



ProCredit Bank Georgia

Environmental management – Integral part of sustainable business model

September 2020

ProCredit Bank Georgia

Key highlights 2019



ProCredit Bank

Key figures 2019

Dec 2019

Total assets (EUR m)	470
Customer loan portfolio (EUR m)	339
of which, loans to businesses	86%
of which, green loan portfolio	16%
Number of business clients	2,412
Share of credit-impaired loans (%)	2.80%
Customer Deposits (EUR m)	238
Profit for the period (EUR m)	9.1
Return on average equity	14.3%
Number of employees	263
Number of outlets	13



100 % Shareholder
From 2009

PCBGE Fitch Rating for Long-Term
Issuer Default Ratings is 'BB+';

Unique approach to banking

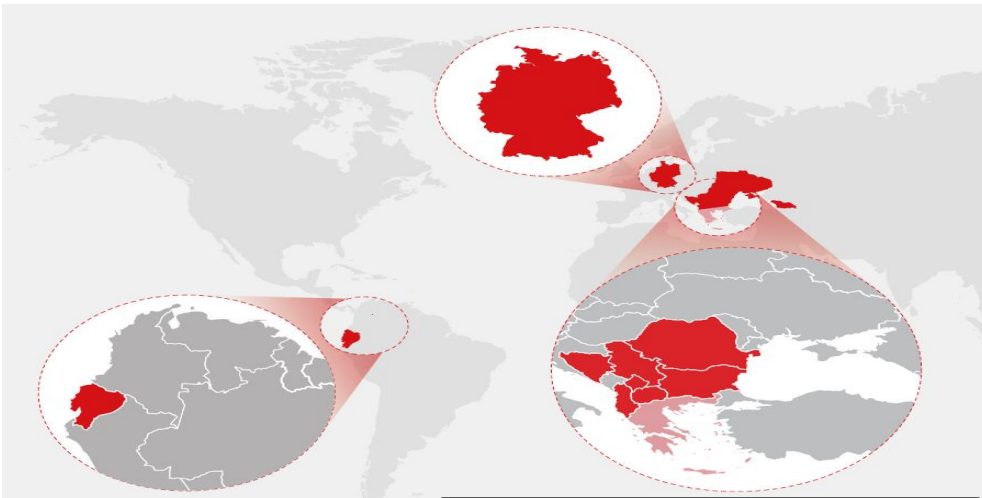
ProCredit group



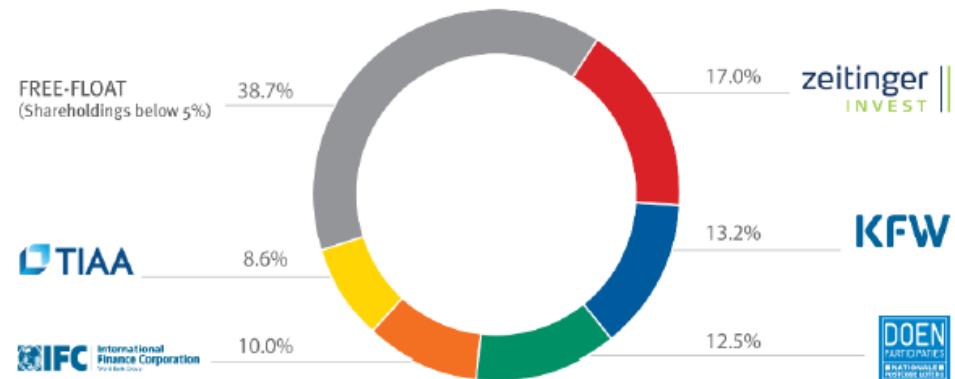
ProCredit Bank

- Development – oriented commercial group of banks for SMEs with a focus on South Eastern Europe and Eastern Europe
- Headquartered in Frankfurt and supervised by the German Federal Financial Supervisory Authority (BaFin) and Deutsche Bundesbank
- Mission is to promote sustainable development with an ethical corporate culture and long-term business relationships
- Track record of high quality loan portfolio
- Listed on the Frankfurt Stock Exchange since December 2016

