

Sustainability Report 2018

We Promote Sustainability



Contents

3	// FOREWORD Profile of NRW.BANK and Key Performance Indicators
10	// STRATEGY AND GOVERNANCE Living up to Our Corporate Responsibility
21	// PROMOTION REPORT Designing Sustainable Promotion for Clients
28	// GREEN BOND NRW.BANK.Green Bond 2018
42	// ECO-BALANCE Protecting the Climate and the Environment
50	// HUMAN RESOURCES Assuming Social Responsibility for Employees
62	// CORPORATE CITIZENSHIP Showing Commitment to Society

Foreword by the Managing Board



Dear Readers,

Sustainable action no longer refers to environmental and climate protection alone. It meanwhile plays a major role in our society in all areas of life and is of particular concern to NRW.BANK, the promotional bank for North Rhine-Westphalia. Because we want to improve the lives of present and future generations in economic, social and environmental terms. This is a mission to which we have fully committed ourselves. In doing so, we are guided, among other things, by the ten internationally recognised principles of the UN Global Compact.

Our sustainability can be documented. In our annual Sustainability Report, we once again give an account of the successes of our sustainable actions and provide transparent information on our progress in terms of a corporate activity. The contents of our report are based on the requirements of the German Sustainability Code and on EU Directive 2014/95/EU.

For several years now, NRW.BANK's banking operations have been completely climate-neutral. By purchasing certificates, we offset emissions that we cannot avoid. We are continuously updating and refining the sustainability efforts within the Bank. We have updated, for instance, the Sustainability Guidelines that were implemented in the rules and regulations of NRW.BANK at the beginning of 2018. The new policies that came into force on 1 January 2019 govern the current and future sustainability approach down to the last detail under environmental, social and ethical aspects. We are happy to comply with the requirement to increasingly integrate the resulting demands and requirements into our organisational structure. As part of a stakeholder dialogue, NRW.BANK takes into account the perceptions, wishes and concerns of relevant stakeholders.

We also attach great importance to the needs of our employees. We offer them a wide range of perspectives and training opportunities within the Bank for their personal and professional development.

All our employees have committed themselves to respectful and forward-looking dealings with each other. According to independent studies, we are one of the best employers in Germany. With a view to securing young talent, we also ensure that our trainees and apprentices benefit from the best possible career opportunities. In 2018, we made second place among the banks participating in the survey "Deutschlands beste Ausbildungsbetriebe" (Germany's Best Providers of Vocational Training) conducted on behalf of "Focus Money" magazine. The excellent quality of our health protection measures has been confirmed by the occupational compensation fund for North Rhine-Westphalia.

We promote what moves NRW – by providing the right promotional products and advisory services. In 2018, our sustainable promotional business achieved a strong result. The volume of new commitments amounted to € 10.3 billion for the promotion of start-ups, SMEs, housing and infrastructure in the municipalities. At € 885.3 million, start-up and innovation projects accounted for the lion's share of our promotional funds, 30 per cent more than in the previous year. We attached special importance to expanding our promotional advisory services. 28,000 consultations helped to ensure the sustainable success of the investments made.

Our annual Green Bonds offer investors the opportunity to place their capital in environmental and sustainable investments. Since 2013, we have issued six NRW.BANK.Green Bonds with a total volume of € 2.8 billion, of which € 2.0 billion were listed on the Luxembourg Green Exchange (LGX) as at 31 December 2018. The funds are spent exclusively on climate and environmental protection projects in NRW. The Wuppertal Institute estimates that all NRW.BANK.Green Bond 2018 projects will save around 3 million tons of CO₂ equivalents over the ten-year term.

Read more about the measures we take to support sustainable business practices in North Rhine-Westphalia and the progress we have made in this respect on the following pages of the Sustainability Report. We wish you an informative read and look forward to communicating with you.

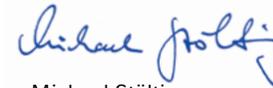
The Managing Board of NRW.BANK



Eckhard Forst
Chairman of the
Managing Board



Gabriela Pantring
Member of the
Managing Board



Michael Stölting
Member of the
Managing Board



Dietrich Suhlrie
Member of the
Managing Board

Profile of NRW.BANK and Key Performance Indicators

NRW.BANK is the promotional bank of North Rhine-Westphalia (NRW). Its mission is to support its owner, the State of North Rhine-Westphalia, in the completion of its structural and economic policy tasks. In its three promotional fields “Economy”, “Housing” and “Infrastructure/Municipalities”, NRW.BANK uses a wide range of promotional tools – from low-interest promotional loans to equity financing to advisory services. It cooperates with all banks and savings banks on a competition-neutral basis. The clients of NRW.BANK benefit from favourable conditions as well as from long maturities and fixed interest periods. The Bank secures access to promotional loans through optional liability releases for on-lending house banks.

The Bank is a strong and reliable partner to small and medium-sized enterprises in North Rhine-Westphalia and supports them with the right products in any phase of their lifecycles.

In the context of subsidised housing construction, NRW.BANK advises the approval authorities of the responsible municipal or local governments as well as prospective developers and owners on the possibilities to make social housing construction modern, flexible and profitable using the right promotional programmes.

Municipal financing also forms part of NRW.BANK’s public mission. The Bank is the ideal partner of the North Rhine-Westphalian municipalities, which it supports with advisory services and promotional products also in times of low interest rates.

