ProCredit Bank

ProCredit ACADEMY

Quipu
Part of the ProCredit Group

ProCredit HOLDING

ENVIRONMENTAL STATEMENT 2021

for the ProCredit institutions located in Germany

EMAS
GEPRÜFTES UMWELTMANAGEMENT
DE-125-00059

Information about this statement

This Environmental Statement covers the calendar year 2021 and is the third complete statement of the ProCredit institutions located in Germany since 2015. This brochure provides a detailed overview of the Environmental Management System of the ProCredit group and highlights the most important developments in the institutions' environmental management since the last complete environmental statement for 2018.

Within the scope of this complete environmental statement, the organisation of the group and its Environmental Management System (EMS) are described in the following sections:

- The ProCredit group at a glance
- Our environmental principles
- Implemented environmental measures in recent years – milestones
- The ProCredit Environmental Management System
- Context of the Environmental Management System
- Life cycle assessment

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

Further informational material on environmental protection and sustainability in the ProCredit group, including the previously published Environmental Statements and the ProCredit Group Impact Report, can be downloaded from the ProCredit Holding website. https://www.procredit-holding.com/downloads/

The next validated Updated Environmental Statement will be published end of 2023.

List of abbreviations and names

CO_2eq	Carbon dioxide equivalent
CRR	Capital Requirement Regulation
E&S	Environmental and social
EE	Energy efficiency
EMS	Environmental Management System
ESG	Environmental Social Governance
EU	European Union
EUR	Euro
FFM	Frankfurt am Main
FES	Frankfurter disposal and service GmbH
FTE	Full-time equivalent
GEM	Group Environmental Management
GHG	Greenhouse gas
GR	Environmentally friendly projects, environmental protection measures
GRI	Global Reporting Initiative
IPC	Internationale Projekt Consult GmbH
SME	Small and medium-sized enterprises
kWh	Kilowatt hours
LED	Light-emitting diode
OS	Overnight stay
PCA	ProCredit Academy
PCAF	Partnership for Carbon Accounting Financials
PCB	ProCredit Bank
PCBG	ProCredit Bank Germany
PP	Per person
PCH	ProCredit Holding
PLA	Polylactic acid
PV	Photovoltaic
RE	Renewable energy

Tables

Figures

Contents

1 Foreword

The world is currently facing environmental and social challenges that go beyond state and economic borders. From climate change to human rights, stakeholders are demanding that companies take action regarding various environmental, social and governance (ESG) topics, which in essence are the manifestation of the real impacts and risks of our economic activities.

The ProCredit group is conscious of its responsibility to improve its positive environmental impact and mitigate any negative aspects. Furthermore, the group is committed to measuring, disclosing, and improving its environmental and social performance in all its operations. From our internal environmental performance, which is covered in this environmental statement, to the assessment of all clients and suppliers with regard to ESG topics, our mission drives us to continually improve not only our sustainability, but also the environmental performance of those we work with.

Despite the impact of COVID-19 pandemic and the war in Ukraine on our operations, we continue our efforts to improve our environmental performance at the group level, which is evidenced by the 27% reduction in flights taken, the 4% growth of our solar installed capacity in our buildings and the 8% growth of our e-car fleet. As part of our medium-term goal, we are close to achieving a 20% share of green loans in our total loan portfolio. In addition, since 2018, we have reduced emissions from our own operations (scope 1 and 2) by 56%, and between 2018 and 2021, an average of 132.5 hours were devoted to environmental and social training per employee (Impact Report 2021).

At the national level, certain aspects of our environmental performance exhibit a slight increase compared to the previous year (heating and electricity), mainly driven by employees returning to the office and hygiene measures related to the pandemic. Nevertheless, we have still managed to reduce water consumption, waste generation and fuel consumption.

We also continue to support SMEs through our fair and sustainable approach, which is reflected in innovative project such as the establishment of a regional network of charging stations for e-cars in our countries of operation, the creation of green deposits, and our Plastic Strategy. Furthermore, we have improved our E&S Risk Standards and have carried out the first quantification of our financial emissions (scope 3) using the PCAF methodology.

As is shown in our annual environmental plan, we strive to improve, knowing that every effort made related to ESG topics is a good investment in the long-term – for us and for society.

2 The ProCredit group at a glance

2.1 The ProCredit group internationally

The activities of the ProCredit group comprise the financing of small and medium-sized enterprises (SMEs) and direct banking for private clients. We operate in South Eastern Europe, Eastern Europe, South America and Germany. The group also comprises a number of important support companies, such as the ProCredit Academy 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.

Through our business activities we aim to sustainably provide a return on investment for our shareholders while contributing to economic, social and ecological development. Our business strategy is based on long-term relationships with our clients and staff as well as a conservative approach to risk. The group does not engage in speculative lines of business.

Accountability is part of our culture. Sustainable behaviour is therefore essential for us, and we want our activities to make a positive, lasting contribution to the environment and to society. We coordinate our actions using a comprehensive environmental management system. Accordingly, we analyse the environmental impact of both our own activities and those of our clients. During this process, we promote green investment projects, especially in energy efficiency and renewable energies. We present our activities in line with the United Nations Sustainable Development Goals in our Impact Report.

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 economic development includes socially and environmentally friendly business management, the dissemination and application of environmentally friendly technologies, and the creation of long-term 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. This likewise supports our efforts to provide friendly and competent service for our clients.

2.2 The locations of ProCredit institutions in Germany

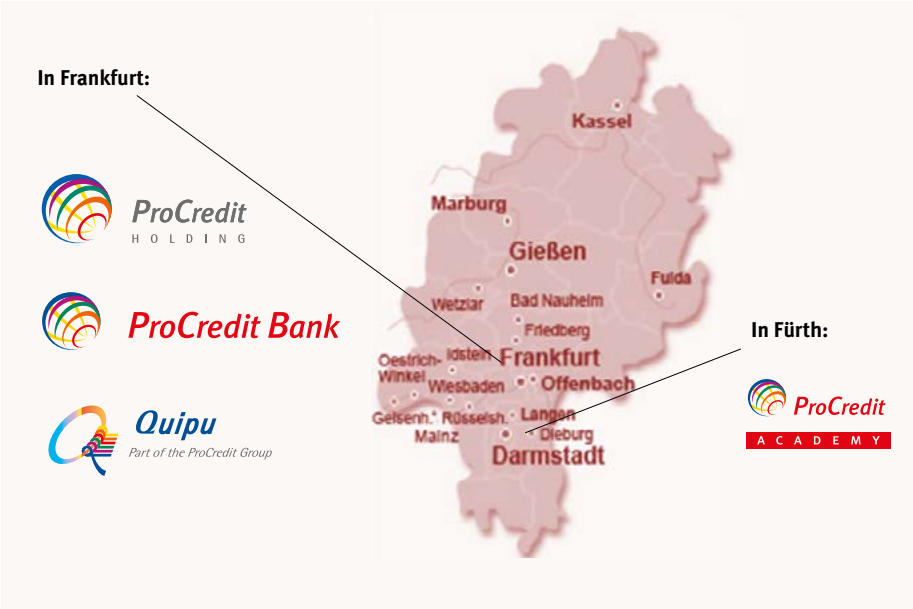


Figure 1: Locations of ProCredit institutions in Hesse, Germany

2.2.1 ProCredit Holding AG & Co. KGaA

ProCredit Holding is the parent company of the group and the superordinated 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 in the group.

ProCredit Holding is strongly involved in the management of the sustainability strategy at group level. Its sets strategies and targets to improve the internal environmental performance, environmental and social assessment of clients and suppliers, and promote sustainable activities through our loans. Also, it is involved in staff management and training issues. It takes the lead, for example, in developing and designing curricula for the ProCredit Academy. Furthermore, it 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 and managers of all ProCredit banks meet to exchange knowledge and further develop the group's EMS.

Location of PCH

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 area[1] 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 the remaining spaces are cooled with individual split air conditioning units. The main server is outsourced to an external computer centre in Frankfurt.

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

Since 2021 the company has leased three electric cars for business-related travel, but also for a car-sharing programme with employees for personal use. The electricity comes from a renewable energy provider.

2.2.2 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 and provides financial services in Germany, but also supports German companies operating in ProCredit countries.

ProCredit Bank Germany helps these German clients in their efforts to develop business relationships in countries where the group is active. 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 North Macedonia, our bank in Germany provides access to cost-effective co-financing, international payments and trade finance instruments.

The bank provides specific benefits to the other banks in the group, such as favourable conditions on international payments and funds for SME lending, as well as treasury services. In the process, it helps the entire group to offer a broad range of innovative banking services.

The bank applies all relevant group-wide standards on environment-related issues and, since the beginning of 2019, is a climate-neutral enterprise.

Location of ProCredit Bank Germany
ProCredit Bank Germany is located in the same building as ProCredit Holding in Frankfurt. Therefore, its energy supply and handling of the computer centre are as described above. ProCredit Bank Germany's office space of 1,421 m^2 is spread over two floors. The bank does not have its own company car.

2.2.3 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.

In view of the demands that we place on our managers and specialists in serving SME clients, great importance is attached to appropriate training. This is provided in particular through our two-stage programme at the ProCredit Academy in Fürth (Odenwald).

The first phase at the Academy consists of a one-year part-time programme, the ProCredit Banker Academy. This programme is open to all interested employees and aims to bring together competent specialists and potential managers for the active exchange of views and questions about ProCredit's vision and business strategy. Graduation from the Banker Academy is also a prerequisite for admission to the ProCredit Management Academy. The most promising candidates are invited to complete the three-year Management Academy course.

The groups in both academy programmes comprise participants from all ProCredit institutions, offering the unique opportunity to learn intensively together with colleagues from other cultures and to discuss a variety of topics, including environmental issues such as climate change, water and waste management and environmental management.

The ProCredit Academy campus also houses the ProCredit Language Centre, a specialised school for English-language coursework. The language school offers courses lasting several weeks, with overnight accommodation and meals. The focus of language teaching is on preparation for participation in the ProCredit Academy programmes. In addition to conventional language teaching, participants acquire social skills in the areas of presentation, negotiation techniques and written communication. The teaching content promotes active language acquisition. The ProCredit Language Centre's courses are open to all ProCredit employees worldwide, regardless of their position or background.

Location of PCA
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. The modern buildings are now heated in a climate-friendly way with wood pellet boilers and electricity is generated by solar panels on the roofs. The total heated area amounts to 5,184 m². Four vehicles are owned by the Academy for logistical purposes. The Academy manages the training courses as well as the accommodation and catering for students and other visitors.

At the beginning of 2018, a PV system was installed at the guest house to provide solar electricity. In winter 2018/2019, an indoor swimming pool was built to be CO_2 neutral by means of a PV system with battery storage, pellet heating and gas from renewable sources. The indoor swimming pool is available to surrounding schools for swimming lessons as well as for the students and staff of the Academy.

2.2.4 Quipu GmbH

Quipu is an IT consultancy and software development company which provides comprehensive end-to-end solutions for banks and financial institutions.

Its product portfolio ranges from electronic payment and software systems to hybrid cloud provisioning and operation. The company is a 100% subsidiary of ProCredit Holding.

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 staff in Frankfurt and other regions through training, informative newsletters and other activities in order to raise awareness about environmentally sound behaviour.

Location of Quipu GmbH

In 2015 Quipu's head office was moved to new rented premises in the Bockenheim district of Frankfurt. The modern and energy-efficient building reduces the environmental impact of the company, with heating (gas) and cooling provided centrally. The new building is shared with other companies; since mid-2018 Quipu has occupied parts of the ground floor and the entire first floor, for a total of 2,258 m^2. Quipu owns three company vehicles. Since 2019 the fleet has included an electric car with low CO_2 emissions. The company's main servers are located in an external data centre in Frankfurt. In addition to its headquarters in Frankfurt, Quipu operates eight regional offices around the world, enabling the company to address client needs promptly.

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. 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:

- Identify the environmental aspects and impacts of our business activity
- Develop and implement measures to mitigate negative environmental impact
- Use resources as efficiently as possible
- Ensure compliance with relevant environmental and social legislation and international standards
- Raise awareness regarding environmental and social issues among our staff
- Minimise the negative environmental and social impact of our lending operations
- Encourage our clients to invest in an environmentally sound manner
- Seek to work with suppliers who conduct their business in line our environmental and social standards
- Engage in communication to positively influence the environmental and social impact of our suppliers' products and/or operations

The Management and all staff of the ProCredit institutions are obliged to comply with the regulations of the Environmental Management System. For more details see our Group Environmental Management Policy.

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 key milestones of the historical development of the ProCredit institutions located in Germany.

2006 – 2016

In this period, PCA in Fürth (Odenwald) was established, renovated and modernised through the use and installation of sustainable equipment and measures.

Through the cooperation between IPC GmbH and PCH, a comprehensive EMS was developed for the ProCredit group. This system was adjusted in 2015, in accordance with EMAS regulations, for the ProCredit group locations in Germany.

For a more detailed list of our milestones in this period, please refer to the 2016 Environmental Statement.[3]

Figure 2: The ProCredit group's three-pillar approach to environmental management

2017

Starting in 2017, we encouraged all ProCredit group institutions to invest in PV systems within their properties, where technically feasible. Other renewable energy sources are also used, such as solar and geothermal energy, or the Academy's pellet heating system.

2018

To further communicate the ProCredit group's environmental and sustainability efforts, the first Impact Report based on GRI Standards was published in March.

PCA installed another PV system on the guest house to produce electricity for their own use and thus increase the share of self-produced renewable energy.

All banks in the group now have ISO 14001:2015 certification and thus an EMS that is in accordance with international standards.

PCA completed its indoor swimming pool, including a further PV system featuring battery storage, which contributes to the Academy's self-sufficiency. In addition, heating of the language school and indoor swimming pool is produced from 100% renewable sources. The indoor swimming pool is available for the students and staff of the Academy as well as for the surrounding schools to hold swimming lessons.

Wild meadows were also created at the Academy in order to positively influence the biological diversity of the surrounding area. In total, the undisturbed areas of PCA amount to almost 2,600 m^2.

2019

To reduce electricity consumption, PCH, PCB Germany and Quipu replaced all printers with more energy-efficient models and removed all small printers.

Quipu purchased its first electric car.

PCA changed to pellet stoves to produce its own heating energy. Digital signatures were introduced and training materials were digitalised throughout the group to reduce paper consumption.

The first green bond was created to promote green loans and investments.

2020

PCH implemented a programme to donate usable electronic equipment to Labdoo, an NGO that provides laptop to kids at schools with limited economic resources. Furthermore, it signed an agreement with JobRad to lease company bikes at very advantageous conditions for staff.

The Plastic Strategy was introduced at group level, with the aim of reducing the production and use of plastic through our lending activities.

A sustainable supplier's guideline was developed to be used at group level in the procurement process.

PCA began sourcing food from local suppliers. Furthermore, the share of sustainable suppliers was assessed and published at group level.

Quarterly internal communication on green financial activities was introduced at group level.

2021

PCH leased three e-cars that also are available for employees to lease outside of working hours.

PCH published its first report on GHG emissions associated with the loan portfolio.

Green deposits were launched.

A network of electric vehicle charging stations was installed at our Eastern European banks.

5 ProCredit's approach to environmental management

Promoting environmental awareness and protection, and helping to mitigate climate change, has always been a matter of concern for the ProCredit group and is a critical part of our business model – not only in connection with business operations, but also in our day-to-day work. Ensuring that economic development is environmentally and socially sustainable is a central component of the group's development mission.

We set high standards regarding the environmental and social impact of our operations and we make continuous efforts to increase the awareness of our staff, clients, counterparties, and the general public regarding environmental and social issues. We achieve this through the implementation of a comprehensive and sustainable environmental management system (EMS) aimed at improving the environmental and social impact of our 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 financial institutions 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.

Pillar 1: Internal environmental management

The goal of this pillar is to improve the institutions' internal environmental performance. This is achieved by means of the following measures:

- Implementing in-house energy and resource efficiency measures, both technical and behavioural
- Defining objectives to reduce greenhouse gas (GHG) emissions deriving from the institution's own operations
- Raising the level of environmental awareness and knowledge among staff
- Implementing communication measures to provide staff with relevant environmental information
- Complying with local environmental standards and regulations
- Assessing the sustainability of a supplier's business practices, in addition to actively engaging in conversation to increase their awareness and improve their environmental and social impact; seeking to work with suppliers who operate in line with the environmental and social standards set by the ProCredit institutions

The implementation of these activities in all departments and procedures within the ProCredit institutions is crucial. These measures are accompanied by ongoing monitoring and are subject to continuous improvement.

At least one employee in every institution should be assigned responsibility for Pillar 1 by the Environmental Committee.

Pillar 2: Management of environmental and social risk in lending
The goal of this Pillar is to reduce the ProCredit banks' negative indirect environmental and social impacts caused by their lending and investment activities, while increasing their positive impact. This also helps to reduce reputational risk as well as credit risk, as an environmental and social risk may become a financial risk for the client and thus for the bank.

The following measures are part of managing environmental risk in lending:

- Applying an exclusion list of activities (part of our Code of Conduct) for which we neither engage in any business relationship nor provide financing
- Assessing and monitoring the environmental and social performance of all business clients based on their activities
- Incentivising the improvement of environmental and social performance and disseminating the application of good environmental and social practices among clients, rejecting business relationships and/or the financing of clients engaged in activities that are environmentally or
- socially harmful

The Group Standards for Managing the Environmental and Social Impact of Lending establish the details, scope, responsibilities, and organisational aspects related to the assessment of the environmental and social impact of lending.

This pillar does not apply to PCA and Quipu, as they do not carry out financing operations/activities.

At all ProCredit banks and at PCH, at least two employees should be assigned responsibility for Pillar 2 by the Environmental Committee.

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 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 3: Green finance/green loans
The goal of Pillar 3 is to improve the ProCredit banks' indirect environmental performance by designing and offering special (green or environmental) credit services for investments in energy efficiency, renewable energies, and other environmentally friendly measures. By financing such investments, the banks support environmentally friendly and energy-efficient businesses and households.

The design of these credit services takes into account the circumstances within the banks' local markets, and the approval process takes into consideration the technical aspects supporting the investment. Loans

disbursed for this purpose are classified as green loans in the bank's core system, allowing for the simple identification of these loans in the various systems used and in the reports generated.

A detailed description of green loans is available in the Group Guidelines for Green Finance. These guidelines establish the basic criteria for green investments, the responsibilities for green lending activities, and the organisational aspects related to the processing of green loans.

This pillar does not apply to PCA and Quipu, as they do not carry out financing operations/activities.

At all ProCredit banks and at PCH, at least one employee should be assigned responsibility for Pillar 3 by the Environmental Committee.

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 investment projects 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 group level

The ProCredit institutions are responsible for the establishment of their own environmental policies and environmental management systems in line with the Group Environmental Management Policy. It is the responsibility of each institution to identify, evaluate, manage, monitor and report on its environmental impact. The management board of each institution has the active role of ensuring the effectiveness of the established environmental management system across all departments of the institution, its communication with internal and external parties, and the promotion of continuous improvement.

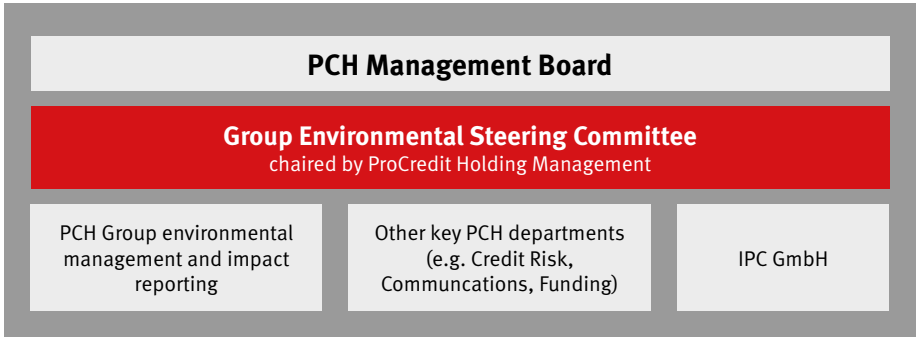


Figure 3: EMS structure at group level

All ProCredit institutions must further develop and monitor procedures, processes and instructions for the corresponding operational units, which support the implementation of the institution's policy in line with the Group Environmental Management Policy and the group standards and guidelines developed. They must also ensure full compliance with the set objectives at all levels. This includes, but is not limited to, specific tasks and responsibilities for staff positions, the terms of reference for

the environmental committees, and guidelines for the assignment of decision-making authorities, which reflect the respective organisational structures.

The general minimum responsibilities for the environmental management system at ProCredit institutions are defined according to group level, bank level, and non-banking institutions.

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 the Group Environmental Steering Committee, which meets at least quarterly and is chaired by a member of the PCH Management Board. The committee is made up of voting members comprising representatives of the Management Board and of the Group Environmental Management team; non-voting members include the heads of Group Communications, Group Funding, Group HR/IT, and Administration, and IPC GmbH.

