



**ProCredit**  
H O L D I N G

CORPORATE GOVERNANCE STATEMENT

**2023**



## Corporate Governance Report

ProCredit Holding AG (also "Company" or "ProCredit Holding"), which before the conversion of its legal form took effect on 27 September 2023 was registered as ProCredit Holding AG & Co. KGaA, places emphasis on transparent corporate governance and open communication with all stakeholders. This approach and our development-oriented mission are supported by the shareholders. The values upon which we have successfully built the ProCredit group include personal integrity and commitment, social responsibility and tolerance, open communication and transparency, as well as high professional standards.

### *Management Board and Supervisory Board*

#### *Relationship between Management Board and Supervisory Board before the change of legal form of the Company*

Until its conversion, the Company had the legal form of a partnership limited by shares ("KGaA" – Kommanditgesellschaft auf Aktien). In the case of a KGaA, the management board duties of a stock corporation ("AG" – Aktiengesellschaft) were incumbent upon the general partner. The sole personally liable general partner of the Company was ProCredit General Partner AG, whose management board ("Management Board") was thereby responsible for managing the Company's business operations.

The supervisory boards of ProCredit General Partner AG and ProCredit Holding AG & Co. KGaA (the latter "Supervisory Board") comprised the same individuals. This allowed for a high level of transparency in the cooperation between the Supervisory Board level and the Management Board of ProCredit General Partner AG.

The Management Board and Supervisory Board cooperated closely for the benefit of the Company.

In the 2023 financial year, the company's Supervisory Board held seven meetings, all of which were held as hybrid meetings: four meetings held via video with the option of physical attendance and three meetings held as face-to-face meetings with the option of participation via video. There were no written votes in the 2023 financial year before the change in legal form.

The Supervisory Board had determined a comprehensive set of reports to be provided by the Management in due time before each meeting. The Management Board reported on the business and risk strategies of the group at least once per year and routinely reported on the status of implementation of the strategies.

The Supervisory Board reviewed and approved the Annual Financial Statements of the Company and the Consolidated Annual Financial Statements for the ProCredit group. The Supervisory Board examined the efficiency and effectiveness of its activities on a regular basis, and at least once in every calendar year. The Company complied with the German Corporate Governance Code, unless otherwise specified.

#### *Relationship between Management Board and Supervisory Board since the change of legal form of the Company*

Since the change of legal form, the supervisory board duties have been the responsibility of the Supervisory Board of ProCredit Holding AG ("AG Supervisory Board"). In accordance with the Articles of Association of ProCredit Holding AG, it is composed of eight members. The members Ms Helen Alexander and Ms Jovanka Joleska Popovska are delegated on the basis of delegation rights of the shareholders Zeitinger Invest GmbH and ProCredit Staff Invest GmbH & Co. KG, as established by the Articles of Association of ProCredit Holding AG. The remaining four members had already been elected by the Company's Annual General Meeting on 5 June 2023. Two other members, Ms Karin Katerbau and Ms Berna Ülman, were appointed by the court at the

proposal of the Management Board (also referred to as the "AG Management Board") of ProCredit Holding AG and the AG Supervisory Board.

The AG Management Board and AG Supervisory Board work closely together for the benefit of the Company.

Since the change of legal form, the Company's Supervisory Board has held four meetings, all of which were held as hybrid meetings: two meetings as face-to-face meetings with the option to participate via video and two meetings via video with the option to attend physically. Four written votes were held in the 2023 financial year following the conversion.

The AG Supervisory Board has determined a comprehensive set of reports to be provided by the AG Management in due time before each meeting. The AG Management Board will report on the business and risk strategies of the group at least once per year and routinely report on the status of implementation of the strategies.

The AG Supervisory Board will review and approve the Annual Financial Statements for ProCredit Holding AG and the Consolidated Annual Financial Statements for the ProCredit group. The AG Supervisory Board examines the efficiency and effectiveness of its activities on a regular basis, and at least once in every calendar year. ProCredit Holding AG complies with the German Corporate Governance Code, unless otherwise specified.

#### *Management Board of ProCredit Holding AG (until 27 September 2023: ProCredit General Partner AG)*

The Management Board comprised the following individuals in the 2023 financial year:

Member of Management:	First appointed	Appointed until	Responsibilities (as of year-end)
Hubert Spechtenhauser	2022	28 February 2025	Corporate Office Legal Communications Internal Audit
Dr Gian Marco Felice	2020	31 May 2024	Business Support and Development Environmental Management and Impact Reporting IT
Sandrine Massiani	2017	28 February 2026 (Ms Massiani exits the Management Board at end-2023, in agreement with the Supervisory Board)	HR Management Fraud and money laundering prevention & compliance
Christian Dagrosa	2023	31 December 2025	Accounting and Taxes Supervisory Reporting and Capital Planning Funding and Treasury Controlling Reporting and Data Management Investor Relations Administration and Translation
Eriola Bibolli	2023	31 May 2026	Credit risk management Risk Control Financial risk management Operational risk management

The Management Board of ProCredit General Partner AG was expanded to include Mr Christian Dagrosa with effect from 1 January 2023 and Ms Eriola Bibolli with effect from 1 June 2023.