This is already the fourth time that NRW.BANK publishes a separate Sustainability Report which is based on the criteria of the [German Sustainability Code](#). Thus ensuring that the progress made is presented in a transparent manner.

Sustainability Balance

Economic Performance Indicators	2018	2017	2016	Unit
Financial performance indicators				
Total assets	149,083	147,584	142,066	€ millions
Equity capital pursuant to the German Commercial Code (HGB)	17,984	17,983	17,983	€ millions
Net interest and net commission income ¹⁾	698	722	738	€ millions
Administrative expenses	249	219	215	€ millions
Operating result	196	395	465	€ millions
Cost income ratio	56.0	35.6	31.6	%
Non-performing loans ratio	0.3	0.3	0.2	%
Common Equity Tier 1 (CET1) capital ratio	41.56	41.34	41.76	%
Leverage ratio ²⁾	11.15	11.37	11.63	%
Liquidity coverage ratio	> 100	> 100	> 100	%
NRW.BANK.Green Bonds (new issues)				
Volume	500	500	500	€ millions
Maturity	10	10	10	years
Focus	Energy	Energy	Energy	
Second Opinion	oekom research	oekom research	oekom research	
CO ₂ savings per year	614	804	685	t/€ m
Promotional fields (new commitments)				
"Economy"	3,592	3,667	3,210	€ millions
"Housing"	2,215	2,609	2,746	€ millions
"Infrastructure/Municipalities"	4,487	5,359	5,205	€ millions

Sustainability Balance

Social Performance Indicators	2018	2017	2016	Unit
Employee structure				
Number of permanent employees	1,365	1,319	1,301	employees
Share of women of total workforce	51.9	52.2	52.4	%
Share of women in management positions	32.9	31.1	31.6	%
Part-time employees share of total workforce	33.5	32.6	28.8	%
Turnover ratio	2.9	3.9	3.7	%
Average period of employment	16.6	16.3	16.4	years
Average age	45.4	45.0	44.6	years
Additionally: temporary employees	36	33	34	employees
Additionally: apprentices/trainees	49	47	37	employees
Vocational and further training				
Participation in internal seminars	753	1,121	762	employees
Participation in external seminars	524	404	373	employees
In-house trainers	202	192	172	employees
Work/family life balance				
Part-time employees	457	430	375	employees
Executives working part-time	47	42	34	employees
Employees on passive parental leave ³⁾	35	41	40	employees
Corporate citizenship				
Total	0.8	0.8	0.8	€ millions
Science & Education	48	45	49	%
Society & Social Affairs	14	16	31	%
Arts & Culture	38	39	20	%

Sustainability Balance

Environmental Performance Indicators	2018	2017	2016	Unit
Greenhouse gas emissions⁴⁾				
Total emissions	1,861	1,902	1,914	t CO ₂
thereof direct emissions (Scope 1 ⁵⁾)	423	442	412	t CO ₂
thereof indirect emissions (Scope 2 ⁵⁾)	459	489	491	t CO ₂
thereof indirect emissions (Scope 3 ⁵⁾)	979	971	1,011	t CO ₂
Emissions per employee	1.28	1.33	1.34	t CO ₂
thereof offset ⁶⁾	100	100	100	%
Building energy				
Total electricity consumption	5,918,385	5,678,066	5,846,930	kWh
thereof from green electricity	100	100	100	%
Electricity consumption per employee	4,075	3,977	4,148	kWh
Total heating energy	5,060,700	5,386,870	5,406,170	kWh
Heating energy per employee	3,484	3,773	3,836	kWh
Business travel				
Total kilometres travelled	4,736,230	4,620,434	4,565,586	km
Kilometres travelled per employee	3,261	3,236	3,239	km
Paper				
Total paper consumption ⁷⁾	34,437	38,389	42,936	kg
Paper consumption per employee ⁷⁾	23.7	26.9	30.5	kg
thereof recycled paper	77.8	65.8	63.4	%
Waste				
Total ⁸⁾	125.8	125.0	227.0	t
Recycling ratio	69.7	72.6	53.2	%
Waste per employee	87	88	161	kg
Full-time equivalents				
For the calculation per employee	1,452	1,428	1,409	employees

Sustainability Balance

Sustainability Ratings

	ISS-oekom	imug	MSCI ESG	Vigeo Eiris	Sustainalytics
	Prime (C)	positive (B)	AA	not public	not public

Credit Ratings (long-term)

	2018	2017	2016
Fitch Ratings	AAAs	AAAs	AAAs
Moody's	Aa1s	Aa1s	Aa1s
Standard & Poor's	AA-p	AA-s	AA-s

¹⁾ As of fiscal year 2016, interest effects from provisions not related to the banking business (mainly provisions for pensions and provisions for additional benefits) are no longer recognised in net interest income but in other operating income. The prior year figures were adjusted accordingly.

²⁾ Pursuant to Disclosure Report

³⁾ As of 31 December. Figure does not include employees who work part-time during parental leave. They are shown under "Part-time employees".

⁴⁾ The conversion factors correspond to the 2018 VfU update version 1.2.