Group Environmental Management (GEM), which is an organisational unit at ProCredit Holding, supports the ProCredit group approach to environmental management in all its dimensions. Therefore, 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 should aim 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 Management Policy 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 section 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 1 (internal environmental management).

ProCredit Bank Germany follows the group-wide standard procedure when assessing the environmental and social risks in lending (Pillar 2) and green lending (Pillar 3).

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 4). 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. On this basis, annual environmental planning serves to define the environmental programme. The formulated environmental goals comprise the appropriate measures and responsibilities for their implementation. 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 register of environmental laws and updated as necessary. 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 and Impact Report as well as through information provided on the company website. The EMS of the four institutions is regularly scrutinised by the Audit Departments 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 put in place.

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 on environmental management has a high level of importance. Thus, regular trainings 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 4: Elements of the EMS at ProCredit locations in Germany

6 Update of the EMAS Regulation

The annexes to the EMAS Regulation were updated after resolutions of the EU Commission dated 8 August 2017 and 12 December 2018 and now include the provisions of the amendment to ISO 14001:2015. The updated EMAS Regulations (EU Regulation 2017/1505 and EU Regulation 2018/2026) entered into force on 19 September 2017 and 9 January 2019. The implementation of EU Regulation 2017/1505 was already taken into consideration in the Environmental Statement in 2017. We have therefore undertaken a review of the context of our EMS as well as a life cycle analysis of the ProCredit institutions' most important services and products; these will be presented in this Environmental Statement, with the results of the analysis explained in greater detail in section 7. The implementation of EU Regulation 2018/2026 has been fulfilled with this Environmental Statement.

6.1 Context of the Environmental Management System

The context of the EMS was examined by means of a stakeholder analysis. We analysed the expectations, obligations, risks, opportunities and internal regulations relevant to parties that have an interest in the EMS, such as employees, customers and shareholders, as well as the relevant authorities. This analysis is intended to provide our institutions with ways to improve their relationships with stakeholders, taking greater account of their requirements by looking at cultural, social and political aspects, as well as their respective strategic objectives.

However, as ProCredit has successfully operated an environmental management system for many years with transparent reporting lines, we were unable to identify any significant opportunities to better accommodate the interests and expectations of our stakeholders. The expectation that the ProCredit group prepare a sustainability report was fulfilled with the publication of the Impact Report 2018 (covering calendar year 2017) and this has been repeated according to GRI standards since 2019. The last stakeholder analysis was undertaken in 2020, which will be updated in 2022.

6.2 Life cycle assessment

In 2017, in order to meet the EMAS requirements (EU Regulation 2017/1505), we conducted the first complete lifecycle assessment of our main services, such as the provision of loans (PCB), IT services (Quipu) and overnight accommodation/catering (PCA). In 2020, the lifecycle for the granting of loans was updated, including capital investment and debt financing services from PCH to PCBs, and funds from IFIs to PCBs. The environmental aspects and impacts along the various stages in the provision of the services were identified, and the relevance, risks, opportunities and control options for these were analysed in order to determine any potential for improvement. Taking a renewed look at the opportunities and risks helps the institutions to identify long-term trends – such as climate risks or innovation potential – and to ascertain what the scope for action is while avoiding any undesirable developments. Figure 5 at the end of this section presents analyses for two examples: granting of loans and catering for Academy guests.

As a whole, it was determined that our current environmental management guidelines enable us to control the resulting environmental impacts well. The results of the life cycle analyses have been applied in the formulation of goals and measures in the past years and will continue to be pursued in the future.

6.3 Significant environmental requirements and their implementation

The ProCredit locations in Germany are subject to various legal requirements. The following are the most relevant environmental regulations:

- German Regulation on Hazardous Substances - Regulation on Protection against Hazardous Substances (GefStoffV)

This regulation describes the requirements for risk assessment, basic obligations and protective measures depending on the hazard. The aim of the regulation is to protect people and the environment from the effects of harmful substances.

- German Regulation on Facilities for Handling Substances that are Hazardous to Water (AwSV)

This regulation serves to protect bodies of water against hazardous substances. Each substance is classified according to its hazard potential and, on that basis, requirements are laid down for facilities and handling.

- EU Regulation 517/2014 of the European Parliament and of the Council of 16 April 2014 on fluorinated greenhouse gases and repealing EC Regulation 842/2006 (EU F Gas Regulation)

This Regulation sets out bans, restrictions and maintenance requirements relating to fluorinated greenhouse gases (F-gases) in the EU. The aim is to reduce emissions in order to meet the obligations of the Montreal Protocol.

- German Regulation on the Management of Commercial Municipal Waste and of Certain Construction and Demolition Waste (GewAbfV)

In order to ensure that waste is recycled in the best possible way, GewAbfV regulates the separation of waste from commercial enterprises. Waste is separated according to paper, glass, plastics, metal, organic waste, wood and textiles.

- First regulation for the implementation of the German Federal Emissions Control Act - Regulation on Small and Medium Combustion Plants (1. BImSchV)

In order to reduce air pollution, this document regulates the operation of combustion plants, which are not subject to approval according to section 4 BImSchG. In addition, efficient use of energy is also being sought.

- German Chimney and Flue Cleaning and Inspection Regulation (KÜO)

The KÜO governs fire protection and safety for operators of gas, oil and solid fuel combustion plants. It regulates maintenance needs and requirements for installations and heating safety inspectors (*Bezirksschornsteinfeger*).

The provisions of 1 BImSchV, KÜO and AwSV are only relevant for ProCredit Academy. For the other locations, this responsibility lies with the building owner and we simply monitor implementation.

The regulations are implemented as follows:

GefStoffV: The existing substances are recorded in a hazardous substance register with a risk assessment showing the degree of hazard they pose. Protective equipment (e.g. safety goggles) is provided for handling the substances. The substances are stored in a safe environment and disposed of by suitable service providers.

AwSV: The underground oil-fired boiler at PCA is regularly inspected by an expert. The relevant records, certificates and reports are retained. If defects are found during the inspection, they will be rectified by competent service providers in a verifiable and timely manner.

EU F Gas Regulation: Refrigeration systems are subject to regular leakage tests by suitable service providers. PCA retains reports of these tests and complies with testing intervals. At the other locations, this responsibility lies with the respective building owner, but implementation is also monitored by the institutions.

GewAbfV: Waste is collected at all locations and separated into paper, glass, organic waste, plastics and, if necessary, wood, metal and textiles. For PCA, the disposal company certificates are also documented. For the other locations, the responsibility lies with the respective building owner.

1. BImSchV and KÜO: At PCA, the existing (oil) combustion installations are tested and maintained in accordance with the statutory provisions. The relevant documentation on heating system inspections and maintenance is retained in order to ensure compliance with threshold values, maintenance intervals, etc.

Compliance with the legal requirements at all institutions is managed within the framework of the legal register, which is an essential component of our environmental management system.

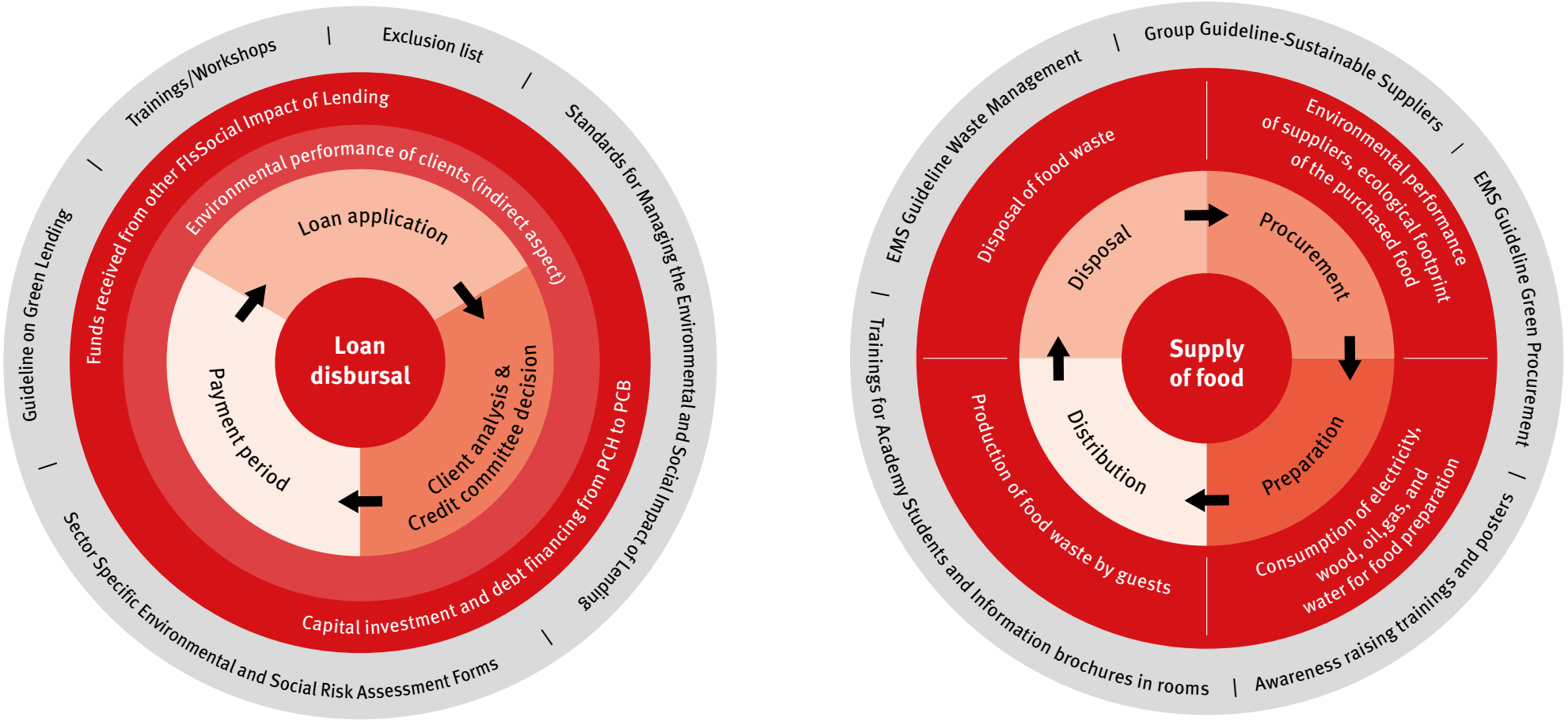


Figure 5: Lifecycle analyses: Catering for guests at PCA and granting of loans by ProCredit Bank Germany

7 Current status of environmental aspects and impacts

The Environmental Coordinators of each EMAS-certified institution and the persons responsible for the EMAS environmental management system continued to monitor the activity-related environmental aspects of ProCredit on an annual basis.

Environmental aspects are elements or characteristics of the business activities of an organisation that can have an impact on the environment.

These aspects are categorised as direct and indirect. Direct environmental aspects are those associated with the activities, products and services of the organisation over which it has direct control. Paper consumption and waste production or emissions, for example, can be considered as direct aspects, as they are a direct result of the activities carried out on ProCredit premises and can therefore be controlled to a certain extent.

Indirect environmental aspects may arise from an organisation's interaction with third parties, over which it has reasonable influence, such as the environmental performance of contractors, procurement of office supplies or food, etc. The environmental performance of the ProCredit banks is an indirect aspect for ProCredit Holding, as is the environmental performance of its clients for ProCredit Bank Germany.

These environmental aspects are described in the following sections and subsections.

In order to determine which direct and indirect environmental aspects are of greater or lesser significance for the ProCredit institutions, they are evaluated according to internally developed criteria:

Environmental impact (relevance)	Degree of control (controllability)
High = very significant environmental impact with above average need for action **Medium =** significant environmental impact with average need for action **Low =** less significant environmental impact with little need for action	**High =** great potential for either technical or behavioural influence/control **Medium =** average potential for either technical or behavioural influence/control **Low =** little potential for either technical or behavioural influence/control

Table 1: Evaluation criteria for environmental aspects

The above-mentioned elements – relevance and controllability – are brought together in a matrix. Both direct and indirect aspects must have at least medium relevance and medium controllability in order to be classified as significant for an institution.

The assignment of a significance level is important, as it gives higher priority to improvement actions for significant environmental aspects when there is a higher degree of controllability over the potential environmental impacts.

To extend the analysis, various environmental indicators are compared with German and European averages and, in the case of the ProCredit Academy, with the EMAS 2016 benchmarks for the tourism sector. These comparisons are only intended to provide a general understanding of the success of the environmental management systems of the different institutions; the indicators used for comparison should therefore not be seen as rigid targets, as our aim is to continuously improve environmental performance wherever possible.

7.1 Direct aspects

This subsection describes the most important direct environmental aspects for the ProCredit institutions in Germany. The relevance of the direct environmental aspects was determined by each institution as part of its environmental audit. Of course, the degree of environmental relevance and control of each aspect varies from institution to institution due to their different business models and building types. The weighting of the aspects for each institution in 2021 is the same as in 2020. The consumption of paper, electricity, heating energy and the volume of waste are still important aspects for all institutions, albeit with different weightings for each individual location. For PCA, food consumption is also an important aspect and although in 2021 the consumption of food on site was reduced drastically due to the pandemic, its importance for the institution did not change.

The results of the 2021 evaluation of direct environmental aspects for the institutions are presented in tables 2-5. The red boxes indicate the significant environmental aspects that were identified.

		Relevance		
		Low	**Medium**	**High**
Degree of control	High			
	Medium	• Organic waste • Fuel consumption/ emissions • Packaging waste	• Fresh water consumption • Electricity consumption • Waste paper • Electronic waste • Office supplies consumption • Paper consumption in the office • Heating energy consumption	
	Low	• Land use	• Residual waste • Fugitive emissions • Wastewater	

Table 2: Significance matrix for direct environmental aspects at ProCredit Holding in Germany 2021

Relevance				
		Low	Medium	High
Degree of control	High	• Office supplies consumption • Electronic waste		
	Medium	• Packaging waste • Fugitive emissions	• Energy consumption • Heating energy consumption • Waste paper • Paper consumption	• Water consumption
	Low	• Organic waste • Land use	• Residual waste • Hazardous waste • Wastewater (including wastewater from detergents) • Emissions from energy consumption • Cleaning material consumption	

Table 3: Significance matrix for direct environmental aspects at ProCredit Bank in Germany 2021

Relevance				
		Low	Medium	High
Degree of control	High	• Office supplies consumption • Land use • Electronic waste • Hazardous waste	• Food consumption	
	Medium	• Organic waste • Heating energy consumption • Plastic waste • Emissions from energy consumption • Waste paper	• Water consumption • Residual waste	• Electricity consumption
	Low	• Wastewater generation	• Paper consumption • Fuel consumption • Emissions from own vehicles	• Cleaning material consumption

Table 4: Significance matrix for direct environmental aspects at ProCredit Academy in Germany 2021

		Relevance		
		Low	**Medium**	**High**
Degree of control	High		• Office supplies consumption	
	Medi-um	• Fuel consumption/ emissions • Waste paper • Cleaning material consumption	• Electronic waste • Office paper consumption	
	Low	• Land use • Residual waste	• Power consumption (office and data centre) • Heating energy consumption • Fresh water consumption	

Table 5: Significance matrix for direct environmental aspects at Quipu GmbH in Germany 2021

Quantitative data are not available for all direct aspects and estimates are applied in such cases. The environmental data refer to the full calendar years 2019-2021.

Compared to the last complete environmental statement, data quality has been continuously improved as the majority of sources become measurements instead of estimates.

8 Environmental data

8.1 Complete overview of ProCredit

In 2021, the total number of staff employed by the ProCredit institutions based in Germany increased by 3% from 358 to 3689. This increase was mirrored at each institution (PCH 10%, PCBG 4%, Quipu 6%, PCA 27%).

As for last year, due to the number of staff working from home in 2021, we have also reported the numbers of FTEs who were physically present in the offices during the year. As can be seen, physical presence in offices reduced at all institutions compared to 2020; PCA is the exception, due to the re-opening of the Academy towards the end of the year.

2 Data for employees represent the average number of employees or full-time equivalents for the respective year and refer to all persons working in Germany, including participants in the staff exchange programme but excluding staff on maternity or parental leave. The figures for Quipu only include employees working at its Frankfurt headquarters.

3 Data for employees present in the office is calculated as the monthly average of employees working from the office. The accuracy of the data for each institution depends on the data collection methodology and a high accuracy cannot be guaranteed.

Indicator Employees	Unit	PCH		
		2019	2020	2021
Employees[2]	No	109	122	132
Employees	FTE	103	113	124
Employees[3]	Present in the office	103	60	41
Indicator Employees	**Unit**	**PCBG**		
		2019	**2020**	**2021**
Employees[2]	No	64	65	69
Employees	FTE	57	58	60
Employees[3]	Present in the office	57	32	24
Indicator Employees	**Unit**	**Quipu**		
		2019	**2020**	**2021**
Employees[2]	No	130	141	146
Employees	FTE	121	124	132
Employees[3]	Present in the office	121	38	29
Indicator Employees	**Unit**	**PCA**		
		2019	**2020**	**2021**
Employees[2]	No	30	30	21
Employees	FTE	29	15	19
Employees[3]	Present in the office	29	11	21

Table 6: Number of employees

In contrast to the reduction in office-based employee numbers, energy consumption at PCH and PCBG actually increased, mainly for heating. Similarly, due to the re-opening of PCA, electricity, heating and vehicle fuel consumption all increased. In sum, this led to an 14% increase in total energy consumption. However, the total relative energy consumption of our buildings (electricity and heating) per m² is 132 kWh/(m²a), which lies above the EMAS benchmark for offices (Reference value EU 2019/61) of 100 kWh/(m²a). More details on these developments can be found the following sections.

Energy[4]					
Indicator	**Unit**	**2019**	**2020**	**2021**	**Difference 2020/2021**
Total energy consumption	kWh	1,854,790	1,351,029	1,534,503	+14%
Relative energy consumption	kWh/FTE	5,983	4,358	4,581	+5%
Relative energy consumption	kWh/office presence	5,983	9,505	13,353	+4%
Electricity	kWh	605,479	471,457	523,627	+11%
Heating energy	kWh	1,166,730	828,290	961,374	+16%
Heating energy (weather-adjusted)	kWh	1,386,336	1,046,174	1,055,148	+1%
Fuel	kWh	70,591	48,283	44,238	-8%

Table 7: Total energy consumption

4 The energy consumption figures for 2019 and 2020 differ slightly from those published in the EMAS 2020 statement as a result of small adjustments made during the year.

The total amount of fresh water consumed by the institutions decreased by 3% compared to 2020. However, relative water consumption based on the number of FTEs in the office, excluding the academy, increased to 14 m³/(FTE a), which exceeds the EMAS benchmark for water of 6.4 m³/(FTE a). This increase may be owing to the hygiene measures in place related to COVID-19 but may also be connected to the methodology used to measure consumption. This will be reviewed in 2022. More details regarding these figures can be found in Section 8.2.5.

Water consumption					
Indicator	**Unit**	**2019**	**2020**	**2021**	**Difference 2020/2021**
Total water consumption	m^3	8,921	5,703	5,549	-3%
Relative water consumption	m^3/FTE	29	18.4	16.6	-10%
Relative water consumption	m^3/Office presence	29	40	48.3	+20%

Table 8: Total water consumption

When comparing all institutions, the general figures are similar to last year, albeit with a slight increase, which is mainly due to the increase in the number of employees physically working in the office. However, the relative volume of household waste (226 kg/(office presence a)) is in accordance with the EMAS benchmark for offices (200 kg/(FTE a)). It is important to mention that there was a significant

increase in the amount of e-waste recycled, as only laptops were donated this year, unlike last year when CPUs and monitors were donated by PCH. See Section 3.2.7 for more details.

Waste generation					
Indicator	**Unit**	**2019**	**2020**	**2021**	**Difference 2020/2021**
Total household waste volume[5]	kg	77,710	34,735	14,607	-58%
Relative household waste volume	kg/FTE	251	112	44	-61%
Relative household waste volume	kg/Office presence	251	244	127	-48%
Total E-waste volume	kg	990	876	1499	+71%

Table 9: Total waste generation

Paper consumption increased slightly, mainly driven by legal requirements which require that contracts be kept in paper form. Nevertheless, relative paper consumption of 12 kg/(office presence a) is lower than the EMAS benchmark for offices (2019) of 18.5 kg/(FTE a). All institutions aim to steadily reduce paper consumption and to use recycled paper wherever possible. The information on individual institutions can be found in Section 8.2.6.

Paper consumption					
Indicator	**Unit**	**2019**	**2020**	**2021**	**Difference 2020/2021**
Total paper consumption	kg	2,593	1,265	1,378	+9%
Relative paper consumption	kg/FTE	8.4	4.1	4.1	+1%
Relative paper consumption	kg/Office presence	8.4	8.9	120	+35%

Table 10: Total paper consumption

5 The total household waste comprises non-separated waste, plastic waste, paper waste and organic waste. The values shown from 2020 vary from the ones published last year due to revisions during the year.

