrowers are required to comply with the relevant rules and regulations regarding environmental protection as well as health and safety standards. In this way, the PCBs manage the possible environmental and social risks of our clients' business activities.

An exclusion list, based on a combination of international standards and local standards, is formulated and strictly adhered to in all cases. Clients' activities are screened against the exclusion list, categorised according to their degree of environmental, health and safety risk, and individually assessed. Through these environmental and social risk assessments, we also take the opportunity to engage in dialogue with our clients about how their environmental performance can be improved, thereby reducing their negative environmental impact and supporting the sustainable development of the client.

A revised standard for the management of environmental and social risk in lending was implemented at all ProCredit banks in 2015, with the main improvements being:

- detailed guidance notes for every economic activity, depending on their environmental risk category
- a more detailed and systematic approach to the additional environmental assessment for all exposures of business activities categorised as having a medium or high environmental impact
- a review of the social performance of all loan clients

Table 3: Development of the business and agricultural loan portfolio by environmental risk category in EUR '000

	Low		Medium		High	
	Volume	%	Volume	%	Volume	%
Dec 2015	2,005,273	55.76%	1,514,995	42.13%	75,925	2.11%



6.2.3. Procurement and supplier management

The ProCredit institutions have increasingly introduced environmental criteria into their procurement procedures with the aim of selecting environmentally friendly suppliers of office materials and equipment. This in turn contributed to increased awareness of environmental protection among the banks' partners. This makes it possible to ensure that the materials purchased are made from the most environmentally friendly materials available on the market.

Whereas office material, paper and electronic equipment are relevant for all institutions, the procurement of food has a high level of importance for the Academy. Environmental criteria are defined for the procurement of the main food supplies. Wherever possible, food is procured from regional and/or organic producers.

In conjunction with procurement, supplier management is equally relevant. Each institution has developed similar criteria to assess suppliers to determine whether they can be considered as "green". These criteria are related to the range of environmentally friendly goods offered, implementation of an EMS, transport distances, packaging, etc.

6.2.4. Staff awareness

Staff training is the key to the successful implementation of our EMS and the encouraging results achieved in 2015. Significant staff involvement and participation across all ProCredit institutions is crucial. This is implemented not just at a single point, but rather consistently and across the board at various stages, from the ProCredit Entry Programme to the three-year ProCredit Academy programme.

An introductory programme organised for all future employees, the ProCredit Entry Programme, includes training in environmental protection and energy efficiency as an integral part of the curriculum. All managers and key staff from the banks receive specialised training on the topic at the regional ProCredit Academies in Macedonia and Colombia, as well as at the central ProCredit Academy in Fürth. This is an important platform for intensifying their awareness of values and preparing them for their role as multipliers of common principles such as the EMS. The ProCredit institutions have frequent, in-depth training sessions as well as internal and external education and awareness-raising seminars, events and campaigns for all staff and clients.

Additionally, all ProCredit institutions undertake on-going internal awareness-raising campaigns and use various communication channels for this purpose. These include regular training sessions, newsletters and educational brochures, internal publications, an intranet page dedicated to environmental topics, reminder signs and stickers to inform staff of best practices with regard to resource use and to communicate the results of the measures taken. Internal publications and intranet pages aim to raise awareness among employees and also to keep them informed about issues happening worldwide.

7. Environmental objectives and programme (2016)

Environmental target (until end of the respective year, unless stated otherwise)	Institution	Measure	Responsibility	Deadline to implement measure	Assessment baseline
Electricity consumption					
Reduce electricity consumption by about 5%	ProCredit Academy	Replace broken heating pumps with highly efficient ones	Jan-Peter Meiss	End of 2016	Specific electricity consumption kWh/pp or kWh/overnight stay
		Raise guest awareness via communication measures (all new groups receive an intro to EMS) and random control of rooms	Teachers, Jan-Peter Meiss, Theresa Ehmann	Starting from Jan 2015	
		Replace kitchen lighting system and install LED	Technicians	Aug 2016	
	ProCredit Holding	Install and test LED lights for 2nd floor offices	Ulla Pip, Krassimira Peicheva	Jun 2017	
Thermal energy usage					
Reduce heat energy consumption by 5%	ProCredit Academy	Raise guest and staff awareness via communication measures regarding efficient use of heating and hot water	Teachers, Jan-Peter Meiss, Theresa Ehmann	Dec 2016	Specific thermal energy consumption kWh/overnight stay
GHG emissions					
Reduce emissions of road transportation by about 50%	ProCredit Academy	Define new transport policies so that guests will use public transport instead of shuttle service	PCA management	Feb 2016	Number of shuttles per year
		Compensate for a share of the PCA's emissions through planting trees: 6 trees will be planted every year	PCA management	On-going	Bills
Cut total GHG emissions by 25%	ProCredit Bank Germany	Change electricity supplier for the ground floor premises (Mainova) to a renewable energy supplier	Paul Kriews, Kristin Tonn	Jun 2016	Total sum of GHG emissions
Compensate for flight-related CO ₂ emissions (partially)		Evaluate the market and choose a credible service provider (e.g. atmosfair, first climate, etc.)	Paul Kriews, Kristin Tonn	Dec 2016	Compensation certificates
Cut total GHG emissions by 15%	ProCredit Holding	Switch the electricity supplier (Mainova) to a renewable energy supplier	Ulla Pip, Krassimira Peicheva	Sep 2016	Total sum of GHG emissions