⁵⁾ Distinction between direct and indirect emissions: direct greenhouse gas emissions come from sources owned or controlled by NRW.BANK. Indirect greenhouse gas emissions result from the business activity of NRW.BANK – their sources are owned or controlled by third parties. In accordance with the "Greenhouse Gas Protocol", emissions are divided into three categories depending on the degree of influence exerted by NRW.BANK:

– Emission category (Scope 1): all direct emissions.

– Emission category (Scope 2): all indirect emissions produced, for instance, in the generation of electricity, steam or thermal energy sourced by NRW.BANK from external sources.

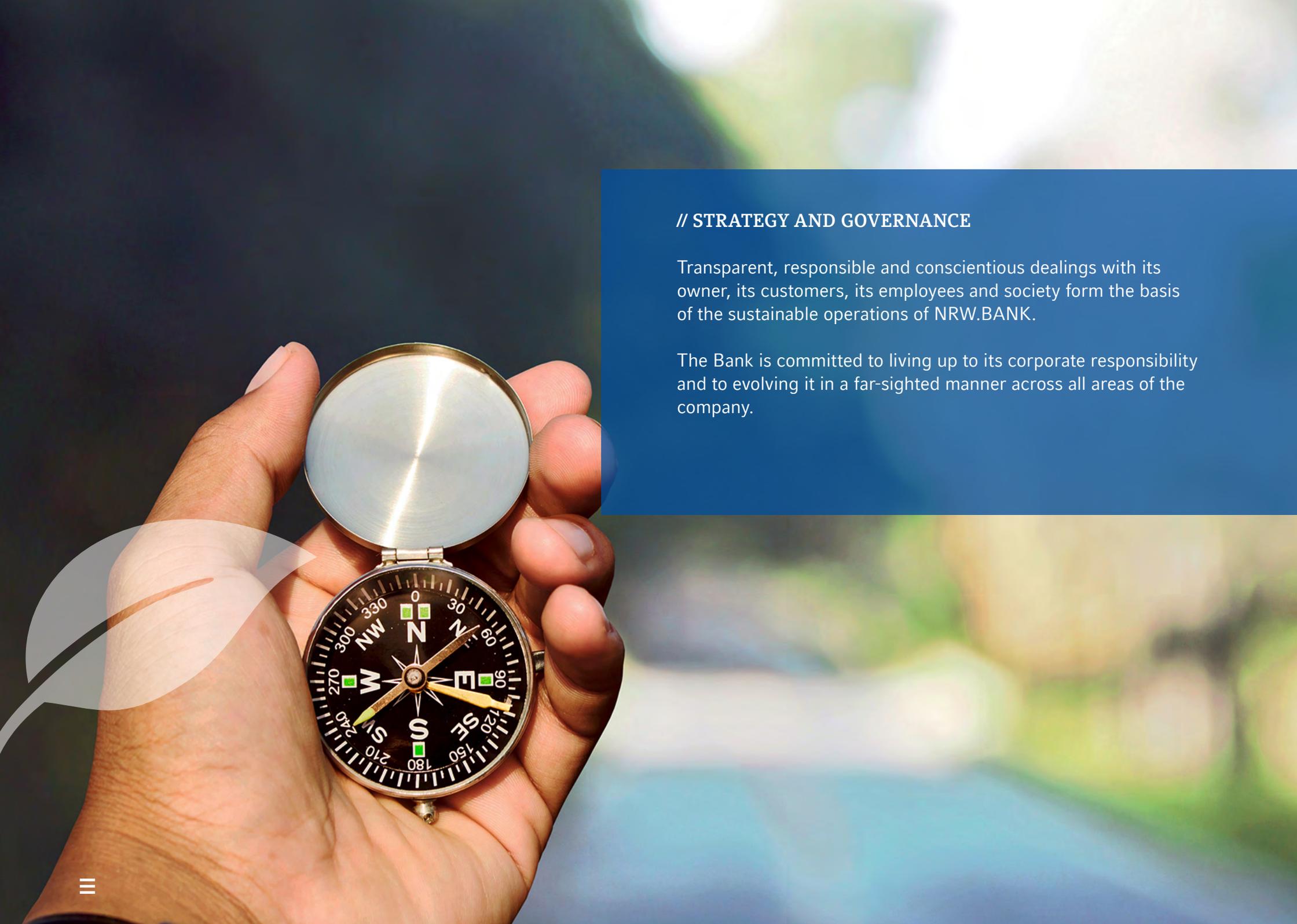
– Emission category (Scope 3): all other indirect emissions in the field of logistics, material consumption, supplies and disposal. This also includes the emissions produced by service providers or manufacturing companies and their upstream suppliers.

⁶⁾ NRW.BANK offsets its CO₂ emissions through the purchase of certificates from global wind park projects.

⁷⁾ Office paper, excl. printed matter, envelopes and marketing materials

⁸⁾ Only office waste, excl. kitchen and other waste

Abbreviations: CO₂: carbon dioxide; kg: kilogramme; km: kilometre; kWh: kilowatt hour; m: million; t: tons

A hand holding an open brass compass. The compass face is black with white markings for degrees and cardinal directions (N, S, E, W). The needle is yellow and points towards the North. The background is a blurred outdoor scene with a river and greenery.

// STRATEGY AND GOVERNANCE

Transparent, responsible and conscientious dealings with its owner, its customers, its employees and society form the basis of the sustainable operations of NRW.BANK.