8.2 Environmental data for the institutions

8.2.1 Energy consumption

Energy consumption comprises figures for electricity, heating energy, company vehicle fuel consumption as well as the energy required for cooking. The impact of the pandemic can be clearly seen in the fuel consumption figures for all institutions since 2020. However, having fewer employees physically present in the offices had a negative impact on heating use at PCBG and PCH, resulting in a relative increase in consumption. Although most staff were working from home during the winter months, the heating still needed to be on for those employees working on company premises. Added to this, there was more demand for heating due to the colder than usual weather. The absence of the employees in the larger offices meant that more heating energy was required to reach the optimum temperature and there were no energy savings. At PCH, a number of measures have been taken since 2020 to reduce heating energy consumption. In previous years, some heating use was even recorded during the summer months; to counter this, PCH turned off the heating completely during July, August and September.

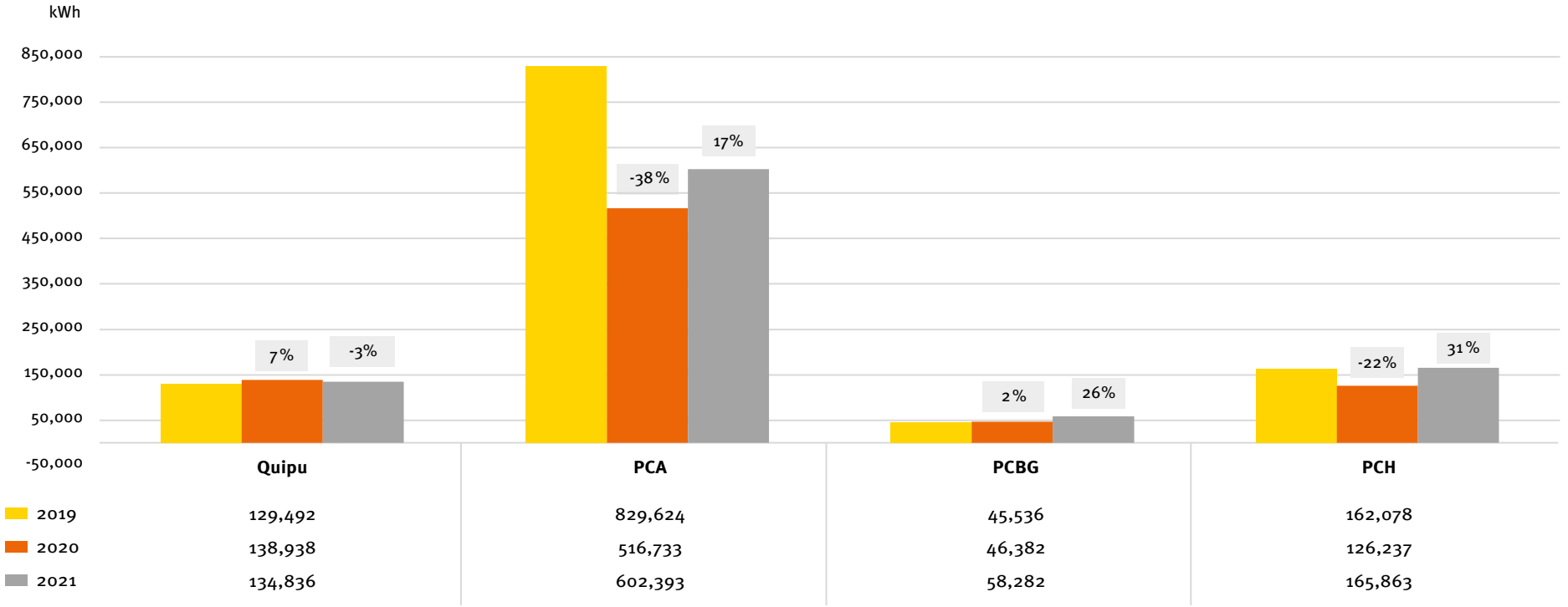
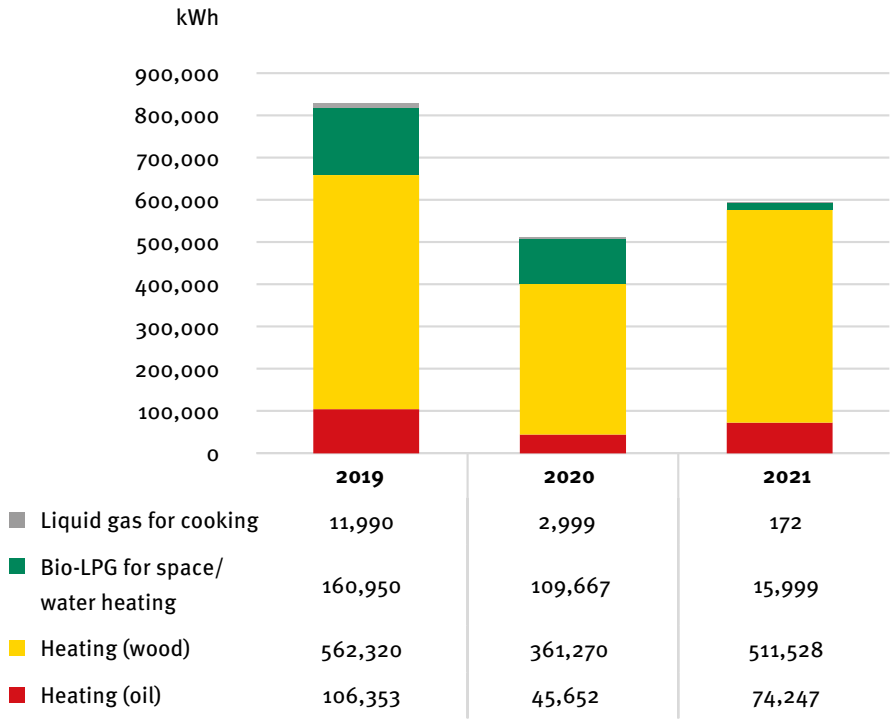


Figure 6: Heating Consumption

As PCA was open again, the energy consumption for cooking showed a significant 75% increase. PCA is currently considering a switch to BioLPG for cooking, but this has been postponed due to the pandemic. Figure 7 shows the energy sources used by PCA. It should also be taken into consideration that the energy consumption in employees' private households probably rose, although various studies suggest that the increase is not as high as might have been expected[6]. However, this in addition to the increase in office heating consumption, means that the overall impact of COVID-19 is rather negative in terms of heating consumption for 2020 and 2021.



	2019	2020	2021
Liquid gas for cooking	11,990	2,999	172
Bio-LPG for space/ water heating	160,950	109,667	15,999
Heating (wood)	562,320	361,270	511,528
Heating (oil)	106,353	45,652	74,247

Figure 7: Energy consumption for heating and cooking at PCA

6 Coronavirus: Domestic electricity use up during day as nation works from home - BBC News, Stromrechnung: Mehr Stromverbrauch durch Corona und Home-Office? (lekker.de), Chhetri, Roshan. (2020). Effects of COVID-19 Pandemic on Household Energy Consumption at College of Science and Technology.

In terms of electricity use, Quipu and PCH showed a slight decrease – likely due to fewer employees being present in the offices; PCBG's consumption, however, increased by 2%. This increase can be attributed to the strict COVID measures, where only one person was allowed to work in each office, which increased the heating demand per office and person, and consequently the electricity consumption of the pumps for heating.

PCA recorded a substantial increase of 47%, mainly driven by the Academy reopening.

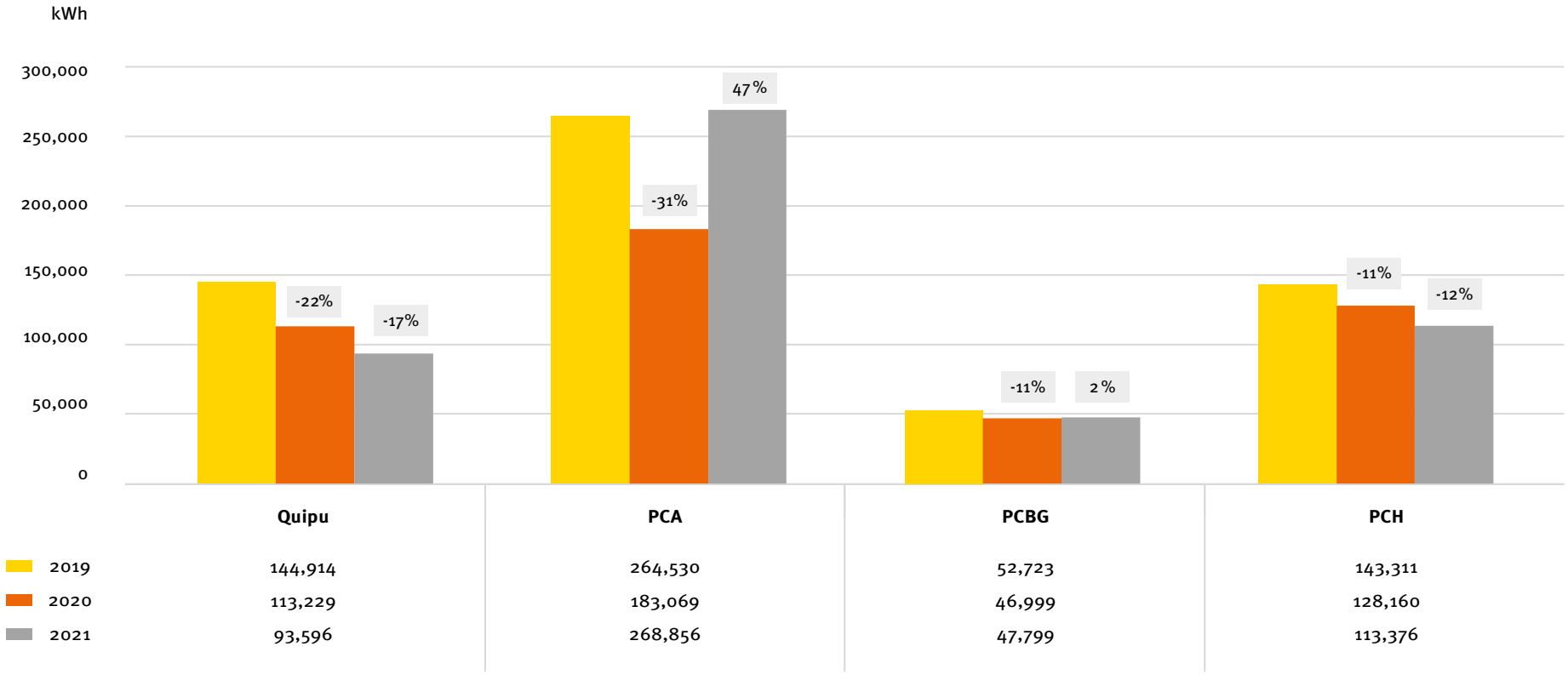


Figure 8: Electricity Consumption

Despite fewer PCH and Quipu employees being in the office, there was an increase in energy consumption from vehicle use, mainly due to the resumption of some commercial activities despite the pandemic. However, an additional positive impact of working from home is the reduction in CO_2 emissions from not needing to commute to the office. Moreover, PCB Germany, Quipu and PCH now have an agreement with JobRad to lease company bikes at very advantageous conditions for staff. All three institutions cover the insurance costs and PCH also covers the cost for the annual service to make the deal even more attractive for employees. They also offer RMV Job Tickets to all employees with the aim of increasing the use of public transportation instead of private cars. In its annual environmental plan, the group is planning to conduct a survey of employees' commuting habits to record the associated emissions, as well, as to assess the impact of current programme and to develop strategies to continue reducing these emissions.

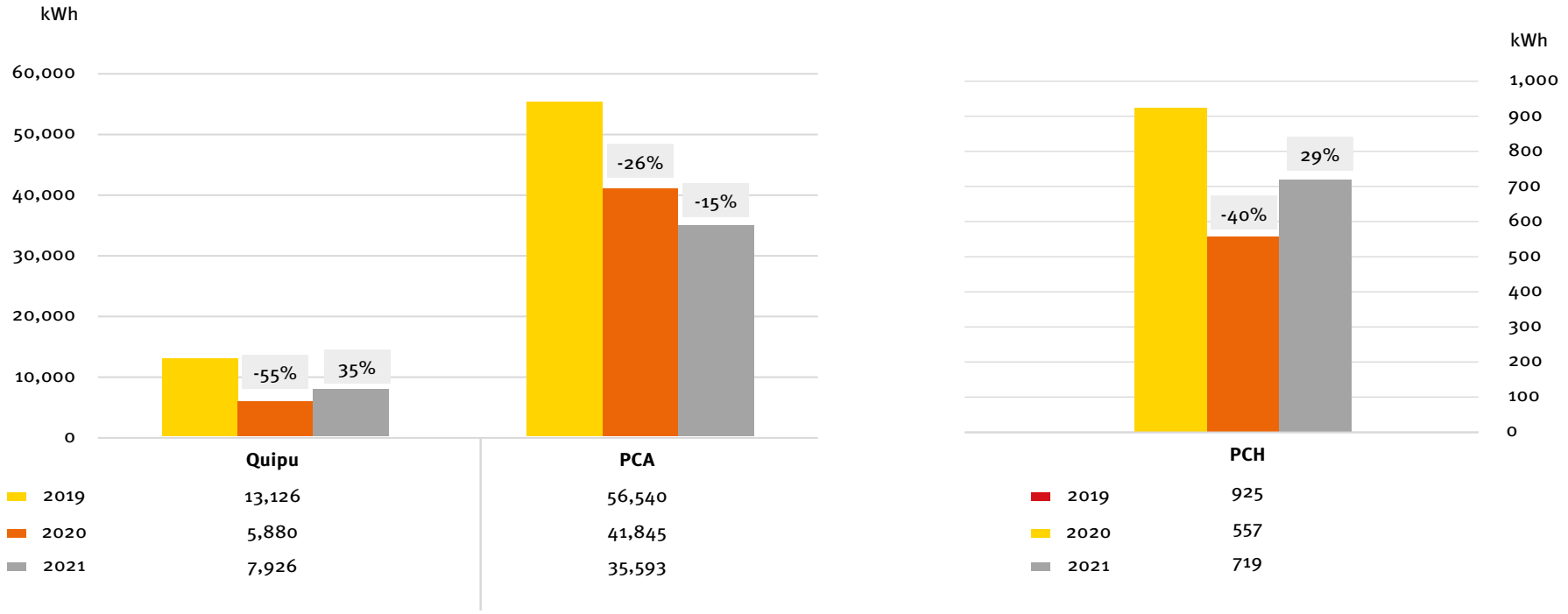


Figure 9: Fuel consumption of vehicles

8.2.2 Renewable energy generation

The installed capacity of PV panels at PCA was unchanged, however electricity production was down 15% due a malfunction in the PV system during August and September. Heating energy generation increased by 41% after the reopening of the Academy.

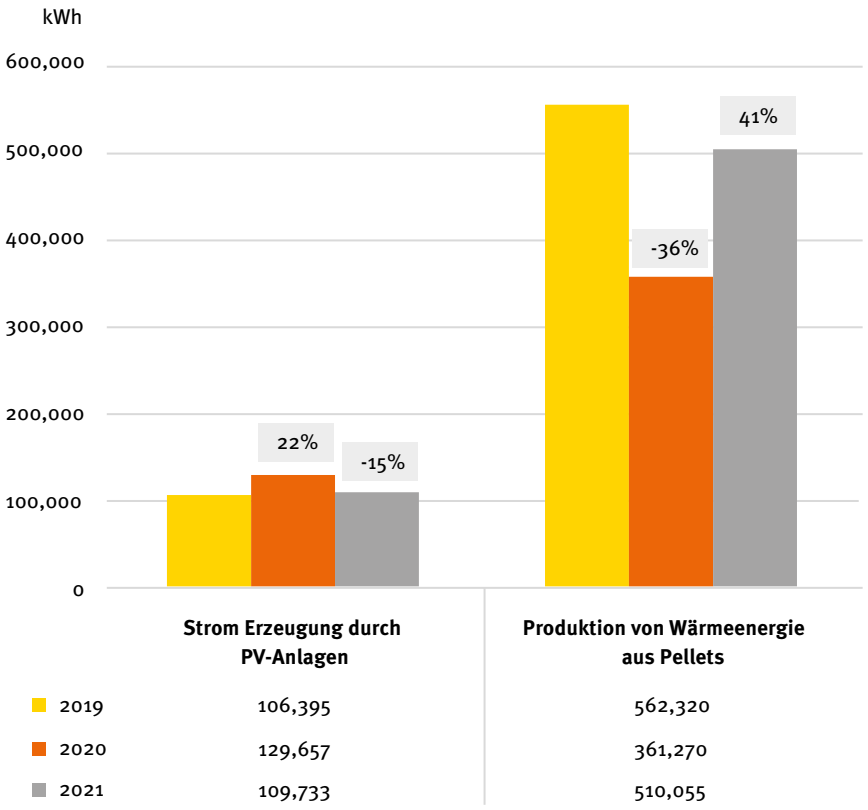


Figure 10: Energy production at PCA

8.2.3 Emissions

In line with GHG Protocol standards and guidelines, our GHG emissions[7] are reported under the following three scopes.

- Scope 1 comprises emissions from stationary combustion to produce energy for heating and cooking, emissions from the use of fossil fuel powered company cars as well as fugitive emissions from air conditioning and refrigeration systems. Scope 1 also covers other emissions such as NO_x, SO_x and PM_{10}[8] as required by EMAS regulations (EU commission regulation EU 2018/2026).
- Scope 2 comprises emissions from purchased electricity. In our case there are no direct emissions from the electricity consumption, as electricity is either generated by PCA's own photovoltaic systems or has been purchased by all institutions from certified renewable electricity suppliers since 2016.
- Scope 3 comprises emissions resulting from business air travel. These are represented as CO_2eq and are estimated via atmosfair GmbH's web-based calculator.

7 Total GHG emissions include CO_2, CH_4, N_2O, HCFCs, HFC, PFC, NF_3 and SF_6 and based on International Energy Agency (2021), Emission Factors and the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories apart from BioLPG and Wood pellets. CO_2 emissions from wood pellets are not included in our gross emission calculation (we consider non-CO_2 emissions only, using a factor of 0.3g CO_2eq/MJ for the combustion of wood pellets according to the Renewable Energy Directive (RED II), Directive (EU) 2018/2001). The emission factor for Bio LPG is 0.0603kg CO_2eq and is based on the World LPG Association (WLPGA) report "Role of LPG and BioLPG in Europe" (2019).

8 The other air emissions are based on the emissions factors from the GEMIS 4.95 Database. For BioLPG, the emission factors for LPG are used due to the lack of separate data for BioLPG.

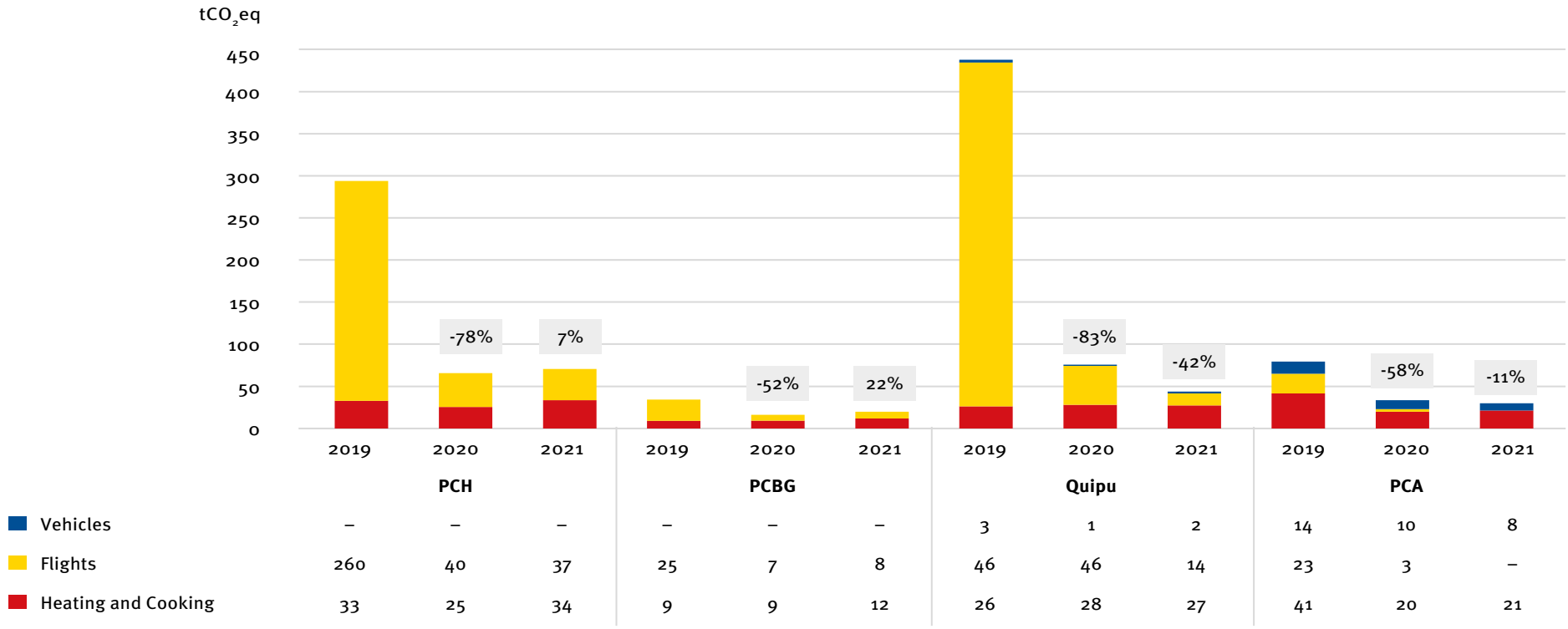


Figure 11: CO_2eq emissions by source for all institutions

8.2.3.1 Scope 1 emissions

At PCH, PCBG and Quipu, natural gas is the source of heating energy. PCA's main source of heating is a wood pellet boiler, which is ignited by an auxiliary that requires a minimal amount of fuel oil. Some BioLPG is also used as a top-up for the swimming pool heating system.

