



ProCredit
H O L D I N G

INTERNAL RULES OF PROCEDURE FOR THE REMUNERATION CONTROL COMMITTEE

of ProCredit Holding AG, Frankfurt am Main



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27 September 2023

Article 1 Composition and Chair

- (1) The Remuneration Control Committee consists of at least three members of the Supervisory Board.
- (2) One member of the Remuneration Control Committee must have sufficient expertise and professional experience in risk management and risk control, in particular with regard to mechanisms for aligning remuneration systems with the overall risk appetite and strategy and with the capital adequacy of the Company.
- (3) The Remuneration Control Committee elects one of its members to serve as its Chair. This person shall be independent of the Company and its Management Board as well as independent of any controlling shareholder.

Article 2 Duties

- (1) The Remuneration Control Committee's duties are defined by resolution of the Supervisory Board or stipulated in these Rules of Procedure.
- (2) The Remuneration Control Committee
 - (a) supports the Supervisory Board in the appropriate structuring of the remuneration systems for the members of the Management Board;
 - (b) supports the Supervisory Board in monitoring the appropriate structure of the remuneration systems for the employees of the Company, and in particular the appropriate structure of the remuneration for the heads of the Risk Control function and the Compliance function, as well as such employees who have a material impact on the overall risk profile of the institution;

- (c) assesses the impact of the Management Board and staff remuneration systems on the risk, capital and liquidity situation as well as the impact orientation of ProCredit Holding AG & Co KGaA and ensures that the remuneration systems and the remuneration strategy are aligned with the achievement of the objectives set out in the business and risk strategies of the Company and are in conformance with section 27 InstitutsVergV (German Remuneration Regulation for Institutions) whilst taking into account the other requirements set forth in section 4 InstitutsVergV;
 - (d) prepares the resolutions of the Supervisory Board on the remuneration of the Management Board Members, paying particular attention to the impact of the resolutions on the risks and risk management of the Company; the long-term interests of shareholders, investors and other stakeholders, the interests of the general public as well as the impact orientation are also to be taken into account;
 - (e) supports the Supervisory Board in ensuring the proper involvement of internal control functions as well as any other relevant functions in the structure of the remuneration systems.
- (3) The Remuneration Control Committee shall cooperate with the Risk Committee.
 - (4) The Chair may obtain information directly from the head of Internal Audit and/or from the heads of the organisational units responsible for the design of the remuneration systems. The Management Board must be informed of this without delay.
 - (5) The Remuneration Control Committee may, at its discretion, seek advice from external auditors, lawyers and other external and internal consultants. The costs shall be borne by the Company.

Article 3 Meetings and Resolutions

- (1) The Remuneration Control Committee shall meet at least once per financial year at the invitation of the Chair of the Committee. Meetings are to be convened by the Chair; however, in the event that the Chair is unable to do so, they can be convened by another member of the Remuneration Control Committee, giving a minimum of two weeks' notice.
- (2) The Remuneration Control Committee shall be deemed to have a quorum if at least three members participate in the adoption of the resolution.

- (3) Management Board Members are not permitted to attend Remuneration Control Committee meetings when agenda items concerning their own remuneration are discussed.
- (4) In all other respects, the provisions of the Rules of Procedure of the Supervisory Board shall apply mutatis mutandis regarding the convening, form and minutes of meetings and resolutions passed, regarding the quorum and voting of the Remuneration Control Committee as well as to the obligation of the members of the Remuneration Control Committee to maintain confidentiality.

Article 4 Reports and Declarations

- (1) The Chair of the Remuneration Control Committee shall make regular reports to the Supervisory Board on the work of the Remuneration Control Committee.
- (2) Insofar as declarations are to be made or received for the implementation of resolutions of the Remuneration Control Committee or otherwise for the fulfilment of its duties, the Chair of the Remuneration Control Committee shall act in this capacity.



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