



# OUR IMPACT IN PRACTICE

2024 Impact Report  
ProCredit Bank Kosova

# ABOUT THE IMPACT REPORT PACKAGE 2024

The **Impact Report 2024** outlines our approach to sustainability, showcases our efforts and assesses our impact performance during the past year. It also highlights our ongoing initiatives and outlook for the future. The structure revolves around our choice of the five SDGs that are most central to our impact strategy, while also demonstrating alignment with our key material topics.

In addition to this report, we have published the **Annual Report of 2024**

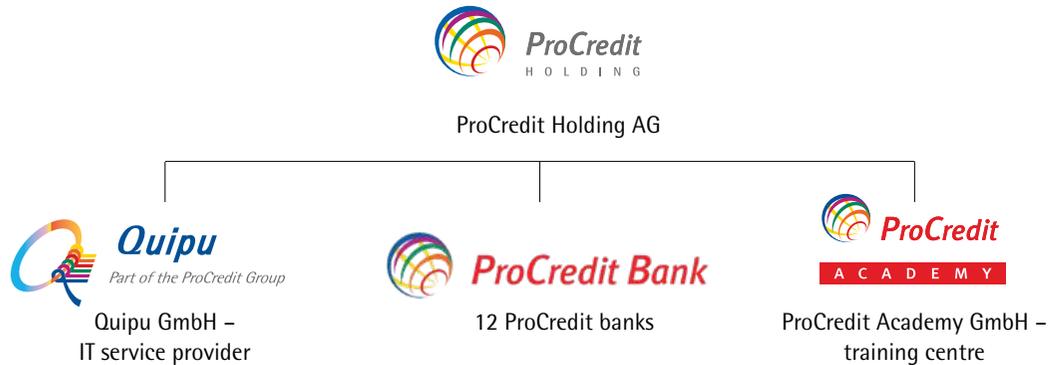


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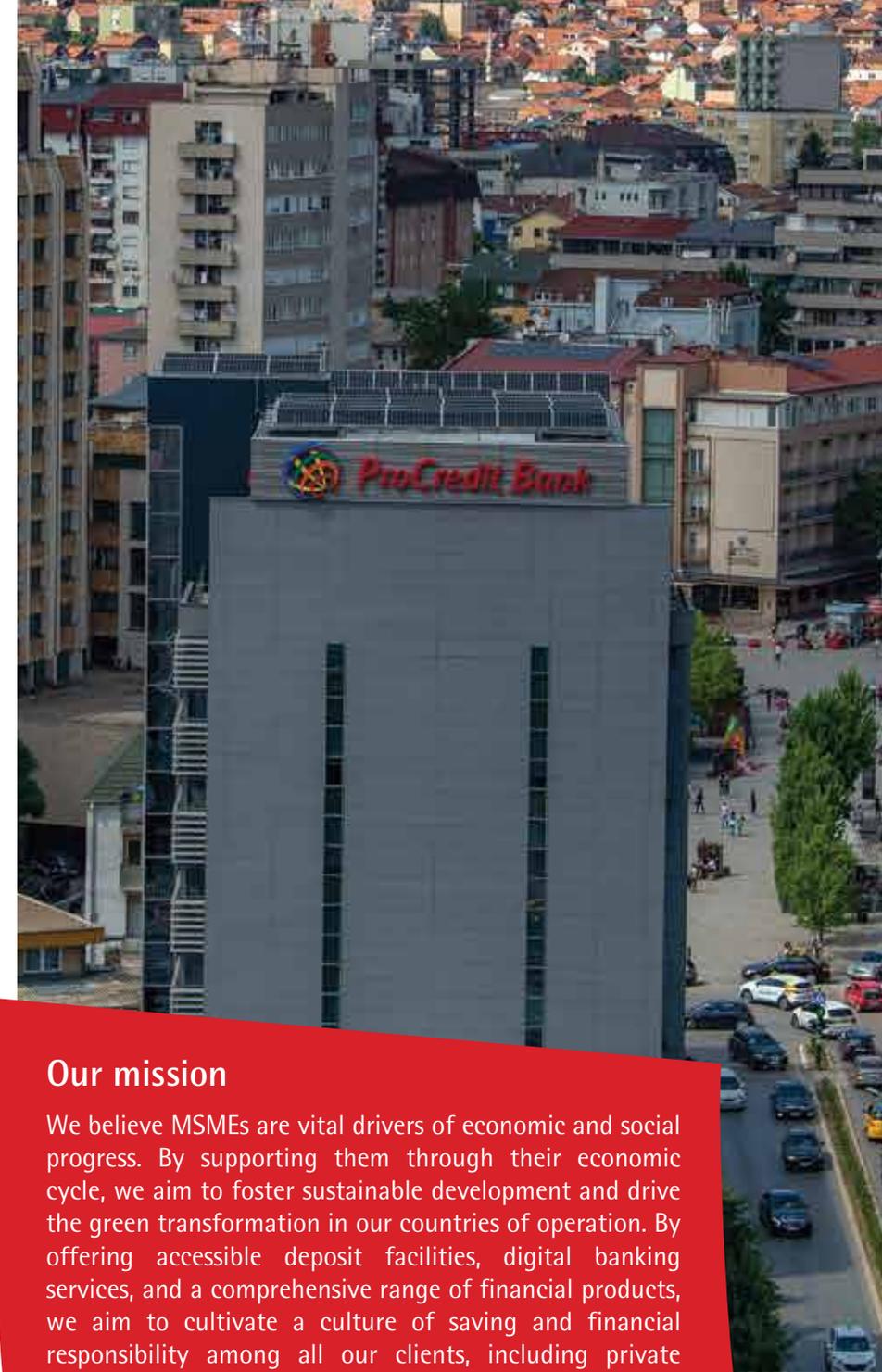
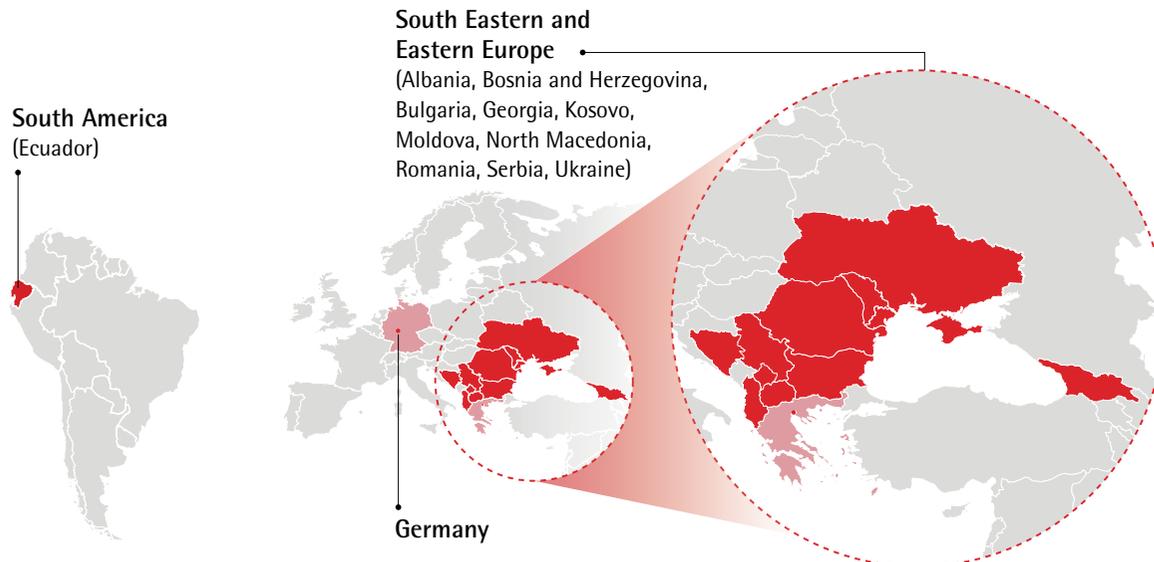
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# THE PROCREDIT GROUP: WHO WE ARE

