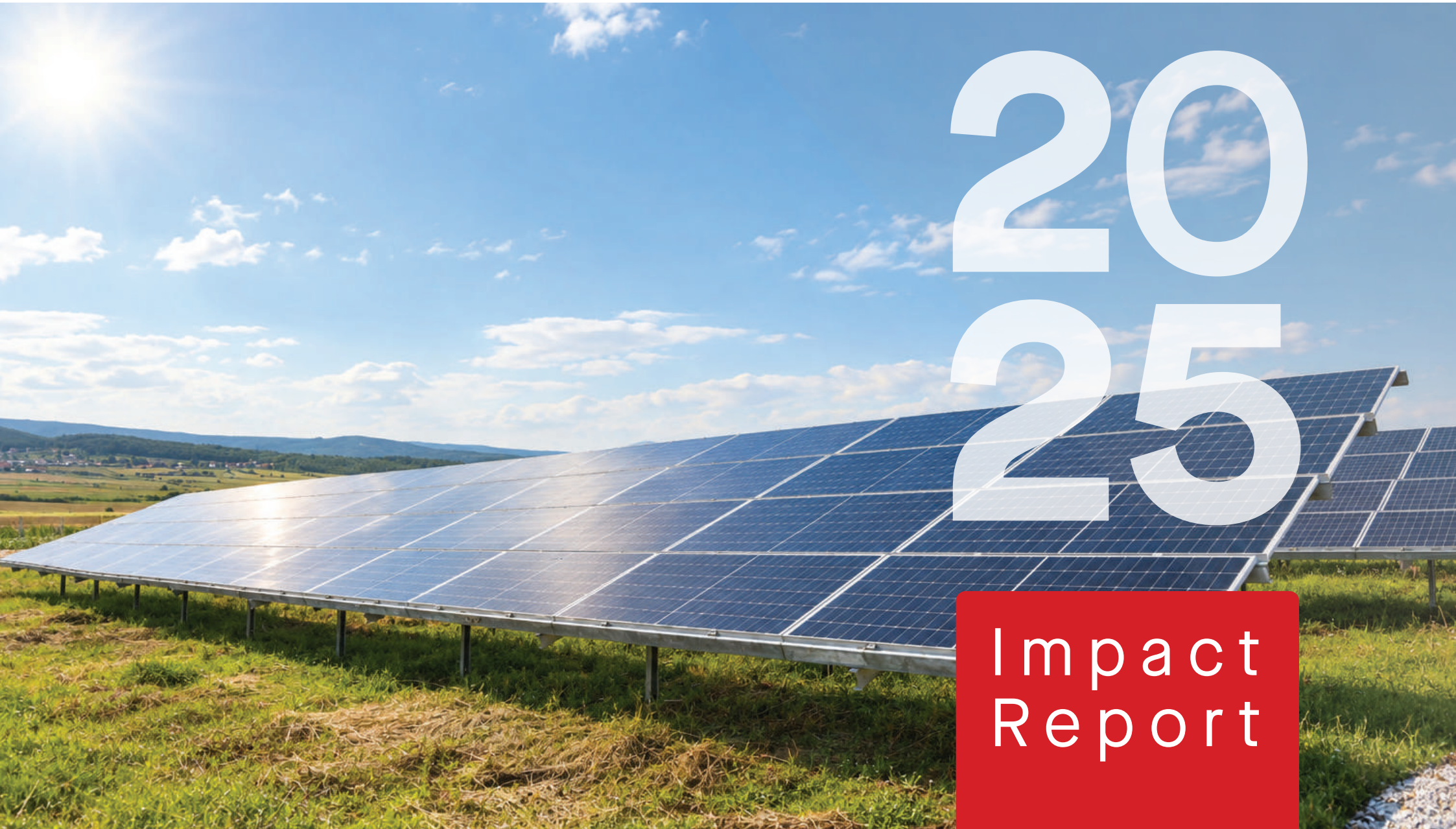
ProCredit Bank
Kosovo

OUR IMPACT IN PRACTICE



2025 Impact Report

ABOUT THE IMPACT REPORT 2025

The Impact Report Package 2025 outlines our approach to sustainability as well as our outlook for the future, showcases our efforts, and assesses our impact during the past year. The structure revolves around the five Sustainable Development Goals (SDGs) that are most central to our impact strategy and also aligns with our key material topics from our Corporate Sustainability Reporting Directive (CSRD) report.

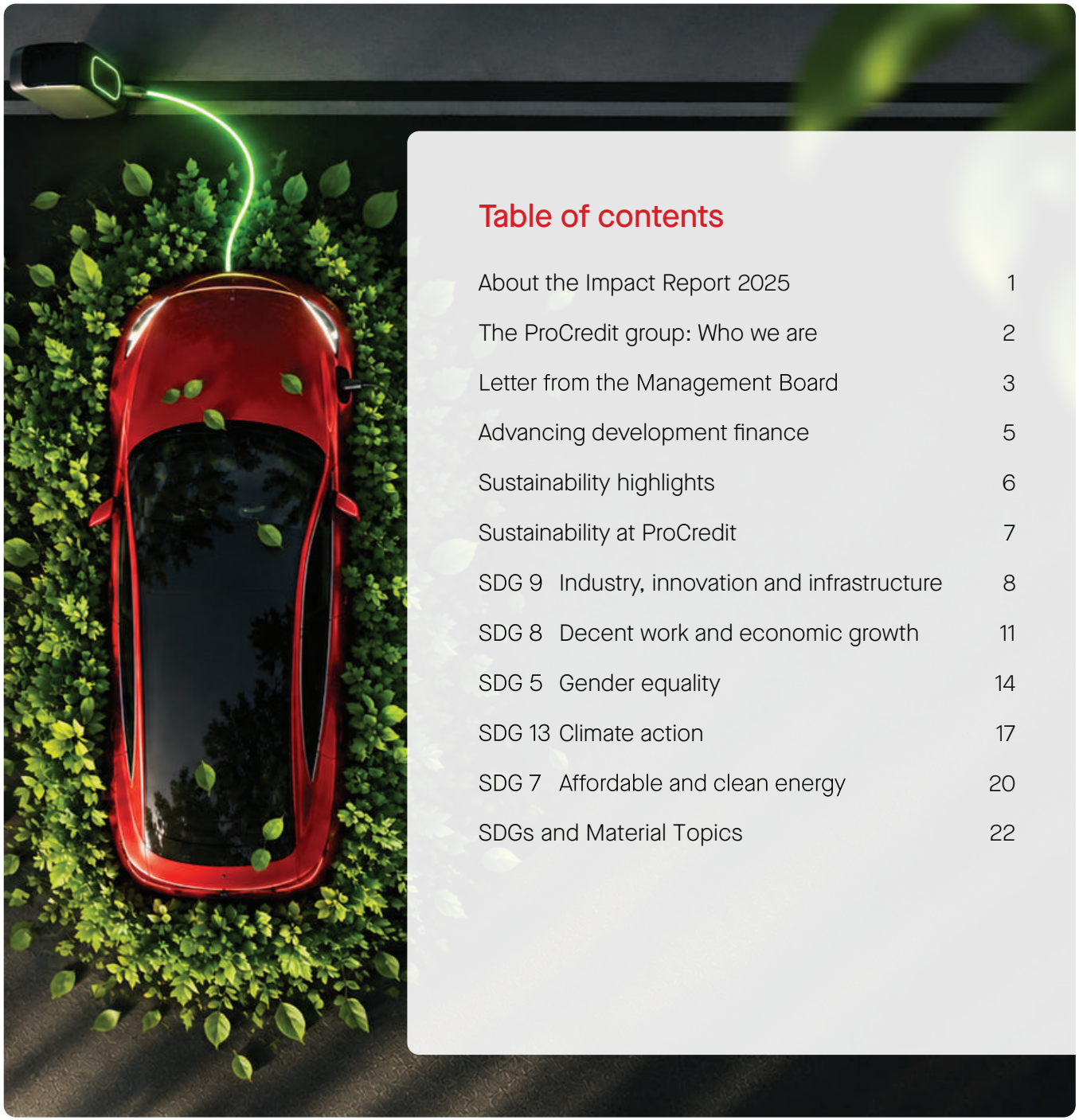


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THE PROCREDIT GROUP: WHO WE ARE