After 27 September 2023, the members of the Management Board of ProCredit General Partner AG directly assume the management of ProCredit Holding AG as the Management Board of the AG.

Sandrine Massiani left the AG Management Board on 31 December 2023 by mutual agreement with the AG Supervisory Board.

Irrespective of the conversion, the basis for succession planning was and is the continuous and systematic development of the Company through the early identification of suitable candidates of different disciplines and nationalities as well as different genders and ages. Another crucial aspect was and is the development of managers through the assumption of tasks with increasing responsibility and with a good understanding of and interest in the group's core business and its objectives with regard to sustainable and responsible banking. When appointing management board members, sufficient diversity was and is ensured in terms of professional training and experience, cultural background, internationality and gender. Independent of individual criteria, a holistic appreciation of the individual personality was and is decisive.

As before the change of legal form, there is a general age limit of 70 years.

#### *Cooperation before the change of legal form*

Prior to the conversion, the members of the Management Board were jointly responsible for the management of ProCredit General Partner AG and thus indirectly for the management of the Company. Its Internal Rules of Procedure governed the work of the Management Board. The supervisory board of ProCredit General Partner AG decided on the appointment and dismissal of members of the Management Board including long-term succession planning for the Management Board. The supervisory board of ProCredit General Partner AG also set the remuneration of the individual members of the Management Board. The Company's Supervisory Board was informed of the Management Board's decisions and gave its approval where necessary. A Nomination Committee and a Remuneration Control Committee were established at the level of ProCredit General Partner AG.

#### *Cooperation since the change of legal form*

Since the change of legal form, the members of the AG Management Board have been directly responsible for the management of ProCredit Holding AG. Its Internal Rules of Procedure govern the work of the AG Management Board. The AG Supervisory Board decides on the appointment and dismissal of members of the AG Management Board including long-term succession planning for the AG Management Board. The AG Supervisory Board also set the remuneration of the individual members of the AG Management Board. The AG Supervisory Board is informed of the AG Management Board's decisions and gives its approval where necessary. A Nomination Committee and a Remuneration Control Committee are established at the level of the AG Supervisory Board.

The Articles of Association of ProCredit Holding AG came into force when the change of legal form took effect. These provide for the Supervisory Board of ProCredit Holding AG to consist of eight members. The members Ms Helen Alexander and Ms Jovanka Joleska Popovska are delegated through delegation rights of the shareholders Zeitinger Invest GmbH and ProCredit Staff Invest GmbH & Co. KG. Furthermore, Ms Karin Katerbau and Ms Berna Ülman were appointed by the court with effect from 9 November 2023 until the first Annual General Meeting of ProCredit Holding AG in 2024, in accordance with section 104 AktG at the joint request of the AG Management Board and AG Supervisory Board.

### Supervisory Board of ProCredit Holding AG (until 27 September 2023: ProCredit Holding AG & Co. KGaA)

The Supervisory Board comprised the following individuals in the 2023 financial year:

Member of the supervisory board	First appointed	Appointed until	Other supervisory board mandates outside of the ProCredit group
Rainer Ottenstein (Chair since 7 March 2022)	2016	2026	None
Dr H.P.M. (Ben) Knapen (Deputy Chair since 3 June 2022)	2020	2027	Leiden Asia Centre, Leiden, Netherlands, member of supervisory board
Helen Alexander	2022	2027	None
			Sura Asset Management S.A., Medellin, Colombia, member of the supervisory board
Marianne Loner	2017	5 June 2023	Britam Holdings Plc, Nairobi, Kenya, member of the supervisory board
			Amundi Planet Sicav-SIF, Luxembourg, member of the supervisory board
Jovanka Joleska Popovska	2021	2026	None
			KfW-ATI Regional Liquidity Support Facility, member of investment committee
Dr Jan Martin Witte	2021	5 June 2023	Microfinance Enhancement Fund SICAV SIF, Luxembourg, Luxembourg, member of supervisory board
Dr Jan Marcus Schroeder-Hohenwarth	5 June 2023	2027	None
			Da Vinci Emerging Technologies Fund III, member of advisory board
Nicholas Tesseyman	5 June 2023	2027	First Bank Romania, independent member of administrative board, chair of credit committee in advisory board, member of risk committee, transformation committee and the nomination and remuneration committee
			Eurobank Private Bank, Luxembourg, independent member of supervisory board, chair of audit committee and member of risk committee
			OLB Foundation, chair of management board
Karin Katerbau	9 November 2023	2024	SMBC Bank EU AG, member of supervisory board
			Silk Road Real Estate Group, Georgia, independent member of administrative board and chair of the audit and risk committee
Berna Ülman	9 November 2023	2024	Akis Real Estate Investment, Turkey, independent member of administrative board, chair of governance committee and member of audit committee
			SEV Health and Education Foundation, Turkey, chair of supervisory board

*Work of the Supervisory Board (until the change of legal form)*

Until the conversion took effect, the supervisory board of the General Partner oversaw the Management Board and was involved in decisions of fundamental importance to the group. The Management Board regularly informed the Supervisory Board of the group business strategy and other fundamental matters relating to the assets, liabilities, financial and profit situation of the group as well as its risk situation, risk management and risk controlling. Key decisions of the group were approved by the supervisory board of ProCredit General Partner AG. The Supervisory Board was informed of and could discuss these decisions, particularly since it was comprised of the same individuals of the supervisory board of the General Partner.