## Structure of the ProCredit group



## Our countries of operation



## Our mission

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.

# LETTER FROM THE MANAGEMENT BOARD



## Key local figures 2024

### Statement of financial position

Dec. 2024

<b>Total assets (EUR m)</b>	<b>1,258</b>
Customer loan portfolio (EUR m, gross)	881.5
of which business loans	78.4%
of which green loan portfolio	14.3%
Number of business clients	6,786
Share of defaulted loans	1.2%
Customer deposits (EUR m)	1,080.0

### Key financial performance indicators

Change in customer loan portfolio	18 %
Return on average equity	23.2 %
Cost income ratio	51.6 %
CET 1 ratio	14.2 %
Profit of the period (EUR m)	29.1

The year 2024 was a pivotal one for ProCredit Bank Kosovo—marked by strong growth, continued innovation, and an unwavering commitment to responsible banking. Our results reflect more than financial strength; they demonstrate the real-world impact of our mission: fostering sustainable economic development while upholding the highest standards of transparency, prudence, and long-term value creation.

Sustainability remained embedded in every aspect of our operations, guided by our mission and values, sustainability remained a central focus across our operations, aligned with recognized ESG principles and reporting standards. Our participation in international alliances, including the Net-Zero Banking Alliance, the Financial Alliance for Women, and 2X Global, reflects our commitment to sustainable banking and gender finance. Through these partnerships, we exchange knowledge, adopt best practices, and access resources that strengthen our efforts to promote equity and responsibility. In addition, our ISO 14001-certified Environmental Management System ensures that environmental considerations are systematically embedded in our governance and decision-making processes.

We have steadily expanded our green financing portfolio, reaching EUR 126 million—the largest in Kosovo and representing 14.3% of our total loan book. Since 2019, our support has enabled around 44 MWp of small-scale photovoltaic capacity across 179 business clients, promoting renewable energy adoption while preparing them for a smoother transition to the liberalized energy market.

Our financing has also contributed to the development of 30 electric vehicle charging stations nationwide, reinforcing the infrastructure needed for sustainable energy and transportation.

In 2024, the ProEnergy solar park remained a cornerstone of our sustainability strategy. Jointly owned by ProCredit Holding and ProCredit Bank Kosovo, the 3 MWp facility generated 4,237 MWh of renewable electricity during the year, avoiding approximately 3,898 tonnes of CO<sub>2</sub> emissions. This amount of clean energy is equivalent to the annual electricity consumption of about 500 average households. The project continues to play a central role in offsetting our internal operational emissions and advancing our commitment to a low-carbon future. Additionally, our head office maintained its EDGE Advanced certification, reflecting our dedication to energy-efficient and sustainable building practices.

Our credit portfolio grew by 18% or  
**EUR 133 million**  
– well above our already ambitious  
growth target of 10%.



# LETTER FROM THE MANAGEMENT BOARD

Our digitalisation strategy made significant progress with the launch of Google Pay and eco-friendly organic payment cards, offering clients secure, modern, and sustainable payment solutions. These innovations enhance customer experience, improve operational efficiency, and reduce environmental impact—ensuring our services keep pace with the evolving financial sector.

Our commitment to micro, small, and medium-sized enterprises—the backbone of Kosovo's economy—remained strong. We delivered tailored financial solutions and advisory support to help them innovate, grow, and adopt sustainable practices. At the same time, we enhanced our services for private clients, advancing financial inclusion and stability, particularly in rural areas.

Internally, we reinforced our governance and risk management frameworks to remain resilient in an increasingly complex environment. These measures, supported by our ISO 14001-certified Environmental Management System, allow us to anticipate challenges, safeguard stakeholder interests, and uphold operational integrity.



In 2025, we will further expand our green loan portfolio and introduce products that promote energy efficiency, the circular economy, and climate resilience. We will deploy a digital CO<sub>2</sub> calculator to help clients measure and manage their carbon footprints and advance our Net Zero Engagement Plan—committing to net zero according to SBTi by 2050, a 42% reduction in Scope 1 and 2 emissions by 2030, and alignment with the Science Based Targets initiative (SBTi).

We continue to advance financial inclusion with a focus on youth, women, and rural communities, while strengthening ESG governance in line with GRI standards and the EU Taxonomy. In 2024, we launched our first group-level Diversity, Equity, and Inclusion (DEI) Strategy, broadening our engagement across staff, supply chains, and communities. This includes initiatives to empower women, promote gender equity, provide gender-sensitivity training for all employees, and support the workforce integration of young people with additional support needs through paid internships, reinforcing our commitment to inclusive and responsible banking.

We are grateful that our contributions were recognized with the Sustainable Impact Award from CSR Kosova and the "Mik i fëmijëve" award from the Association for Protecting Children in Kosovo and SOS Children's Village.

The achievements of 2024 confirm that responsible banking is not only compatible with commercial success—it is essential for resilience, competitiveness, and long-term prosperity. The strong foundation we have built ensures we are well-positioned to create even greater positive impact in the years ahead.