Emissions are correlated with the heating energy consumption. Therefore, a slight increase was observed at PCH, PCA and PCBG while there was a decrease at Quipu. Nevertheless, PCH is looking for alternatives to replace natural gas with carbon neutral gas from organic sources and the owner of the building is also willing to make this change in the interests of sustainability. However, success is highly dependent on the other tenants in the building, and their willingness to pay the additional costs to obtain gas from renewable sources.

Indicator Total heating emissions[9]	Unit	PCH		
		2019	2020	2021
CO_2eq	tCO_2eq	32.7	25.5	33.5
NO_x	$kgNO_x$	30.1	23.5	30.9
SO_x	$kgSO_x$	1.9	1.5	2.0
PM_{10}	$kgPM_{10}$	1.1	0.9	1.2
Indicator Total heating emissions[9]	**Unit**	**PCBG**		
		2019	**2020**	**2021**
CO_2eq	tCO_2eq	9.2	9.4	11.8
NO_x	$kgNO_x$	8.5	8.6	10.8
SO_x	$kgSO_x$	0.5	0.6	0.7
PM_{10}	$kgPM_{10}$	0.3	0.3	0.4
Indicator Total heating emissions[9]	**Unit**	**Quipu**		
		2019	**2020**	**2021**
CO_2eq	tCO_2eq	26.2	28.1	27.2
NO_x	$kgNO_x$	24.1	25.8	25.1
SO_x	kgSOx	1.6	1.7	1.6
PM_{10}	$kgPM_{10}$	0.9	1.0	0.9
Indicator Total heating emissions[9]	**Unit**	**PCA**		
		2019	**2020**	**2021**
CO_2eq	tCO_2eq	38.7	19.2	21.3
NO_x	$kgNO_x$	242.1	151.9	296.3
SO_x	$kgSO_x$	115.9	68.1	241.9
PM_{10}	$kgPM_{10}$	45.9	29.0	52.3

Table 11: Emissions from heating

Emissions from cooking at PCA have increased due to the reopening of the Academy.

Indicator Total emissions from cooking[10]	Unit	PCA		
		2019	2020	2021
CO_2eq	tCO_2eq	2.7	0.7	0.04
NO_x	$kgNO_x$	1.8	0.5	0.03
SO_x	$kgSO_x$	1.0	0.2	0.01
PM_{10}	$kgPM_{10}$	0.2	0.0	0.0

Table 12: Emissions from cooking

As shown in Table 13, emissions from vehicles only account for a small part of the Scope 1 emissions. Those for PCA decreased in 2021 due to infrequent car use during the first months of the year. All institutions are aiming to reduce their use of fossil fuel powered vehicles and switch to electric vehicles. PCH replaced its privately owned e-vehicle with two leased e-vehicles, which are also available to employees outside of working hours. The aim is to limit the use of fossil fuel powered rental cars for personal needs and encourage employees not to buy a car if they do not already own one. The option to rent an electric car easily at an advantageous price aims to encourage this behaviour.

9 The emissions shown take into account the pellet heating system, the BioLPG used as a backup for the pellet heating system and the diesel fuel oil for the ignition system. There is a slight difference in the CO_2eq emissions in comparison to the data presented in last year's Updated Environmental Statement for 2019 and 2020. This is due to the change in data source to be in line with the data presented in the Impact Report 2021.

10 The difference in comparison to data represented in the last years Updated Environmental Statement stems from the mistakenly reported cooking gas as BioLPG. PCA uses LPG for cooking purposes and not BioLPG.

Indicator Emissions from vehicles	Unit	PCH		
		2019	2020	2021
CO_2eq	tCO_2eq	–	–	–
NO_x	$kgNO_x$	–	–	–
SO_x	$kgSO_x$	–	–	–
PM_{10}	$kgPM_{10}$	–	–	–
Indicator Emissions from vehicles	**Unit**	**PCBG**		
		2019	**2020**	**2021**
CO_2eq	tCO_2eq	–	–	–
NO_x	$kgNO_x$	–	–	–
SO_x	$kgSO_x$	–	–	–
PM_{10}	$kgPM_{10}$	–	–	–
Indicator Emissions from vehicles	**Unit**	**Quipu**		
		2019	**2020**	**2021**
CO_2eq	tCO_2eq	3.3	1.5	2.0
NO_x	$kgNO_x$	16.0	7.1	9.8
SO_x	$kgSO_x$	1.4	0.6	0.9
PM_{10}	$kgPM_{10}$	0.3	0.1	0.2
Indicator Emissions from vehicles	**Unit**	**PCA**		
		2019	**2020**	**2021**
CO_2eq	tCO_2eq	14.5	10.4	8.4
NO_x	$kgNO_x$	66.8	40.4	35.3
SO_x	$kgSO_x$	6.5	4.9	3.9
PM_{10}	$kgPM_{10}$	1.4	1.0	0.8

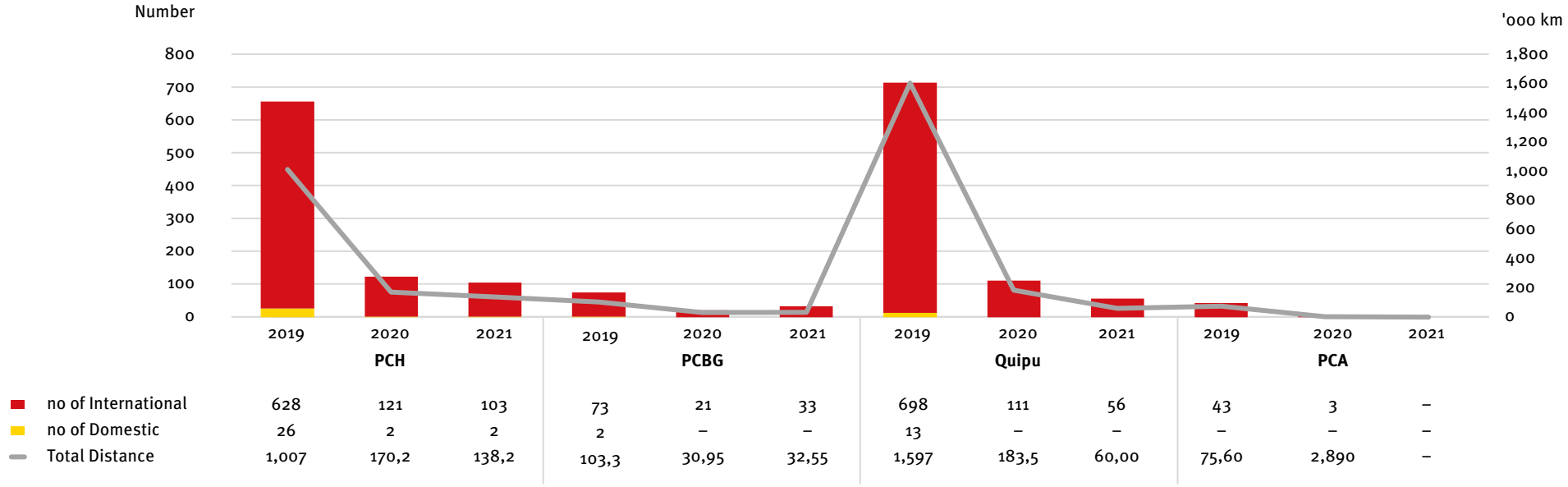
Table 13: Emissions from vehicles

However, due to the pandemic and working from home, employees' take-up of this offer has been limited.

8.2.3.2 Emissions from business travel (Scope 3)

As all four ProCredit institutions have been using electricity from renewable sources since 2016, Scope 2 emissions are considered to be zero.

8.2.3.3 Emissions from business travel (Scope 3)



	PCH 2019	PCH 2020	PCH 2021	PCBG 2019	PCBG 2020	PCBG 2021	Quipu 2019	Quipu 2020	Quipu 2021	PCA 2019	PCA 2020	PCA 2021
no of International	628	121	103	73	21	33	698	111	56	43	3	–
no of Domestic	26	2	2	2	–	–	13	–	–	–	–	–
Total Distance	1,007	170,2	138,2	103,3	30,95	32,55	1,597	183,5	60,00	75,60	2,890	–

Figure 12: Number of flights and total travelled distance

As seen in Figure 12, CO_2eq emissions are generally from air travel, apart from PCA. Due to travel restrictions in 2020-2021, flight emissions were significantly reduced during this period, leading us to change our approach to flights and how necessary they really are for our business model. Some business trips are essential for the ProCredit group's business model, such as client visits, strategic meetings, academy training, etc. However, the number of flights taken by employees can be reduced by expanding the use of online tools and re-thinking the structure of meetings. A systematic analysis of the group's flight needs was initiated in 2020 and is aimed at finding ways for all institutions to reduce the number of flights taken, which will consequently lead to a drop in emissions.

Indicator Emissions from flights	Unit	PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
CO_2	t CO_2	99.1	15.5	14.3	9.7	2.7	3.6	149.1	17.4	5.8	13.4	2.1	0.0
Other GHG emissions	t CO_2eq	160.5	24.5	22.5	15.2	4.3	4.4	256.9	28.5	8.5	9.8	0.9	0.0

Table 14: CO_2eq emissions from flights

8.2.4 Food consumption

Food consumption is particularly relevant for PCA. However, the other institutions also take great care to ensure the sustainability of the food and drink provided at events and meetings. As detailed in section 3.3.4, the most important sustainability criterion for food suppliers is to be organic. If this is not possible due to high costs or unavailability, regional or local food suppliers are considered to be more sustainable.

In some cases, even if there are organic options but the source is a long distance from the institution, we consider regional producers with good environmental practices to be preferable to certified organic products from further away. This particularly applies to PCA, because there are many small local producers nearby, which use organic practices but have no certification due to the size of the farms. In order to support local producers and the regional economy, we prefer to buy from these suppliers rather than from organically certified but unknown brands.

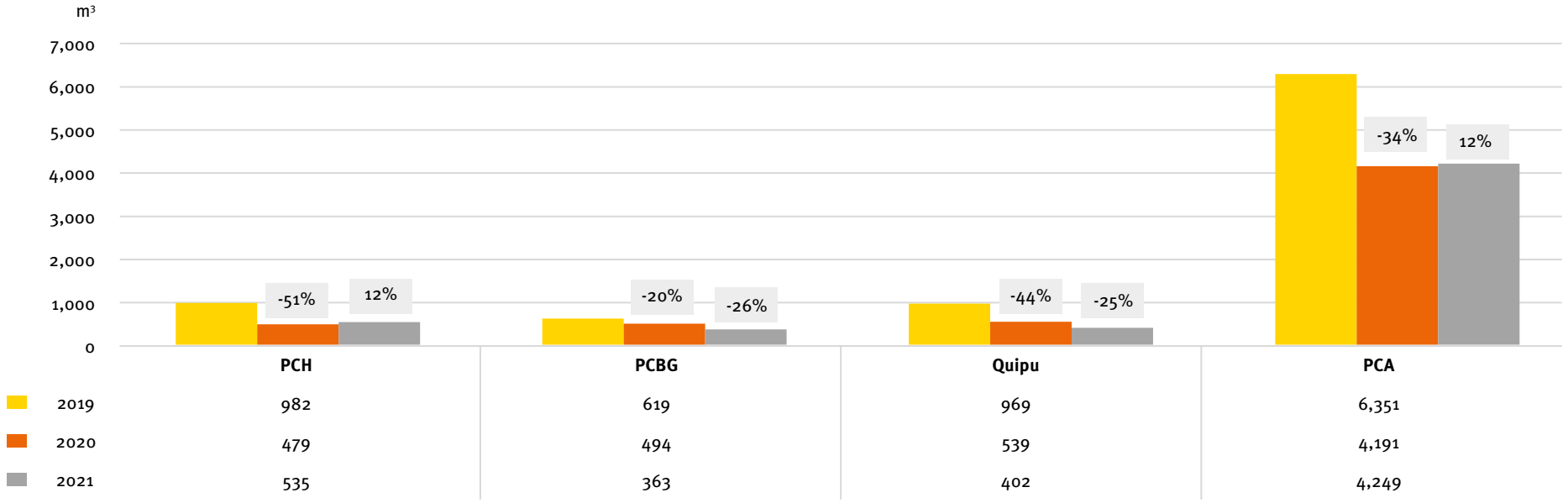
In 2020, food consumed at all institutions was affected by the COVID-19 pandemic. There were no organised events at PCH, PCBG or Quipu, apart from very small gatherings and the amount of catering was significantly reduced. Unfortunately, some of PCA's suppliers went out of business due to the lower demand in the area; therefore, when PCA fully reopens, it will be necessary to seek new suppliers that can comply with our strict sustainability criteria.

8.2.5 Water consumption

Water consumption decreased by 26% and 25% at PCB Germany and Quipu, respectively, and increased by 12% at PCH and PCA. Water consumption is directly correlated to the number of employees in the office, but there are slight variations to pre-pandemic consumption, probably driven by hygiene measures such as hand washing.

8.2.6 Paper consumption

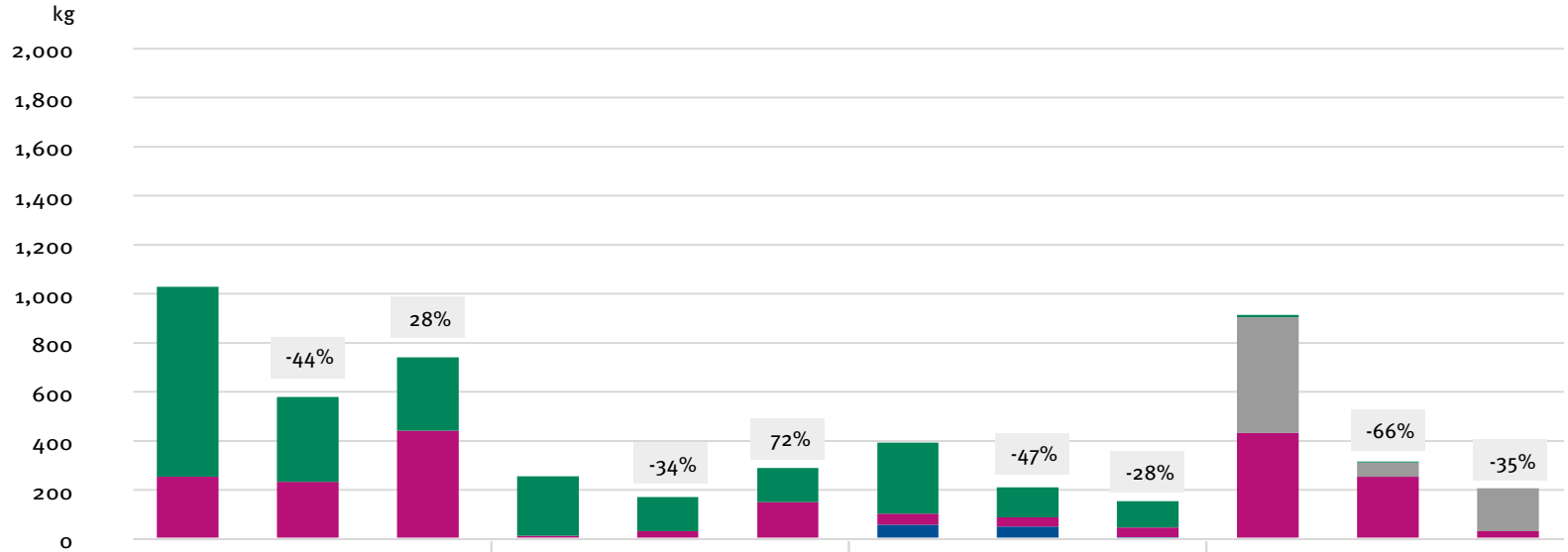
In 2021, paper consumption continued to decrease at Quipu and PCA as a result of staff working from home, whereas PCH and PCB Germany saw an increase of 28% and 72% compared to 2020, possibly driven by legal requirements to print certain documents and by the twice-weekly COVID testing for each employee, which also generated some paperwork. PCA planned to replace certified printing paper with recycled printing paper in 2020, but the decision to use up existing stock meant that in the first phase recycled paper accounted for only around 50% of total paper consumption. The transition to 100% recycled paper will be completely achieved next year.



	PCH	PCBG	Quipu	PCA
2019	982	619	969	6,351
2020	479	494	539	4,191
2021	535	363	402	4,249

Figure 13: Water consumption

All institutions are exploring possibilities to further reduce paper use, and digitalising internal processes is one of the best measures to achieve this goal. However, the transition is also very capital-intensive, since all processes must be reviewed to find the optimum improvement points. It should be pointed out that the 2019 levels for the ProCredit office-based institution with the highest kg/FTE paper consumption (including non-printing paper) were already 45% lower than the best practices suggested by EMAS guidelines. Therefore, we see further reductions as a long-term rather than a short-term target. The consumption levels at PCA cannot be compared with a regular accommodation facility, since most visitors are also students. Therefore, it is hard to establish a benchmark for paper consumption. Nevertheless, PCA encourages students and teachers to use as little printed material for classes as possible.



	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
	PCH			PCBG			Quipu			PCA		
Printing paper - recycled	783	349	302	245,07	140	139,84	293,23	123,52	108,51	10,32	4,3	–
Printing paper - certified	–	–	–	–	–	–	–	–	–	477	58,8	176,3
Other paper - recycled	250	230	439	6,71	26,17	145,35	44,63	37,76	39,05	429,96	250,05	25,91
Other paper - non-recycled	–	–	–	–	–	–	–	–	–	–	–	–
Other paper - certified	–	–	–	–	–	–	53,24	45,46	1,66	–	–	–

Figure 14: Paper consumption

8.2.7 Waste generation

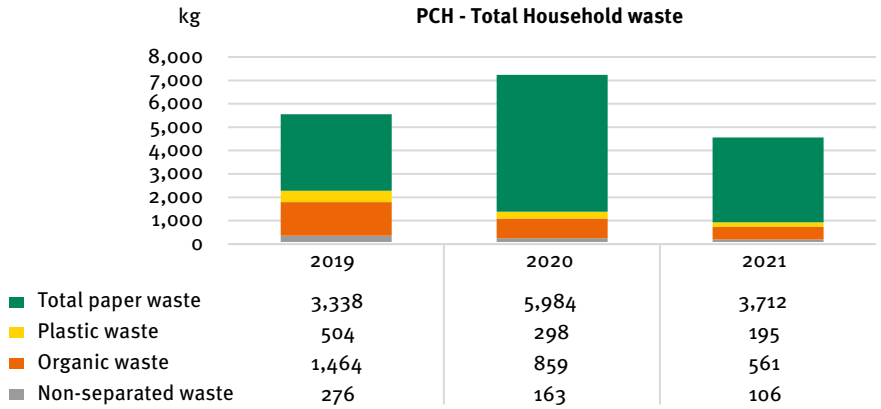
Waste comprises household waste[11], e-waste and hazardous waste. For reporting purposes, usable electronic equipment is also recorded here, although it cannot really be considered as waste as it is often still serviceable.

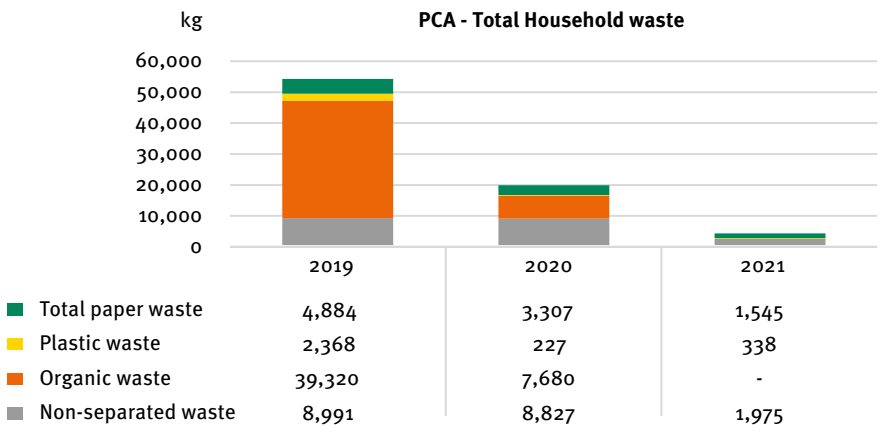
In April 2021, PCH, PCBG and Quipu participated in the Frankfurt city cleaning event organised by FES and Clean FFM.