*Work of the AG Supervisory Board (since the change of legal form)*

Since the conversion took effect, the AG Supervisory Board oversees the AG Management Board and is involved in decisions of fundamental importance to the group. The AG Management Board regularly informs the AG Supervisory Board of the group business strategy and other fundamental matters relating to the assets, liabilities, financial and profit situation of the group as well as its risk situation, risk management and risk controlling. Key decisions of the group are now approved by the AG Supervisory Board.

*Objectives for the composition of the Supervisory Board (until the conversion) and status of implementation*

The Supervisory Board had determined that its members shall include persons who, in addition to a sound knowledge of banking, also have:

- a good understanding of and interest in the group's core business
- time and interest to travel to the region to understand and assess the operations of ProCredit subsidiaries, and ideally a seat on at least one supervisory board of a subsidiary
- a good understanding of and interest in development finance and sustainability aspects
- at least one member should have professional experience in South Eastern and Eastern Europe

All members should have sufficient knowledge of financial analysis and risk aspects of banking. Furthermore, since the Company's shares are listed on the Frankfurt Stock Exchange, a general understanding of capital markets is valuable.

All members of the Supervisory Board generally aimed to act as independent members within the meaning of the provisions of the German Stock Corporation Act and the GCGC. The Supervisory Board had ensured that its members were independent. This did not include the Supervisory Board position of Ms. Jovanka Joleska Popovska, who is employed by ProCredit Reporting DOOEL, North Macedonia.

Members of the Supervisory Board were at the same time also members of the supervisory board of ProCredit General Partner AG. Five members had been nominated by core shareholders. However, in our opinion, this did not affect the independence of the Supervisory Board members involved, as they had been carefully instructed to comply with all applicable laws, in particular with those obliging them to maintain their independence. Furthermore, the Management Board is not aware of any circumstances that could have impaired the independence of a member of the Supervisory Board, apart from the employment of Ms Jovanka Joleska Popovska at ProCredit Reporting DOOEL, North Macedonia.

The Supervisory Board required prospective candidates to indicate any potential conflicts of interest and shall assess such conflicts and satisfy itself that the respective candidates can devote the required amount of time before making its proposals to the General Meeting of ProCredit Holding AG & Co. KGaA concerning the election of new members of the Supervisory Board.

As a rule, the age limit for Supervisory Board members is 75 years.

The Supervisory Board believed that it complied with the specified concrete objectives regarding its composition.

The Supervisory Board respected diversity when proposing (to the General Meeting) members for appointment to the Supervisory Board. Two members of the six-person Supervisory Board and two members of the five-person Management Board were women.

The Supervisory Board had set the target that at least one woman should serve on the Management Board. In addition, at least one woman should serve on the Supervisory Board if there was only one or fewer women on the Management Board. Furthermore, the Management Board had established a 25% minimum level of gender representation for the first two levels of management. This target was met in 2023 until the conversion.

The Supervisory Board evaluated the effectiveness and efficiency of its activities and the activities of the Management Board on a regular basis at the last Supervisory Board meeting before the end of the year, and it assessed whether the supervisory and control tasks had been achieved with regard to the above-mentioned objectives. This was based on experience and on regular contact and meetings with members of the Management and with all managers and colleagues in the group. Of particular importance in this respect was the regular exchange of information within the framework of the quarterly Supervisory Board meetings of the banks in the group, with participation from Management and staff from the subsidiaries. In addition, assessment was to take into account the quarterly group risk report and the handling of changes in the regulatory framework, both at group level and at the level of the banks in the group. The composition and competencies of the Management Board were likewise discussed. In the 2023 financial year, the review did not give rise to any complaints up to the conversion.

#### *Objectives for the composition of the AG Supervisory Board (since the change of legal form) and status of implementation*

The AG Supervisory Board has determined that its members shall include persons who, in addition to a sound knowledge of banking, also have:

- a good understanding of and interest in the group's core business
- time and interest to travel to the region to understand and assess the operations of ProCredit subsidiaries, and ideally a seat on at least one supervisory board of a subsidiary
- a good understanding of and interest in development finance and sustainability aspects
- at least one member should have professional experience in South Eastern and Eastern Europe

All members should have sufficient knowledge of financial analysis and risk aspects of banking. Furthermore, since the Company's shares are listed on the Frankfurt Stock Exchange, a general understanding of capital markets is valuable.