International presence



Shareholder base



Unique approach to banking

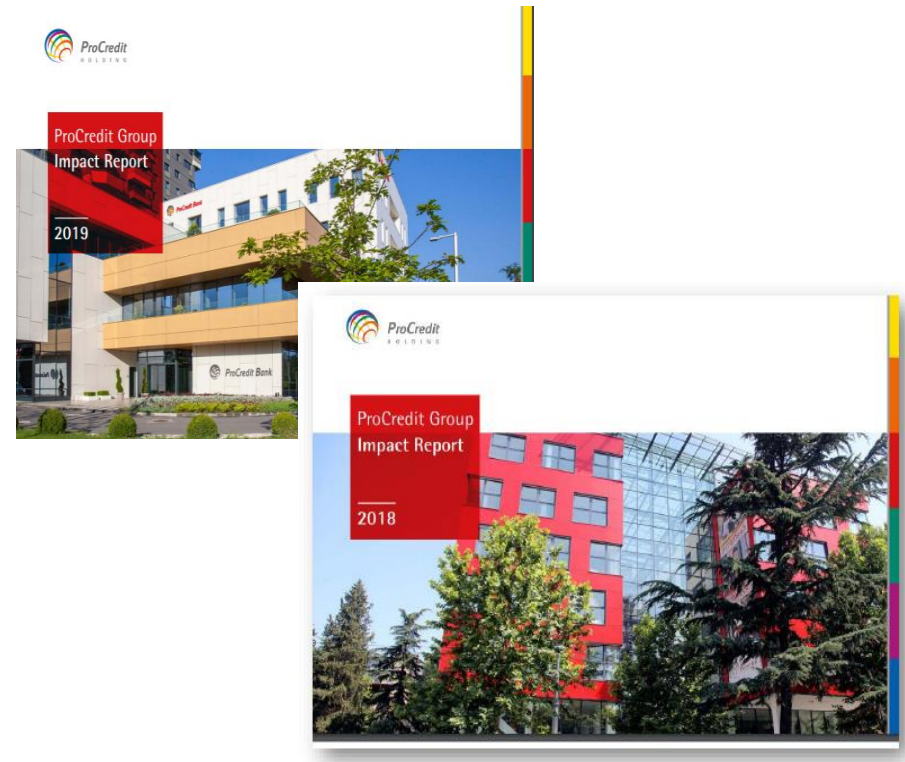
ProCredit group



ProCredit Bank



- Key in success of ProCredit lies on
 - Solid **business model**,
 - Special **approach to clients** and to **staff**
- Strong focus on **innovation and technologies**



- Impact reporting since 2017
- Is in line with Global Reporting Initiative (GRI) standards.

“Green approach”

Key pillar of business model



ProCredit Bank

Environmental engagement system is based on three pillars

Internal environmental management 1

- ▶ Continuous monitoring and improvement of internal energy and resource consumption
- ▶ Intensive training of our employees
- ▶ Greening of our suppliers

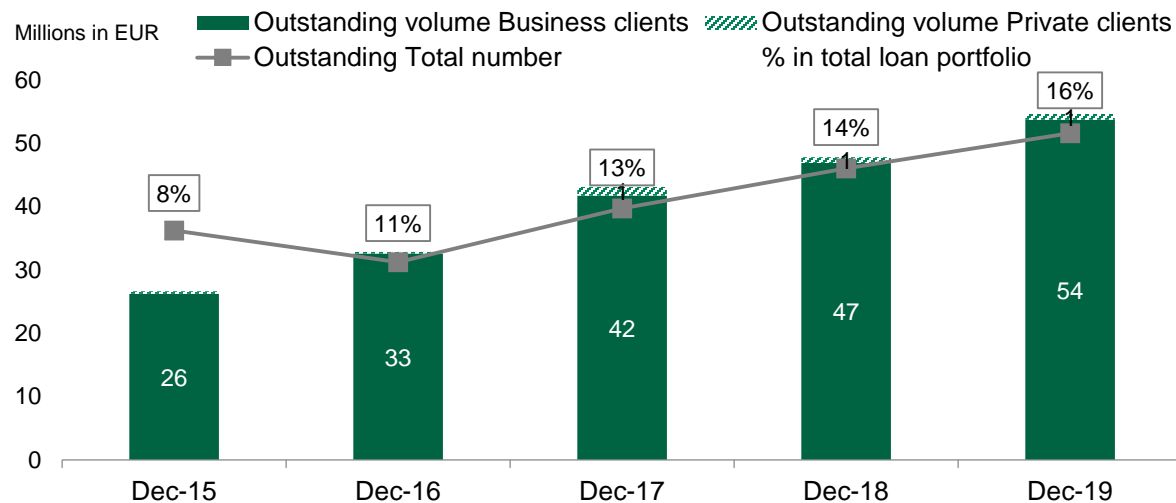
Management of ESG risks 2

- ▶ Providing banking service and granting of loans only to applicants in line with ethical principals and values of the institution
- ▶ Exclusion list
- ▶ ESG risk assessment during lending