Structure of the ProCredit group

ProCredit HOLDING

ProCredit Holding AG

Quipu
Part of the ProCredit Group

Quipu GmbH –
IT service provider

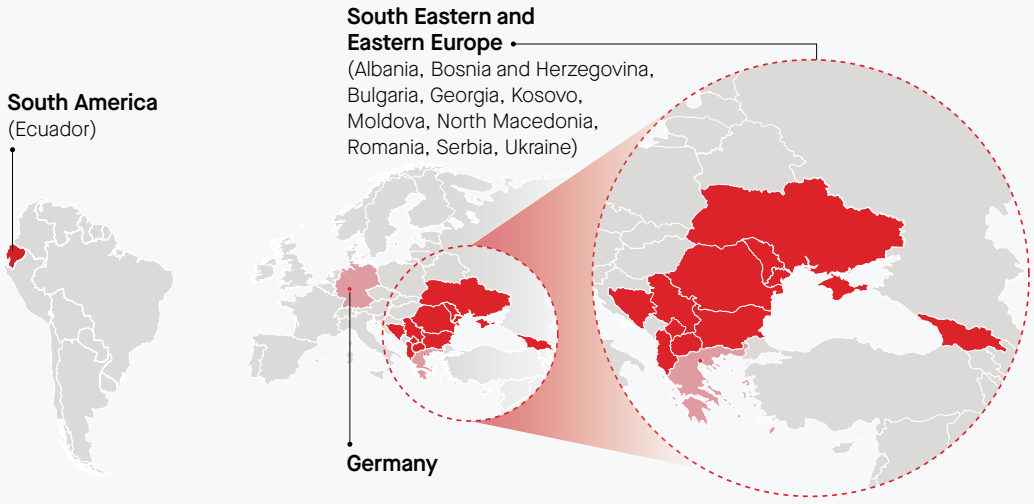
ProCredit Bank

12 ProCredit banks

ProCredit ACADEMY

ProCredit Academy GmbH –
training centre

Our countries of operation





ProCredit Bank Kosovo is part of ProCredit Holding which is a German development-oriented bank for Eastern and South Eastern Europe dedicated to supporting micro, small, and medium-sized enterprises (MSMEs) and private individuals, fostering economic growth and sustainable development. We are committed to delivering exceptional customer service that extends far beyond offering financial products. Our goal is to build strong, lasting partnerships with our clients by providing personalised advice and consistent support at every stage of their financial journey. We believe MSMEs are vital drivers of economic and social progress. By supporting them through their economic cycle, we aim to foster sustainable development and drive the green transformation in our countries of operation. By offering accessible deposit facilities, digital banking services, and a comprehensive range of financial products, we aim to cultivate a culture of saving and financial responsibility among all our clients, including private individuals. Our shareholders seek sustainable, long-term returns, aligned with our unwavering commitment to ethical banking practices and positive social impact. We invest extensively in the training and development of our staff to foster an open, professional, and efficient working environment. This enables us to deliver friendly, knowledgeable, and effective services to our clients.

LETTER FROM THE MANAGEMENT BOARD

Dear stakeholders,

The year 2025 was an important year for ProCredit Bank Kosovo. We achieved robust business growth while continuing to strengthen our strategic direction and operational capabilities. At the same time, we contributed to the broader transformation of the ProCredit group, particularly in advancing digital banking, enhancing the client experience and further improving the way we serve our clients.

Managing strong performance alongside transformation required focus, discipline and commitment. I would like to express my sincere appreciation to all colleagues for their professionalism, adaptability and dedication throughout the year. Their efforts have been instrumental in helping us achieve our objectives while navigating a changing business environment.

Our results reflect the continued trust of our clients and the strength of our business model. As a bank focused on micro, small and medium-sized enterprises, as well as retail clients, we remain committed to supporting the financial needs and long-term ambitions of individuals and businesses across Kosovo. We aim to build lasting partnerships by providing responsible, transparent and tailored financial solutions that help our clients grow, invest and succeed in an evolving economic environment.

Creating sustainable impact remains central to our work. Our approach focuses on expanding access to finance, fostering strong and continuous client relationships, and supporting the transition towards more sustainable business practices and economic development. We believe that responsible banking can play an important role in creating long-term value for both our clients and society as a whole.

In 2025, we further strengthened our engagement on environmental topics by introducing tools that enable more structured and informed discussions with clients on energy consumption, resource efficiency and emissions. A key component of this effort was the rollout of the CO_2 Calculator, which serves as an important starting point for dialogue with clients about their environmental footprint and opportunities for improvement.

This enhanced engagement is reflected in tangible outcomes through the financing of green investments that support our clients in reducing emissions, increasing energy efficiency and improving the sustainability of their operations. Through our green finance activities, we continue to support investments that contribute to climate mitigation and resource conservation while helping businesses strengthen their competitiveness.

In parallel, we remained committed to promoting financial inclusion. During the year, we continued to implement targeted initiatives aimed at supporting women entrepreneurs, young entrepreneurs and individuals seeking access to financial services and opportunities. We believe that inclusive economic growth requires equal opportunities and access to finance for all segments of society.

Kosovo is undergoing an important economic and energy transition, creating new opportunities for businesses to become more competitive, resource-efficient and resilient. Access to sustainable finance plays a critical role in supporting this transition by enabling investments in renewable energy, energy efficiency and modern technologies. As a bank, we see our role not only as a provider of finance, but also as a trusted partner helping clients identify and implement investments that generate economic, environmental and social value. Through our expertise, advisory approach and tailored financing solutions, we aim to contribute to Kosovo's sustainable development while supporting the long-term success of our clients.

Looking ahead, we remain focused on strengthening our position as a leading bank for micro, small and medium-sized enterprises and retail clients in Kosovo. By combining our relationship-based approach with enhanced digital capabilities, responsible banking practices and a strong sustainability focus, we aim to further increase our positive contribution to the economy and society while creating long-term value for our clients and stakeholders.

I would like to thank our clients for their trust, our partners for their cooperation, and our colleagues for their continued dedication and commitment. Their support and collaboration remain essential to our success.

Together, we are building a resilient, responsible and forward-looking bank.

Key figures 2025

Statement of financial position

as of Dec. 2025 (In EUR thousands)	
Total assets (EUR m)	**1,478.7**
Customer loan portfolio (EUR m, gross)	1040.3
of which business loans	76.5%
of which green loan portfolio	11.4%
Share of defaulted loans	1%
Customer deposits (EUR m)	1,257.9

Key financial performance indicators

Change in customer loan portfolio	18%
Return on average equity	18.4%
Cost income ratio	54.1%
CET 1 ratio	16.78%
Profit of the period (EUR m)	26.9

By aligning our business growth with sustainability and client-centric innovation, we continue to strengthen our contribution to Kosovo's economy.

Prishtine, 2026



Visar Pacarada
on behalf of the Management Board of
ProCredit Bank Kosovo

ADVANCING DEVELOPMENT FINANCE

ORIGIN

The first bank in the post-war period – Micro Enterprise Bank (MEB).