The Bank is committed to living up to its corporate responsibility and to evolving it in a far-sighted manner across all areas of the company.

Living up to Our Corporate Responsibility

In accordance with the law under which it was founded as the promotional bank of North Rhine-Westphalia, NRW.BANK accepts its corporate responsibility. Its activity is geared to the principle of sustainability, which it has defined as follows: “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs”.¹⁾

Sustainability is a central guiding principle and a key criterion for NRW.BANK’s decisions on business policy. It is reflected in all phases of NRW.BANK’s corporate activities, starting from its strategic and business policy decisions to the shaping of its range of products and services down to the implementation of specific financings, its capital market activities and the advisory services it provides.

NRW.BANK understands the economic, environmental, social and ethical aspects of sustainability as being inextricably linked. In accordance with its sustainability strategy, NRW.BANK specifically promotes such projects and programmes which are designed to improve living conditions, social development as well as environmental and climate protection in North Rhine-Westphalia.

The essential cornerstones of the sustainability efforts pursued by NRW.BANK include transparent and responsible relations with its owner, customers, employees and society at large. NRW.BANK lives up to this commitment based on its [Public Corporate Governance Code](#). In addition, NRW.BANK has defined the core elements of its corporate mission in its corporate mission statement.

To make further progress in the field of sustainability, NRW.BANK introduced [Sustainability Guidelines](#) in early 2018, which govern the Bank’s approach to sustainability and its continuous further development. Their purpose is to document the already established sustainability processes and to anchor them more firmly in the organisational structure and Bank-wide strategy of NRW.BANK. The former Principles of Corporate Responsibility have been incorporated in the new Sustainability Guidelines. An updated version of the Sustainability Guidelines was enforced with effect from January 1, 2019, which considers, inter alia, the results of the stakeholder dialogue on sustainability of the year 2018.

The Sustainability Guidelines define the entrepreneurial approach of the Bank, taking sustainability aspects into account. Besides the economic viability of the projects funded by NRW.BANK, compliance with the interests of its customers and with all other aspects of sustainability are key preconditions for the Bank’s promotional activities.

¹⁾ Source: Brundtland Report, 1987

The Sustainability Guidelines specify detailed rules for NRW.BANK's treatment of controversial business practices (e.g. human rights violations, child labour, violations of labour law, environmental behaviour, economic practices and animal testing) and controversial business fields (e.g. defence and weapons industry, illegal gambling, controversial business activities relating to the environment, nature and animals).

Sustainability Objectives

The promotional strategy is at the core of the overall strategy and describes fundamental objectives and measures with the help of which NRW.BANK supports the State of North Rhine-Westphalia in its structural and economic policy tasks. To underpin NRW.BANK's efforts to make a contribution to achieving the climate and environmental targets set by the Federal Republic of Germany and the State of North Rhine-Westphalia, the current promotional strategy primarily encompasses the further development of the promotional offerings aimed at protecting resources, increasing efficiency and implementing the energy transition. This further development always takes place on the basis of trusting communication in close coordination with the state government.

The objectives agreed between the Supervisory Board and the Managing Board are derived from the overall strategy of NRW.BANK, which follows the general principle: "The Bank's activities are guided by the principles of sustainability. The details are outlined in the Sustainability Guidelines of NRW.BANK."

Considering the latter and based on the Sustainability Guidelines of NRW.BANK, potential objectives for the further development of sustainability are determined annually for a four-year period. They represent the fields of action in which the Bank wants to achieve further progress in its sustainability efforts by taking suitable measures and which should have a positive influence on the future of North Rhine-Westphalia.

NRW.BANK's objectives and measures for the years 2019–2022 are listed below. The systematisation of the objectives and measures is based on the sustainability principles set out in NRW.BANK's Sustainability Guidelines:

A. Living Corporate Responsibility		
Sustainability objective	Activity	Period
Intensify the dialogue with the stakeholders that are relevant for sustainability	Engage in a regular and open exchange within the context of a continuously evolving stakeholder dialogue	Ongoing
	Employee survey on sustainability – Review the possibility to include employee proposals in the objectives development process	Ongoing
Further expansion of sustainability communications	Expand sustainability-related topics on the Internet	Ongoing
	Expand sustainability-related topics on the intranet	2019
	Examine signing of the UN-PRI	2019
	Sign the declaration of compliance with the German Sustainability Code (Deutscher Nachhaltigkeitskodex – DNK) for the preparation of the Sustainability Report	2020
Further development of sustainability-related topics within NRW.BANK	Further develop the NRW.BANK's Sustainability Guidelines	Ongoing
	Regular exchange on sustainability-related topics with other market players (at conferences, forums, bilateral meetings)	Ongoing
	Support the EU Sustainable Finance Action Plan	2019

B. Shaping Sustainable Promotion for Customers		
Sustainability objective	Activity	Period
Strengthen and expand sustainable promotional products	Consistently consider sustainability aspects as part of the development of promotional products	Ongoing
	Intensify sustainability-related advisory services for customers	2019
	Develop an adequate offering regarding the cross-sectional theme "Energy/Environmental Protection"	2019
	Improve the future viability of social infrastructure and municipal finance	2019
	Create more affordable housing through the promotional field "Housing"	2019