Pristina, September 2025

Visar Paçarada  
on behalf of the Management Board of ProCredit Bank

Largest green loan portfolio in Kosovo

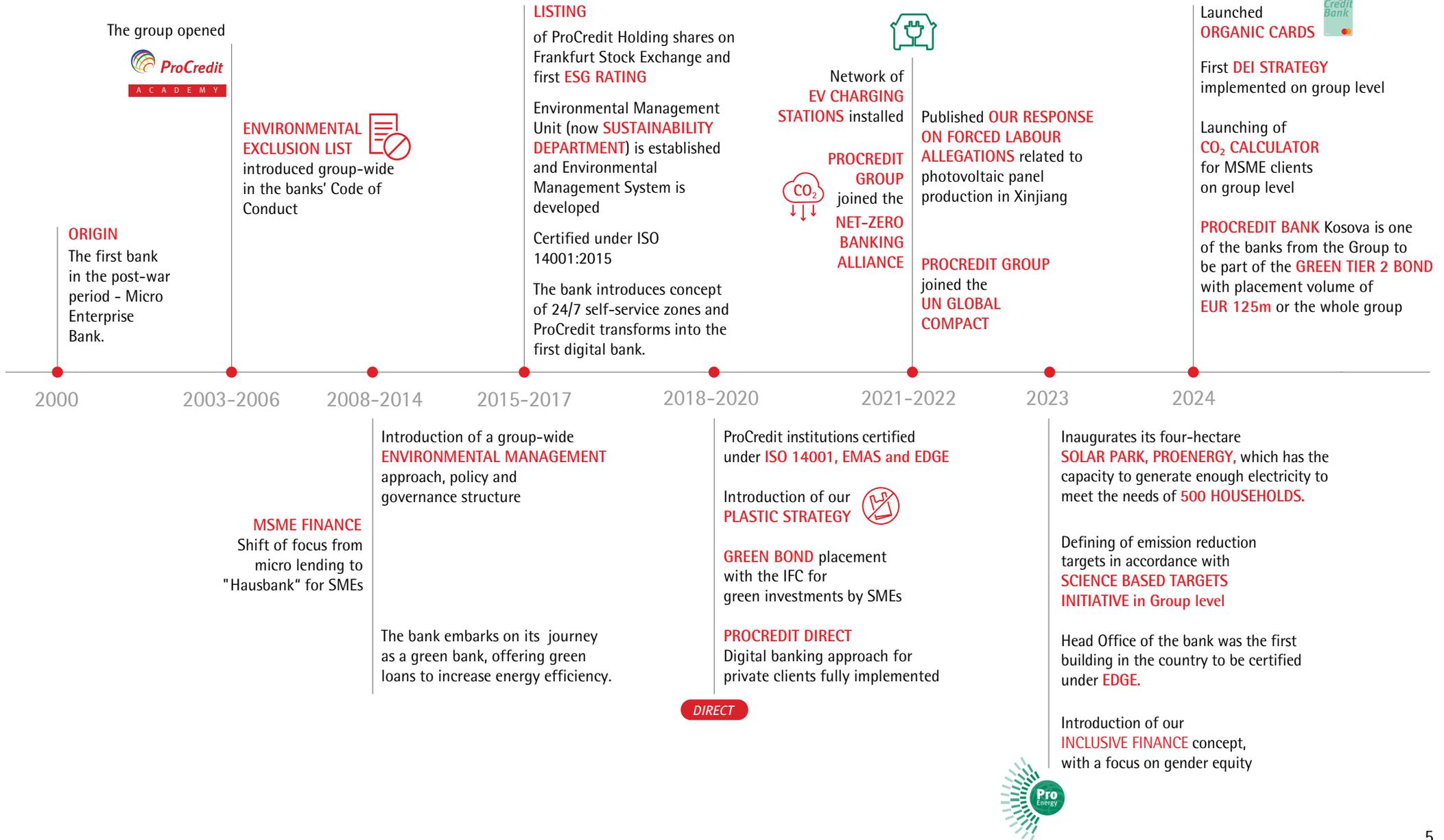
# EUR 126m

+EUR 9.1m increase

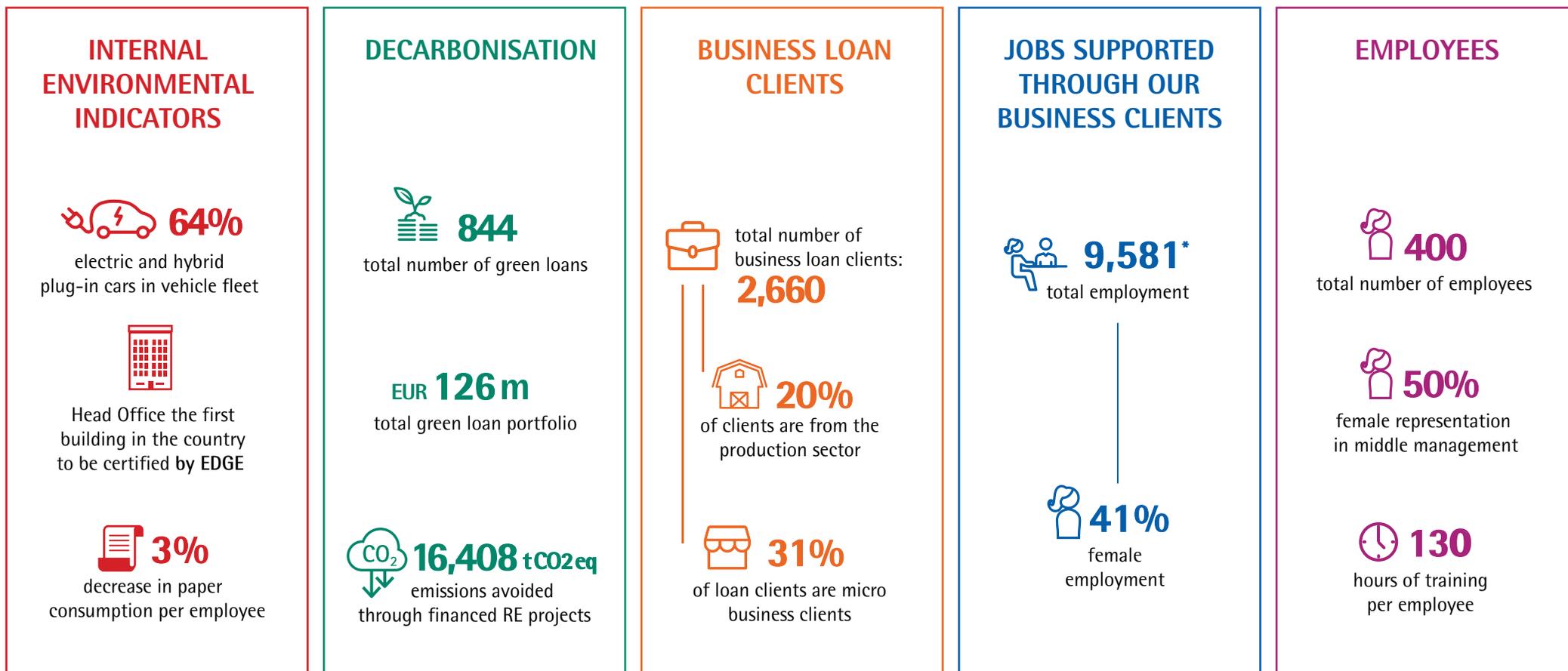


ProCredit

# A PIONEER IN DEVELOPMENT FINANCE



# SUSTAINABILITY HIGHLIGHTS AND DEVELOPMENTS



## Our 2024 sustainability targets

<b>BECOME NET ZERO BY 2050</b>	Reduce own emissions by 42% by 2030 and engage with clients responsible for 28% of CO <sub>2</sub> emissions by 2027 with 2022 as a starting point	Implementation of Net Zero Engagement Plan with our clients
<b>GREEN LENDING</b>	Ensure continuous growth of green lending portfolio to support our clients' decarbonisation efforts	Being part of Green Tier 2 Bond that was issued in 2024 with placement volume of EUR 125m with the final aim to further grow green loan portfolio
<b>INCLUSIVE FINANCE</b>	Have specialised products for women-owned and -led MSMEs by 2030	Topic of Code of Conduct Training in 2024 was "Shattering Glass Ceilings"