2000

2003-2006

The group opened **PROCREDIT ACADEMY**

introduction of our **EXCLUSION LIST**

Introduction of our **ENVIRONMENTAL MANAGEMENT SYSTEM**

Shift to **SME FINANCE** from microlending

2008-2014

2015-2017

LISTING of ProCredit Holding on the Frankfurt Stock Exchange and first **ESG RATING**

Environmental Management Unit (now **SUSTAINABILITY DEPARTMENT**) is established and Environmental Management System is developed

Certified under ISO 14001:2015

The bank introduces concept of 24/7 self-service zones and ProCredit transforms into the first digital bank.

Introduction of our **PLASTIC STRATEGY**

GREEN BOND placement for SME green investments

Launch of our **PROCREDIT DIRECT** digital banking platform

2018-2020

2021-2023

Joined the **UN GLOBAL COMPACT** and **PRINCIPLES FOR RESPONSIBLE BANKING**

Inaugurates its four-3 MW **SOLAR PARK PROCENERGY,** which has the capacity to generate enough electricity to meet the needs of **500 HOUSEHOLDS.**

Defining of emission reduction targets in accordance with **SCIENCE BASED TARGETS INITIATIVE in Group level**

Head Office of the bank was the first building in the country to be certified under **EDGE ADVANCED**

Introduction of our **INCLUSIVE FINANCE** concept, with a focus on gender equity

Implementation of our **DEI STRATEGY**

Issuance of **GREEN TIER 2 BONDS** with placement volume of EUR 125m

Roll out of our **CO_2 CALCULATOR** in all countries

Introduction of our **PROCONNECT** regional business platform

2024-2025

SUSTAINABILITY HIGHLIGHTS

OUR MILESTONES IN 2025

- CO_2 Calculator rolled out and first client engaged
- EUR 118.5 MILLION IN GREEN LOANS

OUR TARGETS



- Become net zero by 2050
- Ensure continuity in green lending

SOCIAL IMPACT

OUR PEOPLE

420 total number of employees

50% female representation in managerial roles

100 hours of training per employee

EUR 703K annual investment in employee training

OUR BUSINESS CLIENTS

56% of our business lending now supports investment loans

35.5% of loan clients are micro business clients

10.5% of loan clients are women-owned MSMEs

ENVIRONMENTAL IMPACT

OWN OPERATIONS

71% electric and hybrid plug-in cars in vehicle fleet

8% decrease in energy consumption per employee

Head Office certified by EDGE Advanced (40%+ energy savings)

11% decrease in indoor water consumption per employee

OUR BUSINESS CLIENTS

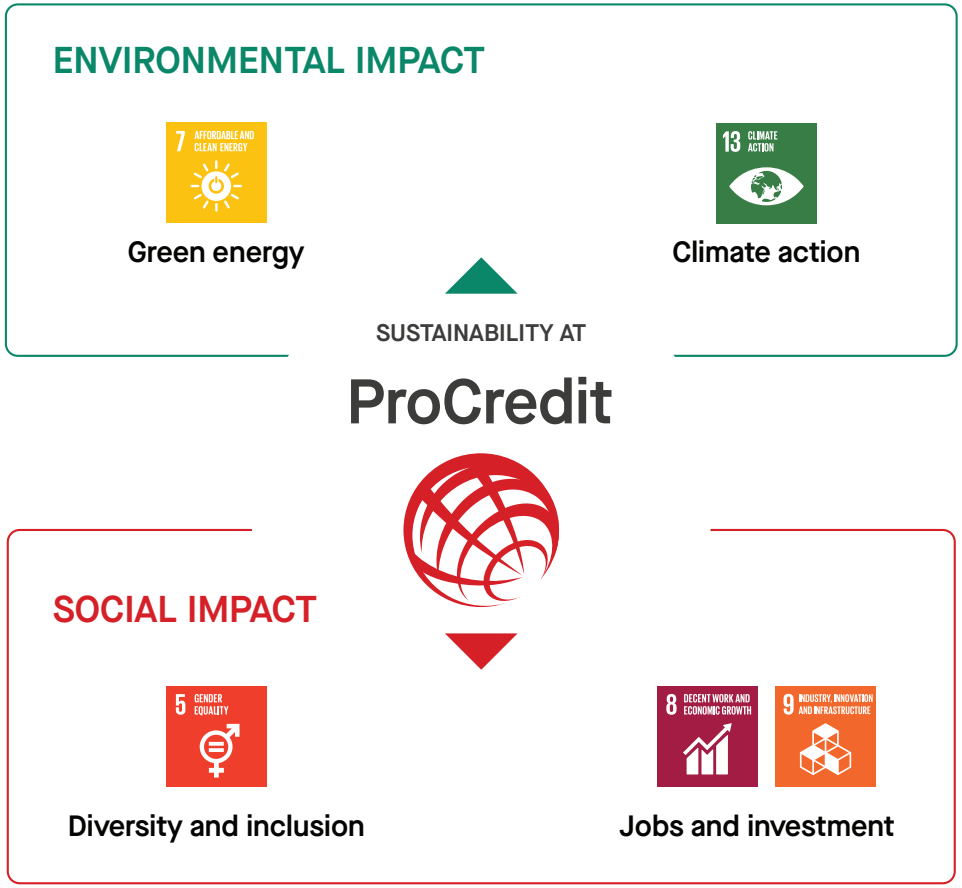
10,880 total number of green loans

EUR 118.5m total green loan portfolio

18.4 $ktCO_2eq$ emissions avoided through RE projects

CO_2 Calculator went live on August 2025

SUSTAINABILITY AT PROCREDIT



ProCredit's clear objective as a "Hausbank" is to ensure prosperity through sustainable economic development that supports long-term relationships with our clients and delivers positive social and environmental impact. Our principles are built around sustainability goals and are reflected both in our daily business operations and our financial products and services. Through our portfolio we support job creation, including for youth and women, and promote inclusive. Our green lending activities also generate a positive impact through green cleaner energies and climate friendly technologies in otherwise carbon-intensive countries.

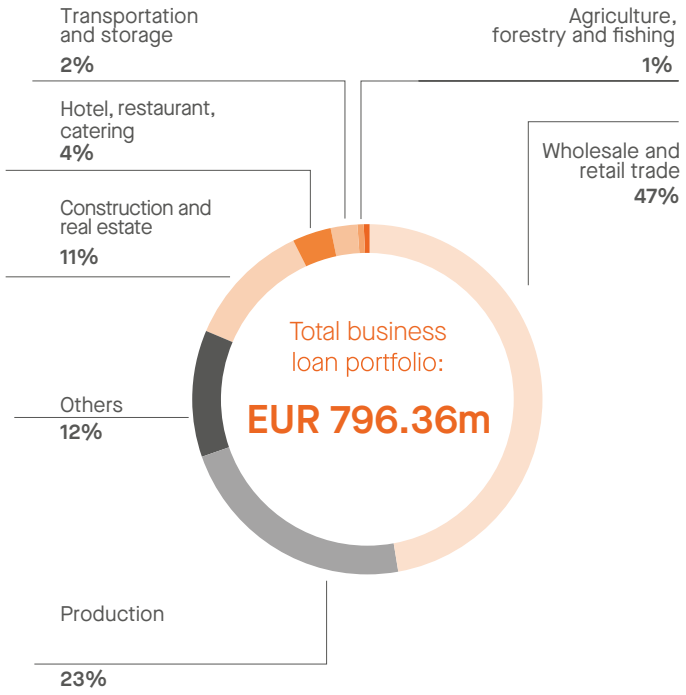
The double materiality analysis based on ESRS-CSRD from 2025 confirms that our main focus should remain on corporate governance - business conduct, our own workforce, consumers and end-users, and climate change, where we are committed to continue delivering prosperity and advancement. In this report we elaborate on our contribution to the UN SDGs through our focus areas and our strategic business outlook.