All members of the AG Supervisory Board aim to act as independent members within the meaning of the provisions of the German Stock Corporation Act and the GCGC. The AG Supervisory Board has ensured that its members are independent at all times, apart from the employment of Ms Jovanka Joleska Popovska at ProCredit Reporting DOOEL, North Macedonia.

Two members of the Supervisory Board of the AG are delegated by Zeitinger Invest GmbH and ProCredit Staff Invest GmbH & Co. However, in our opinion, this does not affect the independence of the AG Supervisory Board members involved, as they have been carefully instructed to comply with all applicable laws, in particular with

those obliging them to maintain their independence. Furthermore, the AG Management Board has not become aware of any circumstances that may compromise the independence of any AG Supervisory Board member. This does not include the Supervisory Board position of Ms. Jovanka Joleska Popovska, who is employed by ProCredit Reporting DOOEL, North Macedonia.

The AG Supervisory Board requires prospective candidates to indicate any potential conflicts of interest and shall assess such conflicts and satisfy itself that the respective candidates can devote the required amount of time before making its proposals to the General Meeting of ProCredit Holding AG concerning the election of new members of the Supervisory Board.

As a rule, the age limit for Supervisory Board members is 75 years.

The AG Supervisory Board believes that it complies with the specified concrete objectives regarding its composition.

The AG Supervisory Board respects diversity when proposing members for appointment to the Supervisory Board. Four members of the eight-member AG Supervisory Board and two members of the five-member AG Management Board are women (as of 31 December 2023).

The AG Supervisory Board has set the target that at least one woman should serve on the AG Management Board. In addition, at least one woman should serve on the AG Supervisory Board if there is only one or fewer women on the AG Management Board. Furthermore, the AG Management Board has established a 25% minimum level of gender representation for the first two levels of management. This target was achieved in the 2023 financial year following the change of legal form.

The AG Supervisory Board evaluates the effectiveness and efficiency of its activities and the activities of the AG Management Board on a regular basis at the last Supervisory Board meeting before the end of the year, and it assesses whether the supervisory and control tasks have been achieved with regard to the above-mentioned objectives. This is based on experience and on regular contact and meetings with members of the Management and with all managers and colleagues in the group. Of particular importance in this respect is the regular exchange of information within the framework of the quarterly Supervisory Board meetings of the banks in the group, with participation from Management and staff from the subsidiaries. In addition, assessment shall take into account the quarterly group risk report and the handling of changes in the regulatory framework, both at group level and at the level of the banks in the group. The composition and competencies of the AG Management Board are likewise discussed. In the 2023 financial year, the review did not give rise to any complaints following the conversion.



### Qualification matrix of the Supervisory Board of ProCredit Holding AG

	<i>Rainer Ottenstein</i>	<i>Dr. H.P.M. (Ben) Knapen</i>	<i>Marianne Loner (until 5. June 2023)</i>	<i>Dr. Jan Martin Witte (until 5. Jun 2023)</i>	<i>Helen Alexander</i>	<i>Jovanka Joleska- Popovska</i>	<i>Dr. Jan Marcus Schroeder-Hohenwarth (since 5. Jun 2024)</i>	<i>Nicholas Tesseyman (since 5. Jun 2024)</i>	<i>Karin Katerbau (since 9 Nov. 2023)</i>	<i>Berna Ülman (since 9. Nov. 2023)</i>
Member since	2016	2020	2017	2021	2022	2021	2023	2023	2023	2023
Independence <sup>1</sup>	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
<b>Diversity</b>										
Gender	m	m	f	m	f	f	m	m	f	f
Nationality	German	Dutch	Swiss / USA	German	British / German	North Macedoni an	German	British	German	Turkish / USA
Year of birth	1958	1951	1956	1974	1962	1972	1967	1968	1963	1965
<b>Areas of expertise</b>										
Banking	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Development finance	✓	✓	-	✓	✓	✓	✓	✓	✓	-
Sustainability	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial analysis	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Capital markets	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Compliance	✓	✓	-	-	✓	✓	✓	✓	✓	✓
Audit	✓	✓	✓	-	✓	✓	✓	✓	✓	✓
Southeast and Eastern Europe	✓	✓	-	-	✓	✓	✓	✓	✓	✓

<sup>1</sup> according to the German Corporate Governance Code

✓ criterion is fulfilled. The assessment of the areas of expertise is based on an annual self-assessment by the Supervisory Board. A tick means at least "good knowledge"

### Committees of the Supervisory Board (until the change of legal form)

The Supervisory Board had formed a Risk and Audit Committee and a Nomination Committee.

The Chair of the Nomination Committee of the Company's Supervisory Board was Rainer Ottenstein. Jovanka Joleska Popovska and Dr Jan Martin Witte were also members of the Nomination Committee (the latter until his resignation as a member of the Supervisory Board on 5 June 2023). Following the Company's Annual

General Meeting on 5 June 2023, the Supervisory Board elected Mr Ottenstein (Chair), Ms Popovska and Mr Tesseyman as members of the Nomination Committee.

