

NON-BINDING TRANSLATION

Zeitinger Invest GmbH, Rohmerplatz 33 – 37, 60486 Frankfurt

Via e-mail PCH_HV@procredit-group.com

ProCredit Holding AG & Co. KGaA
ProCredit General Partner AG
Management Board
Annual General Meeting 2022
Rohmerplatz 33-37 60486 Frankfurt am Main

Frankfurt am Main
13 May 2022

Counter-motion on agenda item 8 of the Annual General Meeting

Dear Ms Massiani,
dear Sirs,

Via publication in the Federal Gazette on 22 April 2022, you convened the Annual General Meeting of ProCredit Holding AG & Co. KGaA for 31 May 2022, specifically as a virtual general meeting without physical presence in the sense of the COVID-19 Act. Our company, Zeitinger Invest GmbH, will participate (virtually) in this Annual General Meeting as a shareholder of your company and will fulfil the requirements for the exercise of voting rights. Our company is listed in the share register and has registered for the General Meeting.

Our company will object to the proposal of the general partner and the Supervisory Board on item 8 of the agenda (*Resolution on the remuneration of the members of the Supervisory Board and corresponding amendment to the Articles of Association of ProCredit Holding AG & Co. KGaA*) and will submit the following counter-motion.

As the invitation to the Annual General Meeting correctly states, this counter-motion is deemed to have been made at the (virtual) meeting in accordance with section 1 (2) sentence 3, (8) sentence 1 of the COVID-19 Act, as this motion is to be made accessible pursuant to section 126 AktG and our company is duly authorised and registered for the Annual General Meeting.

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Counter-motion

Our company proposes to resolve on item 8 of the agenda:

8.1 System for the Remuneration of Supervisory Board Members

Basic features of the remuneration system

The system for the remuneration of Supervisory Board members is based on statutory requirements and takes into account the recommendations and suggestions of the German Corporate Governance Code.

The remuneration of the members of the Supervisory Board shall be balanced overall and be commensurate with the responsibilities and duties of the Supervisory Board members and the situation of the Company, also taking into account the compensation arrangements of other comparable listed companies. In combination with other significant factors, appropriate and commensurate remuneration is a key prerequisite for an optimally staffed Supervisory Board and thus for providing the best possible supervision and advice to the Management Board. These, in turn, are required for long-term corporate success.

The members of the Supervisory Board shall continue to receive purely function-related fixed compensation in accordance with section G.18 of the GCGC. No performance-related compensation or financial or non-financial performance criteria are provided for. This best reflects the independent control and advisory function of the Supervisory Board, which is not geared towards short-term corporate success but towards the long-term development of the Company. The extent of the workload and liability risk of the members of the Supervisory Board does not generally develop in parallel with the business success or the financial performance of the Company. Rather, it is precisely in economically difficult times, when variable compensation components generally decline, that the members of the Supervisory Board need to perform their advisory and monitoring function particularly intensively.

Remuneration components

The fixed annual remuneration is EUR 35,000.00 for the Chair of the Supervisory Board, EUR 20,000.00 for the Deputy Chair of the Supervisory Board and EUR 15,000.00 for each other member of the Supervisory Board.

For their work on the Risk and Audit Committee, members of the Supervisory Board shall receive an additional fixed annual compensation of EUR 5,000.00. For their work on the Risk and Audit Committee, the Chair of the Supervisory Board shall receive an additional fixed annual compensation of EUR 10,000.00. For their work on the Nomination Committee, members of the Supervisory Board shall receive an additional fixed annual compensation of EUR 1,000.00. This applies accordingly to other committees comprising members of the Supervisory Board.

The respective amount of the fixed compensation takes into account the specific function and responsibility of the members of the Supervisory Board. In particular, in accordance with section G.17 of the GCGC, the higher time commitment of the Chair and Deputy Chair of the Supervisory Board and of the Chair and members of the Audit Committee is also appropriately taken into account by means of commensurate additional compensation.

The members of the Supervisory Board shall receive an attendance fee of EUR 500.00 for every meeting of the Supervisory Board that they attend, except for the four meetings to be held mandatorily during the calendar year pursuant to sections 110 (3) and 278 (3) AktG. Members who participate in the committees via telephone or video conference or using other comparable common means of telecommunication shall also be entitled to attendance fees. In the event that several meetings of the Supervisory Board take place on one calendar day, the attendance fee shall be paid only once.