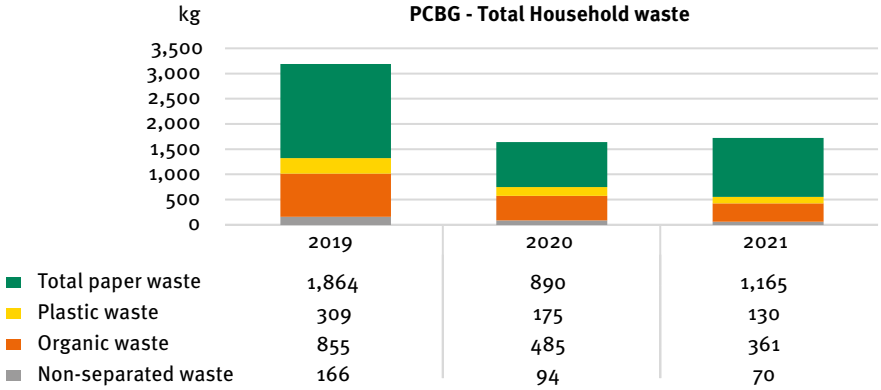
The amount of household waste generated can be seen in Figure 15. Total household waste has in general decreased at all institutions, with the exception of PCBG, where total paper waste increased by 31%. Furthermore, in Quipu, the amount of non-separated waste has increased significantly compared to 2021. This is due to the fact that the method for measuring waste has been changed. Previously, waste volumes were estimated as an annual average based on a specific week in the year; now monthly data is projected based on measurements from the first week of each month.

In 2021, neither PCA nor PCBG produced any e-waste, but PCH had a significant increase in this category compared to the previous year, due to the fact that Labdoo, the main organisation to which ProCredit donated old electronic equipment, just accepted laptops. Labdoo collects and refurbishes usable electronic equipment and distributes it to facilities around the world where there is a need. If the equipment turns out to be unusable after all, the company sends it to recyclingrecycle facilities. All steps from receiving the equipment until its repair/reuse or disposal are transparent and can be followed on Labdoo's website.

11 Household waste is the waste produced in the facilities by the employees and visitors and includes paper, organic, packaging and residual waste. For PCA, oil from the grease trap is also reported under household waste.







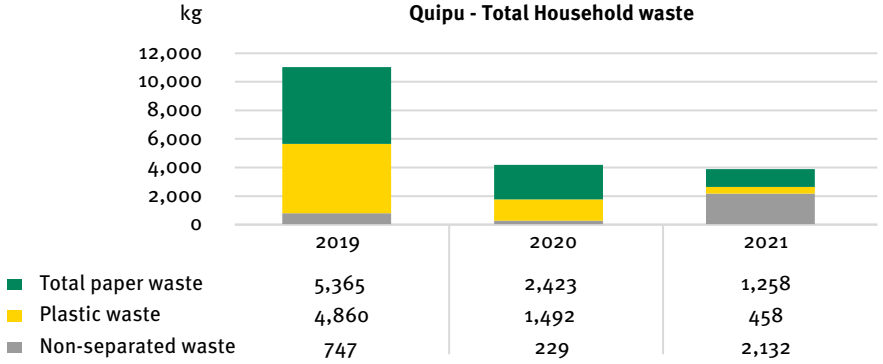


Figure 15: Household waste for PCH, PCBG, PCA and Quipu respectively

Quipu's level of e-waste was relatively stable in 2021 compared to 2020. Quipu mostly sells usable but no longer compliant laptops to employees and has also donated three laptops to the Friedrich Fröbel School in Viernheim to support interactive education over the Internet.

As regards hazardous waste, Quipu disposed of a quantity of unusable printer toner via a professional company. The e-waste and usable electronic equipment which were donated or sold, as well as the amount of hazardous waste, can be seen in table 15.

Indicator	Unit	PCH		
			2020	2021
E-waste	kg	260	133	697
Usable Electronic Equipment	kg	–	157	–
Hazardous waste	kg	–	–	–
Indicator	**Unit**	**PCBG**		
			2020	2021
E-waste	kg	–	–	–
Usable Electronic Equipment	kg	–	–	–
Hazardous waste	kg	–	–	–
Indicator	**Unit**	**Quipu**		
		2019	2020	2021
E-waste	kg	730	743	802
Usable Electronic Equipment	kg	266	68	56
Hazardous waste	kg	10	41	8
Indicator	**Unit**	**PCA**		
		2019	2020	2021
E-waste	kg	–	–	–
Usable Electronic Equipment	kg	–	–	–
Hazardous waste	kg	–	–	–

Table 15: E-waste, usable electronic equipment and hazardous waste

8.2.8 Land use

Land use figures did not change in 2021, as seen below.

Indicator	Unit	PCH			PCBG		
		2019	2020	2021	2019	2020	2021
Total area[12]	m²	982	982	982	518	518	518
Total Area / Employee	m²/ VZÄ	9.5	8.7	9	9.1	9.0	8.6
Heated area[13]	m²	2.390	2.390	2.390	1.421	1.421	1.421
Heated Area / Employee	m²/ VZÄ	23.2	21.1	19.3	24.9	24.6	23.7
Sealed area[14]	m²	954	954	954	503	503	503
Semi-natural (unsealed) area	m²	28	28	28	15	15	15
Indicator	**Unit**	**Quipu**			**PCA**		
		2019	2020	2021	2019	2020	2021
Total area[12]	m²	735	735	735	12.250	12.250	12.250
Total Area / Employee	m²/ VZÄ	6.1	5.9	5.6	422.4	816.7	644.7
Heated area[13]	m²	2.258	2.258	2.258	5.184	5.184	5.184
Heated Area / Employee	m²/ VZÄ	18.7	18.2	17.1	178.8	345.6	272.8
Sealed area[14]	m²	517	517	517	9.652	9.652	9.652
Semi-natural (unsealed) area	m²	217	217	217	2.598	2.598	2.598

Table 16: Land use

12 The total area corresponds to the proportional floor space at the location, including the floor area of the building, the traffic areas (paths and car park on the site), open spaces and semi-natural (unsealed) areas.
13 The data for the heated area refers to office space, not including storage areas and parking spaces.
14 For leased areas, the proportion of sealed/unsealed areas was set based on the share in the total leased area at the location.

8.3 Indirect aspects

The daily operations of the ProCredit banks (including PCBG) indirectly affect the environment in various ways. The most significant factor is the banks' loan portfolios, which are characterised by their special focus on green investments and the mandatory consideration of environmental and social risks when loan proposals are evaluated. ProCredit Holding has especially strong influence with respect to the indirect aspects due to its central role in shaping the strategy, processes and standards of the entire group with regard to environmental protection and sustainability. In this respect, the environmental performance of the other ProCredit institutions can also be considered an indirect environmental aspect of ProCredit Holding.

The emphasis placed by ProCredit Holding and all ProCredit banks on green finance contributes to reducing emissions and pollution in our countries of operation, as clients are thereby encouraged to invest in energy efficiency, renewable energy and other environmentally friendly measures. In addition, through its group-wide environmental and social risk standards for financing, ProCredit promotes accountability among its SME clients in numerous sectors.

Furthermore, all ProCredit institutions manage their indirect environmental impacts by applying special criteria for procurement and supplier management, as well as by training their employees on environmental topics and holding internal awareness-raising campaigns.

The tables below show the different levels of control and environmental relevance of the indirect environmental aspects of the four ProCredit institutions in Germany. Our main indirect environmental aspects are shown in red. There were no changes to the aspects in 2021. The methodology of the matrix and the definition of the significant environmental aspects are explained at the beginning of this section.

		Relevance		
		Low	**Medium**	**High**
Degree of influence	High		• Supplier management and procurement	
	Medium	• IT service provider • Building maintenance and minor renovation work • Catering company • Cleaning company	• Environmental performance of ProCredit banks • External printing company • External travel agency	• Loan portfolio of ProCredit banks • Aircraft emissions
	Low	• Security company (external)		

Table 17: Significance matrix for indirect environmental aspects at ProCredit Holding in 2021

		Relevance		
		Low	**Medium**	**High**
Degree of influence	High			
	Medium	• Influence of the external IT provider	• Supplier management and procurement	• Aircraft emissions
		• Fuel consumption/ emissions by staff on their way to work		• Loan portfolio

Table 18: Significance matrix for indirect environmental aspects at ProCredit Bank Germany 2021

		Relevance		
		Low	**Medium**	**High**
Degree of influence	High		• Environmental performance of suppliers	
	Medium		• Air Condition in Office	• Emissions of Airplanes
	Low	• Impact of outsourced activities: Occupational safety and health and safety protection • Impact of outsourced activities: Security company	• Impact of outsourced activities: external travel agency company • Data Centre Electricity	

Table 19: Significance matrix for indirect environmental aspects at Quipu in Germany 2021

		Relevance		
		Low	**Medium**	**High**
Degree of influence	High			• Supplier management and procurement
	Medi-um		• Impact of outsourced activities: Construction company	
	Low	• Fuel consumption/ emissions by staff on their way to work • Impact of outsourced activities: Security company • Impact of outsourced activities: Consulting in the field of occupational health and safety	• Impact of outsourced activities: External IT provider	• Aircraft emissions

Table 20: Significance matrix for indirect environmental aspects at ProCredit Academy 2021

Although it was a difficult year for all, the importance of these indirect aspects did not diminish for the ProCredit institutions; in fact, they became even more vital. The key developments in these indirect aspects are discussed in the following sections.

8.3.1 Green loan portfolio

The ProCredit banks continue to offer special loans for investments in energy efficiency, renewable energies and other environmentally friendly technologies and activities, and in this way contribute to our overall objective of promoting economic development that is as environmentally and socially sustainable as possible. We identify the possible investments in our countries of operation under those three categories by using either a standard assessment for the technologies in order to calculate the positive impact, or by conducting a more detailed case-by-case analysis for more complicated assessments. Our green lending approach is continuously revised and expanded based on our own experience in the field and international best practices.

In 2021 we came very close to reaching our medium-term target of 20% for our green loan portfolio (19%), with a diversified pool of loans. Figure 16 shows the development of the green loan portfolio between 2016 and 2021. The gross green loan portfolio stood at EUR 1,128 million by the end of 2021.

Figure 17 provides a breakdown of the green loan portfolio. By the end of 2021, the portfolio consisted of 56.6% energy efficiency investment loans, 24.4% renewable energy investment loans, and 19.0% investments in environmentally friendly technologies and other environmental protection measures. Many banks have set themselves targets in terms of volumes of green loans to be disbursed within a certain time period; however, these targets are typically achieved by financing large-scale green projects (real estate, energy, infrastructure) and not by lending to SMEs. In contrast, more than 80% of our green portfolio is allocated to SMEs, ranging from electric vehicles to new and highly efficient machines to EDGE-certified buildings. The remainder consists of renewable energy project finance.

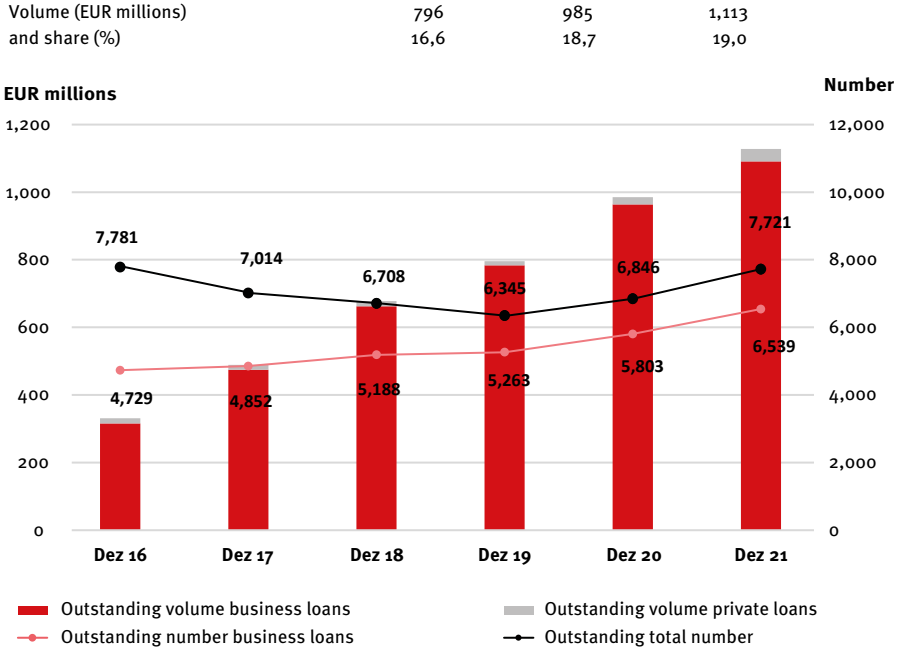


Figure 16: The ProCredit group's outstanding green loan portfolio for private and business clients (2016-2021)

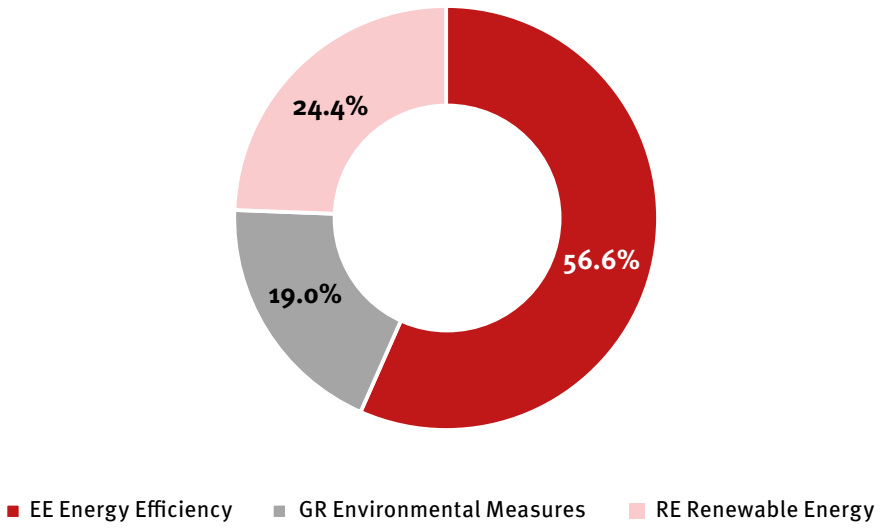


Figure 17: The ProCredit group's outstanding green loan portfolio, broken down by investment type (December 2021)

8.3.1.1 Green deposits

In the ProCredit group, besides supporting SMEs and incentivising green investments as our main strategy, we value transparency as one of the core pillars of our institution and communicate all our operations openly to all stakeholders. Our new ProGreen account, which was launched during 2021 in Ecuador and Bulgaria, stresses this even more and offers our clients the opportunity to exclusively finance the green part of our loan portfolio.

The ProGreen account guarantees our clients that their money is invested in businesses with high environmental and social standards and exclusively in their environmentally friendly or renewable energy projects. This allows clients to decide autonomously how they want their savings to be used, and thereby become empowered financial market participants.

ProGreen account holders receive quarterly updates providing all relevant information regarding our green loan portfolio, green investments and other environmental news, enabling them to monitor how their funds have been used.

In order to be consistent with our environmental objectives and overall retail strategy, our ProGreen account is a 100% digital account. The account opening and all of its functions are carried out entirely online, with zero use of paper and reduced CO_2 emissions, as it is not necessary for the client to travel to the bank.

Finally, our ProGreen clients receive our sustainable debit card, made from polylactic acid (PLA), which is produced from corn. The card can be used for four years and biodegrades in six months after its disposal under controlled conditions. The card itself is an “environmentally friendly investment” as it is a green substitute for regular plastic cards that remain in the environment for up to 400 years. Our cards are packed in recycled paper, along with seeds from local plants and delivered by sustainable delivery vehicles, whenever this option is available. For 2022, it is expected that the banks in our other countries of operation will offer a similar product to the rest of our clients.

8.3.1.2 Regional network of electric vehicle charging stations

As a socially and environmentally responsible group, ProCredit has encouraged the transition to cleaner energy consumption in its countries of operation since its early years. This has meant making investments in our own RE/EE infrastructure as well as supporting the green investments of clients, including actively promoting and incentivising e-mobility. In line with these efforts, one of our group's main sustainability goals is to achieve carbon neutrality.

A step towards reducing our CO_2 footprint is the ongoing transformation of our vehicle fleet from fossil-fuel-based to electric cars. In some of our countries of operation, ProCredit was among the first to buy and use electric vehicles (EVs). We have gradually increased our prioritisation of e-mobility and by 2021 we had reached a share of approximately two-thirds of our entire fleet (300 vehicles: 79 are fully electric, 27 hybrid plug-ins and 91 hybrids). We will continue to favour EVs in the future as well.

Apart from investing in our own e-vehicles, the ProCredit group is dedicated to raising awareness of e-mobility and actively incentivising the use of EVs in our countries of operation. For this reason, our banks also offer special loans to buy EVs and have established cooperation agreements with car dealers to jointly facilitate the purchase of EVs as opposed to gasoline- or diesel-powered vehicles.

Of course, there must be infrastructure in place in order for electric vehicles to become more common. Nevertheless, the existing infrastructure in the countries where we operate is either completely lacking or insufficient for broad use of EVs. Against this background, the banks in the group decided to establish a dense network of charging stations for e-cars in all of the South Eastern and Eastern European countries where we operate. At the beginning of 2022, 207 stations were already available to everyone in those countries free of charge. By the end of the year, the network will include more than 320 stations. A specially developed marketing campaign, "No more excuses" is being used to raise awareness about the advantages of using e-vehicles and the available incentives, as shown in figure 18.

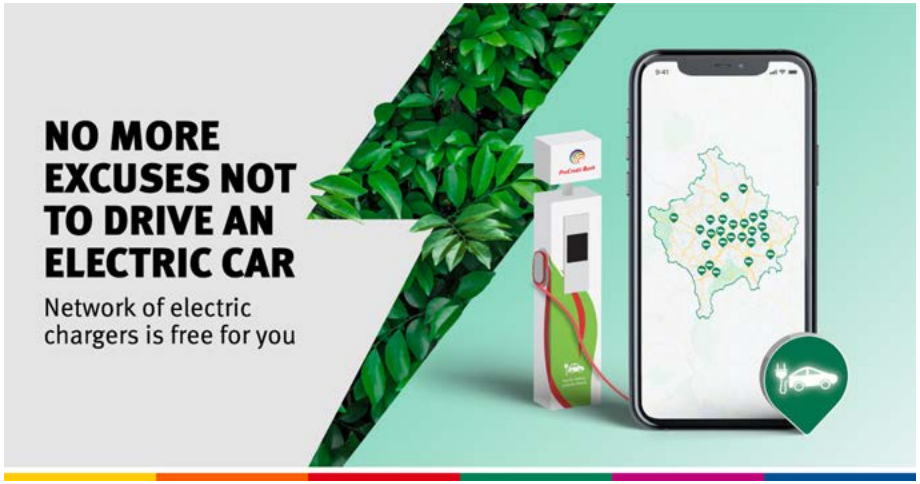


Figure 18: Billboard advertising our charging station network in Kosovo, ProCredit Bank Kosovo

In order to facilitate the use of our charging station network, we also launched the ProCredit Charging Station app, which was developed by Quipu, the group's IT company. Among the many benefits of this app, there is a map featuring the locations of the charging stations, technical data on each station and driving directions. The app is available from Google Play (Android) and the Apple App Store (iOS).

8.3.1.3 Accounting for the CO_2 emissions of the loan portfolio

As part of our continued climate action efforts to support the Paris Agreement target of limiting global warming to 1.5°C above pre-industrial levels, the ProCredit group has committed to disclosing information on emissions related to our financial activities (Scope 3 emissions) by implementing the Partnership for Carbon Accounting Financials (PCAF) Standard.

In cooperation with our consulting partners Internationale Projekt Consult (IPC) and Climate Risk Services (CRS) and using technical assistance funds received from the Development Bank of Austria (OeEB), we have applied the PCAF methodology and approach in our first report, disclosed in the Impact Report Annex 2021. The first results of the analysis summarised in Table 21 shows that the main contributors to our loan portfolio emissions are connected to economically important sectors, such as agriculture, livestock and the manufacturing of raw materials. These results confirm the approach of various international standards and regulations that prioritise energy-intensive sectors in the transition to low-carbon technologies. However, it is important to highlight that these results are based on sector averages and thus the effect of the green lending approach taken with our clients is not captured here. Hence, we aim to establish new strategies to support our clients in the sectors identified in the transition to low-carbon technologies and at the same time strengthen our data quality and acquisition process in order to improve the accuracy of our carbon accounting.

