



Bank experience on industrial energy efficiency investments



ProCredit Group - A unique approach to banking

- A profitable, development-oriented commercial banking group 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 the Deutsche Bundesbank;
- Mission: to promote sustainable development based on an ethical corporate culture and long-term business relationships;
- Track record of high-quality loan portfolio;
- Profitable every year since its founding as a banking group in 2003;





Key elements of our strategic outline on group level

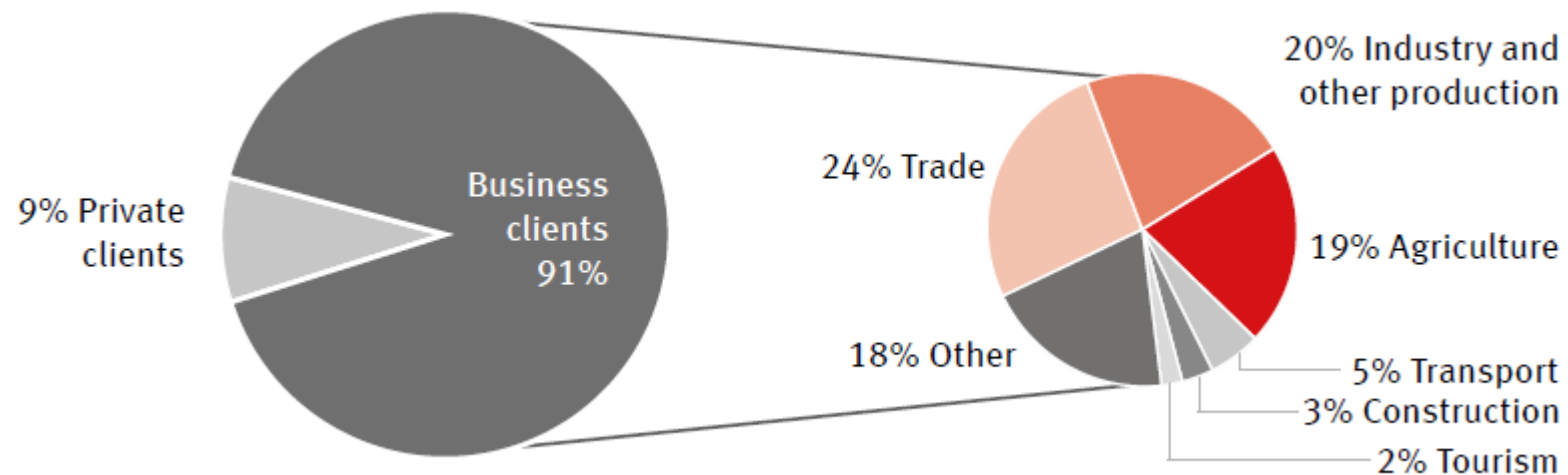
Business clients:

- Focus on formal, innovative and growing SMEs
- Become the leading “Hausbank” for target SME clients in core market

Social and Environmental responsibility

- Promoting sustainable development in all areas, including banking sector transparency
- Promoting investments in environmental friendly technologies and businesses

Group loan portfolio distribution





Green Finance – ProCredit Bank Romania

Energy Efficiency

- Building Envelope
- Heating, cooling, ventilation and air conditioning (HVAC)
- IT equipment white goods
- Lighting
- Production processes
- Transport

Renewable Energy

- Solar water heating systems
- Photovoltaic systems
- Biomass boilers

Green Investments

- Soil protection measures
- Air protection measures
- Organic production/farming
- Supply side measures/producers of EE/RE materials and equipment

- Green finance was launched in November 2014
- Targeting small and medium clients.
- Focus on business and agro clients in specific sectors:
 - > **Production**
 - > **Transport**
 - > **Agriculture**
 - > **Services (restaurants, hotels etc.)**



Examples



Photovoltaic panels and solar collectors (hotel and production hall)

- maintain the air quality and optimum working condition in production hall
- recovery heat from production process (86%);
- decrease with 60% of internal consumption (hotel with 60 rooms)



CNC machine (distribution and sale of PVC profiles accessories)

- reduced electricity consumption (-20%);
- eliminated the human errors;
- increased productivity (+30%)



New LINE PRODUCTION (manufacturer non-asbestos)

- improve the performance of products;
- high level of quality;
- increased productivity (+25%)

Examples



ProCredit Bank



New construction (hotel and restaurant)

- energy efficiency building (A class certificate);
- efficient HVAC system; lighting system with LED, triple windows;
- total energy consumption: 128.6 kwh/sqm*year

