

DISCLOSURE REPORT AS OF 30 JUNE

2021

The ProCredit financial holding group (ProCredit group) comprises development-oriented commercial banks in South Eastern and Eastern Europe and in South America, as well as a bank in Germany. The ProCredit group focuses on banking services for small and medium-sized enterprises (SMEs) in transition economies and on providing direct banking services for private clients. Through our business activities, we aim to contribute to economic, social, and ecological development while providing a sustainable return on investment for our shareholders. Sustainability is a key component of our business strategy, which is based on building long-term relationships with our clients and staff as well as taking a conservative approach to risk management. The group does not engage in speculative lines of business.

The ProCredit group aims to fulfil the role of a "Hausbank" for its clients and as such, seeks to be the first point of contact when it comes to financing and deposits as well as for account and payment services. Furthermore, we also support our clients in the realisation of their long-term investment projects and offer a variety of efficient trade finance solutions and international payment options through our network of banks. Our SME clients typically require financing in amounts ranging from EUR 50,000 to EUR 3 million. Our target group comprises innovative companies displaying dynamic growth and stable, formalised structures. We place particular emphasis on issuing green loans and promoting local production, especially in agriculture.

In addition to serving SMEs, the ProCredit group also pursues a direct banking strategy for private clients, who conduct their banking transactions directly via our digital channels. Customer inquiries are processed in a focused manner by our call centres. In general, we do not offer counter and cash transactions, meaning that the contact and distance rules introduced in light of the COVID-19 pandemic were relatively easy for us to implement and had virtually no impact on our business operations.

In the current market environment, which continues to be characterised by turbulence and uncertainty due to the pandemic, we feel confident in the strategic direction of our banking group. Our conservative approach to lending and the advanced stage of digitalisation in retail banking have enabled us to continue carrying out our business activities with no major restrictions despite the pandemic.

The superordinated company of the group is ProCredit Holding AG & Co. KGaA (ProCredit Holding), based in Frankfurt am Main, Germany. The ProCredit group is supervised by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) and the Deutsche Bundesbank. ProCredit Holding 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 (Gesetz über das Kreditwesen, KWG). ProCredit Holding shares are traded on the Prime Standard segment of the Frankfurt Stock Exchange.

With this disclosure report, ProCredit Holding is in compliance with the disclosure requirements for the ProCredit group as of 30 June 2021, Article 477 of Regulation (EU) 2019/876 amending Regulation (EU) No. 575/2013 (Capital Requirements Regulation, CRR). Disclosures in this report are carried out at the group level. The information is based on the condensed consolidated financial statements of the ProCredit group as of June 2021, which have been reviewed by an external auditor. This report contains summed figures and percent calculations that, due to rounding, may contain minor deviations. This disclosure report has been approved by the Management Board of ProCredit Holding.

As a supplement to this disclosure report, information on the ProCredit group is available in ProCredit Holding's Q2 2021 Interim Report as well as in further reports and publications, which are available on its website.

Template EU KM1 – Key metrics template in EUR m

		a	c
		30.06.2021	31.12.2020
Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	737	706
2	Tier 1 capital	737	706
3	Total capital	809	782
Risk-weighted exposure amounts			
4	Total risk exposure amount	5,373	5,325
Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	13.7%	13.3%
6	Tier 1 ratio (%)	13.7%	13.3%
7	Total capital ratio (%)	15.1%	14.7%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)			
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.0%	2.0%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.1%	1.1%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.5%	1.5%
EU 7d	Total SREP own funds requirements (%)	10.0%	10.0%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-
9	Institution specific countercyclical capital buffer (%)	0.1%	0.1%
EU 9a	Systemic risk buffer (%)	-	-
10	Global Systemically Important Institution buffer (%)	-	-
EU 10a	Other Systemically Important Institution buffer (%)	-	-
11	Combined buffer requirement (%)	2.6%	2.6%
EU 11a	Overall capital requirements (%)	12.6%	12.6%
12	CET1 available after meeting the total SREP own funds requirements (%)	271	-
Leverage ratio			
13	Total exposure measure	7,903	7,602
14	Leverage ratio (%)	9.3%	9.3%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)			
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-
EU 14c	Total SREP leverage ratio requirements (%)	-	-
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14d	Leverage ratio buffer requirement (%)	-	-
EU 14e	Overall leverage ratio requirement (%)	-	-
Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value – average)	920	879
EU 16a	Cash outflows – Total weighted value	934	843
EU 16b	Cash inflows – Total weighted value	324	269
16	Total net cash outflows (adjusted value)	610	574
17	Liquidity coverage ratio (%)	151%	153%
Net Stable Funding Ratio			
18	Total available stable funding	5,882	-
19	Total required stable funding	4,278	-
20	NSFR ratio (%)	137%	-



ProCredit Holding AG & Co. KGaA
Rohmerplatz 33-37
60486 Frankfurt am Main, Germany
Tel. +49-(0)69 - 95 14 37-0
Fax +49-(0)69 - 95 14 37-168
www.procredit-holding.com

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