C. Further Development of Sustainable Capital Market Business		
Sustainability objective	Activity	Period
Strengthen and expand the sustainable capital market business	Annual issuance of a Green Bond	Ongoing
	Increase the Green Bond portfolio to € 300 million by 2020 (previously: € 200 million by 2020)	2020

D. Assuming Social Responsibility for Employees		
Sustainability objective	Activity	Period
Further development of a value-oriented corporate culture	Further expand employer branding for the target group of trainees/apprentices	Ongoing
	Continue revising and offering the „Grundsätze für die Zusammenarbeit, Kommunikation und Führung“ (principles for cooperation, communication and leadership at NRW.BANK) workshops for long-serving executives	2019
	Improve the working conditions for people with disabilities / Further anchoring of inclusion	2019
	Requirement-oriented further development of an introductory presentation on NRW.BANK's sustainability policy for new employees and trainees/apprentices	2019
	Strengthen/expand the active feedback culture	2019
	Intensify contacts with people on leave in preparation of their return	2020
	First Aid refresher courses	2022
	Optimise NRW.BANK's internal further training offerings	Ongoing
	Control the ongoing implementation of measures from the Equal Treatment Plan 2019-X	2019
Expand the possibility to achieve a better balance of work and family life	Continue the flexible working time schemes	Ongoing
	Participate in "audit berufundfamilie" (job and family audit)	Ongoing
	Evaluate and possibly continue/adjust mobile working possibilities	2019
Further development of health management offerings	Continuation and target-oriented further development of annual activities relating to diet, exercise, relaxation and prevention	Ongoing
	Regular health check-ups by the company doctor	Ongoing
	Offer more activities aimed at health promotion	2019
	Establish a digital health platform for employees	2019
	Optimise the ongoing health promotion offerings by considering employees' interests and the latest medical findings	2020

E. Protecting the Climate and the Environment		
Sustainability objective	Activity	Period
Optimise the company's consumption/save resources	Increase the share of recycled paper	Ongoing
	Increase the digitisation of processes (authorisations, applications)	Ongoing
	Raise awareness for the use of resources	Ongoing
	Refrain from printing the Annual Report; make it available in a digital format	2019
	Change the payslip to a digital format	2019
	Introduce a fully digital applicant management	2019
Further development of sustainable procurement	Review the possibility to introduce reusable coffee mugs in the Förderbar/Tresor bistros	2019
	Increase the use of sustainable consumables	Ongoing
	Adopt and further develop sustainability aspects in the standard contracts	Ongoing
	Review the possibility to serve "fairtrade"/organic coffee at conferences in the Förderbar/Tresor bistros	2019
Strengthen environmentally-friendly mobility	Certification as "bicycle-friendly company"	Ongoing
	Provide e-car charging stations for employees	2019

F. Showing Commitment to Society		
Sustainability objective	Activity	Period
Constant alignment of corporate responsibility with current corporate citizenship topics	Annual blood donation campaign in cooperation with the Red Cross	Ongoing
	Repeat typing campaign in cooperation with the Bone Marrow Donation Centre in Düsseldorf	Ongoing
	Promote young up-and-coming artists	Ongoing

NRW.BANK has fully achieved its objectives for 2018.

Sustainability as a Part of Strategic Management

Considering sustainability to be a central leitmotif, NRW.BANK does not regard the implementation and further development of this issue as a separate process but as an integral component of strategic management and thus as a general principle of overarching importance in the Bank's strategy.

On the basis of the Bank's generally decentralised organisation, responsibility for specific operational aspects relating to sustainability lies with the relevant departments. As part of a central coordination function, the Strategy and Research Department ensures that the necessary framework conditions and regulations are in place and transfers current market developments into the Bank.

Reflecting the universal responsibility approach, important sustainability aspects are discussed by the management circle, which is composed of the Managing Board of NRW.BANK and the heads of all business units. It monitors, in particular, the implementation of the objectives as well as the discussion and definition of the further development of the Sustainability Guidelines, also taking input from major stakeholders into account. The participation of all business units in this established control process ensures that the different points of view are considered.

Stakeholder Dialogue

In the context of the preparation of the Sustainability Guidelines, NRW.BANK decided to expand the regular exchange with its stakeholders. The consideration of external input is considered a key aspect in the further devel-

opment of the sustainability issue. In the stakeholder dialogue of 2018, current developments in the field of sustainability were intensively discussed with the sustainability-relevant stakeholders.

At the Bank's Strategy Conference, the main input from this dialogue was discussed and assessed from a feasibility and efficiency perspective. The relevant insights gained from the stakeholder dialogue were either implemented at short notice or were integrated into the Sustainability Guidelines or included in the sustainability objectives and measures of NRW.BANK.

Sustainability Communications

The annual Financial Report and the Non-financial Report are important communication tools used by NRW.BANK to supply its stakeholders with transparent information about its corporate responsibility. The present Sustainability Report and the [sustainability portal](#) on the Bank's website provide additional information.

Sustainability communications transparently document the progress and effects of NRW.BANK's sustainability efforts.

Statutory Framework and Internal Regulations

The consideration of the sustainability principle is firmly anchored in the Bank's statutes (section 5, para. 1) and in the Act on NRW.BANK (section 3, para. 1).

Special aspects resulting from the framework conditions of NRW.BANK such as “Verständigung II”, the public mission and the house bank principle are also taken into account.

In addition, the Bank has developed internal policies addressing various aspects of sustainability at NRW.BANK.