The Risk and Audit Committee was chaired by Dr H.P.M. (Ben) Knapen. Helen Alexander and Marianne Loner (the latter until her resignation as a member of the Supervisory Board on 5 June 2023) were also members of the Risk and Audit Committee. Following the Company's Annual General Meeting on 5 June 2023, the Supervisory Board elected Dr Knapen (Chair), Ms Alexander and Mr Schroeder-Hohenwarth as members of the Risk and Audit Committee.

Dr H.P.M. (Ben) Knapen has expertise in the field of accounting and auditing. As a member of the Management Board and in various supervisory roles, he has collaborated with auditors to ensure appropriate reporting on corporate matters, including the preparation of annual reports and the scrutinisation of accounting principles and regulations as well as changes thereto. Among other things, Dr Knapen was responsible for finance on the Management Board of a large publishing house for four years and was in charge of the auditing process on the corporate side. He was then Chair of a pension fund for six years, devoting much of his time to auditing issues. He also dealt with auditing in his capacity as Chair of the Nuclear Research Group, which is responsible for the operation of a nuclear reactor, among other things, and is therefore a company that is subject to particularly rigorous audits. Finally, during his time as Managing Director of the European Investment Bank, auditing played an important role in all activities in which he was involved.

Helen Alexander was for many years a member of the management team of ProCredit Holding, as well as of the Supervisory Board and Audit Committee of several ProCredit banks, and has relevant experience in accounting and internal audit in the banking sector. She has in-depth knowledge of the ProCredit group's markets, banks, business model, internal control system and risk management strategies, as well as extensive expertise in analysing and advising on the impact and ESG aspects of corporate strategy. Thanks to her previous experience as compliance officer of the ProCredit group, she has in-depth knowledge of German banking supervisory law, including the German Banking Act (KWG), the Minimum Requirements for Risk Management (MaRisk), the German Stock Corporation Act (AktG) and the relevant aspects of the German Securities Trading Act (WpHG) as well as the EU's Markets in Financial Instruments Directive (MiFID).

Marianne Loner, who was a member of the Supervisory Board and its Audit Committee until 5 June 2023, has more than 10 years of experience on supervisory boards, including on their risk and audit committees; she benefits from her successful banking career of over 30 years. She is very familiar with the banking sector and has a sound education in banking as well as extensive expertise in auditing and accounting. She is a member of the audit committee at Sura Asset Management and was a credit analyst at Manufacturers Hanover Trust (now JP Morgan).

Dr Jan Marcus Schroeder-Hohenwarth is a highly qualified banker with extensive experience in Eastern Europe, Asia and Africa and is also an expert in reorganisation and restructuring. As part of his work in the management of troubled loans and investments, he was intensively involved in financial analysis and financial statement analysis in various jurisdictions. As head of DEG's restructuring department, he himself was involved in the preparation of annual financial statements. Mr Schroeder-Hohenwarth has many years of experience as a member of supervisory boards of companies in various sectors and regions. He also has a thorough understanding of multilateral and bilateral development finance institutions.

#### *Committees of the AG Supervisory Board (since the change of legal form)*

The AG Supervisory Board has formed a Risk Committee, an Audit Committee, a Nomination Committee and a Remuneration Control Committee.

The Chair of the Nomination Committee is Mr Rainer Peter Ottenstein. Dr H.P.M. (Ben) Knapen, Ms Jovanka Joleska Popovska and Mr Nicholas Tesseyman are also members of the Nomination Committee.

The Chair of the Remuneration Control Committee is Mr Rainer Peter Ottenstein. Ms Jovanka Joleska Popovska, Dr Jan Marcus Schroeder-Hohenwarth and Ms Berna Ülman are also members of the Remuneration Control Committee.

The Chair of the Risk Committee is Dr Jan Marcus Schroeder-Hohenwarth. Ms Karin Katerbau, Ms Helen Alexander, Mr Nicholas Tesseyman and Ms Berna Ülman are also members of the Risk Committee.

The Audit Committee is chaired by Ms Karin Katerbau. In addition, Dr H.P.M. (Ben) Knapen, Ms Helen Alexander, Ms Jovanka Joleska Popovska and Mr Nicholas Tesseyman are members of the Audit Committee.

Dr H.P.M. (Ben) Knapen has expertise in the field of accounting and auditing. As a member of the Management Board and in various supervisory roles, he has collaborated with auditors to ensure appropriate reporting on corporate matters, including the preparation of annual reports and the scrutinisation of accounting principles and regulations as well as changes thereto. Among other things, Dr Knapen was responsible for finance on the Management Board of a large publishing house for four years and was in charge of the auditing process on the corporate side. He was then Chair of a pension fund for six years, devoting much of his time to auditing issues. He also dealt with auditing in his capacity as Chair of the Nuclear Research Group, which is responsible for the operation of a nuclear reactor, among other things, and is therefore a company that is subject to particularly rigorous audits. Finally, during his time as Managing Director of the European Investment Bank, auditing played an important role in all activities in which he was involved.