Environmental target (until end of the respective year, unless stated otherwise)	Institution	Measure	Responsibility	Deadline to implement measure	Assessment baseline
Food consumption					
Improve environmental footprint of the consumed food	ProCredit Academy	Define a list of foods to be procured from organic certified, regional or fair trade source	Melanie Schmitt, Theresa Ehmann	Aug 2016	Procurement guideline
Paper usage					
Raise awareness about saving paper among the companies working together with the ProCredit Academy	ProCredit Academy	Adapt the email signature of all staff	Theresa Ehmann	Aug 2016	Information email
Reduce paper consumption by 10% (Quipu and ProCredit Bank Germany), by 15% (ProCredit Holding, by end of 2017)	Quipu	Monitor monthly paper consumption	Marlene Neugart	Continual	Printing paper consumption kg/employee
		Make double-sided printing the default printer setting, monitor printer counters	Wolfgang Vorbeck, Marlene Neugart	Dec 2016	
		Switch to electronic invoices and contracts for clients	Diana Enescu	Dec 2016	
		Use recycled paper	Marlene Neugart	Sep 2016	
	ProCredit Bank Germany	Monitor the number of print-outs and share results with staff (awareness)	Bettina Eberle	Dec 2016	
		Switch from paper AGBs (and "Kundenmappen") to electronic versions	Bettina Eberle	Dec 2016	
		Use electronic signatures to sign documents, i.e. PDFs	Bettina Eberle	Dec 2016	
		Introduce printers which require an electronic key	Bettina Eberle	Dec 2016	
	ProCredit Holding	Conduct a paper optimisation project: go through departmental processes, optimising and automating where possible	Krassimira Peicheva	Dec 2017	

Environmental target (until end of the respective year, unless stated otherwise)	Institution	Measure	Responsibility	Deadline to implement measure	Assessment baseline
Water consumption					
Reduce water consumption by 5% (ProCredit Academy, ProCredit Bank Germany and ProCredit Holding) and 10% (Quipu)	ProCredit Academy	Replace shower heads with water efficient models	Jan-Peter Meiss	Sep 2016	Specific water consumption (m ³ /pp or overnight stay)
	Quipu	Raise awareness about water consumption in the kitchen	Marlene Neugart	Dec 2016	
	Quipu	Install faucet aerator on all sinks	Marlene Neugart	Dec 2016	
	ProCredit Bank Germany	Install faucet aerator on all sinks	Paul Kriews, Kristin Tonn	Sep 2016	
	ProCredit Holding		Ulla Pip, Krassimira Peicheva	Jan 2016	
Waste water generation					
Reduce the level of pollution in waste water	ProCredit Bank Germany	Reduce use of “non-green” cleaning materials to a minimum	Kristin Tonn	Jun 2017	Procurement records
Waste generation					
Separate 100% of waste	ProCredit Academy	All bins will be labelled with the waste type plus “recycling stations” in the hallways	Jan-Peter Meiss	Sep 2016	Bin placement
	Quipu	Install separate bins for paper collection	Marlene Neugart	Jul 2016	Bin placement
Dispose of 100% of E-waste in a sustainable way	Quipu	Replace company equipment in a controlled manner	Marlene Neugart, Wolfgang Vorbeck	Dec 2016	Disposal certificates
	ProCredit Holding	Establish an E-waste disposal system that is environmentally sustainable	Ulla Pip, Krassimira Peicheva	Mar 2016	

