

## Publication of the resolution and the system for the remuneration of members of the Management Board pursuant to section 120a (2) AktG

ProCredit Holding AG, Frankfurt am Main – ISIN DE0006223407; WKN 622340

At the Annual General Meeting of ProCredit Holding AG held on Tuesday, 4 June 2024, under agenda item 7, “Adoption of a resolution on the approval of the remuneration system for the members of the Management Board”, the amended system for the remuneration of members of the Management Board of ProCredit Holding AG was put to the vote.

The amended system for the remuneration of members of the Management Board of ProCredit Holding AG was approved with the following result:

45.594.813	Shares for which valid votes were cast (=77,41 % of the share capital)
31.079.339	Affirmative votes (68,16 %)
14.515.474	Negative votes (31,84 %)
27.043	Abstentions

In accordance with the resolution of the Annual General Meeting of ProCredit Holding AG on 4 June 2024, the amended system for the remuneration of members of the Management Board of ProCredit Holding AG is structured as follows:

### REMUNERATION SYSTEM FOR THE MANAGEMENT BOARD

#### PRINCIPLES

The group remuneration approach that applies to all ProCredit employees is equally applicable to the members of the Management Board of ProCredit Holding AG. The remuneration of the members of the Management Board should be appropriate, transparent, gender-neutral and geared towards the sustainable development of the group. Incentives that encourage the taking of disproportionately high risks are avoided. The remuneration of the Management Board consists mainly of a fixed salary. Variable remuneration components are only used to a limited extent and in exceptional cases as a reward for outstanding performance by members of the Management Board. Remuneration for the members of the Management Board is set by the Supervisory Board. The remuneration that members of the Management Board receive for the performance of their duties must be conclusively defined in their employment contracts.

#### REVIEW OF THE REMUNERATION SYSTEM

The Remuneration Control Committee develops a remuneration system each year. The remuneration system and the underlying remuneration parameters are reviewed annually by the Remuneration Control Committee of the Supervisory Board for their appropriateness, in particular their compatibility with the business and risk strategies.

#### INFORMATION ON THE REMUNERATION SYSTEM

The results of the review are documented and presented to the Remuneration Control Committee before the remuneration system is formally approved by the Supervisory Board. The remuneration

of each manager is determined individually by the Supervisory Board on the basis of the remuneration system. In accordance with section 13 of the Remuneration Regulation for Institutions (InstitutsVergV), the members of the Management Board are informed in writing of the structure of the remuneration system applicable to them.

## **DISCLOSURE**

The Management Board and the Supervisory Board, with the support of the Remuneration Control Committee, jointly prepare a yearly remuneration report (Vergütungsbericht) on, inter alia, the remuneration paid during the preceding financial year to each of the members of the Management Board. In addition, the disclosure obligations pursuant to section 16 InstitutsVergV must be complied with.

## **REMUNERATION COMPONENTS**

In principle, the remuneration system only provides for fixed remuneration as a remuneration component. In exceptional cases, the Supervisory Board may decide to grant special remuneration as a reward for outstanding performance by members of the Management Board.

## **BASIC SALARY**

The Supervisory Board sets the fixed remuneration of the members of the Management Board by taking into account the respective duties and performance of each member as well as the overall economic situation and performance of the institution. The Supervisory Board also ensures that the remuneration does not exceed the standard market level without special reason. The Supervisory Board defines appropriate remuneration for the members of the Management Board that reflects, in an ethically appropriate way, their contribution to the Company. On the one hand, the level of remuneration is based on a comparison with the remuneration levels of other impact- and development-oriented financial institutions. On the other hand, the remuneration system also reflects the complexity of our international group of institutions, with a large regional diversification in twelve countries, the stock exchange listing of the Company's shares and the increasing regulatory requirements. To this end, a consulting firm identified a suitable peer group consisting of (1) banks with comparable total assets, (2) impact-oriented banks and (3) banks with a similarly high level of complexity. The fixed remuneration of the Management Board therefore does not exceed the usual market standards. It supports the sustainable development of the ProCredit group and fits in with its impact orientation and long-term focus.