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The specific amount of the fixed compensation is thus based on the overall scope and responsibility of the duties assumed by the respective member on the Supervisory Board and the committees. The level of Supervisory Board compensation described is appropriate and in line with the market – also in comparison with other listed companies in the area of impact-oriented banking – such that the Company can continue to attract and retain qualified candidates for the Supervisory Board in the future.

The remuneration is due at the end of the financial year in which the Supervisory Board member was active. If members of the Supervisory Board leave the Supervisory Board in the course of a financial year, they receive the remuneration on a pro rata basis. This shall apply analogously if a member of the Supervisory Board resigns from duties involving additional remuneration. Pro rata remuneration for committee activities requires that the committee concerned has met during the relevant period in order to perform its duties.

In addition to the function-related fixed compensation, the members of the Supervisory Board shall continue to be reimbursed for their expenses incurred in the performance of their duties and for any value-added tax payable on their expenses. Furthermore, the Company provides the members of the Supervisory Board with insurance cover for the performance of their Supervisory Board duties.

If a member of the Supervisory Board also receives remuneration for one or more other Supervisory Board activities for group-internal subsidiaries of the Company, such remuneration shall count towards the remuneration to be provided by ProCredit Holding AG & Co. KGaA to the extent that it exceeds an amount of EUR 4,000.00 per calendar year for the respective group-internal enterprise.

Remuneration of the Supervisory Board of the General Partner

If members of the Supervisory Board of ProCredit Holding AG & Co. KGaA are at the same time members of the Supervisory Board of the General Partner (i.e. ProCredit General Partner AG), the remuneration paid by the General Partner counts towards the remuneration paid by ProCredit Holding AG & Co. KGaA. The General Partner may claim reimbursement from ProCredit Holding AG & Co. KGaA for the Supervisory Board remuneration paid in accordance with Article 9 (1) sentence 1 of the Articles of Association of the Company. The nature and amount of the remuneration of the Supervisory Board of the General Partner is determined at its Annual General Meeting. The following compensation components are currently proposed to the Annual General Meeting of the General Partner for the remuneration of its Supervisory Board:

The fixed annual remuneration shall amount to EUR 35,000.00 for the Chair of the Supervisory Board, EUR 20,000.00 for the Deputy Chair of the Supervisory Board and EUR 15,000.00 for each other member of the Supervisory Board of ProCredit General Partner AG. For their activities in a committee, the members of the Supervisory Board of ProCredit General Partner AG shall receive an additional fixed annual remuneration of EUR 1,000.00 per committee. At this time, ProCredit General Partner AG has a Nomination Committee and a Remuneration Committee. The members of the Supervisory Board of ProCredit General Partner AG shall receive an attendance fee of EUR 500.00 for each meeting of the Supervisory Board in which they participate, except for the meetings required by law to be held during the calendar year. Remuneration for one or more other Supervisory Board activities for group-internal enterprises of ProCredit Holding AG & Co. KGaA shall count towards the remuneration to be provided by ProCredit General Partner AG to the extent that it exceeds an amount of EUR 4,000.00 per calendar year for the respective group-internal enterprise.

Procedure for setting and reviewing the remuneration system

The General Meeting shall determine the compensation of the members of the Supervisory Board in the Articles of Association or by resolution at the proposal of the General Partner and the Supervisory Board. Currently, the remuneration is set forth in the Articles of Association.

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The General Meeting shall resolve on the compensation of the members of the Supervisory Board at least every four years. In this context, a resolution confirming the existing remuneration is also permissible. If the General Meeting does not confirm the remuneration system which is put to the vote, a revised remuneration system will be presented at the following Annual General Meeting at the latest. In preparation for the resolution of the General Meeting, the General Partner and the Supervisory Board each examine whether the remuneration, in particular with regard to its amount and structure, continues to be in the interest of ProCredit Holding AG & Co. KGaA and is commensurate with the tasks of the members of the Supervisory Board and the situation of the Company. For this purpose, the Supervisory Board may also conduct a horizontal market comparison. The Supervisory Board may seek advice from an external compensation expert for this task. If necessary, the General Partner and the Supervisory Board shall propose to the General Meeting an appropriate adjustment of the remuneration.

Corresponding proposals for resolutions to the General Meeting are submitted by the General Partner and the Supervisory Board in accordance with the statutory order of authority, in order to enable mutual control between the two corporate entities.