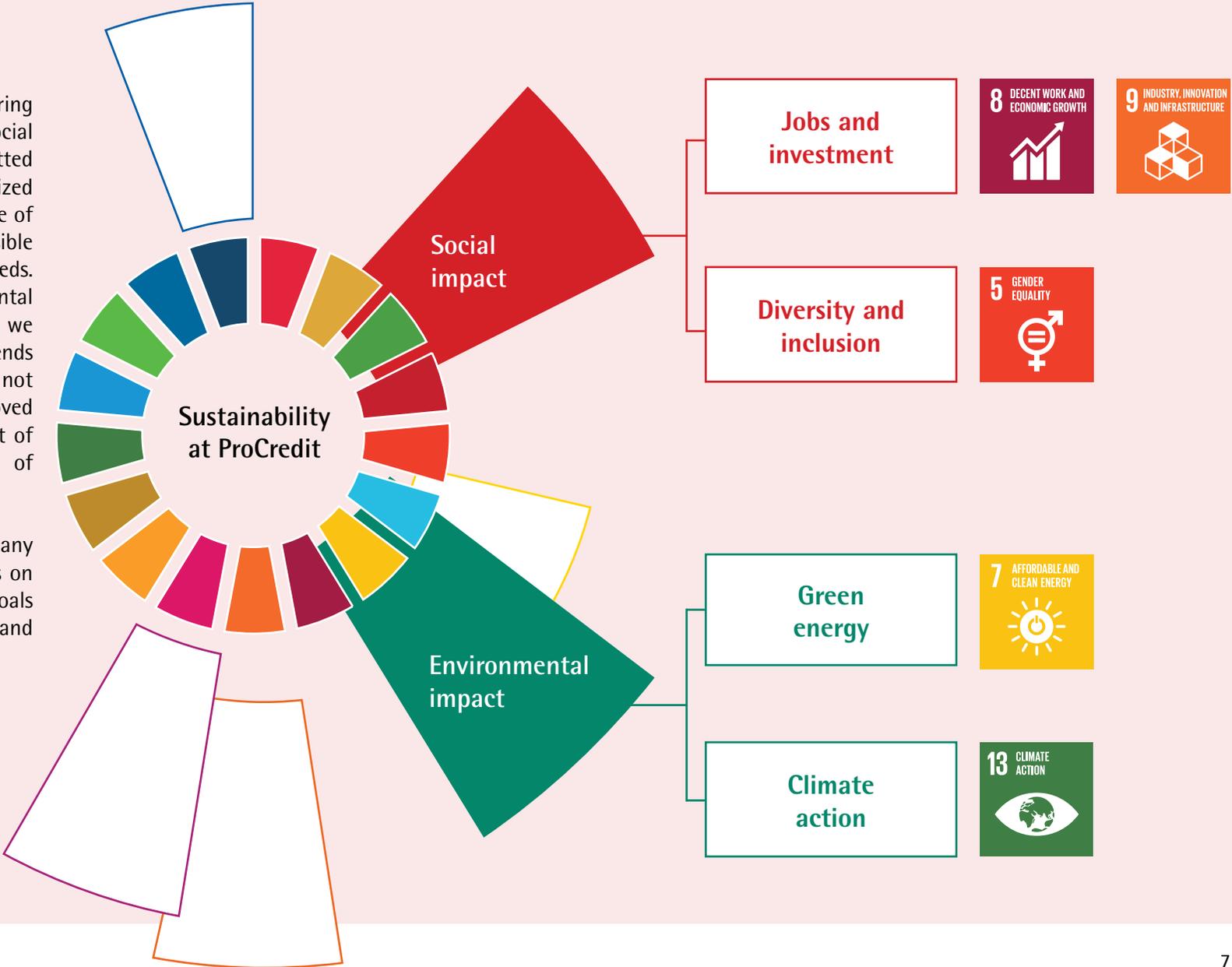
\* Estimated using the Joint Impact Model.

# OUR APPROACH TO IMPACT



Our approach to impact is rooted in fostering sustainable economic growth and social development across Kosovo. We are committed to supporting micro, small and medium-sized enterprises (MSMEs), which are the backbone of the local economy, by providing responsible financial services tailored to their needs. Through transparent practices, environmental awareness, and community engagement, we strive to create positive change that extends beyond banking. Our impact is measured not only in financial success but also in the improved livelihoods of our clients, the empowerment of local communities, and the promotion of long-term resilience in Kosovo's economy.

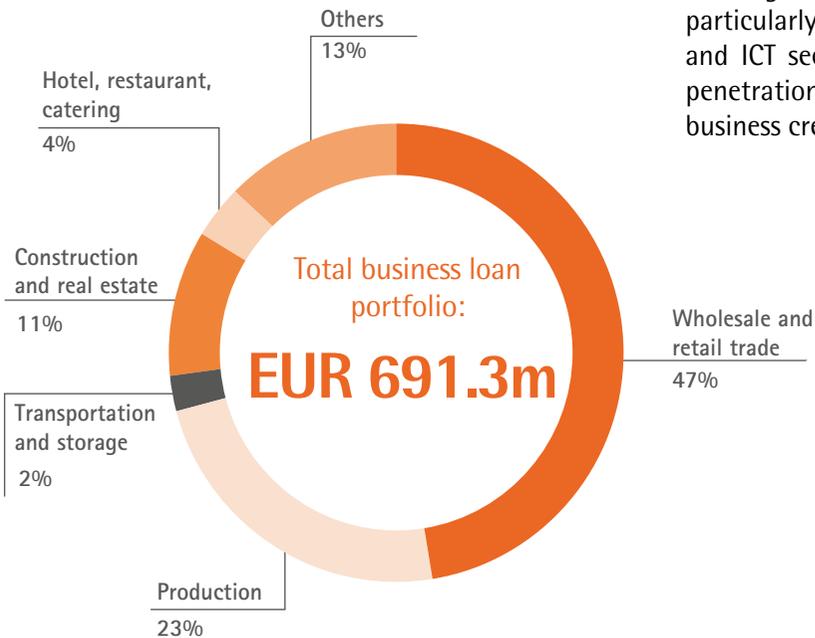
Sustainability has a broad agenda and many objectives. We chose in this report to focus on five main Sustainable Development Goals associated with job creation, diversity and inclusion, green energy and climate action.