The Supervisory Board may also grant individual members of the Management Board additional lump-sum payments. These decisions also take into account the economic situation of the Company and the outlook of the group. The allowances may include additional benefits (e.g. provision of an apartment with payment of the rent, including heating costs, and compensation for the non-cash benefit, company car arrangements), insurance premiums and company pension schemes. The amount of such lump-sum pay is limited to 50% of the gross maximum basic salary. The maximum gross basic salary defined here is EUR 330,000.00 for the members of the Management Board and EUR 500,000.00 for the Chair of the Management Board ("maximum gross basic salary").

## **VARIABLE REMUNERATION**

The Supervisory Board may apply a special remuneration to reward specific cases of extraordinary performance of the members of the Management Board.

Such decisions are based on a multi-year performance assessment which takes into account the overall performance of the members of the Management Board for the group and their contribution to the ProCredit *res publica*. All financial and non-financial performance criteria for the granting of

variable remuneration components, including the contribution to promoting the targets pursuant to section 87 (1) sentence 2 AktG, as well as the methods for assessing the fulfilment of performance criteria, will be discussed in the Remuneration Control Committee and in the Supervisory Board. These decisions also take into account the economic situation of the Company and the outlook of the group. Variable remuneration components can be used for the acquisition of shares in the Company. In such cases, members of the Management Board undertake to hold the shares for five years. Special remuneration is limited to 50% of the gross maximum basic salary.

The Supervisory Board may also grant individual members of the Management Board transitional allowances up to an amount equivalent to their respective gross basic salary for six months. Transitional payments are considered variable remuneration. If both special remuneration and transitional allowances are granted, the total remuneration including fixed remuneration may not exceed twice the gross maximum basic salary (cf. section 25a (5) sentence 2 KWG). Special remuneration and transitional allowances are each limited to 50% of the gross maximum basic salary. The granting and payment of variable remuneration is subject to the proviso that the requirements in section 7 InstitutsVergV (requirements for determining the total amount of variable remuneration) are met.

In the event of premature termination of the contract of a Management Board member, payments made shall not exceed twice the annual remuneration (severance cap) and shall be limited to remuneration for the remainder of the employment contract.

#### **MAXIMUM REMUNERATION**

The remuneration of the Management Board is compared with the remuneration of managers and the workforce as a whole on a vertical level and examined to determine whether the resulting differences in remuneration - including over time - indicate inappropriate remuneration of the Management Board. The requirements of the German Corporate Governance Code are taken into account. The maximum remuneration is twice the gross maximum basic salary.

#### **SHARE-BASED REMUNERATION**

20% of the monthly net basic salary of each member of the Management Board and the Chair of the Management Board is paid out in the form of shares in ProCredit Holding (with a vesting period of three years). This part of the salary is withheld by the company each month and used to purchase shares in the Company in accordance with the rules of the "Management ReInvests" investment programme for managers. The procedure according to these rules runs automatically and without any influence on the part of Management Board members. The shares acquired in this way are placed in a collective custody account in which each member of the Management Board holds beneficial ownership. After expiry of the vesting period, the members of the Management Board may freely dispose of their shares.

A relevant share-based component with a three-year vesting period will ensure good alignment between the interests of management and the group, fostering the implementation of the group business strategy, long-term performance of the group and long-term affiliation. The fact that the share-based component is fixed and not variable is consistent with the group's development-oriented business and prudent risk strategy, and with a remuneration system which does not reward short-term or inappropriate risk-taking behaviour.

#### **REMUNERATION FOR OTHER SERVICES TO THE GROUP**

Members of the Management Board are not remunerated for group-internal supervisory board mandates. In cases where supervisory board mandates are assumed in companies outside the group, the Supervisory Board shall decide whether and to what extent the remuneration is to be taken into account.

Frankfurt am Main, 4 June 2024

**ProCredit Holding AG**

Management Board

Hubert Spechtenhauser

Christoph Beeck

Eriola Bibolli

Georgios Chatzis

Christian Dagrosa

Dr Gian Marco Felice