Green Finance 3

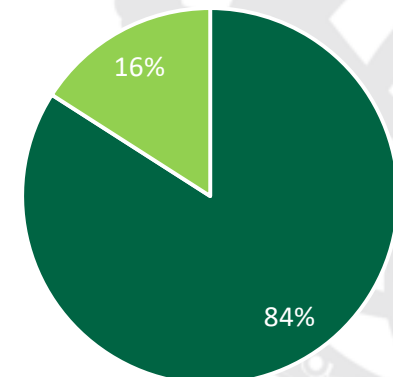
- ▶ Green loans for investment in
 - ▶ Energy efficiency
 - ▶ Renewable energy and Other environmental friendly activities
- ▶ Mid-term ambition is 20% from total loan portfolio (currently at 16%)

Strong growth of green loan portfolio



Green loan portfolio by use of proceeds

■ Energy Efficiency ■ RE & Other Green Investments



Environmental management system

Internal environmental performance



ProCredit Bank

Certification ISO 14001:2015

- EMS of ProCredit Georgia was audited according ISO 14001:2015 starting from September 2016
- Surveillance audit takes place annually and recertification audit once in every three years of ISO 14001:2015 standard

The management system of

JSC ProCredit Bank Georgia

21 Al. Kazbegi Ave. 0160 Tbilisi, GE - 0160, Georgia



has been assessed and certified as meeting the requirements of

ISO 14001:2015

ProCredit Head Office - Green building certificate EDGE
(in progress)

44.86% Meets EDGE Energy Standard

EDGE ADVANCED

38.22% Meets EDGE Water Standard

91.55% Meets EDGE Material Standard



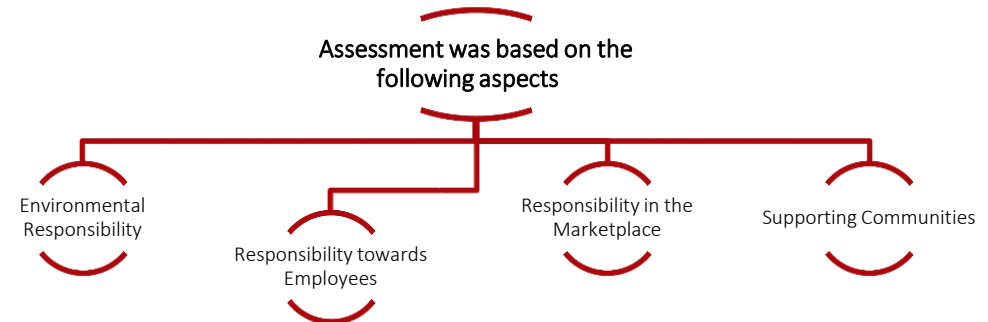
ProCredit and the sustainable development goals (SDGs)

- Through the responsible banking policies and practices ProCredit contributes to solving sustainable development challenges and strive to address many of SDGs of the United Nations
- Eight most relevant SDGs were chosen and we make the greatest contribution



ProCredit Bank Georgia - Grand Prix as responsible large company of Y2019

- CSR competition of Georgia's Responsible Business Awards "Meliora" held by The Center for Strategic Research and Development of Georgia (CSR DG), with the support of European Union and Konrad Adenauer Stiftung (KAS)



Internal environmental performance

Energy and resource efficiency



ProCredit Bank

Head Office Photovoltaic System



Launched in June 2020

Installed capacity: **97.03 kW**

Generated green electricity **44,500 kWh** (3 month data)

Greening car fleet

Share of hybrid and E-cars in total passengers car fleet:



2019	73%
2018	56%

In 2019 we covered over **70,000 km** by Electric vehicles

Usage increased by **35%** compared to 2018

Each new car in our car fleet will be an electric vehicle,
charged at our own charging station

ProCredit Bank

Stable partner for sustainable development



ProCredit Bank



With ProCredit Bank financing, the client is making stepwise effective business investments in the replacement of current production facilities with **energy efficient technologies** that increase business productivity, reduce costs and are environmentally friendly.

LLC Corporation Kindzmarauli
Green exposure EUR385K. (EE 5.1)

“In the near future we plan to fully equip the school roof with solar panels and with the savings we would like to support schools located in the high mountainous regions and help **socially vulnerable** children to study at our school.

LLC “Backswood international school”
Green exposure EUR 262K. (GR 1.3)

“Furthermore, we also follow trend related to environmental protection - many years ago, our industry, including our company switched to **energy efficient and environmentally friendly, light-emitting diode products (LED)**”

Zurab Gabinashvili - LLC New light
Green exposure EUR1.2 mln. (GR 5.1)