Labour Standards and Human Rights

Compliance with human rights and with the labour standards that are applicable in Germany as well as the rejection of child and forced labour are a matter of course for NRW.BANK at all its locations and has been anchored in its Sustainability Guidelines.

Equal Opportunities and Principle of Non-discrimination

To offer its employees a fair and good working environment, the Bank attaches importance to mutual respect and avoiding discrimination. This is why equal opportunities and the principle of non-discrimination are laid down in the Sustainability Guidelines and in special internal guidelines.

Compliance and Money Laundering Prevention

The business model of NRW.BANK hinges on its owner, its employees, customers, business partners and the public trusting in its expertise, performance and integrity. The Bank is committed to compliance with regulatory and statutory provisions as well as with internal requirements, which forms the basis for such trust.

Compliance-related topics are implemented in accordance with the Minimum Requirements for Risk Management (MaRisk), the Anti Money Laundering Act (GwG) and the Securities Trading Act (WpHG).

The Compliance Department, which forms part of the Risk Control unit, is the central body that is responsible for addressing these tasks. The Bank has appointed a Compliance Officer (MaRisk, WpHG) as well as Money

Laundering and Operational Risk Officers as well as deputies for exercising the various Compliance functions. They report directly to the Managing Board and are bound by instructions only from the latter in performing their tasks.

The tasks of these Officers primarily include: development, communication and review of the Bank-wide Compliance and Money Laundering Prevention framework, managing the compliance risk whilst taking other risk types into account, such as reputational and operational risks. In addition, they carry out Bank-specific risk analyses to assess the appropriateness and effectiveness of the principles, resources and processes and refine and update them. They assist the Managing Board in all compliance-related matters and regularly report to the latter.

The promotional bank pursues a preventive approach to raise awareness of compliance matters. It has established a set of detailed, written internal Compliance Regulations as well as mandatory regular training courses on compliance, money laundering prevention as well as the ‘other criminal acts’ (sonstige strafbare Handlungen) as defined in the German Banking Act (KWG) for all its employees.

Both locations of NRW.BANK have the same risk profile with regard to the above-mentioned risks.

Data Protection

To ensure that data are handled responsibly and confidentially in the context of its business activity, NRW.BANK has regulated all activities in the area of data protection and banking secrecy in a set of written policies and instructions.

The Bank meets its statutory training obligations relating to data protection and information security towards its staff.

Corruption Prevention

Besides its regulations on compliance, anti money laundering and data protection, NRW.BANK's set of written policies and instructions also include general instructions and regulations relating to other criminal acts as defined in section 25h KWG. These are addressed at all employees of the Bank and also include the prevention of corruption.

NRW.BANK has also established effective processes for receiving and pursuing reports of suspicious behaviour. In the event of infringements or the detection of other criminal acts, the central function established in the Risk Control unit in accordance with section 25h KWG takes action. It receives potential reports and coordinates the entire process relating to reports of suspicious behaviour and risk notifications relating to money laundering and other criminal acts. Charges are filed by the Legal unit only in consultation with the central function.

There was no evidence of infringements or reports of suspicious behaviour at NRW.BANK in the reporting year, nor were any fines or non-monetary penalties imposed on NRW.BANK.

Sustainable Procurement

NRW.BANK is committed to the economic, cost-effective, efficient and sustainable procurement of goods as well as construction and other services. All purchases are made in accordance with the applicable regulations of public procurement law.

The NRW.BANK places orders which exceed the EU thresholds in accordance with the Act against Restraints on Competition (GWB), the Procurement Regulations (VgV), the Construction Contract Procedures (VOB/A), the North Rhine-Westphalian Act on Compliance with Collective Agreements and Procurement (TVgG NRW) as well as the Minimum Wage Act (MiLoG). NRW.BANK has decided to implement a structured procurement process also for orders that do not exceed the EU thresholds for tenders as of an amount of € 25,000.

In this context, sustainability is always a central guiding principle and a key criterion for NRW.BANK's decisions on business policy. As part of its business activities and when awarding contracts, the Bank considers economic, environmental (e.g. environmental protection, energy efficiency) as well as social and ethical aspects.

Taking this into account, contractors are kept paying attention to that they and their subcontractors comply with

- human rights as in the Universal Declaration on Human Rights by the UN General Assembly [first published on 10 December 1948] as well as the resulting definition of human rights according to the Basic Law of the Federal Republic of Germany;
- the prohibition of child and forced labour under the UN Convention on the Rights of the Child (CRC) of 1989/1990;
- the protection against systematic/discriminatory labour law violations according to the ILO Core Labour Standards;
- the principles of gender equality;
- the provisions of the Federal Nature Conservation Act (BNatSchG), the Environmental Damage Act (USchadG) and the Animal Welfare Act (TierSchG) as well as
- European and national laws on corruption, bribery, fraud, accounting fraud, anti-trust violations, money laundering, insider trading and tax compliance.

In the context of its procurement policy, the Bank integrates environmental aspects also into the procurement of office materials as well as the ordering and logistic processes. An example is the [carbon neutral sending of mail](#) through NRW.BANK's participation in the GOGREEN programme of Deutsche Post DHL Group.

In the reporting year, NRW.BANK again demonstrated its commitment to assuming responsibility towards society at its two locations in Düsseldorf and Münster, where the Bank promoted the employment of disabled people by commissioning workshops for disabled to provide such services as laundry and cleaning.