Helen Alexander was for many years a member of the management team of ProCredit Holding, as well as of the Supervisory Board and Audit Committee of several ProCredit banks, and has relevant experience in accounting and internal audit in the banking sector. She has in-depth knowledge of the ProCredit group's markets, banks, business model, internal control system and risk management strategies, as well as extensive expertise in analysing and advising on the impact and ESG aspects of corporate strategy. Thanks to her previous experience as compliance officer of the ProCredit group, she has in-depth knowledge of German banking supervisory law, including the German Banking Act (KWG), the Minimum Requirements for Risk Management (MaRisk), the German Stock Corporation Act (AktG) and the relevant aspects of the German Securities Trading Act (WpHG) as well as the EU's Markets in Financial Instruments Directive (MiFID).

Karin Katerbau has expertise in the field of auditing and accounting. From 2004 to 2021, Ms Katerbau was a member of the Management Board and CFO of no fewer than three listed banks, two of which were based in Germany and one in Poland. During this time, as Chief Financial Officer, she was responsible for the accounting and auditing processes, as well as the corresponding internal control systems and auditing processes of the respective banks. Ms Katerbau is a member of the Supervisory Board of SMBC Bank EU AG.

Jovanka Joleska Popovska has technical experience in the field of auditing, having worked for a large international auditing firm for six years. She was also Head of Internal Audit at ProCredit Bank North Macedonia for two years.

Nicholas Tesseyman has expertise in auditing and accounting. He has been very familiar with the banking sector for many years, has chaired the Audit Committee of Eurobank Private Bank Luxembourg and is a member of the Audit Committee of First Bank Romania. Among other things, Mr Tesseyman was Managing Director of the European Bank of Reconstruction and Development (EBRD) for ten years and a member of the bank's staff for a further ten years.

*Remuneration and share ownership of the Management and Supervisory Board members until the change of legal form*

For information on the remuneration of the members of the Management Board and Supervisory Board, please refer to our Remuneration Report, which is published on our website (<https://www.procredit-holding.com/investor-relations/corporate-governance/remuneration-report/>).

Of the members of the Supervisory Board, only Ms Helen Alexander directly and Ms Jovanka Joleska Popovska indirectly (via ProCredit Staff Invest GmbH & Co. KG) held shares in the company.

All members of the Management Board held shares in the company directly or indirectly (via ProCredit Staff Invest GmbH & Co. KG). However, in no individual case or together did the aggregated volume of shares reach 1% of the total share capital of the Company. There was no share option programme for members of the Management Board. Part of the remuneration for the members of the Management Board was granted in shares.

The combined volume of shares held directly and indirectly by all Management Board and Supervisory Board members amounted to less than 1% of the shares of the Company.

The members of the Management Board and of the Supervisory Board as well as persons closely associated to them were required pursuant to Art. 19 Regulation (EU) No. 596/2014 (Market Abuse Regulation – “MAR”) to disclose transactions relating to the shares of the Company as well as other financial instruments linked thereto, if the total amount of such transactions reaches EUR 20,000 within a calendar year. Information on such transactions will be made public and can be seen on the Company's website under <https://www.procredit-holding.com/investor-relations/news/managers-transactions/>. There were no reportable transactions in the 2023 financial year until the change of legal form.

*Remuneration and share ownership of the AG Management Board and AG Supervisory Board members since the change of legal form*

For information on the remuneration of the members of the AG Management Board and AG Supervisory Board, please refer to our Remuneration Report, which is published on our website (<https://www.procredit-holding.com/investor-relations/corporate-governance/remuneration-report/>).

Of the members of the AG Supervisory Board, only Ms Helen Alexander directly and Ms Jovanka Joleska Popovska indirectly (via ProCredit Staff Invest GmbH & Co. KG) hold shares in the company.

All members of the AG Management Board hold shares in the Company or ProCredit Holding AG directly or indirectly (via ProCredit Staff Invest GmbH & Co. KG). However, in no individual case or together does the aggregated volume of shares reach 1% of the total share capital of the Company or ProCredit Holding AG. There is no share option programme for members of the AG Management Board. Part of the remuneration for the members of the AG Management Board was granted in shares.

The combined volume of shares held directly and indirectly by all AG Management Board and AG Supervisory Board members amounts to less than 1% of the shares of ProCredit Holding AG.

The members of the AG Management Board and of the AG Supervisory Board as well as persons closely associated to them were or are required pursuant to Art. 19 Regulation (EU) No. 596/2014 (Market Abuse Regulation – “MAR”) to disclose transactions relating to the shares of the Company as well as other financial instruments linked thereto, if the total amount of such transactions reaches EUR 20,000 within a calendar year.

Information on such transactions will be made public and can be seen on the Company's website under <https://www.procredit-holding.com/investor-relations/news/managers-transactions/>. There were no reportable transactions in the 2023 financial year since the change of legal form.