8.2 Article 14 of the Articles of Association of the Company shall be reformulated as follows:

“Article 14 Remuneration, Reimbursement of Expenses and Insurance Cover

- (1) The members of the Supervisory Board shall receive a fixed annual remuneration of EUR 15,000.00 (in words: fifteen thousand euros). The Chair shall receive a fixed annual remuneration of EUR 35,000.00 (in words: thirty-five thousand euros) and the Deputy Chair shall receive a fixed annual remuneration of EUR 20,000.00 (in words: twenty thousand euros). Remuneration for simultaneous membership on the Supervisory Board of ProCredit General Partner AG and/or for duties performed there as Chair or Deputy Chair of the Supervisory Board shall count towards remuneration as set forth in sentences 1 and 2.
- (2) For membership in the Risk and Audit Committee, the members of the Supervisory Board shall receive annual remuneration of EUR 5,000.00 (in words: five thousand euros) in addition to their basic remuneration, and the Chair of the Risk and Audit Committee shall receive annual remuneration of EUR 10,000.00 (in words: ten thousand euros) in addition to their basic remuneration. For membership in the Nomination Committee, the members of the Supervisory Board shall receive annual remuneration of EUR 1,000.00 (in words: one thousand euros) in addition to their basic remuneration. This provision applies accordingly to other committees comprising members of the Supervisory Board. Remuneration for simultaneous membership in a committee of the Supervisory Board of ProCredit General Partner AG and/or for duties performed there as Chair of such committee shall count towards remuneration as set forth in sentences 1 and 2, if both committees are assigned thematically parallel duties.
- (3) For every meeting of the Supervisory Board that they attend, the members of the Supervisory Board shall receive an attendance fee of EUR 500.00 (in words: five hundred euros); however, this shall not apply to the four meetings to be held mandatorily during the calendar year pursuant to sections 110 (3) and 278 (3) AktG. Members who participate in the committees via telephone or video conference or using other comparable common means of telecommunication shall also be entitled to attendance fees. In the event that several meetings of the Supervisory Board take place on one calendar day, the attendance fee shall be paid only once. If a member receives an attendance fee for a meeting of the Supervisory Board of ProCredit General Partner AG held on the same calendar day, this shall count towards the attendance fee as set forth in sentence 1.
- (4) The remuneration is due at the end of the financial year in which the Supervisory Board member was active. If members of the Supervisory Board leave the Supervisory Board in the course of a financial year, they receive the remuneration on a pro rata basis.

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- This shall apply analogously if a member of the Supervisory Board resigns from duties involving additional remuneration. Pro rata remuneration for committee activities requires that the committee concerned has met during the relevant period in order to perform its duties.
- (5) The members of the Supervisory Board shall be reimbursed for expenses incurred in connection with the performance of their duties, including any value-added tax which may apply.
 - (6) The Company provides the members of the Supervisory Board with insurance cover for the performance of Supervisory Board duties.
 - (7) If a member of the Supervisory Board receives remuneration for one or more other Supervisory Board activities for group-internal enterprises of the Company, such remuneration shall count towards the remuneration set forth in paragraphs 1 to 3 to the extent that it exceeds an amount of EUR 4,000.00 (in words: four thousand euros) per calendar year for the respective group-internal enterprise; any reimbursement of expenses shall be excluded from this calculation."
- 8.3 The new provision under 8.2 to be resolved on the remuneration of the members of the Supervisory Board shall apply for the first time in the financial year during which the proposed amendment to the Articles of Association becomes effective.

Grounds

The system proposed by the General Partner and the Supervisory Board (hereinafter collectively referred to as "the administration") for the remuneration of the members of the Supervisory Board is subject to several objections, which the counter-motion addresses.

1. Firstly, the system proposed by the administration lacks transparency and simplicity, thereby disregarding two fundamental guiding principles of the ProCredit group. Whereas the current Articles of Association provide for total remuneration of EUR 10,000.00 plus reimbursement of expenses and insurance for each Supervisory Board member, thus duly applying these principles, the total remuneration for an individual Supervisory Board member based on the administration's proposal would be broken down into three different compensation components, four different committee compensations and three different attendance fees; reimbursement of expenses and insurance coverage would also continue to be granted in addition. In this context, it should be noted that the Supervisory Board of the Company and the Supervisory Board of the general partner - ProCredit General Partner AG - were in fact composed of the same individuals in the past, so that the meetings of both bodies and their committees could always be held in direct temporal connection. Accordingly, the current remuneration provisions in the Articles of Association for this constellation establish that the remuneration already received by a member for their activity on the Supervisory Board of the General Partner is to be counted towards the remuneration of Supervisory Board members of the Company. The administration's proposal aims to delete this offsetting rule and may, in the case of combined functions, therefore lead to a doubling of the applicable remuneration components and also of the remuneration of the individual Supervisory Board member (which have already been increased in the administration's proposal). Also from this point of view, the complexity introduced by the administration's proposal does not do justice to the principle of transparency that has always been pursued in the ProCredit group.
2. The proposal submitted by the administration cites, among other things, "the compensation regulations of other large listed companies" as an aspect to be taken into account in the remuneration system, without however returning to this point in the further explanations or proceeding to name the companies used as a comparison group.