Public Corporate Governance Code

Being a promotional bank, NRW.BANK is very much committed to transparent and responsible action towards the public, its guarantor and owner as well as investors, customers and employees. This commitment is based on the Public Corporate Governance Code, as last amended on 1 January 2014, with which the members of the Managing Board, the Supervisory Board and the Board of Guarantors fully identify. Building on this basis, the Bank publishes an annual Report on Public Corporate Governance to inform about material corporate governance developments. This report is contained in the Financial Report and is additionally published as a separate document on [NRW.BANK's website](#).

For many years, the Bank has implemented transparency and responsibility in its dealings with its target groups. In early 2006, NRW.BANK was one of the first public-sector companies in Germany to adopt a Public Corporate Governance Code and to officially commit itself to this standard of corporate governance.

Freedom of Association and Right to Collective Bargaining

The Bank's staff council represents the interests and needs of the employees of NRW.BANK based on the North Rhine-Westphalian State Staff Representation Act (LPVG NRW). In 2018, the staff council again monitored compliance with applicable laws, regulations, collective bargaining agreements as well as labour agreements and informed the employees of both head offices at the annual staff assembly.

Being an institution under public law, NRW.BANK is subject to the collective bargaining agreement for the private sector and the public banking industry. It implements the collectively agreed results for its employees under collective agreements. This is also done on a voluntary basis for the majority of employees not covered by collective agreements.

Initiatives and Memberships

In accordance with its Sustainability Guidelines, NRW.BANK contributes to the tasks identified also outside its own business activity.

The Bank is a signatory of the following sustainability-relevant initiatives and/or the voluntary commitments for sustainable corporate activity developed by the latter:

- Germany's "Diversity Charter"
- Green Bond Principles
- UNEP Finance Initiative
- United Nations Global Compact
- VfU e. V.

As an ordinary member of the Association of German Public Banks (VÖB) and the European Association of Public Banks (EAPB), NRW.BANK actively participates in working groups and panel discussions on sustainability, sustainable finance and green bonds.

Sustainable Products

NRW.BANK continuously optimises its business activities with regard to sustainability and has anchored these efforts in its Sustainability Guidelines. The focus is placed on the core business segments and, hence, on the integration of the individual sustainability issues in its promotional products in order to design sustainable promotion for clients.

Special attention is paid to sustainability risks and to compliance with the Sustainability Guidelines also when launching new products. The Bank has established an internal process in the context of which each new promotional product of NRW.BANK is checked for compliance with sustainability values.

Responsible Marketing

The Bank is firmly committed to treating customer information confidentially. The Bank's Data Protection Officer is involved in all dialogue-based marketing measures based on customer data to ensure responsible marketing.

In compliance with the provisions of the TVgG NRW, NRW.BANK considers important aspects of corporate responsibility when making purchases or placing orders in the context of its marketing activities.

The Bank's advertising materials also reflect its commitment to sustainability and include, for instance, articles made from recycled or renewable, biodegradable materials.



SUSTAINABILITY RATINGS

Rating agencies specialising in sustainability have rated NRW.BANK's performance in fields such as environment, society and governance for several years. In 2018, the Bank again scored good ratings.

Rating agency ISS-oekom, for instance, rates the sustainability of issuers on a scale from A+ to D-. NRW.BANK scored a "C" rating, with the additional "Prime" rating thus classifying the Bank as a sustainable investment. This means that the Bank's rating is only three notches below the best sustainability rating "B" in the peer group.

In the 2018 imug sustainability rating of bank bonds, NRW.BANK ranks within top five of the 23 promotional and development banks analysed.

In addition, DZ BANK awarded NRW.BANK with the "sustainability seal" in its "EESG" rating.

Sustainability Ratings

	ISS-oekom	imug	MSCI ESG	Vigeo Eiris	Sustainalytics
	Prime (C)	positive (B)	AA	not public	not public



// PROMOTION REPORT

NRW.BANK's products and services are designed to secure the standard of living and to improve climate and environmental protection in North Rhine-Westphalia. In addition, the Bank supports a balanced social development in the North Rhine-Westphalian regions. The aim is to strengthen the stability of society. Accordingly, all of NRW.BANK's promotional activities make a contribution to the development of enterprises and municipalities in North Rhine-Westphalia.

Designing Sustainable Promotion for Clients

Sustainable behaviour is a key objective of NRW.BANK's business policy and means the equal consideration of social, economic and environmental objectives and ethical matters. Most importantly, the sustainability objective shapes and guides NRW.BANK's promotional offerings.

For its promotional business the Bank uses the full range of lending tools and also steps in when banking and lending expertise is required for the promotion process. The main instruments used include low-interest promotional loans, assumption of risk and equity financing. In 2018, NRW.BANK recorded a volume of new commitments of € 10.3 billion. For detailed information on the promotional business, please refer to the chapter [“The Promotional Business of NRW.BANK”](#) in the financial report.

Apart from the provision of funds, forward-looking and requirement-oriented promotion increasingly requires customer-oriented advisory services. NRW.BANK has therefore built its advisory services and solutions into a second, equally important pillar of its business.