# INDUSTRY, INNOVATION AND INFRASTRUCTURE

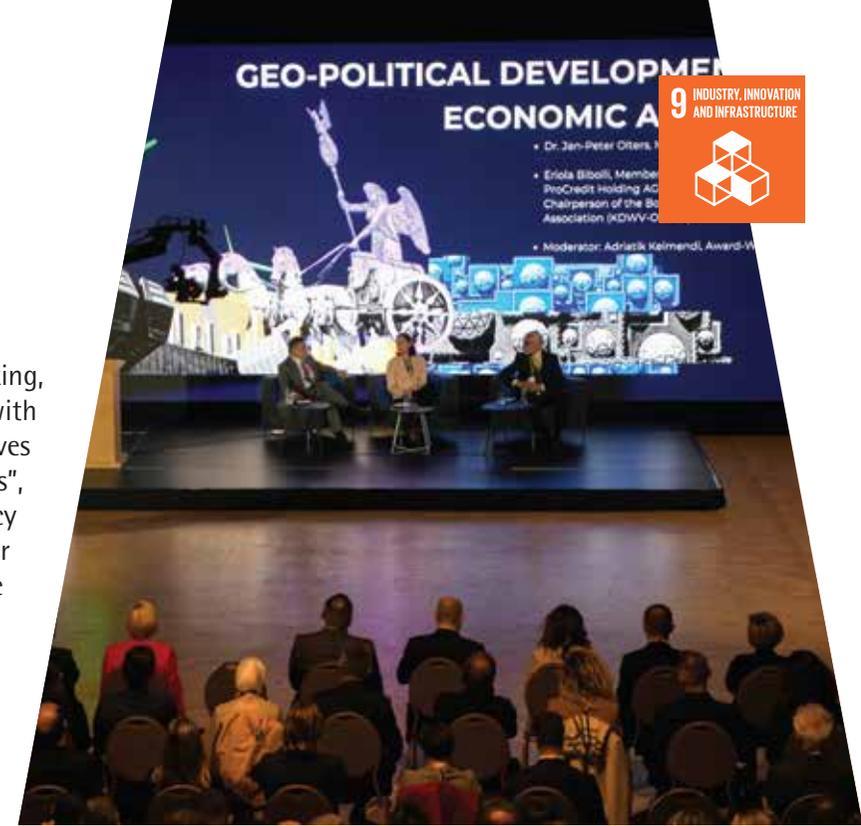
ProCredit Bank is dedicated to upholding the “Hausbank” concept, which is tailored to micro, small and medium-sized enterprises (MSMEs), acknowledging their vital role in job creation and economic growth. Our strategy involves working closely with MSMEs through our specialised Business Client Advisers, enabling us to thoroughly understand their needs and provide customised financial solutions effectively and responsibly. The bank has successfully maintained and expanded long-term, mutually beneficial relationships with MSME clients, further supporting its competitive edge in the market.

Our business loan portfolio by sector (%)



As part of our commitment to responsible banking, ProCredit Bank has prioritised compliance with environmental standards. This includes initiatives introduced over recent years involving “green loans”, which cover financial services for energy efficiency projects, renewable energy sources, and other environmentally friendly measures. In 2024, we actively encouraged businesses to invest in electricity-saving measures such as solar panels and pollution-reducing technologies.

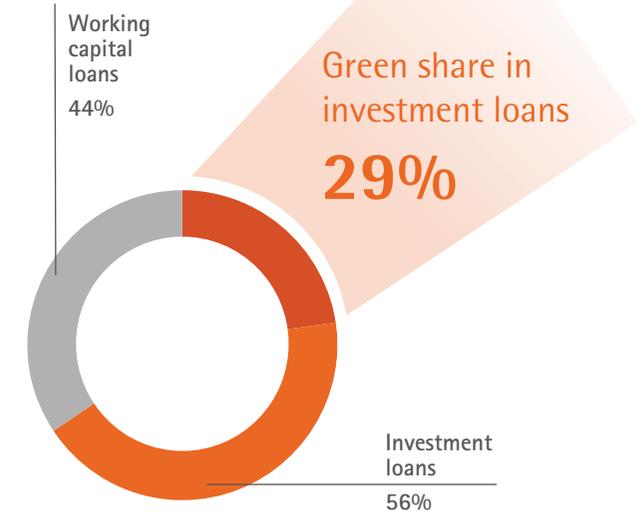
Throughout the year, ProCredit Bank has been committed to financing businesses and providing them with valuable advice to navigate challenges effectively. We have placed special emphasis on offering customised financing solutions, particularly for MSMEs in the manufacturing and ICT sectors, leading to significant market penetration and a notable increase in the business credit portfolio.



ProCredit Bank was honored to serve as the General Sponsor of the 2nd German-Kosovar Economic Forum, organized by the Kosovar-German Business Association (KDWW). The event brought together key stakeholders from both countries to discuss economic cooperation, sustainable development, and the challenges shaping the regional financial landscape. Beyond sponsorship, ProCredit Bank contributed directly to the discussions. Ms. Eriola Bibolli, Member of the Management Board of ProCredit General Partner AG, and Mr. Visar Pacarada, CEO of ProCredit Bank Kosovo, shared their expertise on: Access to finance – tackling barriers to financial services and promoting inclusivity. Geopolitical developments – assessing their impact on Kosovo's economy and regional stability. Our participation underlined ProCredit Bank's role as both a financial institution and a strategic partner in advancing dialogue between Germany and Kosovo. We remain committed to sustainable growth, cross-border cooperation, and building a resilient economic environment for the future.



Our business loan portfolio  
by loan purpose



## Mabeko Group SHPK

Mabeko is a growing local business specializing in the production of conveyor equipment and ventilation pipes in various dimensions, using high-quality metal sheet fabrication. Operating from a large warehouse and production hall, Mabeko serves the entire market of Kosovo, supported by advanced machinery that sets the company apart from competitors within the country.

Over time, the business has demonstrated steady growth. Our financing has supported Mabeko in several key areas, including the procurement of raw materials, installation of solar panels to boost energy efficiency and production, and the acquisition of a new business facility in a strategic location. This investment has directly contributed to increased production capacity and the expansion of their sales network through the addition of a new point of sale.

# 20

collaborations with  
photovoltaic installation  
companies



# FOSTERING SOCIETAL DEVELOPMENT



More than  
**20**  
new employees  
graduated from the  
ProCredit Onboarding  
Programme

Responsible banking, the primary principle around which we build our capacity, can only be successful through employee training and development.

Our employees start their career with the ProCredit Onboarding Programme, which incorporates the topics of ethics, financial knowledge, banking and sustainability as well as on-the-job training. During 2024 21 new employees graduated from this programme. After successful completion of the programme, our staff can participate in advanced training courses in the two-tier academy system of our training centre in Germany. During 2024 graduates or attending the banker and management academies are 86 which makes 22% of the staff. The training is based on the Academy's own curricula, including economics, business planning, risk management, communication and leadership skills, philosophy, anthropology and history, as well as sustainability. The Banker Academy aims to foster the professional development of highly motivated employees, and based on their performance there, our staff can be admitted to the Management Academy for further career development.