Environmental target (until end of the re- spective year, unless stated otherwise)	Institution	Measure	Responsibility	Deadline to imple- ment measure	Assessment baseline
Environmental awareness					
Ensure that 100% of the bank's staff is aware of the EMS	Quipu	Present and share EMAS presentations and docu- ments via intranet	Dana Enache, Monica Vasile	Dec 2016	Partici- pants list, commu- nication material
	ProCredit Bank Germany	Conduct trainings for (new) staff to inform them about the bank's EMS and the latest developments, collect ideas on what more can be done	Bettina Eberle, Stefanie Jäger	Sep 2016	
	ProCredit Holding	Conduct trainings for PCH staff to inform them about recent developments in the EMS (i.e. implement- ed measures) and discuss the relevant issues that can be improved	Krassimira Peicheva	May 2016	
		Communicate recent developments in the EMS via internal campaign	Krassimira Peicheva	Continual	
Environmental and Social Risk Management in lending					
Consolidate and improve the E&S risk assessment	ProCredit Holding	Perform a follow-up of the implementation of the new approach of E&S risk assessment in the group	Group Envi- ronmental Management, Group Credit Risk, IPC	Sep 2016	
		Facilitate refreshment trainings and workshop discussions related to E&S risk assessment	Group Environ- mental Manage- ment, Group Credit Risk, IPC	Continual	
Green Finance					
Further develop the green loan portfolio	ProCredit Holding	Support ProCredit group in further development of green loan portfolio	Group Envi- ronmental Management, IPC	Continual	Group green loan portfo- lio develop- ment
		Providing on-the-field support and update of the green finance approach of individual banks	Group Envi- ronmental Management, IPC	Through- out the year	
		Organise and conduct bi-annual workshops for ProCredit staff involved in Green finance	Group Envi- ronmental Management, IPC	Apr 2016 Sep 2016	

8. Contact person

For question regarding the environmental statement, please contact:

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The current version of the environmental statement can be downloaded at
www.procredit-holding.com



9. Statement of the environmental verifiers

Michael **H**ub
Umweltgutachter
Berater Umwelt, Qualität, Sicherheit

ENVIRONMENTAL VERIFIER'S DECLARATION ON VERIFICATION AND VALIDATION ACTIVITIES

Michael Hub and Dr. Georg Sulzer with EMAS environmental verifiers registration numbers DE-V-0086 und DE-V-0041, accredited or licensed for the scope (NACE-Code)

- 64 Financial service activities
- 62.02 Computer consultancy activities
- 62.01.9 Other Computer programming activities
- 85.42.4 Tertiary education
- 85.5 Other education

declare to have verified whether the whole organisation as indicated in the environmental statement of the organisation

ProCredit institutions located in Germany

Sites:

ProCredit Holding AG & Co. KGaA, Rohmerplatz 33-37, D-60486 Frankfurt am Main
 ProCredit Bank, Rohmerplatz 33-37, D-60486 Frankfurt am Main
 Quipu GmbH, Königsberger Straße 1, D-60487 Frankfurt am Main
 ProCredit Academy, Hammelbacher Straße 2, D-64658 Fürth-Weschnitz

meet all requirements of

Regulation (EC) No 1221/2009

of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organisations in a Community

eco-management and audit scheme (EMAS).

By signing this declaration, we declare that

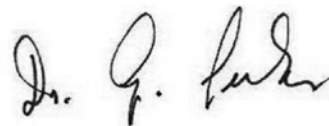
- the verification and validation has been carried out in full compliance with the requirements of Regulation (EC) No 1221/2009,
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with applicable legal requirements relating to the environment,
- the data and information of the environmental statement of the organisation reflect a reliable, credible and correct image of all the organisations activities, within the scope mentioned in the environmental statement.

This document is not equivalent to EMAS registration. EMAS registration can only be granted by a Competent Body under Regulation (EC) No 1221/2009. This document shall not be used as a stand-alone piece of public communication.

Frankfurt am Main, 07.11.2016



Michael Hub, environmental verifier
 DAU-Accreditation-No: DE-V-0086

environmental verifier
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 Akkreditierungs- und Zulassungsgesellschaft
 für Umweltgutachter mbH, Bonn
 DAU-Zulassungs-Nr.: DE-V-0086

10. Annex

10.1. Emission factors

Type	Unit	CO ₂ equivalent	NO _x	SO ₂	PM ₁₀
Electricity (average German energy mix)	g/kWh	-	0.488	0.272	0.033
Electricity (Lichtblick - Quipu)*	g/kWh	5.8	The air pollution values, other than CO ₂ eq., are not available from individual electricity suppliers; therefore, we have taken the average values for the German energy mix		
Electricity (Mainova - PCH, PCB Ground floor)*	g/kWh	408			
Electricity (EWS Schönau - PCB 1 st floor)*	g/kWh	0			
Electricity (Entega - PCA)*	g/kWh	0			
Natural gas	g/kWh	250	0.186	0.012	0.007
Heating oil	g/kWh	320	0.216	0.286	0.025
Wood pellets	g/kWh	29	0.337	0.149	0.075
Diesel	g/kWh	313	1.303	0.118	0.027
Gasoline	g/kWh	311	0.257	0.135	0.018
Liquid Gas	g/kWh	270	0.176	0.112	0.014