Furthermore, the administration's proposal emphasises that only through "appropriate and commensurate compensation [...] can the company compete for outstanding personalities" and

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obtain the “best possible supervision and advice for the Management Board”. This argumentation is at odds with the general remuneration approach of the ProCredit group, which has always distinguished itself by also emphasising non-monetary reward through meaningful work, thereby transcending the partly exorbitant salaries in the financial market. In our view, other sustainably operating institutions such as GLS Gemeinschaftsbank e.G., UmweltBank AG and Triodos N.V. therefore represent an appropriate peer group for the assessment of remuneration. In these companies, Supervisory Board remuneration does not exceed approximately EUR 30,000.00 per year on average.

3. Against the background of the war in Ukraine, the ProCredit group is operating in an extremely tense economic environment. Hundreds of the group’s employees are directly affected by the war in Ukraine, and the personal as well as financial costs of the war cannot yet be estimated. There are also no plans to pay a dividend this year. At first glance, it may therefore seem difficult to understand why an increase in Supervisory Board remuneration should be proposed to the Annual General Meeting given this situation. Nevertheless, as a shareholder our company also submits a proposal, albeit one which is significantly restrained compared to the administration’s proposal in terms of amount – not least through a continuation of the offsetting provisions. This proposal is made because a restructuring of the Supervisory Board remuneration appears necessary in view of the departure of the long-standing Supervisory Board Chairman and founder, C.-P. Zeitingner, who had always waived a high remuneration for his activities as Chair of the Supervisory Board. The war in Ukraine in particular presents the group with countless challenges that can only be addressed with an optimally staffed and committed Supervisory Board.

(Note: The above statement on grounds comprises - including spaces - 4,524 characters)

Best regards,

Zeitingner Invest GmbH

Gabriele Heber

(Managing Director)

Patrick Zeitingner

(Managing Director)

Statement of the Administration

The Supervisory Board of the Company and the General Partner (collectively "the Administration") had submitted a proposal to the shareholders of the Company to vote on a new system for the remuneration of the members of the Supervisory Board of the Company and on the corresponding amendment to the Articles of Association of the Company, as they had come to the conclusion after a thorough review that the compensation arrangements for the members of the Supervisory Board, which had remained unchanged for many years, were no longer commensurate with the duties of the members of the Supervisory Board and with the situation of the Company. The main purpose of the adjusted remuneration system is to ensure that the Company will continue to succeed in attracting qualified and committed individuals who identify with the unique, impact-oriented business model of the ProCredit group and are suitable and able to ensure the best possible supervision and advice for the Management Board as members of the Supervisory Board. To this end, it is also necessary to introduce a system for Supervisory Board remuneration that is appropriate in relation to other companies in comparable areas of responsible banking and of comparable complexity and size.

The system for the remuneration of the members of the Supervisory Board proposed by Zeitingler Invest GmbH ("Zeitingler Invest") by way of counter-motion deviates from the proposal of the Administration significantly in that the appropriate remuneration sought through the proposal of the Administration is not achieved, particularly due to a number of offsetting rules for Supervisory Board remuneration at different companies in the ProCredit group, both in Germany and abroad.

For this reason, the Administration rejects the counter-proposal of Zeitingler Invest GmbH.

Note:

The future members of the Supervisory Board have informed the Administration that, should the proposed resolution on the amendment of the remuneration system for the members of the Supervisory Board of the Company be adopted as introduced by the Administration, they intend to donate half of their total Supervisory Board remuneration in the ProCredit group for the first year after the adoption of the resolution (in compliance with the applicable tax regulations) to an institution, to be selected by the Management of ProCredit Bank Ukraine, which is committed to supporting children in Ukraine affected by the consequences of the war.