Sector activity	Total outstanding (EUR m)	Attributed emissions (t CO_2 eq.)	Emission intensity (kt CO_2 eq./ EUR bn)	Data quality score (1=high, 5=low)
Agriculture (A)	874.6	295.5	337.8	4.5
Minerals (B)	20.6	3,762	183.0	4.6
Industry (C)	1,245.3	221,291	177.7	4.5
Utilities (D)	20.4	29,503	1,449.0	4.9
Water distribution (E)	20.4	12,060	591.8	4.3
Construction (F)	352.7	10,658	30.2	4.5
Retail (G)	1,400.9	40,514	28.9	4.6
Transport (H)	232.9	9,906	42.5	4.4
Leisure (I)	154.5	1,609	10.4	4.6
Information and communication (J)	62.0	2,378	38.3	4.6
Financial services (K)	16.5	474	28.7	5.0
Real estate (L)	126.3	1,380	10.9	4.8
Scientific and technical activities (M)	69.5	2,973	42.8	4.6
Administrative services (N)	62.8	2,613	41.6	4.6
Regional administration (O)	0.3	16	63.2	5.0
Education (P)	35.6	578	16.3	4.6
Healthcare (Q)	48.4	2,186	45.2	4.7
Recreation (R)	13.0	721	55.4	4.9
Other services (S)	15.5	468	30.3	4.5
Total	**4,772.0**	**638,545**	**133.8**	**4.5**

Table 21: GHG emissions of lending portfolio by sector activity

8.3.1.4 Green Finance seminars

As always, two seminars on green finance were held in 2021. The first seminar in April 2021 aimed to strengthen the competencies of the environmental units in more technical issues, while the seminar in September 2021 was more focused on the strategic aspects related to green finance. The first seminar was conducted online due to the pandemic. However, we were able to conduct the second seminar at the premises of PCA. Thanks to the group-wide integration of Microsoft 365, both seminars had a high level of participation from all banks, including the permanent participants from the Environmental Management Unit and at least one board member from each bank. The online format also helped to engage colleagues from the various departments related to each topic discussed.

8.3.2 Environmental and social (E&S) risk assessment

In addition to the general business and financial analysis, ProCredit also carries out an assessment of its customers' activities with regard to their impact on society and the environment. We have continuously improved our environmental and social risk assessment methodology since the beginning of our banking activities. ProCredit strives to work with companies that not only guarantee the health, safety and well-being of their employees and surrounding communities, but which work to minimise their impact on the environment.

We are aware that we have clients in industries that carry a medium to high environmental risk, such as manufacturing and agriculture. However, the SMEs engaged in these industries also form the backbone of developing economies and are therefore vital to our development mission. For that reason, it is becoming increasingly important to conduct an E&S risk and impact analysis that goes beyond mere compliance with the relevant national laws relating to environmental protection, health and occupational safety. In this way the ProCredit banks assess potential environmental and social risks that may arise from certain business activities and engage with their clients to introduce necessary mitigation and monitoring measures.

Within the framework of the environmental and social risk assessment, which is the second pillar of our environmental management system, ProCredit has compiled a comprehensive Exclusion List (for more details, please see the *Code of conduct* and *Impact Report 2021*). The Exclusion List includes activities that ProCredit does not finance and is based on international and local standards that are binding for all investments. After checking a business activity against the Exclusion List in general, the next step is to assess the activities of the clients individually for potential risks (low, medium or high) in terms of the environment, society, health and safety, based on the sector and the amount of the loan (risk exposure).

Client activities with a medium or high environmental and social risk are individually reviewed and evaluated in accordance with the respective international standards. Every business client, regardless of the assigned risk category, is also examined and evaluated with regard to social issues, occupational safety and working conditions. Depending on the potential environmental, social and credit risk, an external, independent environmental and social impact assessment is also required. Figure 19 displays the total loan portfolio distribution according to the environmental risk class for 2020 and 2021.

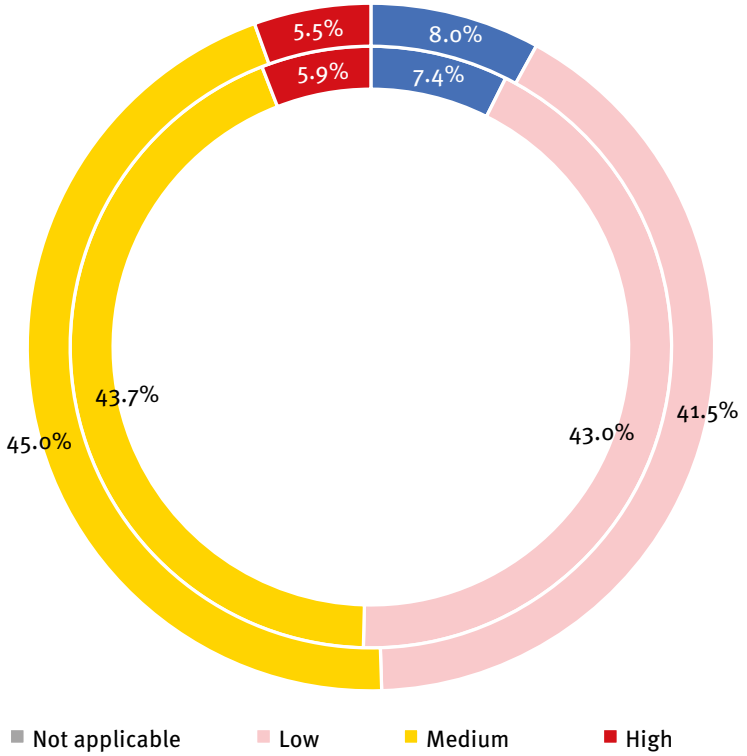


Figure 19: Business loan portfolio by environmental risk category

In 2021, as in previous years, we organised a comprehensive training event for Environmental Risk Officers and Environmental Management Departments to build capacity in E&S risk assessment. The online training focused on deepening the participants' understanding of the ProCredit group's approach to assessing E&S risk while also providing detailed information about the potential E&S risks deriving from the medium and high-risk industries which we finance. The participants took part in self-guided learning sessions; practical sessions, where they were given a potential case to analyse; and interactive sessions, where they had the opportunity to exchange information with the trainers and other participants.

Furthermore, in light of the increased level of high environmental risk industries in the portfolio and the more rigorous expectations from external stakeholders, we initiated a project to review our approach to assessing E&S risk. Our EMS is under continuous scrutiny, and we saw a need to improve our E&S approach due to the changes in the markets in which we operate. As an outcome of this project, we are taking a stricter and more demanding approach to the assessment of E&S risk, for example by introducing more clearly defined processes and improved documentation.

8.3.3 The ProCredit Plastic Strategy

In response to the exponential growth of plastic waste in the environment, in 2019 ProCredit developed a strategy to reduce the production and use of plastic (the Plastic Strategy can be found on the ProCredit Holding website). As a first step towards its implementation, in 2020 we developed a group methodology for lending to clients engaged in plastic production, which entailed examining each client's products. This differentiated approach was needed due to the complexity of plastic as a material and its widespread use in nearly every industry. A summary of the approach is provided in table 22.

	Plastic product categorisation	Our lending strategy
	Blacklist: All plastics that were banned by the EU as of 3 July 2021 pursuant to EU Directive 2019/904 (mostly replaceable single-use plastic)	We will no longer finance these companies unless the client has a convincing business plan to phase out the blacklisted product within a short period of time
	Greylist: All other types of single-use items that have a high environmental impact if not disposed of properly, especially packaging, bottles, foils and microplastics	New clients: No financing Existing clients: These clients are required to follow and continuously improve their practices to with a view to greater sustainability, i.e. reducing waste by replacing single-use plastic with biodegradable products, or by adopting recycling methods and taking responsibility for collecting their products after use
	Whitelist: Plastic products with a long lifetime, for which no alternatives exist, or the alternatives would have a higher environmental impact	Our banks will continue to finance these clients, but will still discuss the options for sustainable plastic production with them and support them in any steps towards sustainability they decide to take

Table 22: The ProCredit Plastic Strategy: Lending to plastic producers

8.3.4 Procurement and supplier management

The sustainability of the products purchased for our offices was already a crucial part of the environmental management system at ProCredit institutions. However, over the last three years, the ProCredit group has taken significant steps to expand the scope of its supply chain management. The most recent version of the Group Guideline Sustainable Suppliers gives clear environmental and social criteria for selecting suppliers of products and services. Since 2020, all ProCredit institutions screen their suppliers against sustainability criteria in order to analyse the sustainability of the current supply chain.

We expect our suppliers to adhere to the core values of the ProCredit group. They are required to sign a declaration of compliance when concluding a new contract with us or renewing an existing contract. This step already raises awareness about sustainability issues. However, the process goes beyond these minimum standards to include other environmental and social indicators wherever feasible in order to determine the sustainability of the supplier. Some of the positive criteria we look for in suppliers are:

- Certified environmental management system
- Supplied products can be categorised under ProCredit's Green Finance criteria
- Ecologically and/or socially certified products or regional products
- Sustainable approach regarding energy and resource use
- Proper waste management system
- Recyclability of the products/services to take back and recycle the products

- CSR engagement of the supplier
- Compliance with ILO[15] standards for health and safety and equal opportunity and treatment

The suppliers are also screened against media reports regarding accidents, incidents, significant damage to the environment in any form and/or other types of human rights violations. If a supplier (or specific product) has been associated with negative incidents in recent years (i.e. the last five years), the supplier cannot be categorised as sustainable.

We are aware that environmental and social impacts between product/service categories might vary greatly. As a consequence, not all criteria are applicable to all type of suppliers. To overcome this issue, the introduced criteria are associated with a certain type of product or service group and the suppliers need to comply with at least one of those associated relevant criteria in order to be deemed sustainable. For instance, for a hardware provider, it is important to supply energy-efficient products, whereas for a food provider, it is more important to have regional or organic products. To assist the institutions, we developed a group-wide supplier screening and assessment tool.

All ProCredit institutions located in Germany have also completed the screening of current suppliers, with the following results at the end of 2021:

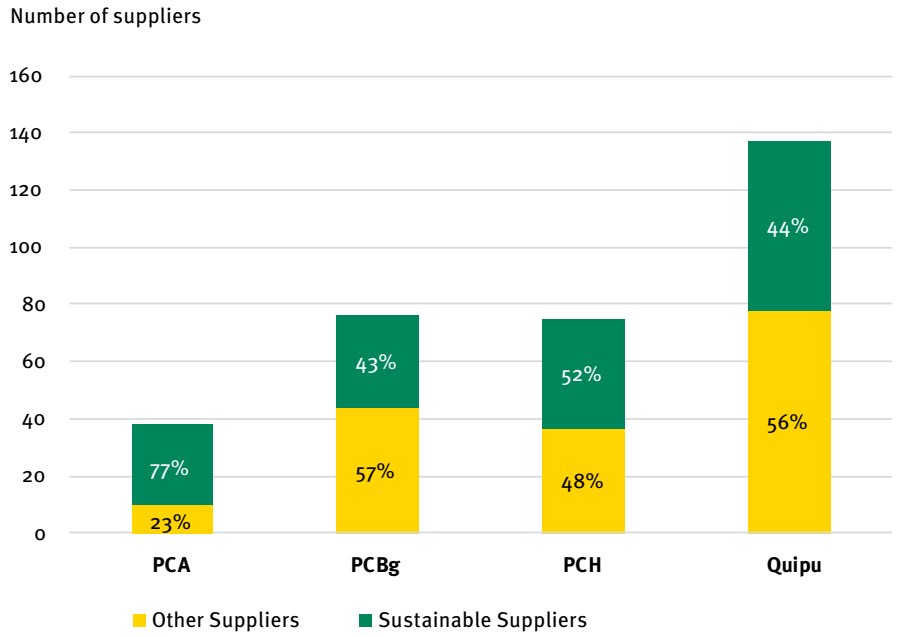


Figure 20: Supplier analysis

The product or services supplied by the vendors and the number of suppliers vary greatly among the institutions. For example, the majority of suppliers for PCA are involved in the food industry, whereas most of the suppliers for PCH, PCBG and Quipu provide intangible services such as legal or consulting services, where the majority of suppliers could not be identified as sustainable. Quipu also provides hardware and software to other ProCredit institutions; they therefore have more suppliers in the field of “Information and communication” than the other institutions“.

15 ILO: International Labor Organization

In 2021, the sustainability criteria tool was updated to facilitate screening and to include new relevant criteria.

8.3.5 Staff awareness

The courses on environmental and social topics have always been a key component of the group's long-term training programmes: The Onboarding Programme, the Banker Academy and the Management Academy.

An introductory course, the ProCredit Onboarding Programme is organised for all new employees, with training in environmental protection and energy efficiency firmly established in its curriculum. All managers and senior staff from the banks receive specialised training at the 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. Regular intensive training courses, seminars and events are also organised at the ProCredit institutions in order to raise environmental awareness among employees and clients alike.

In addition, all ProCredit institutions hold regular training sessions that are dedicated to raising staff awareness about general environmental and social issues. The sessions also serve to introduce the integrated EMS, and it is always emphasised that employees are the most important stakeholders for the continuation and improvement of the system.

The focus of the training changes every year; this year's special environmental topic was sustainable agriculture. ProCredit employees were informed about the negative effects of current agricultural practices and the strategies and methodologies that can be applied to make agriculture more sustainable. The training included guidance and discussions on making personal choices when buying food.

Additionally, all ProCredit institutions undertake ongoing internal awareness-raising campaigns and use various communication channels for this purpose. In addition to the aforementioned training courses and events, newsletters, informational brochures, internal publications, intranet pages, stickers and posters that present best practices for the careful use of resources or report the results of successful measures are used. The internal publications and intranet pages serve not only to raise environmental awareness, but are also geared towards keeping employees informed about current developments in global environmental issues.

9 Conclusions

As detailed in this report, regardless of the socio-economic challenges faced nowadays, we have continued to find ways to improve our ESG performance. Certainly, there is still much to do, and several topics require more attention than others such as climate change, energy crisis and water scarcity. Nevertheless, we will continue to act as key role players in the industry and further aid the transition to sustainability that our society requires.

However, we cannot accomplish this alone, which is why we have involved our clients, suppliers, and investors. Furthermore, we have committed to national and international initiatives such as the UN Global Compact, the UNEP-FI Principles for Responsible Banking and PCAF, in order to advance our sustainability goals. We understand that global problems require global solutions and to find these solutions, we need the commitment of our stakeholders.

In the same manner, any action taken at the operational level – however small – contributes to the overall success of our environmental activities. Hence, in all four institutions in Germany, we have given priority to our environmental performance within the framework of EMAS, and this effort will continue in 2022.

10 Contact person

For questions concerning the Environmental Statement 2021, please contact:

Krassimira Peicheva
Tel: + 49 (0) 69 951 437 165
Krassimira.Peicheva@procredit-group.com

The current version of the Environmental Statement and other materials about the ProCredit group's commitment to sustainability can be downloaded from www.procredit-holding.com.

11 Statement of the environmental auditors

Michael Hub
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 and 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

with registration number DE-125-00059

meet all requirements of

Regulation (EC) No 1221/2009 last amended by Regulation (EU) 2018/2026 (EMAS)

on the voluntary participation by organisations in a Community

eco-management and audit scheme.

By signing this declaration, we declare that

- the verification and validation have been carried out in full compliance with the requirements of EMAS,
- 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 organisation 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 EMAS. This document shall not be used as a stand-alone piece of public communication.

Done at Frankfurt am Main on 30.08.2022

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

Georg Sulzer, environmental verifier
DAU-Accreditation-No: DE-V-0041

Umweltgutachterbüro
Michael Hub
Niedwiesenstraße 11a
D-60431 Frankfurt am Main

Phone +49 (0)69 5305-8388
Fax +49 (0)69 5305-8389
E-mail info@umweltgutachter-hub.de
Web www.umweltgutachter-hub.de

Accredited by DAU – Deutsche
Akkreditierungs- und Zulassungsgesellschaft
für Umweltgutachter mbH, Bonn
Accreditation-No: DE-V-0086

12 Annex

12.1 Environmental objectives and programmes (2021-2022)

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Energy consumption 2021					
Reduce energy consumption by 30% vs 2019: 40 kWh/m² assuming that the pandemic measures are lifted in H2 2021	**PCA**	Raise guest awareness via communication measures (all new groups receive an intro to EMS) and random checks of rooms	kWh/m²	Postponed to 2022	
Reduce heating consumption by 5% compared to 2020 levels	**PCH**	Evaluate the technical possibilities to reduce the heating during the night and weekends Send informative e-mails to staff about 21 C° and also remind them to turn the knob to 1 or 2 when they leave the office Discuss the possibilities with Quipu to show a message while computers are shutting down Continue to turn the central heating down in summer months	kWh	Postponed to 2022	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Energy consumption 2022					
Maintenance of air condition in Office annual basis	**Quipu**	Maintenance	Maintenance reports		
Reduce the heating consumption 5% compared to 2021 levels	**PCH**	Evaluating the technical possibilities to reduce the heating during the night and weekends. Explore technical solutions to automatic control of heaters Sending informative emails to the employees about 21 C° and also to turn to 1 or 2 when they are leaving the office Discussing the possibilities with Quipu to show a message during shut down of the computers. Continue to turn the central heating down in summer months	monthly readings		
Refurbish premisses (1st and 2nd floor) to become overall more sustainable	**PCBG**	"Pflichtenheft" for renovation works (example: thermostates for heating units, state-of-the-art electrics etc)	example: energy class of new equipment		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Energy consumption 30% ower than in 2019: 40 kWh/m². Baseline of 2019 considered for 2022 planning to offset the impact of Covid-19. Energy consumption per overnight reaches level similar to 2018: 8 kWh/overnight stay (assuming pool consumption of 85,000 kWh)	**PCA**	Raise guest awareness via communication measures (all new groups receive an intro to EMS) and random control of rooms	kWh/m²		
Greenhouse gas emissions 2021					
Offset GHG flight emissions 100% from total flights occurring in 2021	**Quipu**	Calculate kgCO_2eqm compensation of GHG flight emissions using atmosfair	Receipt of certificate from atmosfair with detailed description of compensation	completed	
Compensate for carbon emissions	**PCA**	Acquire carbon certificates for the emitted values, as certain emissions cannot be avoided (oil from heating backup, flights) Note: This will be decided on centrally by PCH; PCA will adhere to the strategy	tCO_2eq compensated	Postponed to 2022	
Achieve CO_2 neutrality in building emissions (heat and electricity)	**PCH**	Discuss the possibilities to switch to renewable heating with the building owner	Contract for renewable heating provider	Postponed to 2022	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Greenhouse gas emissions 2022					
To compensate GHG flight emissions 100% from the total flights occurring in 2022	**Quipu**	Calculate kgCO_2eqm compensation of GHG flight emissions using atmosfair	Receipt of certificate from atmosfair with detailed description of compensation		
Achieve CO_2 neutral in building emissions (heat +el.)	**PCH**	Discuss the possibilities to switch to renewable heating with the building owner.	The contract for the renewable heating provider		
Compensation of carbon emissions	**PCA**	Acquire carbon certificates for the emited values, as certain emission cannot be avoided (oil from heating back-up, flights) Note: this will be agreed centrally by PCH. PCA adheres to the strategy	t CO_2eq compensated		
Fuel consumption 2021					
Maintain the level as previous year (544 litres in 2020) and lease a second e-car to substitute the VW Caddy	**Quipu**	Lease and use an e-car to replace diesel car	Litres of fuel	Postponed to 2022	
Fuel consumption 2022					
It is expected that we can maintain the fuel consumption of 600 litres (diesel) by leasing a second e-car to substitute the VW Caddy	**Quipu**	E-car leasing and usage to replace diesel car	Litres of fuel		
Promote the E-Car leasing	**PCH**	To promote the use of the e-car leasing with staff	Leasing contract		
Define a e-car consumption methodology		Create a procedure to register the e-car electric consumption	Documentation		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Food 2021					
Improve the environmental footprint of food consumed	**PCA**	Offer two vegetarian dishes per meal Reduce meat variation (e.g. one type of meat per meal, no beef, only fish); to be continued in 2021	Menu	completed	
Food 2022					
Improve the environmental footprint of the consumed food.	**PCA**	2 veggie dishes per meal will be offered. Reduce meat variation (e.g. 1 meat per meal, no beef, only fish) To be continued in 2022	NA		
Paper consumption 2021					
Scaling up the usage of digital signature to all departments	**PCH**	Assess the level of usage of digital signature at PCH with respective departments for internal purposes and engage in discussion, how to improve it	number of departments switched to digital signature for internal processes	completed	All departments are able to used digital signature for internal processes
Ensure that level of printing paper consumption in 2021does not exceed 140 kg	**Quipu**	Introduce paper optimisation measures: route business processes on digital documents	kg	completed	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Maintain paper consumption at 2019 levels (four pages per overnight stay) – assuming that the COVID-19 measures are lifted in H2 2021 and students will be present at the Academy (in 2020, printouts were almost 0)	**PCA**	Raise guest awareness via communication measures (all new groups receive an introduction to the EMS)	4 pages/overnight	completed	
Ensure that recycled paper accounts for up to 50% of upcoming paper purchases		Increase use of recycled paper that works with the printer	50% share of paper purchases	Postponed to 2022	
Reduce the amount of printing paper per employee by 2% compared to previous year	**PCBG**	Reduce printing paper use through awareness-raising measures and process efficiency	Number of printouts per employee	Postponed to 2022	
Paper consumption 2022					
Consumption level of printing paper as 2021, not to exceed 150 kg	**Quipu**	Paper optimisation measures: routing nusiness processes on digital documents	paper consumption data		
Reduce Printing Paper by 1% per employee compared to previous year	**PCBG**	Awareness raising, process efficiency etc.	number of print-outs per staff compared to 2021		
Paper consumption at 2019 levels (4 pages/overnight)	**PCA**	Raise guest awareness via communication measures (all new groups receive an intro to EMS)	4 pages/overnight		
Increase the purchase of recycled paper up to 50% of upcoming purchases (this target would be revisited in 2022 as BAU resumes)		Increased use of recycled paper that works with the printer	50% share of purchases		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Water consumption 2021					
Maintain water consumption of pool (meter 63956407) at levels similar to 2019 2020 (2,000 m³)	**PCA**	Monitor filtering process (in order to look for water-efficient filtering process)	m³	completed	
Reduce average freshwater consumption (excluding pool consumption and gardening (meter 63956407)) by 5% in 2018 and 2019 (180 litres/ overnight)		Raise guest awareness via communication measures (all new groups receive an introduction to the EMS) and random checks of rooms	170 litres/overnight stay	Postponed to 2022	
Monitor irrigation		Monitor irrigation	m³	Postponed to 2022	
Reduce total water consumption by 3% compared to previous year	**PCBG**	Install mixer taps in all bathrooms/toilets to reduce water consumption	m³	completed	
		Install water-saving showerhead for bathroom on ground floor			