### *Other Key Aspects of our Approach to Corporate Governance*

#### *Working relationship between ProCredit Holding and its subsidiaries*

Central to the effective governance of the ProCredit group is the relationship between the Company as the holding entity and its subsidiaries. This is not affected by the change of legal form. One of the ProCredit group's strengths is its ability to implement its business and risk strategy with a very high degree of efficiency and uniformity in the countries where it operates. Even after the change of legal form, all ProCredit banks remain independent, licensed and regulated banks. The Company continues to hold a controlling stake (typically 100%) of its subsidiaries and is still in a position to appoint the majority of supervisory board members of its subsidiaries. The management board at each ProCredit bank bears responsibility for the operations of the respective institution. They operate within the tight business and risk management framework set by ProCredit Holding.

#### *Transparency*

ProCredit Holding is committed to transparency and open communication with its shareholders. Relevant information is to be made available to the public promptly to ensure the equal treatment of shareholders. ProCredit Holding ensures an effective reporting process at group level, even after its change of legal form. As usual, it provides financial information on its website, including quarterly and annual financial statements. ProCredit Holding's Investor Relations team provides additional clarity via investor and analyst presentations, roadshows and press communication, including ad hoc notifications, as necessary. Important non-financial information, including an annual non-financial Group Impact Report in accordance with section 315b (3) no. 1 and no. 2b) HGB, as well as our Group Code of Conduct, is also available on the ProCredit Holding website. The Group Impact Report is available at: <https://www.procredit-holding.com/investor-relations/reports-and-publications/non-financial-reports/>

#### *Risk management*

Risk management, controlling and the promotion of an appropriate risk culture are central functions within the management of the ProCredit group, which the company continues to perform with unchanged intensity even after its change of legal form. The ProCredit group applies a standardised and comprehensive framework of rules and policies for risk management, internal control and the prevention of money laundering and other criminal offences. All ProCredit banks are still required to follow centrally set standards. ProCredit Holding continues to monitor the implementation of this framework on an ongoing basis even after the change of form. Group risk management and anti-money laundering policies are, as before, in line with German and European banking regulations and are updated annually to reflect new developments. ProCredit is firmly committed to transparency and takes a conservative approach to risk management. Also after the conversion, the Management Board is supported by the Group Risk Management Committee and receives a monthly report on the risk profile and capitalisation (economic and normative perspective) of the group. The AG Supervisory Board continues to receive a comprehensive report on the risk profile and capitalisation of the group at least quarterly.

### *Compliance Management System*

At a fundamental level, the group compliance management system is rooted in our development mission and our unique approach to staff recruitment and development. The group's compliance management system remains unaffected by the change in the Company's legal form. Our methodical and responsible approach to all operations is underpinned by our Code of Conduct. Compliance with the Code of Conduct remains compulsory for all staff members, and regular training is provided. The Group Compliance Officers continue to bear responsibility for the implementation of a group-wide system to ensure fulfilment of all applicable regulatory requirements. There is a Group Compliance Committee and corresponding committees at the bank level to enable efficient coordination on all compliance-relevant issues, even after the Company's change of legal form. Compliance risks are regularly assessed and controlled. Each ProCredit bank has a Compliance Officer who bears responsibility for managing adherence to national banking regulations and for reporting regularly and ad hoc to the Management of the bank and to the Group Compliance Officer. As before, the AG Supervisory Board receives an Annual Group Compliance Risk Management Report.

The ProCredit banks, which themselves are subject to national regulations on the prevention of money laundering and terrorist financing, continue to implement the regulations pursuant to section 9 of the German Money Laundering Act (Geldwäschegesetz – GwG) as a minimum standard, in accordance with the Group Anti-Money Laundering Policy. In addition to the legal requirements, this also includes the recommended best practices from EU-wide and international standards, such as the European Banking Authority (EBA) guidelines on risk factors for money laundering and terrorist financing and the EBA guidelines on policies and procedures relating to compliance management and the role and responsibilities of the anti-money laundering officer in accordance with Article 8 and Chapter VI of Directive (EU) 2015/849. In addition, all ProCredit banks implement all national regulations related to the prevention of money laundering and terrorist financing in the countries where they operate. All ProCredit banks implement, without exception, the financial sanctions of the United Nations (UN), the European Union (EU), Germany, France, the United Kingdom (UK) and the United States of America (USA). Comprehensive Group Operational Risk Management and Fraud Prevention Policies set stringent standards with regard to whistleblowing, New Risk Approval, Key Risk Indicators and the group Risk Event Database. All ProCredit institutions apply a diligent approach to data protection. Violations of applicable law or of the internal policies of the ProCredit group can be reported to the relevant ProCredit bank or ProCredit Holding via a whistleblowing system. All notifications are treated equally; anonymous reports can also be submitted to ProCredit banks and ProCredit Holding.