INDUSTRY, INNOVATION AND INFRASTRUCTURE

STRATEGIC PARTNER FOR MSMEs

Recognising the essential role that our business clients play in economic stability and growth, we remain their "Hausbank". As a country in South Eastern Europe where we operate, MSMEs are major contributors to GDP and tax revenues, innovation through investments, and job creation, especially in areas where industries are scarce. They also represent a dynamic entrepreneurial ecosystem in which innovation is absorbed more rapidly compared to large enterprises. As their strategic partner, we facilitate access to finance, reduce inequalities in economic opportunity, and strengthen their capacities in digitalisation, enabling our clients to become more agile and economically resilient in the changing market and challenging geopolitical environment.

Our business loan portfolio by sector (%)



In 2025, 1,344 SMEs and 723 micro clients were financed, with a total of EUR 451.7 million disbursed during the year. Our role as a financial intermediary is especially meaningful, as we deliver tailor-made solutions to business clients, from digital banking tools and savings products to international transactions and documentary business. We apply a rigorous and sustainability oriented credit risk assessment to ensure responsible lending. Drawing on our institutional expertise and data driven analysis, we assess their creditworthiness but also their environmental and social impacts. This enables us to structure financing solutions that avoid over indebtedness and that are genuinely aligned with their operations and growth plans, strengthening client trust.

ProConnect
by ProCredit Group

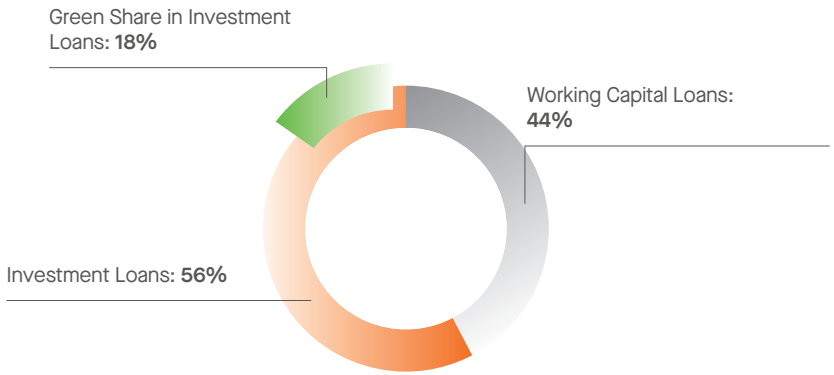
ProConnect signifies our long-standing commitment to our clients, which is based on trusted strategic partnerships. ProConnect connects small and medium-sized enterprises, from South Eastern Europe to Germany, on one secure digital platform. Our clients can meet verified companies, new clients and suppliers, build collaborations, explore new markets, and access innovative digital business tools. By 2025, 2,243 clients were already using our platform, highlighting the strong momentum towards growth and client trust.

https://www.proconnectbusinessnetwork.com/

INVESTMENT IN INNOVATION

A key element of our strategy is to strengthen the capacity of our clients in capital formation through investments in technology and innovation. Access to advanced technological solutions is particularly important to help businesses remain competitive and resilient. Especially for our MSME clients in our countries of operation, where access to finance and digitalisation is still relatively limited, customised financial products and advisory support help them adopt new technologies that increase their operational and energy efficiency, enhance the quality of their products and services, and ensure their establishment in the market. As a result, 56% of our business lending now supports investment loans, mainly in technology and innovation. Additionally, around 18% of these loans are directed to green investments, underscoring our commitment to advancing a low-carbon economy. Our efforts are facilitated through the collaborations we establish with international and local business associations that share our beliefs and foster connectivity in the regions.

Our business loan portfolio by loan purpose



A client of **ProCredit Bank Kosovo** since 2021, ***InstaBuilt LLC*** is a construction company focused on delivering modern, energy-efficient housing solutions through innovative building methods and responsible business practices. By combining advanced design, precision-based production, and efficient construction processes, the company aims to offer homes that are comfortable, durable, and better aligned with today's sustainability expectations. A key part of InstaBuilt's approach is the use of off-site and modular construction techniques. These methods allow for better planning, improved quality control, and more efficient use of materials compared with conventional construction. By producing building components in a controlled environment and reducing unnecessary waste during construction, the company supports a more resource-efficient way of developing residential spaces. Energy performance is also central to the company's work. InstaBuilt integrates features such as high-quality insulation, efficient windows, and modern heating and cooling solutions to help reduce energy demand and improve comfort for residents. Where suitable, renewable energy solutions and smart home technologies can further support lower energy consumption and more efficient day-to-day operation of homes.

Through its business model, InstaBuilt demonstrates how innovation in construction can contribute to more sustainable housing and community development. Its practices show that environmental considerations can be integrated into the full building process, from design and material selection to production, assembly, and long-term building performance. ProCredit Bank has supported InstaBuilt by financing the procurement of raw materials used in its construction activities. This cooperation reflects the bank's role in supporting companies that apply more sustainable practices in their operations and contribute to the development of greener, more efficient housing solutions. The partnership illustrates how responsible finance can help businesses grow while encouraging practical progress toward more sustainable economic development.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

RETAIL BANKING: A CORE DRIVER OF STABILITY, INCLUSION & SUSTAINABLE GROWTH



Retail banking is a central pillar of the group's long term strategic transformation, complementing our strong MSME foundation and helping build a more resilient, diversified and future proof business model. Retail is positioned as both a growth engine and a stability anchor, driven by digitalisation and AI, client centricity and responsible banking.

Across all markets, the group continues to develop a mobile first, data driven retail ecosystem that delivers intuitive digital services and a high quality user experience. Lending is based strictly on payment capacity, transparent pricing, and the long term well-being of our customers. Clients are protected through clear product design, strong affordability rules, and fair collection practices.

Our digital delivery model expands access to essential financial services, while enhancing inclusion and convenience through mobile and online channels.

Retail banking contributes directly to the group's development mission by:

- Providing a stable deposit base that enables further MSME impact
- Expanding access to safe, transparent and responsible financial services
- Strengthening household resilience through savings focused engagement
- Supporting low carbon lifestyles with green loans for electric vehicles and solar solutions
- Fostering community engagement through local programmes

Retail lending thus plays a dual role: driving sustainable business growth while enabling the scaling of the group's positive social and environmental impact.



Supporting sustainable household investments remained a key focus in 2025.
The bank disbursed over 6 million EUR in green loans to retail clients, while the outstanding retail green loan portfolio reached 13.5 million EUR at year-end, reflecting growing customer demand for energy-efficient and environmentally friendly solutions.

DECENT WORK AND ECONOMIC GROWTH

OUR PEOPLE AND WORKPLACE PRACTICES

8 DECENT WORK AND ECONOMIC GROWTH

At ProCredit Kosovo, we recognise that our employees are our driving force and our greatest asset, enabling us to deliver responsible banking and create long-term value for our clients and society. We are committed to fostering a workplace that supports professional development, personal growth, and employee well-being, while embedding our values and sustainability principles into everyday operations.



Employees joining the bank benefit from a structured onboarding programme which was designed to introduce them to Procredit's responsible banking approach and operational standards, while providing practical training in banking, sustainability and customer service.

Throughout their careers, our employees participate in continuous learning opportunities that strengthen both their professional competencies and their understanding of information security, diversity, equity and inclusion, environmental responsibility, and ethical business conduct.