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Water consumption 2022					
Water consumption of pool (meter 63956407) - similar levels to 2019-2020 (2,000 m^3)	**PCA**	monitor filtering process (in order to look for water efficient filtering process)	m^3		
Freshwater consumption (without pool consumption and gardening (meter 63956407)) should be 5% lower than average in 2018 and 2019 (180 l/overnight)		Raise guest awareness via communication measures (all new groups receive an intro to EMS) and random control of rooms	170 l/overnightstay		
Monitor irrigation		Monitor irrigation	m^3		
Maintain freshwater quality (avoidance of legionelle)		Maintaining idle running of showers and facucets in rooms continuing probes of water quality	n/A		
		Conduct a risk analysis for water (Gefährungsanlyse Wasser)	Study (when requested by the Gesundheitsamt Heppenheim)		
Waste management 2021					
Maintain the same level of e-waste as in 2020 (743 kg)	**Quipu**	Extend lifetime of equipment by selling still usable equipment, donating, repairing and at the end ensuring proper disposal	Observation and control checks	Postponed to 2022	
Dispose of the organic waste collected in the holding company in an organic waste bin	**PCH**	Install organic waste bin by April 2020 Begin using paper bags for organic bins instead of plastic liners Train waste management personnel	Organic waste bin for PCH Quality of the waste in the bin: occasional checks after the cleaning staff disposes of the waste	completed	
10% reduction of packaging waste compared to 2019		Place 10 containers in the kitchen to be used for takeaway food Research which restaurants on Leipziger Str. allow customers to bring their own containers	kg of packaging waste	completed	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Waste management 2022					
Maintain the e-waste level of approximately 740 kg	**Quipu**	Extend life of usage for equipment via selling usable equipment, donating, replacements and proper disposal	observation and control checks		
Weight measure in a week	**PCH**	To weight and classify the waste of a week for To update the weight statistic	Weight data		
Review methodologies for automatic weight of the waste (IoT)		Review for possible devices/software to collect weight of waste in an automatic matter	Documentation		
Definition of methodology for print cartridge disposal		Develop a manual for print cartridge disposal	Manual		
Environmental awareness 2021					
Raise awareness of PCH staff on the EMS and general environmental issues	**PCH**	Conduct general training with PCH staff with emphasis on sustainable agriculture and global developments in line with the group-wide approach	Share of PCH staff who participated in the workshop	completed	
		Implement quarterly internal communication on green finance activities in line with the group-wide approach	Quarterly published marketing materials	completed	
Informal Eat & Talk sessions (only after things return to normal after the pandemic)		Organise quarterly Eat & Talk sessions with the employees to discuss environmental topics during lunch breaks	Organised sessions	cancelled	Due to COVID restrictions
Regular(bi-monthly/quarterly) environmental tips to employees via e-mail		Send an e-mail with tips on how to reduce the environmental impact of individuals	Amount of communication	completed	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Increase environmental awareness among PCB staff	**PCBG**	Launch green screensaver campaign, communicate recent developments of the EMS, consumption data, current/public green topics and conduct training	Temporary and changing green screensavers on employees' PCs with current green topics and other information	completed	
Environmental awareness 2022					
Raising awareness of PCH Staff on EMS and general environmental issues	**PCH**	Conduct general training with PCH staff with special focus on an specific topic of sustainable agriculture and global developments in line with the group-wide approach	Share of PCH staff joined the worksho		
		Implement quarterly internal communication on green finance activities in line with the group-wide approach	quarterly published marketing materials		
Sustainable Wiki space		Create a wiki space to share tips of sustainability live with staff, where they also can add information	Wiki space		
Join to an environmental action of Frankfurt (cleaning, plant tree, etc.) or/and visit a sustainable farm		Organize at least one awareness activity, joining to a environmental action of Frankfurt or/and a visit to a sustainable farm	Report of the activity		
Monthly or bi-monthly short environmental tipps to the employees through email		Sharing an email including some tipps to reduce environmental impact of individuals	Amount of emails sent		
Increase environmental awareness among PCBG staff to good levels	**PCBG**	"smaller campaigns, staff events, communicate recent developments of EMS, consumption data, current/public green topics and conduct training"	proof of smaller campaigns, pictures of staff participating in events, training materials and lists of participants etc		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Sustainable suppliers 2021					
Environmental performance of suppliers	**Quipu**	Screen all suppliers; at a minimum, replace suppliers that do not comply with the group's core principles Switch to transparent and responsible suppliers to the greatest possible extent	Number of sustainable suppliers	completed	
Adopt rule that more than 50% of selected suppliers have to be considered sustainable	**PCA**	Choose new suppliers in accordance with GL 4 with strong emphasis on regional and sustainable certified enterprises	Share of sustainable suppliers	completed	
Sustainable suppliers 2022					
Reach 100% sustainable suppliers	**PCH**	Switch to sustainable supplier according to the groupwide guidelines	Share of sustainable suppliers		
Increase percentage of sustainable suppliers to 75% in total until 2023	**PCBG**	Reliable supplier screening (questionnaires & email notifications) and exchange of non-sustainable suppliers to sustainable alternative supplier or termination of non-sustainable contracts	Sustainable suppliers tool screening & percentage of sustainable suppliers		
More than 50 % of the selected suppliers have to be considered sustainable.	**PCA**	Choose new suppliers according to GL 4 with a strong emphasis on regional and sustainable certified enterprises.	Share of sustainable suppliers		
Maintain the process of selection of environmentally friendly suppliers in case there is alternative supplier	**Quipu**	List of sustainable suppliers	Number of sustainable suppliers		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Group-wide internal EMS 2021					
Support PC Institutions in maintaining and further developing EMS	**PCH**	Support for all pillars whenever it is needed	Guidelines, Standards developed, supported cases, internal training materials	completed	
Conduct regular follow-up visits to the PCBs in Moldova and BiH; conduct scoping missions to the PCBs in Serbia, Romania, Macedonia and Kosovo in order to assess and further enhance the existing EMS (depends on COVID 19 developments)		To assess the need for improvement in the development of the EMSs at the PCBs, regular scoping missions should be held, and after the scoping missions, a follow-up mission for the implementation of defined targets should be planned	yes/no	Postponed to 2022	
Develop a tool to enable reporting to the IFIs, memberships, Impact Report (Impact Report data can be the target for this year)		To accommodate the increased amount of reporting obligations to third parties, develop a centralised reporting tool that collects relevant quantitative and qualitative information	yes/no	Postponed to 2022	
Revise all the internal group and PCH documents under the responsibility of GEM		Starting with the Environmental Policy, review all group and PCH documents in relation to each other, other related documents and the latest developments on the group and PCH level	Updated Policy, Standards and Guidelines	completed	
Research and identify a methodology that is appropriate for reporting portfolio emissions for the ProCredit group		Develop a methodology that is suitable for reporting portfolio emissions, as the addition of this data will enable the group to have a more complete reporting of emissions	Proposal for a methodology	completed	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Group-wide internal EMS 2022					
Maintain the process of selection of environmentally friendly suppliers in case there is alternative supplier	**Quipu**	Replace the suppliers that do not comply with core principles and select new suppliers that comply with our environmental criteria	Number of sustainable suppliers		
Support PC Institutions in maintaining and further developing EMS	**PCH**	Support for all pillars, whenever it is needed	Guidelines, Standards developed, supported cases, internal training materials		
Conduct regular follow up visits at PCB Moldova and BiH, and scoping mission in PCB Serbia, Romania, Macedonia and Kosovo in order to assess and further enhance the EMS established		In order to find out the need for improvement in the development of EMS in the PCBs, regular scoping missions should be held and after the scoping missions, a follow up mission for the implementation of defined targets should be planned	Mission Summary		
Develop a reporting tool to the IFIs, memberships, Impact Report (impact report data can be the target for this year)		Due to the increased amount of reporting obligations to the third parties, there is a need for a central reporting tool, where relevant quantitative and qualitative information is collected.	The tool		
To update iEMS tool Manual		To update the iEMS tool with some documentation process and methodology approach	Manual updated		
Stakeholder engagement (Impact Report 2022)		Make the stakeholder engagement as defined by GRI standard	Stakeholder engagement report		
Employees conmuting survey		To do a survey to group level employees related to conmuting emissions	Survey results		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Certify the efficiency of the buildings of the PCBs with EGDE certification	**PCH (ProCredit group)**	Start certification process for PCB Serbia at the Nis branch Finalise certification of the PCBs in Ukraine, Ecuador and Kosovo	yes/no		
Improve the methodology and reporting on the sustainability of suppliers		Further improve the methodology for assessing the sustainability of suppliers so as to develop a more pragmatic approach to analysing, reporting and searching for more sustainable suppliers	yes/no		
Achieve a 5% reduction in the total number of flights compared to 2019 (only applies for the period if the COVID-19 measures are reduced and it can be compared to 2019)		According to the analysis done by IPC, the following measures could help reduce the amount of flights taken: Combine face-to-face meetings with online meetings to prevent too many people flying Switch to online training for certain types of technical training Combine several meetings to prevent short frequent trips	no of total flights		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Management of environmental and social risk in lending 2021					
Support the PCBs with E&S risk assessment	**PCH**	Support for ad hoc requests: Assess the E&S risk of clients involved in high environmental risk activities Offer guidance for internal ESIA & ESDD review Assist with assessment of potential Category A projects	yes/no	completed	
		Develop the concept for external environmental due diligence to fill the gap between ESAF and ESIA for specific sectors	yes/no	completed	
		Provide online training and webinars to improve the E&S risk assessment skills at the banks	yes/no	completed	
Include animal welfare as an assessment topic		Make a Gap analysis Introduce/cover the topic in E&S risk assessments	yes/no	completed	
Revise the Standards for E&S risk in lending		Revise and update the Standards including exclusion list Develop sector-specific ESAFs for NVS	yes/no	completed	
Analyse transition risks and develop proposal for risk management strategy		Analyse transition risks of the loan portfolio and develop a proposal for transition risk management strategy	yes/no	In progress	There is a project going on transition risk analysis and risk management strategy
Define strategy for clients involved in single-use plastic production	**PCBs**	Develop strategies for dealing with clients who produce single-use plastic items	yes/no	In progress	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Management of environmental and social risk in lending 2022					
Support the PCBs with E&S risk assessment	**PCH**	Support for ad hoc requests: Assess the E&S risk of clients involved in high environmental risk activities Offer guidance for internal ESIA & ESDD review Assist with assessment of potential Category A projects	yes/no		
		Provide online training and webinars to improve the E&S risk assessment skills at the banks	yes/no		
Animal Welfare		Make a Gap analysis Introduce/cover the topic in E&S risk assessments	yes/no		
Include Climate Risk into Credit risk management		Analyse transition and physical risks and develop proposal for risk management strategy	yes/no		
		Analyse relevant regulatory and compliance documents, implement necessary requirements	yes/no		
Automation of control of loan client addresses, against Protected areas		Improve address collection Saving of Geolocation Automatic control of addresses against protected areas	yes/no		
Circular economy		Inclusion of circular economy assessment in the ESAF of priority sectors	yes/no		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Green Finance 2021					
Support the banks in developing innovative Green Finance products/activities with potential in green finance	**PCH**	Expand the implementation of rooftop PV, electro mobility, sustainable buildings (EDGE cooperation), opportunities in waste management as main and side activity, opportunities in NVS, green deposits	yes/no	completed	
Streamline EDGE business approach for the group		Start cooperating with EDGE to promote EDGE-certified buildings in our countries of operation (Kosovo, Georgia, Ecuador – ongoing depending on potential in the countries)	yes/no	In progress	Ecuador got EDGE certification
Provide support and training to responsible staff on RE technologies and finance in the countries where there is potential for RE projects		Provide customised online training on RE assessment for banks if they request it, or as a result of regulatory changes, or if decided by GEM; PCB Serbia is in the pipeline	Number of training sessions given	5	
		Support for ad hoc requests for RE investments (expected mostly for PCB Ukraine, Bulgaria, Albania and N. Macedonia, potentially Romania and Moldova)	Number of cases supported	52	
Portfolio CO_2 impact reporting		Complete Impact Reporting on all EE, RE and GR for disbursements in 2021	yes/no	completed	
Update the Green Finance eligibility criteria taking into consideration the methodology suggested by international finance providers (EU Taxonomy, EIB, etc.)		Develop approach for production machinery and criteria that streamline international development and countries' potential, including resource efficiency	yes/no	In progress	
Circular economy		Increase knowledge about circular economy financing Start researching circular economy to develop criteria	yes/no	Postponed to 2022	
Green Account for PIs		Kick off the Green Account product at PCBs in Ecuador, Bulgaria as pilot	yes/no	completed	

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Green Finance 2022					
Reach a 20% share of Green Loans in total LP with high quality	**PCH (ProCredit group)**	The share of loans market as green in total Outstanding portfolio should reach to 20%	% of green LP to total LP		
PV self consumption tool. App/web integration possibilities		To update the PV self consumption tool to be used web based	Tool		
Streamline EDGE Business approach for the Group		Starting cooperation with EDGE to promote EDGE certified buildings in the countries of operation (Kosovo, Georgia, Ecuador - ongoing depending on potential in the countries)	PCBs started cooperation with EDGE		
Provide support and training to responsible staff on RE technologies and finance in the countries where there is a potential in RE	**PCH**	Provide customized online trainings on RE assessment for the banks requesting, regulatory changes, or decided by GEM. PCB Serbia is in the pipeline	# of trainings given		
		Support for ad hoc requests for RE investments (expected mostly for PCB Ukraine, Bulgaria, Albania and N. Macedonia, potentially Romania and Moldova)	# of cases supported		
Portfolio CO_2 impact reporting		Complete Impact Reporting of all EE, RE and GR for disbursments of 2021 investments for all countries of operation and ongoing continuing process.	100% impact reporting of disbursmed amounts for all EE/RE and GR investments excluding very small investments		
		Data entry and Impact Reporting results of EE, GR and small RE investments directly during the loan analysis through Eco-module developments to increase efficiency of process of impact reporting. Automatisation in reporting of the collected data through cw.net implementation	Automatic impact reporting		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Update the Green Finance eligibility criteria taking into consideration the etholdogoly suggested by international financiaries (EU taxonomy, EIB etc.)	**PCH**	Developing Production machinery approach and criteria that streamline international development and countries potential including resource efficiency Addition of sustainanability criteria for SHPP	Updated Group Guidelines Green Finance Definitions, Operations, Reporting and Eligibleinvestments,Group Standards for Financing Renewable Energy Project		
		Updating green finance group guidelines to increase the quality of assessments (aligned with EU taxonomy and International standards) to evaluate the positive impact	Updated Group Guidelines Green Finance Definitions, Operations, Reporting and Eligibleinvestments,Group Standards for Financing Renewable Energy Project		
Circular Economy		Increase knowledge about circular economy financing Attend seminars and courses from UNEP-FI	Hours of training on circular economy		
Biodiversity and Natural capital: Increase knowledge (UNEP-FI course)		Increase knowledge about biodiversity and natural capital Attend seminars and courses from UNEP-FI	Hours of training on circular economy		
Green Account for PI		Launch of green Account product in several countries	Green Account product Newsletter		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Various other milestones or targets in 2021					
Maintain freshwater quality (avoidance of Legionella bacteria)	**PCA**	Maintain practice of regularly running of showers and faucets in rooms Continue probes of water quality	n/a		
		Conduct a risk analysis for water (Gefährungsanlyse Wasser)	Study (when requested by the Gesundheitsamt Heppenheim)		
Maintain air conditioning	**Quipu**	Contract maintenance of air conditioning in office on an annual basis	Maintenance reports	Completed	
E-car leasing (only applies for the period if the COVID-19 measures allows)	**PCH**	Lease two e-cars for business with the possibility of leasing for employees for leisure purposes	Leasing contract	Completed	
Various other milestones or targets in 2022					
Maintain freshwater quality (avoidance of Legionella bacteria)	**PCA**	Maintain practice of regularly running of showers and faucets in rooms Continue probes of water quality	n/a		
		Conduct a risk analysis for water (Gefährungsanlyse Wasser)	Study (when requested by the Gesundheitsamt Heppenheim)		
Maintain air conditioning	**Quipu**	Contract maintenance of air conditioning in office on an annual basis	Maintenance reports		

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Medium-term objectives up to 2023					
Sustainable suppliers and external service providers					
Achieve 100% sustainable suppliers	**PCH**	Switch to sustainable suppliers in accordance with group-wide guidelines	% sustainable suppliers	In progress	52%
More than 80% of the selected suppliers must be considered sustainable	**PCA**	Select new suppliers in line with L4, according to which the focus is on regional and sustainably certified companies	% sustainable suppliers	In progress	77%
Green finance					
Achieve a 20% share of high-quality green loans in total LP	**PCH (ProCredit group)**			In progress	Green LP compared to total loan portfolio stood at 19% as of December 2021.
Harmonise green financing methodology within the group with international finance providers (EU Taxonomy, EIB)	**PCH (ProCredit group)**	Update green finance group guidelines to increase the quality of assessments (aligned with EU Taxonomy and international standards) to evaluate the positive impact		In progress	The project started with an analysis of production machinery, the EU Taxonomy and IFI eligibility criteria and will continue in 2022, with the alignment of the DNSH principle.