Every year, we dedicate significant resources to training to achieve a high level of performance and strong ethical practices in our work. The courses are carried out on the group level, ranging from ethical practices and diversity, equity and inclusion – delivered through our Code of Conduct training – to risk awareness and environmental topics.

Our measure of success in developing our staff cannot exclude the wider impact we have on our communities, where we strive to engage our employees in environmental and social actions, thereby building sensitivity towards sustainable development in our countries of operation.

ProCredit Bank Kosovo collaborates with the organisation SOS Children's Village and in 2024 offered a six-month paid internship programme to two SOS-supported individuals. The aim of this internship was to facilitate their social integration and independence.



**EUR  
760,000**

dedicated to staff  
training and  
development

# HARMONY AT WORK: GENDER BALANCE



Our inclusive processes, which include transparent recruitment, a fair remuneration structure, performance management, and access to training and development, have enabled us to achieve a well-balanced gender structure within our company. Notably, over 38% of our top management positions are held by women.

To further reinforce this commitment, we invest significantly in training programmes aimed at ensuring that participants:

- Understand how gender relates to the values outlined in our Code of Conduct, policies, and procedures.
- Recognise the structural and social barriers and challenges women face that impact their career and business growth opportunities.
- Actively and mindfully contribute to equality practices within the workplace and towards our clients.

In 2024 there were three main components of gender training:

- Annual session for all staff, including a training-of-trainers activity.
- Two- and five-day training events for participants of our Banker and Management Academies.
- Investing in women's businesses and building the business case for a more diverse organisation.

In 2024, we introduced a week-long management program focused on diversity and inclusion, designed to prepare our future leaders to build inclusive work environments and advance gender equity. This initiative is a key step toward narrowing the gender gap and empowering our leaders to cultivate fair and balanced workplaces.

## Outline of 2024 gender training

Challenges for women in our countries of operation through examples and the game of "Unequalopolis"

Women's social struggles: a glimpse into Western society via a contemporary book analysis

Analysing impacts and strategising how to break barriers

## Diversity of governance bodies and employees



Total staff: 400

Middle  
Management

**130 HOURS**  
of training  
per employee

## Eling Grup SH.P.K.

Eling Grup SH.P.K. is a Kosovo-based company with over 30 years of experience in the energy sector, specializing in electrical installations, measurements, and solar energy investments. The company has completed over 100 projects and collaborates with leading global suppliers for electrical equipment.

Eling Grup SH.P.K. is a long-standing "hausbank" client of ProCredit Bank. All banking activity is conducted through PCB. The client has been supported by financing for two Renewable Energy Projects. These projects reflect the company's commitment to sustainable energy and its strategic growth in the solar sector.

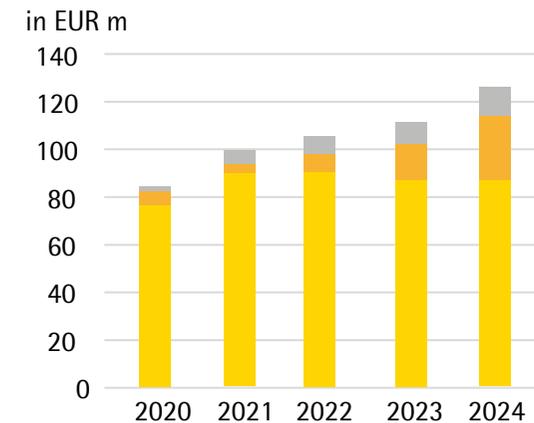


The share of our business green loan portfolio in 2024 was **15%**

Our green loan portfolio totals EUR 126 million and consists of investments in energy efficiency, renewable energy, and other environmentally friendly technologies. Energy efficiency loans represent 69% of our green loans. They are the cornerstone of our clients' innovative investments and lead to environmental and economic benefits.

Investments in renewable energy represent a crucial component of our own and our customers' decarbonisation path. Through these investments, we contribute to climate change mitigation and sustainable economic development in our country.

Green LP development by investment category



■ Environmentally friendly projects
 ■ Renewable energies
 ■ Energy efficiency

### Green investment categories

#### Environmentally friendly projects

- Waste management
- Environmental services
- Sustainable suppliers
- Organic farming and certified production