Source: GEMIS (Globales Emissions-Modell Integrierter Systeme) Version 4.94 - March 2015

10.2. Lower heating values

Fuel	Lower heating value	Unit	Source
Gasoline	9.21	kWh/l	International Energy Agency (2006): Handbuch Energiestatistik: https://www.iea.org/publications/freepublications/publication/statistics_manual_german.pdf
Diesel	10.17	kWh/l	
Liquid gas	6.54	kWh/l	
Wood pellets	5.00	kWh/kg	http://heizkostenrechner.eu/heizwert-brennwert-tabelle.html

10.3. Climate factors for weather adjustment of heating energy data

Location	Postal code	Climate factor 2015	Source
Frankfurt, Bockenheim	60486	1.22	Deutscher Wetterdienst (2015): climate factors: http://www.dwd.de/DE/leistungen/klimafaktoren/klimafaktoren.html
Fürth	64658	1.13	

* For this energy mix, the CO₂ eq. emission factor was obtained from either Lichtblick, Mainova, Elektrizitätswerke Schönau (EWS) or Entega (electricity suppliers) for their Energy mix in 2015

10.4. Indicators and benchmarks used for comparisons

Indicator for offices		Unit	Source
Electricity (Average for German offices in 2013)	2,177.0	kWh/(pp a)	German Ministry for Economics and Energy (2015): Energieverbrauch des Sektors Gewerbe, Handel, Dienstleistungen (GHD) in Deutschland für die Jahre 2011 bis 2013: http://www.bmwi.de/DE/Mediathek/publikationen,did=636100.html
Thermal energy (Average for German offices in 2013)	5,463.0	kWh/(pp a)	German Ministry for Economics and Energy (2015): Energieverbrauch des Sektors Gewerbe, Handel, Dienstleistungen (GHD) in Deutschland für die Jahre 2011 bis 2013: http://www.bmwi.de/DE/Mediathek/publikationen,did=636100.html
Water (General Assumption for German offices)	8.1	m ³ /(pp a)	Freie und Hansestadt Hamburg Umweltbehörde (2001): Wasserpraxis: www.hamburg.de/contentblob/138102/.../data/wasserleitfaden.pdf
Water (Average for German offices in 2013)	5.5	m ³ /(pp a)	Karger, R., Hoffmann, F. (2006): Wasserversorgung: Gewinnung - Aufbereitung - Speicherung - Verteilung, Springer: http://www.springer.com/de/book/9783834813800
Paper (General assumption for German offices)	49.5	kg/(pp a)	German Environmental Ministry (2015): Auftakt zum bundesweiten Wettbewerb „Büro & Umwelt“ 2015: www.umweltbundesamt.de/themen/auftakt-bundesweiten-wettbewerb-buero-umwelt-2015

EMAS Benchmark for Hotels 2016		Unit	Source
Building Energy (Thermal energy & electricity)	180	kWh/(m ² a)	European commission reference document on best environmental management practice, sector environmental performance indicators and benchmarks of excellence for the tourism sector (2016): http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32016D0611
Electricity	80	kWh/(m ² a)	
Water	140	L/overnight stay	
Residual Waste	0.16	kg/overnight stay	

Indicators for hotels		Unit	Source
Building energy (average for European hotels in 2006)	306	kWh/m ²	ECOTRANS e.V., University Stuttgart (2006): Umweltleistungen europäischer Tourismusbetriebe: http://sutour.ier.uni-stuttgart.de/downloads/Umweltleistungen%20europaeischer%20Tourismusbetriebe.pdf
Building energy (average for European hotels in 2006)	77	kWh/overnight stay	
Electricity (average for German hotels in 2013)	7,829	kWh/pp	German Ministry for Economics and Energy (2015): Energieverbrauch des Sektors Gewerbe, Handel, Dienstleistungen (GHD) in Deutschland für die Jahre 2011 bis 2013: http://www.bmwi.de/DE/Mediathek/publikationen,did=636100.html
Heating (average for German hotels in 2013)	18,269	kWh/pp	
Water (average for European hotels in 2006)	394	L/overnight stay	ECOTRANS e.V., University Stuttgart (2006): Umweltleistungen europäischer Tourismusbetriebe: http://sutour.ier.uni-stuttgart.de/downloads/Umweltleistungen%20europaeischer%20Tourismusbetriebe.pdf
Residual Waste	1	kg/overnight stay	

10.5 Performance of the Germany-based ProCredit institutions in comparison to the indicators and benchmarks