Annual environmental objectives (if not otherwise indicated)	Institution	Measure	Evaluation criteria	Status	Degree of achievement
Group-wide internal EMS					
Become CO_2-neutral in own operations (Scope I and II emissions)	**PCH (ProCredit group)**	Hold discussion with the banks to obtain interim targets for further reduction of direct emissions (including shifting to RE suppliers for building energy and installation of rooftop PV) Realise own 3 MW PV project: ProEnergy (95% PCH ownership and 5% PCB Kosovo) Compensate externally the rest of CO_2	CO_2eq	In progress	The ProEnergy Project is still ongoing, planning to be in operation on 2022. Compensation options are in analysis.
		Conduct research to find a reliable partner for compensation	yes/no	In progress	Review of different standards.
Achieve 50% sustainable suppliers		Develop group-wide guideline for sustainable suppliers	yes/no	completed	
		Check the current suppliers and switch to sustainable suppliers in accordance with the group-wide guidelines wherever possible	% sustainable suppliers	In progress	40% of sustainable suppliers
Achieve 100% electric and hybrid cars in the car fleet		Replace existing vehicle fleet with electric or hybrid vehicles, procure electric or hybrid vehicles if necessary	% of electric or hybrid cars in the fleet	In progress	59% of the vehicle fleet is electric and 12% is (plug-in) hybrid

Table 23: Environmental objectives and programmes

12.2 Environmental parameters 2019-2021

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Employees	No.	333	358	368	109	122	132	64	65	69	130	141	146	30	30	21
Employees	FTE	310	310	335	103	113	124	57	58	60	121	124	132	29	15	19
Employees	Present in Office	310	142	115	103	60	41	57	33	24	121	38	29	29	11	21
Total area[13]	m²	14,485	14,485	14,485	982	982	982	518	518	518	735	735	735	12,250	12,250	12,250
Heated area[14]	m²	11,253	11,253	11,253	2,390	2 390	2 390	1,421	1,421	1 421	2,258	2 258	2 258	5,184	5,184	5,184
Sealed area[15]	m²	11,626	11,626	11,626	954	954	954	503	503	503	517	517	517	9,652	9,652	9,652
Semi-natural area (unsealed)	m²	2,858	2,858	2,358	28	28	28	15	15	15	217	217	217	2,598	2,598	2,598
Overnight stays	No.	25,999	6,242	3,942	–	–	–	–	–	–	–	–	–	25,999	6,242	3,942

Table 24: General Indicators

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Road Travel																
Cars (petrol)	No.	0.4	1.0	1.0	–	–	–	–	–	–	–	–	–	0.4	1.0	1.0
Cars (diesel)	No.	5.3	5.0	5.8	–	–	–	–	–	–	2.0	2.0	2.0	3.3	3.0	2.8
Cars (electric)	No.	2.8	3.0	3.6	1,0	1,0	1,2	–	–	–	1.0	1.0	1.0	0.8	1.0	1.4
Travelled Distance	km	97,371	67,760	70,998	4,879	3,173	4,159	–	–	–	22,446	11,471	13,712	70,046	53,116	53,127
Air Travel																
Number of Flights	No.	1.483	258	194	654	123	105	75	21	33	711	111	56	43	3	–
Travelled Distance	km	2,783,760	387,691	230,851	1,007,357	170,247	138,294	103,306	30,958	32,552	1,597,493	183,596	60,005	75,604	2,890	–

Table 25: Travel

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Energy Generation																
Electricity generation (renewable)[16]	kWh	106,395	129,657	109,733	–	–	–	–	–	–	–	–	–	106,395	129,657	109,733
Heating energy generation (renewable)[17]	kWh	562,320	562,320	562,320	–	–	–	–	–	–	–	–	–	562,320	361,270	510,055
Energy Consumption																
Total energy consumption	**kWh**	**1,854,790**	**1,351,029**	**1,534,503**	**306,315**	**254,954**	**279,958**	**98,259**	**93,381**	**106,081**	**287,532**	**258,048**	**236,358**	**1,162,684**	**744,646**	**912,106**
Electricity[18]	kWh	605,479	471,457	523,627	143,311	128,160	113,376	52,723	46,999	47,799	144,914	113,229	93,596	264,530	183,069	268,856
Heating energy	kWh	1,166,730	828,290	961,374	162,078	126,237	165,863	45,536	46,382	58,282	129,492	138,938	134,836	829,624	516,733	602,393
Heating energy (weather-adjusted)[19]	kWh	1,386,336	1,046,174	1,055,148	202,598	167,895	189,084	56,920	61,688	66,441	164,455	186,177	155,061	962,364	630,414	644,561
Liquid gas for cooking	kWh	11,990	2,999	5,263	0	0	0	0	0	0	0	0	0	11,990	2,999	5,263
Fuel	kWh	70,591	48,283	44,238	925	557	719	0	0	0	13,126	5,880	7,926	56,540	41,845	35,593

Table 26: Energy Indicators

16 Electricity is generated using PV systems.
17 Heating energy is generated at PCA from wood pellets.
18 Excluding electricity for PCH's electric car. That amount is included under "Fuel".
19 The climate factors for the weather adjustment can be found in Annex 7.6.

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Paper consumption																
Total	**kg**	**2,593**	**1,265**	**1,378**	1,033.1	578.6	741.2	251.8	166.2	285.2	391.1	206.7	149.2	917.3	313.2	202.2
Recycled	kg	2,063.0	1,160.4	1,200	1,033.1	578.6	741.2	251.8	166.2	285.2	337.9	161.3	147.6	440.3	254.4	25.9
FSC-certified	kg	530.2	104.3	178	–	–	–	–	–	–	53.2	45.5	1.7	477.0	58.8	176.3
Water																
Water consumption	m^3	8,921	5,703	5,549	982	479	535	619	494	363	969	539	402	6,351	4,191	4,249

Table 27: Resource Consumption

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Household waste[20]																
Total	**kg**	**78,966**	**35,836**	**16,162**	**5,842**	**7,594**	**5,272**	**3,194**	**1,645**	**1,726**	**11,968**	**4,955**	**4,706**	**57,963**	**21,641**	**4,458**
Organic Waste	kg	41,639	9,025	922	1,464	859	561	855	485	361	–	–	–	39,320	7,680	–
Packaging waste	kg	8,041	2,193	1,122	504	298	195	309	175	130	4,860	1,492	458	2,368	227	338
Non-separated waste	kg	10,181	9,313	4,284	276	163	106	166	94	70	747	229	2,132	8,991	8,827	1,975
Total paper waste	kg	15,450	12,605	7,680	3,338	5,984	3,712	1,864	890	1,165	5,365	2,423	1,258	4,884	3,307	1,545
Waste from grease trap	kg	2,400	1,600	600	–	–	–	–	–	–	–	–	–	2,400	1,600	600
Electronic waste and Usable Electronic Equipment																
E-waste recycled	kg	990	876	1,499	260	133	697	–	–	–	730	743	802	–	–	–
Usable electronic equipment	kg	266	225	56	0	157	–	–	–	–	266	68	56	–	–	–
Hazardous waste (batteries, light bulbs, toners)																
Total hazardous waste	kg	10.21	40.66	8.37	–	–	–	–	–	–	10.21	40.66	8.37	–	–	–

Table 28: Waste and Usable Electronic Equipment

20 Since 2017, Quipu has had separate disposal containers for paper and packaging waste.
21 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.

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Energy Emissions[22]																
Total CO_2eq emissions gesamt	t	841.0	191.0	163	292	65	70	34	16	20	435	75	46	79	33	30
Total CO_2eq emissions with compensation	t	649.5	145	149	292	65	70	-39	16	20	317	30	32	79	33	30
Total SO_2 emissions	kg	129	78	251	30	23	31	8	9	11	40	33	35	311	193	332
Total NO_x emissions	kg	389	258	408	2	2	2	1	1	1	3	2	3	123	73	246
Total PM_{10} emissions	kg	50	32	56	1	1	1	–	–	–	1	1	1	47	30	53
Heating[23]																
CO_2eq	t	106.8	82.1	93.8	32.7	25.5	33.5	9.2	9.4	11.8	26.2	28.1	27.2	38.7	19.2	21.3
NO_x	kg	304.8	209.8	363.1	30.1	23.5	30.9	8.5	8.6	10.8	24.1	25.8	25.1	242.1	151.9	296.3
SO_2	kg	120.0	71.9	246.2	1.9	1.5	2.0	0.5	0.6	0.7	1.6	1.7	1.6	115.9	68.1	241.9
Particulate matter	kg	48.2	31.1	54.8	1.1	0.9	1.2	0.3	0.3	0.4	0.9	1.0	0.9	45.9	29.0	52.3
Liquid gas for cooking																
CO_2eq	t	2.7	0.7	0.04	–	–	–	–	–	–	–	–	–	2.7	0.7	0.04
NO_x	kg	1.8	0.5	0.03	–	–	–	–	–	–	–	–	–	1.8	0.5	0.03
SO_2	kg	1.0	0.2	0.01	–	–	–	–	–	–	–	–	–	1.0	0.2	0.01
Particulate matter	kg	0.2	–	–	–	–	–	–	–	–	–	–	–	0.2	–	–
Business travel																
CO_2eq fuel	t	17.7	11.9	10.4	–	–	–	–	–	–	3.3	1.5	2.0	14.5	10.4	8.4
NO_x	kg	82.7	47.5	45.1	–	–	–	–	–	–	4.3	1.9	9.8	17.8	10.7	35.3
SO_2	kg	7.9	5.5	4.7	–	–	–	–	–	–	–	0.2	0.9	1.7	1.3	3.9
Particulate matter	kg	1.8	1.1	1.0	–	–	–	–	–	–	0.3	0.1	0.2	1.4	1.0	0.8
CO_2eq air travel (direct)	t	271.3	37.6	23.7	99.1	15	14.3	9.7	2.7	3.6	149.1	17.4	5.8	13.4	2.1	–
CO_2eq air travel (indirect)	t	442.4	58.2	35.4	160.5	25	22.5	15.2	4.3	4.4	256.9	28.5	8.5	9.8	0.9	–

Table 29: Emissions

22 The conversion factors for emissions are listed in Annex 4. There are no direct emissions from electricity consumption, as electricity is generated by PCA's own photovoltaic systems and has been purchased by the other institutions from certified green electricity suppliers since 2017. Total emissions include CO_2, CH_4, N_2O, HFC, PFC, NF_3 and SF_6. The values of 2019 and 2020 vary from previous report due to update of emission factors (IEA, Emission factor 2021).

23 The reported CO_2eq emissions refer to the oil heating, pellet heating and BioLPG held as a contingency reserve.

12.3 Core annual indicators for 2019-2021

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Energy																
Total energy/employee	kWh/FTE	5,983	4,358	4,581	2,974	2,253	2,288	1,724	1,615	1,768	2,376	2,081	1,791	40,093	49,643	48,006
Total energy/employee	kWh/ office presence	5,983	9,505	13,353	2,974	4,249	6,842	1,724	2,873	4,420	2,376	6,748	8,150	40,093	65,320	43,434
Electricity/employee	kWh/FTE	1,953	1,521	1,563	1,391	1,132	914	925	813	797	1,198	913	709	9,122	12, 205	14,150
Heating energy/employee (weather-adjusted)	kWh/FTE	4,472	3,375	3,150	1,967	1,484	1,525	999	1,067	1,107	1,359	1,502	1,175	33,185	42,028	33,924
Heating energy/heated area (weather-adjusted)	kWh/m²	123	93	94	85	70	79	40	43	47	73	82	69	186	122	124
Fuel/employee	kWh/FTE	228	156	132	9	5	6	–	–	–	108	47	60	1 950	2 790	1,873
Resource Consumption																
Paper consumption/ employee	kg/FTE	8.4	4.1	4.1	10	5	6	4	3	5	3	2	1	32	21	11
Paper consumption/ employee	kWh/ office presence	8.4	8.9	12.0	10	10	18	4	5	12	3	5	5	32	27	10
Paper consumption/ overnight stay	kg/OS	0.04	0.05	0.05	–	–	–	–	–	–	–	–	–	0.04	0.05	0.05
Water/employee	m³/FTE	28.8	18.4	16.6	10	4	4	11	9	6	8	4	3	219	279	224
Water/ employee	m³/ office presence	28.8	40.1	48.3	10	8	13	11	15	15	8	14	14	219	368	202
Water/overnight stay	m³/OS	0.24	0.67	1.08	–	–	–	–	–	–	–	–	–	0.24	0.67	1.08
Household Waste																
Total waste/ employee	kg/FTE	251	112	44	54	65	37	56	28	29	91	33	29	1,999	1,443	235
Total waste/ employee	kg/office presence	251	244	127	54	122	112	56	51	72	91	108	133	1,999	1,898	212
Total waste/ overnight stay	kg/night	2.2	3.5	1.1	–	–	–	–	–	–	–	–	–	2.2	3.5	1.1

Indicator	Unit	Total			PCH			PCBG			Quipu			PCA		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Emissions																
Total CO_2 emissions/ employee	tCO_2eq/FTE	2.7	0.6	0.49	2.8	0.6	0.6	0.6	0.3	0.3	3.6	0.6	0.3	2.7	2.2	1.6
Total CO_2 emissions (with compensation)/ employees	tCO_2eq/FTE	2.1	0.47	0.45	2.8	0.6	0.6	0.6	0.3	0.3	2.6	0.2	0.2	2.7	2.2	1.6
Total CO_2 emissions/ overnight stay	$kgCO_2eq$/ night	3.0	5.3	10,9	–	–	–	–	–	–	–	–	–	3.0	5.3	7,6
Biodiversity																
Total area/ employee	m²/FTE	46.7	46.7	43.2	9.5	8.7	8	9.1	9.0	8.6	6.1	5.9	5.6	422.4	816.7	644.7
Heated area[24]/ employee	m²/FTE	36.3	36.3	33.6	23.2	21.1	19.3	24.9	24.6	23.7	18.7	18.2	17.1	178.8	345.6	272.8
Sealed area/ employee	m²/FTE	37.5	37.5	34.3	9.3	8.4	7.7	8.8	8.7	8.4	4.3	4.2	3.9	332.8	643.5	508.0
Unsealed area/ employee	m²/FTE	9.2	9.2	8.5	0.3	0.2	0.2	0.3	0.3	0.3	1.8	1.8	1.6	89.6	173.2	136.7

Table 30: Relative Indicators

12.4 Emissions factors

Type	Unit	Year	CO_2eq	NO_x	SO_2	PM_{10}
Electricity						
Average German energy mix[24, 25]	g/kWh	2015	527	0.488	0.272	0.033
	g/kWh	2016	523	0.440	0.290	0.015
	g/kWh	2017	485	0.408	0.224	0.010
	g/kWh	2018	468	Not published		
	g/kWh	2019	401	Not published		
EWS Schönau (PCBG, PCH)	g/kWh	2016 and later	–	Green electricity is produced entirely from hydro, wind or solar power, thus producing no further emissions		
Entega (PCA)	g/kWh	2016 and later	–			
Heating and fuel[27]						
Natural gas	g/kWh	2017	202	0.186	0.012	0.007
Heating oil	g/kWh	2017	267	0.213	0.284	0.024
Wood pellets	g/kWh	2017	1.08	0.337	0.149	0.075
Diesel	g/kWh	2017	267	1.303	0.118	0.027
Petrol	g/kWh	2017	250	0.257	0.135	0.018
LPG	g/kWh	2017	227	0.154	0.081	0.016
BioLPG (Emissions other than CO_2 are taken for LPG)	g/kWh	2017	–	0.186	0.012	0.007

Table 31: Emissions factors

24 Source for CO_2 emissions of the German electricity mix: https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2020-04-01_climate-change_13-2020_strom-mix_2020_fin.pdf
Total greenhouse gas emissions (CO_2, CH_4, N_2O, hydrofluorocarbons, perfluorocarbonate, SF_6) are denoted in carbon dioxide equivalents.

25 Source of NO_x, SO_2, PM_{10} Emissions: https://www.umweltbundesamt.de/themen/luft/emissionen-von-luftschadstoffen/spezifische-emissionsfaktoren-fuer-den-deutschen

26 Source for CO_2 emissions (Scope1) apart from BioLPG: GHG protocol. Based on IPCC 2006 Guidelines for National Greenhouse Gas Inventories
Source for CO_2 emissions from BioLPG: World LPG Association (WLPGA) (2019) on the "Role of LPG and BioLPG in Europe"; see: https://www.wlpga.org/wp-content/uploads/2020/03/The-Role-of-LPG-Bio-LPG-in-Europe-The-2019-Report.pdf
Source for other emissions: GEMIS (Globales Emissions-Modell Integrierter Systeme) Version 4.95 - 04/2017

12.5 Lower heating value

Fuel	Lower heating value	Unit
Diesel	10,033	kWh/l
Gasoline	9,106	kWh/l
Wood pellets	4,333	kWh/kg
Heating oil	10,549	kWh/l
Natural gas	9,333	kWh/m³
LPG/ BioLPG	7,095	kWh/l

Source: Emission factors from Cross-Sector Tools (March 2017, GHG protocol); based on IPCC (2006)

Table 32: Lower heating value

12.6 Climate factors for weather adjustment of heating energy data

City	Postcode	Climate factor			
		2018	2019	2020	2021
Frankfurt, Bockenheim	60486	1.31	1.25	1.33	1.14
Frankfurt, Bockenheim	60487	1.32	1.27	1.34	1.15
Fürth	64658	1.22	1.16	1.22	1.07

Source: Deutscher Wetterdienst: http://www.dwd.de/DE/leistungen/klimafaktoren/klimafaktoren.html

Table 33: Climate factors

12.7 Indicators and benchmarks for comparison

Indicator for offices		Unit	Source
Electricity (estimate for offices in Germany 2013)	2,177.0	kWh/(pp a)	Bundesministerium für Wirtschaft und Industrie (2015): Energieverbrauch des Sektors Gewerbe, Handel, Dienstleistungen (GHD) in Deutschland für die Jahre 2011 bis 2013: https://www.bmwi.de/ Redaktion/DE/Publikationen/Studien/sondererhebung-zur-nutzung-erneuerbarer-energien-im-gdh-sek- tor-2011-2013.html
Heating energy (average for offices in Germany 2013)	5,463.0	kWh/(pp a)	
Heating (PassivHaus)	Specific space heating demand ≤15 kWh/(m^2/year)		Passive House Institute criteria for non-residential buildings (PassivHaus Institut, 2013, p.1)
Cooling (PassivHaus)	Specific useful cooling demand ≤15 kWh/(m^2/year)		Passive House Institute criteria for non-residential buildings (PassivHaus Institut, 2013, p.1)
Primary energy	Total specific primary energy demand) ≤ 120 kWh/(m^2/year)		Passive House Institute criteria for non-residential buildings (PassivHaus Institut, 2013, p.1)
Total water use	6,4	m^3/FTE/year	Best Environmental Management Practice for the Public Administration Sector https://susproc.jrc.ec.europa.eu/product-bureau/sites/default/files/inline-files/PublicAdminBEMP.pdf
Total waste generation in office buildings in 2019	1) <200 2) Zero waste generated in the office buildings is sent to landfill	kg/FTE/Jahr	Best Environmental Management Practice for the Public Administration Sector https://susproc.jrc.ec.europa.eu/product-bureau/sites/default/files/inline-files/PublicAdminBEMP.pdf
Paper consumption	1) lower than 15 2) Office paper used is 100 % recycled or certified according to an ISO Type I ecolabel (2) (e.g. EU Ecolabel)	sheets of paper/FTE/ working day	Best Environmental Management Practice for the Public Administration Sector https://susproc.jrc.ec.europa.eu/product-bureau/sites/default/files/inline-files/PublicAdminBEMP.pdf
Heating energy (average for office buildings)	133	kWh/(m² a)	Energieeffizienz bei Büroimmobilien. dena-Analyse über den Gebäudebestand und seine energetische Situation: https://effizienzgebaeude.dena.de/fileadmin/dena/Dokumente/Pdf/9143_dena-Analyse_Energieeffizienz_bei_Bueroimmobilien.pdf

EMAS Benchmark for Hotels 2016		Unit	Source
Building energy (heating and electricity)	180	kWh/(m² a)	Reference document issued by the European Commission on Best Environmental Practices, including indicators for environmental performance and benchmarks of excellence for the tourism sector (2016): https://eur-lex.europa.eu/eli/dec/2016/611/oj
Electricity	80	kWh/(m² a)	
Water	140	L/night	
Residual waste	0,16	kg/night	

EMAS Benchmark for Offices 2019		Unit	Source
Building energy (heat and electricity)	100	kWh/(m² a)	Reference document issued by the European Commission on Best Environmental Practices, including indicators for environmental performance and benchmarks of excellence for the public administration sector (2019): https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019D0061
Water	6,4	m³/(FTE a)	
Residual waste	200	kg/(FTE a)	
Paper consumption	18,5	kg/(FTE a)	

Indicators for hotels		Unit	Source
Building energy (average, European hotels in 2006)	306	kWh/m²	ECOTRANS e.V., Universität Stuttgart (2006): Umweltleistungen europäischer Tourismusbetriebe: https://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=home.showFile&rep=file&fil=LIFE00_ENV_NL_000810_LAYMAN.pdf
Building energy (average, European hotels in 2006)	77	kWh/night	
Water (average, European hotels in 2006)	394	l/night	
Residual waste	1	kg/night	
Electricity (average, German hotels 2012)	12	kWh/night	Hotel und Energie, Eine Sonderveröffentlichung der Fachzeitschrift Hotelbau, August 2015 ISSN: 1865-5130 https://www.hotelbau.de/downloads/download-sonderheft-hotelenergie-2015%e2%80%b3/
Heating (average, German hotels 2012)	136	kWh/m²	
Heating (reference value, German hotels in 2012)	28	kWh/night	
Electricity (average, German hotels 2013)	7,829	kWh/pp	Bundesministerium für Wirtschaft und Industrie (2015): Energieverbrauch des Sektors Gewerbe, Handel, Dienstleistungen (GHD) in Deutschland für die Jahre 2011 bis 2013: https://www.bmwk.de/Redaktion/DE/Publikationen/Studien/sondererhebung-zur-nutzung-erneuerbarer-energien-im-gdh-sektor-2011-2013.html
Heating (average, German hotels 2013)	18,269	kWh/pp	Bundesministerium für Wirtschaft und Industrie (2015): Energieverbrauch des Sektors Gewerbe, Handel, Dienstleistungen (GHD) in Deutschland für die Jahre 2011 bis 2013 https://www.bmwk.de/Redaktion/DE/Publikationen/Studien/sondererhebung-zur-nutzung-erneuerbarer-energien-im-gdh-sektor-2011-2013.html

Table 34: Indicators and benchmarks for comparison