Code of Conduct	Risk awareness	Environmental topics
All bank employees trained	All bank employees trained	**491** employees trained
3,928 total hours of training	**4,144** total hours of training	**1,816** total hours of training



In addition to local development initiatives, employees have access to group-wide training programs, including mandatory courses on the Code of Conduct, risk awareness, and environmental topics. They also have the opportunity to further their professional development through the ProCredit Academy in Germany, where the Banker Academy and Management Academy provide advanced education for future specialists and leaders within the ProCredit group. We place strong emphasis on creating a supportive and inclusive working environment that promotes employee satisfaction and work-life balance. Flexible working hours arrangements, hybrid work opportunities, and enhanced family and parental leave policies help employees balance their professional and personal responsibilities while maintaining high levels of engagement and productivity.

In 2025, we introduced a group-wide employee survey, which will complement our well-established employee-management conversations.

DECENT WORK AND ECONOMIC GROWTH

INCLUSIVE FINANCE AT THE CORE OF OUR BUSINESS

We aim to enable access to financial services for our clients, while recognising that different client groups face different structural barriers. Our approach is guided by three principles: equal access to finance, tailored solutions beyond standard products, and long term relationships that support sustainable growth. In practice, this means combining responsible lending with advisory and non financial services where finance alone is not sufficient. By doing so, we support formalisation, productivity, innovation and job creation, while strengthening local economies and widening economic participation.

Micro enterprises are essential to local economies but often lack access to suitable financial services. We address this gap through relationship banking, combining tailored financing with close advisory support to enable formalisation, stability and gradual growth. **35% of our loan clients** were micro enterprises.

Young entrepreneurs and startups: As labour markets evolve, entrepreneurship is key for young people. We support youth-led businesses with tailored financing, advisory services, and access to networks and training.

Women entrepreneurs often face barriers such as limited collateral, capital and networks. We adapt our products and advisory approaches to support business development, economic independence and job creation. In 2025, **11% of total disbursements** were allocated to women owned or women led enterprises.

PAKETOS INTERNATIONAL L.L.C. Expanding Access to E-Commerce and Logistics Services in Kosovo



Founded in 2022, Paketos provides international parcel forwarding services from the United States to Kosovo, as well as domestic courier and delivery services across the country. The company has grown its operations to serve more than 25,000 registered users and currently employs around 60 people across logistics, transportation, customer service, operations, and technology.

Paketos is led by CEO Rineta Krasniqi, representing female leadership in a sector where women remain underrepresented. Under her leadership, the company has expanded its logistics network, invested in digital infrastructure, and introduced new delivery solutions aimed at improving efficiency and accessibility for customers and businesses.

In 2026, Paketos expanded its nationwide last-mile delivery services, increasing operational capacity, enlarging its vehicle fleet, and creating additional employment opportunities. The company is also investing in smart parcel locker infrastructure to support more efficient parcel collection and delivery.

ProCredit Bank has supported Paketos throughout key stages of its development by providing financing for business expansion and operational investments. This partnership has enabled the company to strengthen its logistics capabilities and support the growing demand for e-commerce and delivery services in Kosovo.

OUR DIVERSITY, EQUITY, AND INCLUSION STRATEGY

At ProCredit Bank Kosovo, we are committed to fostering a diverse, equitable and inclusive workplace where every employee, client and stakeholder is treated with fairness, dignity and respect. Guided by the ProCredit Group's Diversity, Equity and Inclusion (DEI) Strategy and Gender Action Plan, we strive to create equal opportunities across our operations while promoting inclusive economic development within the communities we serve. This strategy forms the cornerstone of our efforts to foster inclusivity across our operations, supply chain, and portfolio. To date, we have not only strengthened inclusivity within our own organisation where 60% of our staff are women , but we have also developed dedicated products and services designed to support women in business and promote greater financial inclusion.

Recognising that effective solutions must reflect local realities, we gathered ontheground insights through research, market studies and close engagement with our clients and stakeholders. This enables us to tailor our approach to the specific conditions and needs of the Kosovo market. To further strengthen the accuracy and reliability of our work, we continue to enhance internal data quality and reporting processes, supporting informed decision-making and effective implementation of our DEI objectives. In line with the ProCredit Group's commitment to advancing gender equity, our approach combines financial and non-financial support to women entrepreneurs, while promoting equal opportunities within our own organisation. Through continuous learning, awareness raising and responsible banking practices, we strive to create an inclusive environment for our employees, clients and communities, contributing to sustainable and equitable economic development.

In addition, our memberships in the Financial Alliance for Women and 2X Global play an important role in advancing our gender finance agenda. By working closely with peers and integrating best industry practices, these partnerships give us access to valuable resources that further reinforce our commitment to advancing gender equity.



2X GLOBAL FINANCIAL ALLIANCE FOR WOMEN

GENDER EQUALITY

INCLUSIVITY IN OUR WORK CULTURE

Total number of staff: 420



female 60% male 40%

Management positions



female 50% male 50%

Management Board: 3



female 0% male 100%

Supervisory Board: 5



female 40% male 60%

In 2025

ALL employees were trained on DEI topics

and **3,928** training hours were delivered.

Our DEI strategy begins with our people. Each year, we make substantial investments in internal practices that reinforce our core values on gender equity. Our efforts focus on ensuring inclusive recruitment, fair performance management, equitable remuneration, and equal development opportunities for all employees. Our commitment to non discrimination is clearly outlined in our Statement on Human Rights and our Code of Conduct.

Through our internal career development programmes, including opportunities provided by the ProCredit Banker Academy and Management Academy, all employees are given equal opportunities to grow professionally and advance their careers, contributing to a balanced and inclusive workplace culture.

In 2025, women represented 60% of our total workforce, and 50% of top management positions within ProCredit Kosovo were held by women.

We provide training for our employees on diversity principles that aimed at fostering an inclusive culture across our workplace. In particular, the training sessions are designed to raise awareness among our staff so that they are better able to:

- Reinforce gender equality in our daily business
- Recognise the societal barriers that women face in their personal lives and career
- Understand the challenges that our women clients encounter in accessing finance



Through these initiatives, we ensure that our teams are not only well equipped to embrace diversity and the empowerment of women within our daily operations, but also that they acquire the practical knowledge needed to support our women clients, many of whom continue to face significant obstacles when starting or developing their businesses.

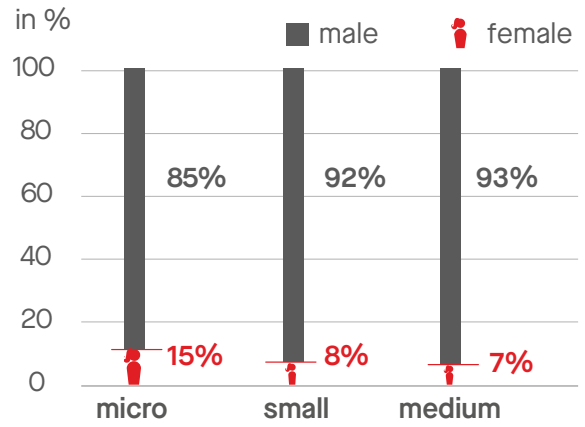
GENDER EQUITY AS AN INVESTMENT PRINCIPLE

In line with our DEI strategy, ProCredit Bank Kosovo has deployed programmes aimed at expanding opportunities for women entrepreneurs. These initiatives are implemented in collaboration with strategic partners and combine tailored financial products with nonfinancial services to support women who are starting a business, strengthening an existing one, or looking to expand their presence in the market.