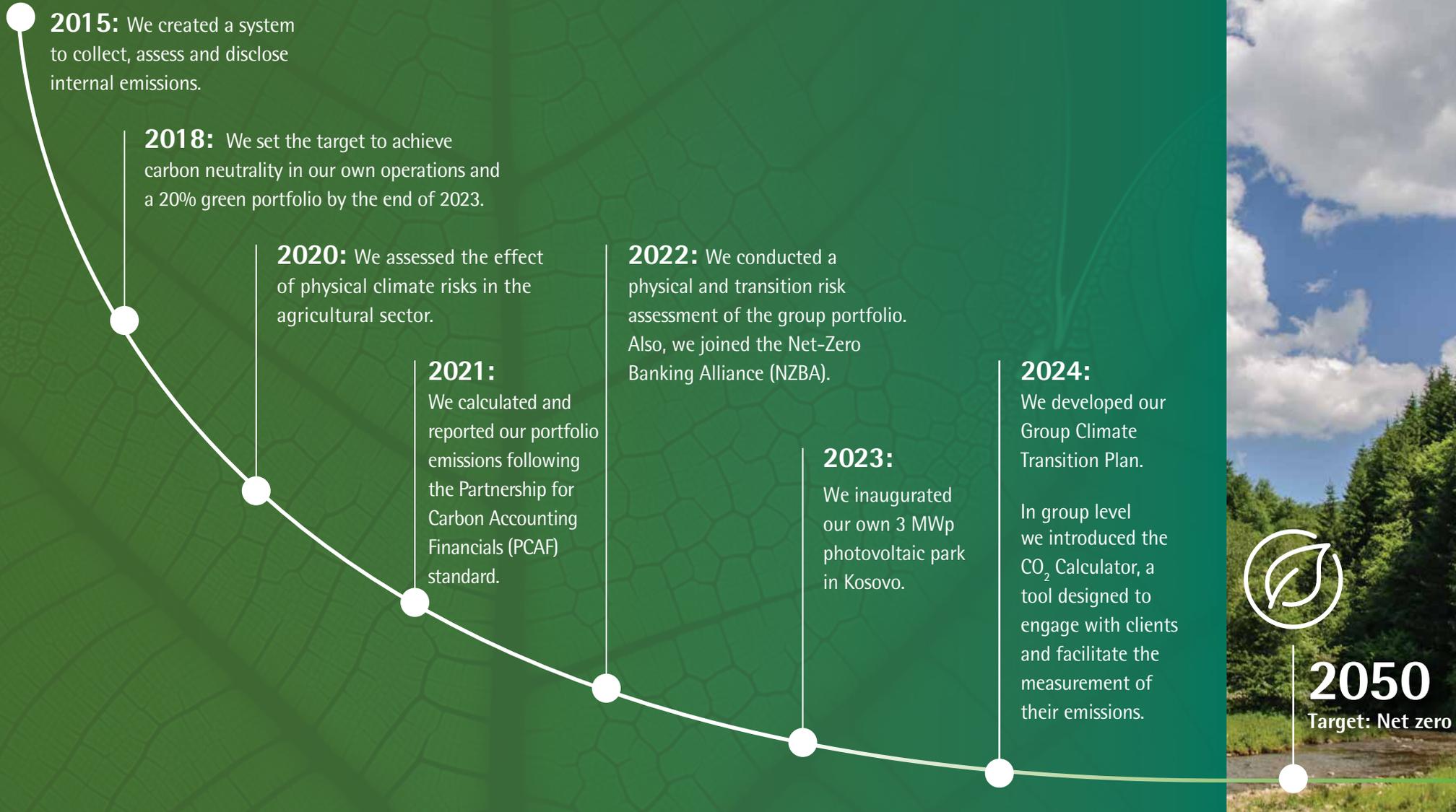
#### Renewable energy

- Photovoltaic systems
- Hydropower plants
- Wind power systems
- Geothermal systems
- Biomass plants

#### Energy efficiency

- Production machinery and equipment
- Green buildings
- Heating and cooling equipment
- LED or other efficient lighting systems

# OUR DECARBONISATION PATH



# OUR CLIMATE ACTION STRATEGY



## Our Group Climate Transition Plan, based on our Climate

### Action Strategy, focuses on:

Building a climate resilient portfolio by integrating climate risk into our risk management, identifying climate risk clusters in our portfolio, and providing constant support to our clients, which enables us to maintain the quality and resilience of our loan portfolio. Reaching net zero by 2050 with near-term targets validated by the Science Based Targets initiative (SBTi).

### To support the implementation of this plan, we leverage on:

**Engagement:** We provide annual sustainability training for all our employees, apply our Group Guidelines on Sustainable Procurement, and engage with our clients on their net zero target-setting.

**Memberships:** We are involved in initiatives such as Net Zero Banking Alliance (NZBA), Partnership for Carbon Accounting Financials (PCAF), and the Science Based Targets initiative (SBTi), among many others.

## Net zero by 2050

We have committed to becoming net zero by 2050. This includes reducing our own emissions (Scope 1 and 2) as well as those related to our loan portfolio (Scope 3, category 15)\*.

	Scope 1 (internal)	Scope 2 (internal)	Scope 3 (external)
Base year 2022	100 tCO <sub>2</sub> eq	1,168 tCO <sub>2</sub> eq	74,552 tCO <sub>2</sub> eq
Near-term targets	42% reduction by 2030	42% reduction by 2030	28% engagement by 2027
Actions needed	Increase share of electric vehicles	Increase usage of clean electricity	Support clients to set targets with SBTi and finance their transition

At the group level, we have developed a Climate Action Strategy to align with the 1.5°C scenario of the Paris Agreement. Our goal is to cut at least 90% of our scope 1, 2, and 3 emissions by 2050. Our Climate Action Strategy includes a comprehensive impact analysis of our operating and financial activities. We have established near- and medium-term objectives grounded in scientific methodology and validated by the Science Based Targets initiative (SBTi).

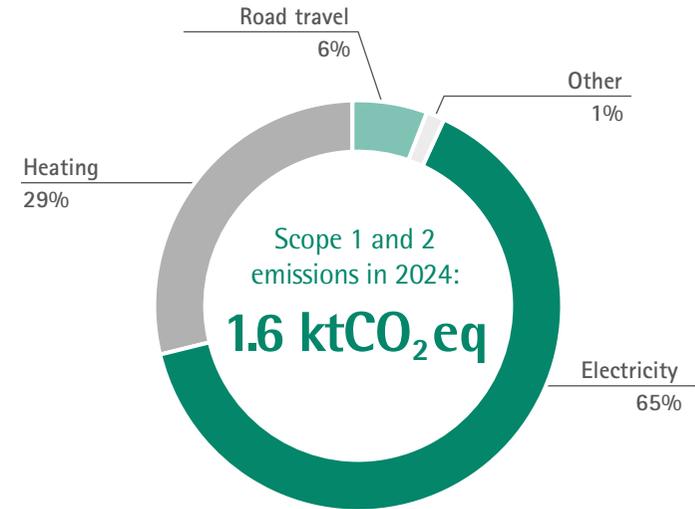


\*Footnote: Scope 3, category 15 refers to the emissions derived from our financed loan portfolio.