***Statement on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to section 161 of the German Stock Corporation Act***

**PRIOR TO THE CHANGE OF LEGAL FORM**

Pursuant to section 161 of the German Stock Corporation Act (AktG), the "Management Board" of ProCredit General Partner AG, as the sole "General Partner", and the "Supervisory Board" of ProCredit Holding AG & Co. KGaA ("Company") declare that the Company, in accordance with the special legal characteristics of a partnership limited by shares, has been in compliance with the recommendations of the German Corporate Governance Code ("GCGC-2020") of 16 December 2019, as published by the Federal Ministry of Justice in the official part of the German Federal Gazette on 20 March 2020, since its last statement of compliance on 22 March 2022, with the deviations listed therein. In the future, the Company will be in compliance with all recommendations of the German Corporate Governance Code of 28 April 2022 ("GCGC-2020") as published by the Federal Ministry of Justice in the official part of the German Federal Gazette on 27 June 2022.

*Deviations based on the legal form of the Company*

- The Company's legal form is that of a partnership limited by shares ("KGaA" – *Kommanditgesellschaft auf Aktien*). In the case of a KGaA, the managerial duties of a stock corporation ("AG" – *Aktiengesellschaft*) are incumbent upon the General Partner. The sole personally liable general partner of the Company is ProCredit General Partner AG ("General Partner"), whose Management Board ("Management Board") is thereby responsible for managing the Company's business operations.
- Compared to the supervisory board of an AG, the rights and obligations of the supervisory board of a KGaA are more restricted. In particular, the Company's Supervisory Board has no authority to appoint the General Partner or its Management Board and to set the terms of the contractual agreement with the General Partner, nor to issue any internal rules of procedure governing the Company's management, nor to determine which transactions require authorisation. These duties are performed by the supervisory board of the General Partner.
- The General Meeting of a KGaA has essentially the same rights as that of an AG. It also decides upon the approval of the Company's annual financial statements as well as the ratification of the acts of the Supervisory Board and of the General Partner. Many of the resolutions of the General Meeting require the consent of the General Partner; this includes the approval of the Company's annual financial statements.

Frankfurt am Main, 16 March 2023

Management Board of  
ProCredit General Partner AG

Supervisory Board of  
ProCredit Holding AG & Co KGaA

***Statement on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to section 161 of the German Stock Corporation Act***

**AFTER THE CHANGE OF LEGAL FORM**

Upon registration in the Commercial Register at the District Court of Frankfurt am Main on 27 September 2023, ProCredit Holding AG & Co. KGaA changed its legal form pursuant to sections 190 et seq. of the German Transformation Act (UmwG) from a partnership limited by shares (Kommanditgesellschaft auf Aktien) to that of a stock corporation under the name of ProCredit Holding AG ("Company"). In this context, the Management Board and Supervisory Board of the Company is updating the statement on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to section 161 of the German Stock Corporation Act as follows:

The Company complies with all recommendations of the "Government Commission on the German Corporate Governance Code" of 28 April 2022 as published by the Federal Ministry of Justice in the official part of the electronic German Federal Gazette, and has been in compliance with them since its last statement of compliance on 16 March 2023, in accordance with the special features of a partnership limited by shares as described below.

***Deviations based on the legal form of the Company until 27 September 2023***

The Company's legal form was that of a partnership limited by shares ("KGaA" – Kommanditgesellschaft auf Aktien) up until 27 September 2023. Against this background, the following special deviations specific to the legal form applied:

- In the case of a KGaA, the managerial duties of a stock corporation ("AG" – *Aktiengesellschaft*) are incumbent upon the General Partner. The sole personally liable general partner of the Company is ProCredit General Partner AG ("General Partner"), whose Management Board ("Management Board") is thereby responsible for managing the Company's business operations.
- Compared to the supervisory board of an AG, the rights and obligations of the supervisory board of a KGaA are more restricted. In particular, the Company's Supervisory Board has no authority to appoint the General Partner or its Management Board and to set the terms of the contractual agreement with the General Partner, nor to issue any internal rules of procedure governing the Company's management, nor to determine which transactions require authorisation. These duties are performed by the supervisory board of the General Partner.
- The General Meeting of a KGaA has essentially the same rights as that of an AG. It also decides upon the approval of the Company's annual financial statements as well as the ratification of the acts of the Supervisory Board and of the General Partner. Many of the resolutions of the General Meeting require the consent of the General Partner; this includes the approval of the Company's annual financial statements.

Frankfurt am Main, 28 September 2023

Management Board of  
ProCredit Holding AG

Supervisory Board of  
ProCredit Holding AG



***Statement on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to section 161 of the German Stock Corporation Act (AktG)***

Pursuant to section 161 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of ProCredit Holding AG ("Company") declare:

The Company has been in compliance with all recommendations of the "Government Commission on the German Corporate Governance Code" as amended on 28 April 2022 ("Code") and published by the Federal Ministry of Justice in the official part of the German Federal Gazette on 27 June 2022 since its last statement of compliance on 28 September 2023. The Company will also comply with the recommendations of the Code in future.

Frankfurt am Main, 19 March 2024

Management Board of  
ProCredit Holding AG

Supervisory Board of  
ProCredit Holding AG



ProCredit Holding AG  
Rohmerplatz 33-37  
60486 Frankfurt am Main  
Germany

Tel. +49 69 951 437 0  
PCH.info@procredit-group.com  
[www.procredit-holding.com](http://www.procredit-holding.com)

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