These programmes are particularly important in Kosovo where women, especially those living in rural or underserved areas, continue to face barriers in accessing finance and business opportunities. Our financial products are designed to reflect the realities that women commonly encounter when seeking capital, including limited collateral, by incorporating risk-sharing facilities and guarantee schemes. In parallel, our nonfinancial services provide essential capacitybuilding support, including mentorship, financial literacy training, networking opportunities, and knowledge sharing to strengthen skills and long-term business resilience.

Together, these initiatives contribute to a more enabling environment for women in business, supporting both their immediate financing needs and their longterm entrepreneurial development. Through our continued collaboration with partners and our commitment to inclusive finance, we aim to increase women's participation in the economy and create lasting social and economic impact.





AnchorzUp L.L.C. Supporting Digital Product Development from Kosovo

Founded in 2022, AnchorzUp is a Kosovo-based company providing staff outsourcing and digital solutions to international clients. The company supports businesses across software development, product design, digital marketing, and related services, working with clients in industries such as fintech, edtech, healthcare technology, energy, recruitment, and SaaS. Since its establishment, AnchorzUp has expanded its team, client portfolio, and operational capabilities while continuing to invest in employee development, quality management, and information security standards.

AnchorzUp is led by founder and CEO Jeta Zagragja, who has experience across the private, financial, and non-profit sectors in Kosovo and the United States. Female participation is a notable feature of the company, with women representing a majority of its workforce. In addition to leading the company, Jeta Zagragja has contributed to discussions on entrepreneurship, technology, and women's participation in business through local and international initiatives.

ProCredit Bank has supported AnchorzUp throughout its growth by providing day-to-day banking services, facilitating international transactions, and financing the acquisition of the company's permanent headquarters. The investment enabled AnchorzUp to establish its own office space, supporting the continued development of its operations and creating capacity for future growth.

OUR CLIMATE ACTION STRATEGY

We have committed to supporting the transition to a low-carbon economy and align our offers with Group Climate Action Strategy and Climate Transition Plan.
Our main focus remains on:

- **Building a climate resilient portfolio** by identifying climate risk clusters, integrating climate risks into our risk management process, and providing tailored support to our clients

- **Contributing to the net zero ambition by 2050,** with near-term targets validated by the Science Based Targets initiative **(SBTi).** This includes the reduction of Scope 1 and 2 emissions by 42% by 2030 and engagement with the clients responsible for 28% of portfolio emissions to encourage them to set their own targets by 2027 (base year: 2022).

To advance the implementation of this plan, we rely on the following pillars:

- **Engagement:** We provide regular sustainability training to our employees, apply the Group Guidelines on Sustainable Procurement, and work closely with our clients to encourage decarbonisation and support their transition towards more sustainable business models

- **Memberships:** Through the ProCredit Group we participate in initiatives such as the Partnership for Carbon Accounting Financials (PCAF) and the Science Based Targets initiative (SBTi) enabling us to align with international best practices and continuously strengthen our climate-related expertise.

PCAF Partnership for Carbon Accounting Financials

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

UN environment programme finance initiative

Climate Risks

Risk Identification
Our 2025 ESG risk materiality and double materiality analyses under ESRS identified a material but limited impact of ESG risk drivers on operational and credit risk, including physical and transition risks.

Risk Integration
We annually assess climate change scenarios for physical and transition risks, and integrate climate considerations into stress testing to simulate potential impacts across the economic sectors in whitch we operate.

Risk Monitoring
We have established a group-wide ESG risk score and ESG key risk indicators (KRIs), enabling us to measure, monitor and manage the impact of ESG risks as drivers of financial and non-financial risk.



DECARBONISATION PATH

1	2	3	4	5	6
Calculation of Scope 1, 2 (internal data) and 3 (use of PCAF)	Physical and transition climate risks assessment on group portfolio	Target-setting for Scope 1, 2 and 3	Definition of Group Climate Action Strategy and Climate Transition Plan	Roll out of CO_2 Calculator and ESG risk score	Continuous client engagement and support

CLIMATE ACTION IN OUR OWN OPERATIONS

To achieve our climate target for reducing our group Scope 1 and 2 emissions by 42% by 2030, we are continuing our efforts to optimise internal processes and adopt environmentally friendly practices.

Actions in support of our decarbonisation path entail:

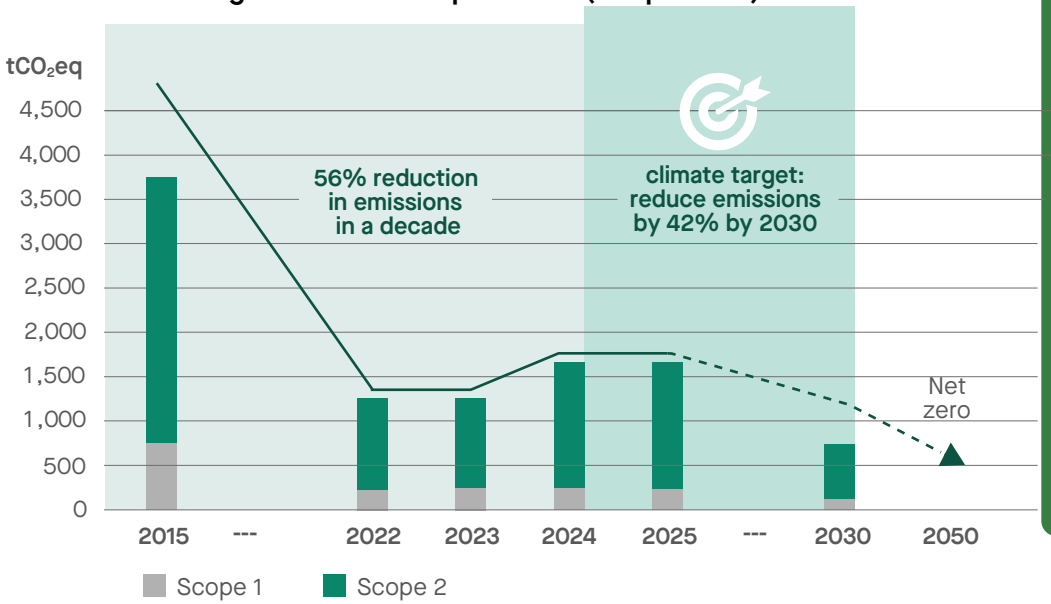
- Applying energy efficiency and other environmental criteria when designing or renovating our premises. Currently, our head office in Prishtina has EDGE certification for green buildings.
- Applying environmental criteria in our procurement processes, in line with our Sustainable Procurement Guideline.



Net zero by 2050

	Scope 1 emissions	Scope 2 emissions
Actions planned	Increase share of electric vehicles (EVs)	Increase the share of electricity from renewables
Current status	In 2025 EVs account for 58% of the total fleet	We invest in clean energy suppliers and in our own PVs, which in 2025 reached 39.1 kWp of installed capacity

Emissions and targets of internal operations (Scope 1 & 2)



Our total Scope 1 and 2 emissions increased by 30% compared to 2022, reflecting changes in our business scope, including more employees, branches, and portfolio volume. At the same time, emissions per employee decreased by 5.7%, indicating improved carbon reduction mechanisms.