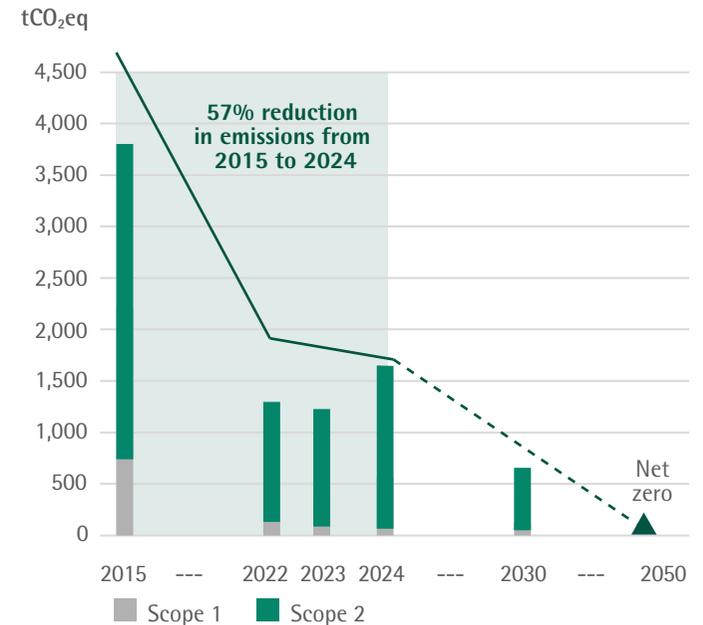
# CLIMATE ACTION IN PRACTICE



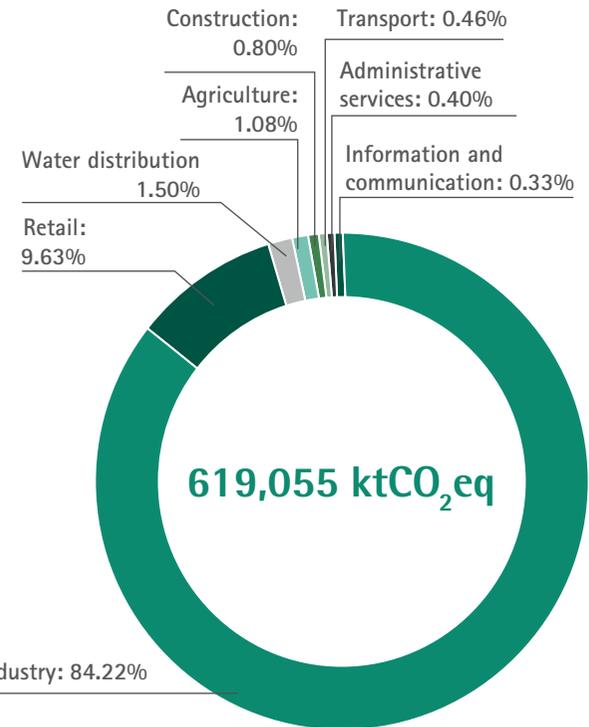
- Our target for our own operations remains to reduce Scope 1 and 2 emissions by 42% by 2030, and our decarbonisation measures include:
- Applying environmental criteria when designing or renovating our premises, including energy efficiency measures and renewable energy technologies.
- Our Head Office has EDGE certification for green buildings.
- Increasing the share of renewable electricity use by investing in our own photovoltaic systems and clean energy suppliers.
- Increasing the share of electric vehicles in our fleet. EVs made up approximately 54% of the total fleet in 2024, which is more than 4% higher than in the previous year.
- Applying environmental criteria in the procurement of office supplies, including in the purchase of office equipment, in line with our Sustainable Procurement Guideline.



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



Our journey towards net-zero Scope 3 emissions is client-centric, recognising the important role and the responsibility that the financial sector has in supporting the decarbonisation of the real economy. This is one of the reasons why we focus on active engagement with our clients to support their transition towards reaching net-zero emissions.



### Supporting our clients' transition

Our goal is to support clients in their decarbonisation efforts through carbon accounting and emissions reduction target-setting as well as by providing financial support to implement their strategies. By 2030, we aim to engage with the clients who are responsible for 28% of the CO<sub>2</sub> emissions from our loan portfolio, with a focus on clients in production and manufacturing.

### Increasing support for green investments

We have allocated 14% of our loan portfolio to support clients with their green investments, including energy-efficient equipment, solar systems. Our goal is to maintain this ambitious share in the medium-term.

### Promoting green electricity

Through renewable energy project financing, we are committed to becoming the primary financial partner for decarbonisation in our countries of operation. As of 2024, we have financed 44 MWp renewable projects, including PV Rooftop and Project finance.

### Ensuring continuous compliance with our Exclusion List

Our Exclusion List includes activities that have a significant adverse impact on the environment, such as mining and oil extraction. ([Code of Conduct, p. 30](#))

We plan to engage with the clients responsible for **28%** of our CO<sub>2</sub> emission from our loan portfolio by 2027



# SDGs AND MATERIAL TOPICS

## BUSINESS CONDUCT

### CORPORATE CULTURE

Our Code of Conduct forms the basis of our corporate culture and our responsible banking approach. It describes our company's binding values and serves as our ethical compass. The principles of personal integrity, personal commitment, social responsibility, open communication and transparency are to be followed by all our employees, and they extend to our clients and suppliers. To that end, our Exclusion List restricts us from financing certain activities, and the Group Guidelines for Sustainable Procurement underpin our relationship with our suppliers.



### PROTECTION OF WHISTLEBLOWERS

We encourage all parties to inform us of any illegal, fraudulent or unethical conduct. We have set up whistleblower systems that can be used to submit reports anonymously. Employees are also encouraged to raise concerns to their direct supervisor, another manager, a member of the Management Board, or ProCredit Holding. The binding Group Whistleblowing Policy regulates how whistleblowing reports are handled in line with the German Whistleblower Protection Act.



## CONSUMERS AND END-USERS

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

ProCredit ensures the prevention, mitigation and remediation of negative impacts on its clients. The ProCredit bank analyses all potential incidents, such as data leaks, business disruptions, product flaws, etc. Moreover, the annual operational risk and information security risk assessments support the identification and prevention of material impacts, where applicable, on clients.



### SOCIAL INCLUSION OF CONSUMERS AND/OR END-USERS

ProCredit recognises different vulnerable groups such as financially illiterate individuals, the elderly, and young people, all of whom often face barriers to accessing financial services. To mitigate these challenges, we offer comprehensive financial education and enhance accessibility to financial services through our 24/7 Zones and digital channels. We also provide solutions to women-led MSMEs, including specialised financial services, loans with modified collateral requirements, and differentiated loan terms. ProCredit also aims that all its clients are protected against overindebtedness.



## OWN WORKFORCE

### WORKING CONDITIONS

We ensure that all our employees receive appropriate remuneration in line with applicable benchmarks. We also promote a healthy work-life balance among our employees through initiatives that encourage to raise concerns to their direct supervisor, another manager, a member of the Management Board, or ProCredit Holding. The binding Group Whistleblowing Policy regulates how whistleblowing reports are handled in line with the German Whistleblower Protection Act.



### EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

We are committed through our Code of Conduct to the fair and equitable treatment of our employees, regardless of their ethnicity, skin colour, gender, language, political or religious beliefs, national origin or culture, marital status, sexual orientation, or disability. We annually invest in staff training to provide employees with equal opportunities for growth, and our salary framework provides for a fair trajectory based on experience and engagement. We also strive to enhance work possibilities for people with disabilities, and the principles of gender equality and inclusion are integral parts of our DEI and HR policies.



### OTHER WORK-RELATED RIGHTS

We do not tolerate forced, bonded or compulsory labour, human trafficking, child labour, or other kinds of slavery and servitude within our own operations, those of our clients, or within our supply chain. Our values are detailed in our Code of Conduct, and we adhere to relevant international laws, principles and standards, including the Universal Declaration of Human Rights and the IFC/MIGA Joint Policy Statement on Forced Labour and Harmful Child Labour, among others.



## CLIMATE CHANGE

### CLIMATE CHANGE ADAPTATION

In accordance with our Transition Plan, we promote awareness among our employees through training, and we conduct climate risk assessments and stress tests. We adapt our business model by incorporating climate risks into our collateral valuation and advising our clients to proceed with insurance against natural hazards. We also monitor local ESG regulations to engage with our clients in a timely manner. Lastly, we steer green loan portfolio growth towards investments with lower emissions that can also enhance our market position, given the demand for sustainable products and services.



### CLIMATE CHANGE MITIGATION

Our Climate Action Strategy and Transition Plan are in line with the 1.5°C scenario of the Paris Agreement. Our long-term goal of achieving net zero by 2050 follows the NZBA's guidelines, and our near-term targets have been validated by SBTi. We are committed to a 42% reduction of our Scope 1 and 2 emissions by 2030, which should be achieved by investing in clean energy and electric vehicles, and by engaging with the clients responsible for 28% of our Scope 3 portfolio emissions by 2027.



### ENERGY

Our total energy consumption in 2024 was 2,546.2 MWh and included renewable and non-renewable sources. We strive to decouple our operations from non-renewable sources, focusing on increasing the renewable energy supply (including guarantees of origin) and electrifying our vehicle fleet, among other energy-related measures. Moreover, our 3 MWp PV park produced 4,237 MWh during 2024. We also remain committed to continue and even strengthen financing efficiency measures and renewable energy projects. Such green loans account for over 14% of our overall portfolio.





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