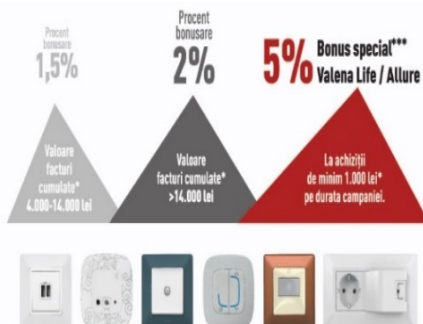


Building envelope and equipment (dairy company)

- energy efficiency building (A class certificate);
- increase the production and storage capacity;
- new equipment: increase the performance and quality of products

Green suppliers (electrical equipment, LED lighting trade)

- distribute the new and efficient lighting components in Romania;
- offer the full package for their clients (know-how project, implemented solutions, special advise);
- sale on national market

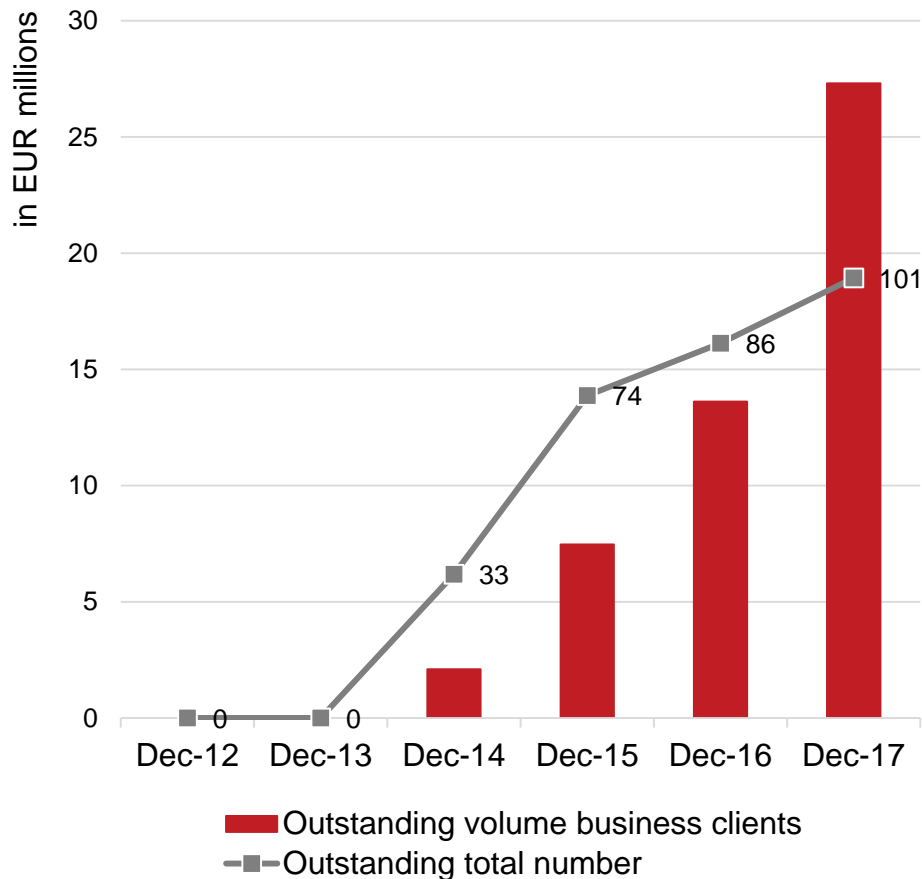


Green finance – ProCredit Bank Romania



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Outstanding green loan portfolio
(EUR 28.2 millions as of Dec 2017)



- The methodology is suitable for small and medium businesses;
- The focus is on energy-intensive sectors of the economy, and the most common types of investments; External market analysis (existing loans and/or leasing products, current programs);
- Evaluation of technological standards (national and international);
- Identification of technical potential (mainly for EE)

Collaboration with EIB Group



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Programme	Partner	Total Portfolio	Signed	Benefits for the SMEs
Portfolio Risk Sharing Facility Agreement	European Investment Fund	EUR 55 mil.	2013	Interest rate reduction (50% of standard)
InnovFin SME Guarantee	European Investment Fund	EUR 80 mil.	2016	Interest rate reduction, reduced collateral requirements
Credit line agreement	European Investment Bank	EUR 20 mil.	2017	Interest rate reduction
Portfolio Risk Sharing Facility (Fund of Funds)	European Investment Fund	EUR 30 mil.	2017	Interest rate reduction (50% of standard)





Green loan portfolio by funding source

Outstanding green loan portfolio as of Sep 2017
by group of clients and funding source