DECARBONISATION ENGAGEMENT WITH CLIENTS

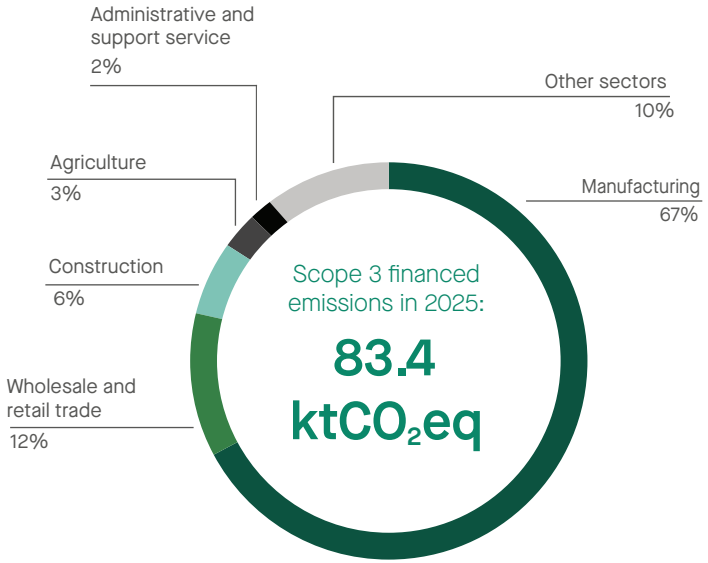
The main source of our climate impact is undoubtedly our portfolio. However, a major challenge in ourdecarbonisation journey lies in the capacity of many business clients, who are often not yet equipped with the tools and knowledge needed to effectively manage their climate transition. As part of the ProCredit Group Climate Transition Plan, we are committed to supporting our clients in their decarbonisation efforts, including engagement with those responsible for 28% of portfolio emissions to encourage the adoption of science-based targets by 2027. To achieve this, we maintain continuous dialogue with our clients, promoting transparent reporting, raising awareness of climate-related risks and opportunities, and monitoring progress towards their transition goals.

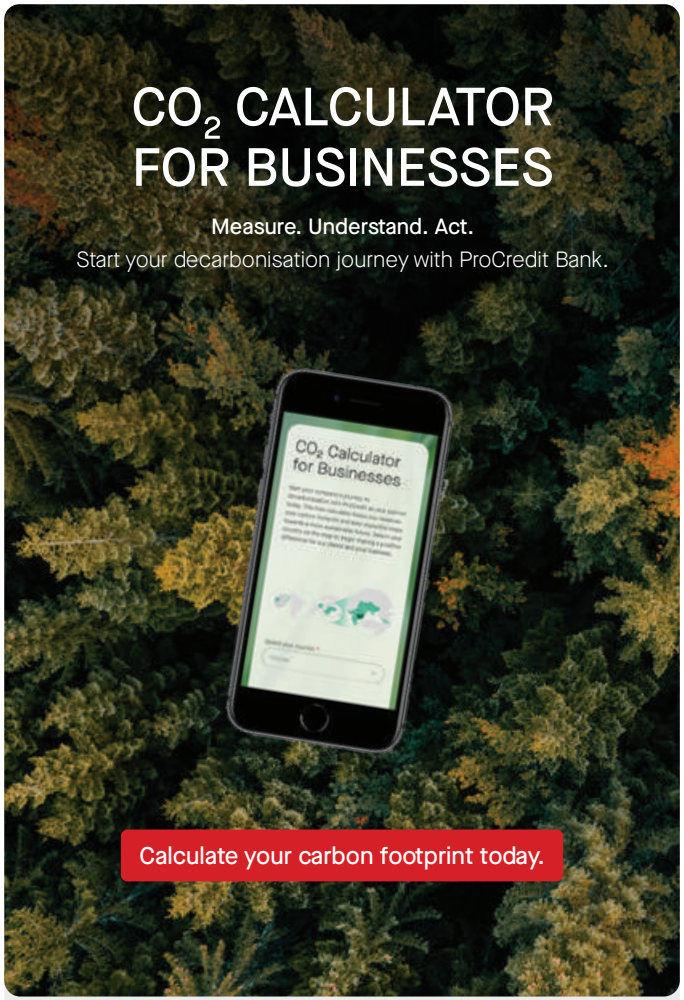
The key pillar of this approach is the CO_2 Calculator, a tool developed by ProCredit Group to help clients calculate and better understand their greenhouse gas emissions. Following its successful pilot implementation in Bulgaria, the CO_2 Calculator was rolled out across the Group in 2025 and is now available to support ProCredit Bank Kosovo clients in measuring their carbon footprint and identifying opportunities for emissions reduction. At the same time we continue to facilitate our clients' transition through green lending products, which represent 11,4% of our total loan portfolio, financing investments in Energy Efficiency, Renewable Energy and Environmentally Friendly technologies. In line with our sustainability strategy, we continue to finance electricity generation projects, exclusively from renewable energy sources, contributing to Kosovo's transition towards a more resilient and low-carbon economy.

Net zero by 2050

	Scope 3 portfolio emissions
Actions planned	**Support clients in setting their own targets and finance their transition**
Current status	**Rollout of the CO_2 Calculator, first client engaged**

Scope 3 financed emissions on Business Loan Portfolio





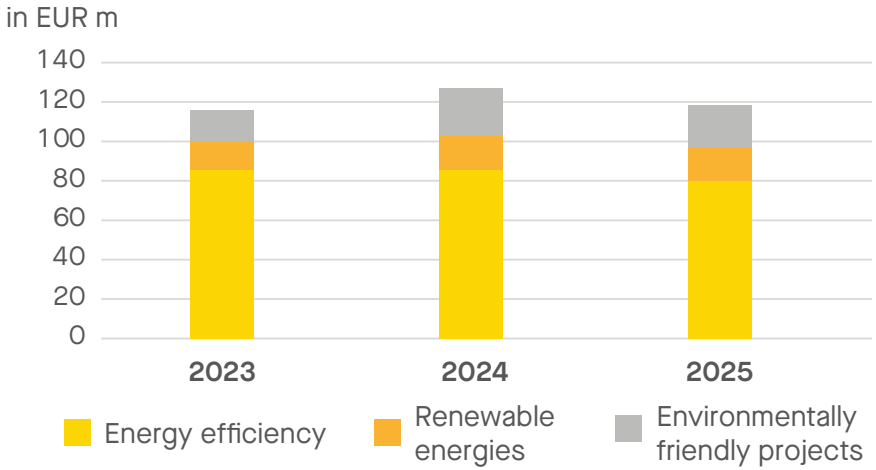
AFFORDABLE AND CLEAN ENERGY

GREEN FINANCE FOR RESILIENCE



The ProCredit Bank has a long-standing commitment to green financing, and our green loan portfolio consists of investments in energy efficiency, renewable energy, and environmentally friendly technologies. Currently, our green portfolio amounts to EUR 118.5 million and our energy efficiency loans make up 69% of this portfolio, forming the foundation of our clients' contribution to environmental and economic value creation. Renewable energy projects also remain a vital element of the decarbonisation efforts pursued by our clients. By supporting these initiatives, we actively contribute to climate change mitigation and to fostering sustainable economic progress across the country.

Green LP development by investment category



The share of our green loan portfolio in 2025 was **11.43%**

Green investment categories

Environmentally friendly projects

- Sustainable suppliers
- Waste management/ Recycling
- Sustainable certified products

Renewable energy

- Photovoltaic systems
- Hydropower plants

Energy efficiency

- Green buildings
- Production machinery and equipment
- Fuel efficient vehicles
- Heating and cooling equipment

AFFORDABLE AND CLEAN ENERGY

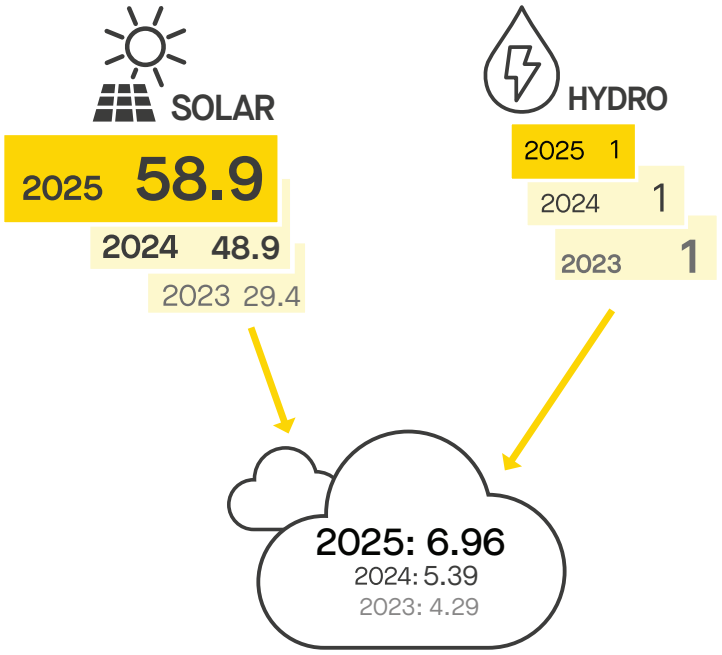
WITH A FOCUS ON RENEWABLE ENERGY FINANCE

7 AFFORDABLE AND CLEAN ENERGY

We remain committed to supporting renewable energy investments that address the pressing market needs in regions where clean energy is essential, not only for reducing costs but also for advancing the decarbonisation of local energy systems. Many countries in Kosovo continue to depend heavily on fossil fuels, making the transition to cleaner sources increasingly urgent, especially in the current geopolitical circumstances.

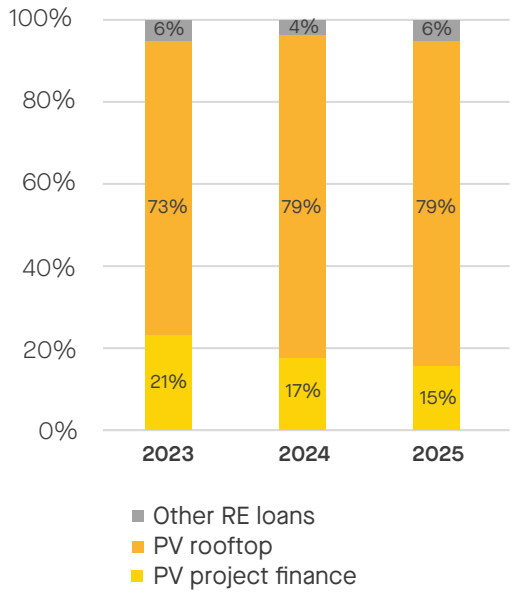
Our financing solutions enable clients to pursue energy autonomy, lower emissions, and achieve longterm cost savings, particularly within the underserved segment of solar installations in the 1 to 2 MWp range. In 2025 the installed capacity of our PV, projects accounted for more than 12 MWp.

Installed capacity of financed RE projects (in MW)



$ktCO_2eq$ avoided through RE projects in operation, corresponding to **5.4 MW** of installed capacity.

Renewable energy loan portfolio





ProEnergy, our own 3 MWp photovoltaic power plant in Lipjan, has been connected to the grid since July 2023. In 2025, the plant generated 3.9 GWh of electricity, enabling more than 3.3 $ktCO_2eq$ of avoided emissions. Through our solar park we contribute to the green transformation of Kosovo's energy landscape, building local expertise and stimulating further private investment.

SDGs AND MATERIAL TOPICS

BUSINESS CONDUCT

CORPORATE CULTURE

Our Code of Conduct forms the foundation of our responsible banking approach and defines the principles guiding our business practices, including integrity, accountability, and transparency. These principles apply across our operations and extend to our relationships with clients and suppliers. Our Exclusion List and internal policies ensure that our financing activities are aligned with environmental and social standards, while our Sustainable Procurement Guidelines define expectations for responsible practices throughout our value chain.



PROTECTION OF WHISTLEBLOWERS

We maintain structured whistleblowing mechanisms that enable employees and external stakeholders to report potential misconduct, including illegal, unethical, or fraudulent behaviour, in a confidential manner. Reports are handled in line with internal policies and applicable legal requirements, ensuring protection against retaliation. Employees are encouraged to raise concerns through defined reporting channels, supporting a culture of transparency, accountability, and responsible conduct.



CONSUMERS AND END-USERS

INFORMATION-RELATED IMPACTS FOR CONSUMERS AND/OR END-USERS

We assess and manage potential risks to clients arising from our products, services, and operations, including information security, service continuity, and product suitability. These risks are addressed through structured risk management processes, including regular operational risk and information security assessments, ensuring the identification, prevention, and mitigation of potential negative impacts on clients.



SOCIAL INCLUSION OF CONSUMERS AND/OR END-USERS

We follow a “Hausbank” approach, building long-term relationships with clients by combining tailored financial solutions with advisory and non-financial support. We promote access to financial services for underserved segments, including micro and small enterprises, women-led businesses, and clients with limited access to finance, supported by dedicated products, capacity-building initiatives, and digital channels. At the same time, we apply responsible lending practices, including affordability assessments and risk-based safeguards, to prevent overindebtedness and ensure sustainable client development.



OWN WORKFORCE

WORKING CONDITIONS

We ensure that working conditions and remuneration are aligned with internal standards and applicable benchmarks. We promote work-life balance through flexible working arrangements and employee well-being initiatives. Our practices comply with national labor regulations and international standards, including the right to freedom of association and collective bargaining. We also invest in employee development through structured training and capacity- building programs.



EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

Equal treatment is embedded in our policies and practices. Employment decisions are based on merit and are free from discrimination on the basis of personal characteristics. We support diversity, equity, and inclusion through structured training, internal policies, and continuous monitoring. Our approach ensures equal access to development opportunities and fair remuneration frameworks, while promoting an inclusive working environment.



OTHER WORK-RELATED RIGHTS

We apply a zero-tolerance approach to forced labor, human trafficking, and child labor within our operations. These principles are reflected in our Code of Conduct and Human Rights framework. We expect the same standards to be upheld by our clients and suppliers and align our practices with relevant international frameworks, including ILO conventions and the UN Guiding Principles on Business and Human Rights.



CLIMATE CHANGE

CLIMATE CHANGE ADAPTATION

We integrate climate-related risks into our risk management framework, including physical and transition risks, through regular assessments and scenario analysis. Climate risk considerations are incorporated into credit processes and portfolio management, supporting informed decision-making and enhancing the resilience of both our operations and our clients.



CLIMATE CHANGE MITIGATION

Our Climate Action Strategy and Transition Plan guide our decarbonisation efforts, with a commitment to achieving net zero emissions by 2050 and interim targets aligned with recognised frameworks. Our approach covers Scope 1 and 2 emissions from our own operations and Scope 3 emissions from our portfolio, which represent the main share of our climate impact. We actively engage with clients to support their transition through financing, advisory, and tools such as the CO_2 Calculator, enabling structured dialogue and emissions reduction pathways.



ENERGY

We monitor energy consumption and implement measures to improve efficiency and increase the share of renewable energy in our operations. This includes investments in renewable energy installations, electrification initiatives, and the sourcing of certified green electricity, contributing to the reduction of our operational emissions.



ProCredit Bank

ProCredit Bank Kosova

Xhorxh Bush 26, Pristina 10000
Republic of Kosovo

tel: +383 (38) 555 555 or +383 (0) 49 555 555
fax: +383 (38) 248 777
e-mail: kos.info@procredit-group.com
www.procreditbank-kos.com

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