Partnership and Cooperation

NRW.BANK cooperates with other financial and promotional institutions in a spirit of partnership. NRW.BANK conducts its commercial promotional business in cooperation with the banks and savings banks in a competition-neutral manner based on the “house bank principle”. According to this principle, the Bank has no direct contacts with its clients but extends its promotional loans via banks and savings banks, which act as intermediaries.

As defined in the Act on NRW.BANK, municipal loans and promotional loans to central, regional and local governments as well as to public-sector special-purpose associations and subsidised housing construction programmes are typically granted directly by NRW.BANK.

Focus of the Promotional Business

NRW.BANK's promotional business is qualitative and theme-oriented. The promotional services are provided in the three promotional fields “Economy”, “Housing” as well as “Infrastructure/Municipalities”, which, in turn, are divided into individual promotional themes.

Introduced in 2019, the promotional strategy complements NRW.BANK's focus on specific promotional fields and provides additional central guidelines for the Bank's promotional business. These guidelines contain selected aspects covering all promotional fields to secure the effectiveness and efficiency of promotion. At this stage, the promotional strategy comprises three guidelines: “European Promotion”, “Digital Promotion” and “Networked Promotion”.

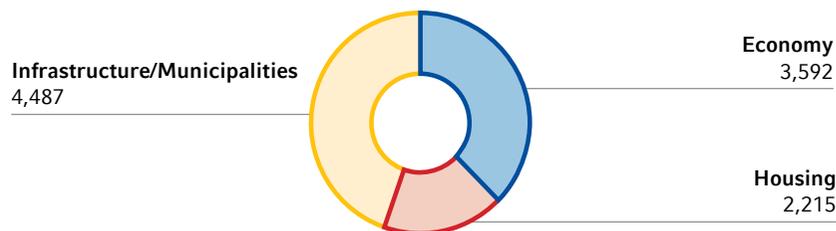
Specific objectives and measures have been defined for each of the new guidelines. The “European Promotion” guideline is designed to ensure that the potential opened up by the new EU promotional period (2021–2027) is leveraged.

The “Digital Promotion” guideline explicitly addresses the growing demands made on promotional banks to further digitise their promotional business. The “Networked Promotion” guideline describes NRW.BANK's efforts to realise new and integrated ideas in the further development of its promotional products and services. Objectives and measures have also been defined for each of the promotional themes; they are put into practice using specific promotional offers.

NRW.BANK's offerings in the promotional field "Economy" cover the full lifecycle of small and medium-sized enterprises. Besides the general promotion of SMEs, the Bank has placed a focus on the effective promotion of investments in the protection of resources or in increasing corporate energy efficiency. Targeted support for start-ups and innovations is another special promotional theme of NRW.BANK.

The promotional field "Housing" comprises NRW.BANK's offerings for the promotion of new housing construction and the modernisation of existing housing stock. When buildings are modernised, special attention is paid to energy efficiency aspects as well as to barrier-free design and suitability for the elderly. In this context, the subsidised housing construction programmes obviously play a special role. The respective promotional measures are geared towards the State of North Rhine-Westphalia's annual housing promotion programme (Wohnraumförderungsprogramm, WoFP) which breaks down the state government's general promotional policy concepts into concrete promotional measures.

Volume of New Commitments by Promotional Fields in € millions



The promotional field "Infrastructure/Municipalities" covers financing and advisory services supporting the solid capitalisation of municipalities and the implementation of infrastructure projects. NRW.BANK promotes both public and private projects for the improvement of infrastructures. Among other purposes, its products effectively support infrastructure measures designed to implement Germany's energy transition.

The aspects of energy transition and environmental protection relate to all three promotional fields of NRW.BANK, albeit with different facets and promotional measures. The Bank has pooled the corresponding products and services in the individual promotional fields in a separate theme named "Energy Transition / Environmental Protection". Promotional funds in the total amount of € 1.6 billion were made available in these promotional themes.

Performance Indicators in the Promotional Business

NRW.BANK's objectives are primarily geared to providing the State of North Rhine-Westphalia with long-term support in performing its structural and economic tasks. Due to NRW.BANK's public mission as the promotional bank of North Rhine-Westphalia, development and promotion is the primary business objective and the volume of new commitments represents a key performance indicator used for controlling purposes. This performance indicator comprises the commitments for promotional funds made in the current fiscal year. Defined budget values exist for this and all other key performance indicators and are regularly subjected to plan/actual comparisons as well as scenario and forecast analyses in order to provide appropriate control stimuli.

NRW.BANK additionally records other special promotion-typical performance indicators for its promotional business.

The number of funded residential units, for instance, is a performance indicator for its subsidised housing construction operations and is reported regularly. In the various special programmes of the Bank for the promotion of environmental protection, innovations and society, suitable additional promotion-related information such as the purpose of the funded environmental projects is documented in addition to the promotion volume.

The use of promotional funds is always linked to certain promotional conditions, whose compliance is secured by NRW.BANK especially in cooperation with the house banks. Compared to more broadly based programmes, the Bank's special programmes are characterised by comprehensive promotional conditions in that they offer higher promotional amounts.

Economic Development

NRW.BANK.Mittelstandskredit and NRW.BANK.Universalkredit are the two programmes with the highest volumes. The latter is aimed at both established SMEs and company founders. Under these programmes, interest-subsidised loans in the total amount of € 2.0 billion were granted to some 4,800 enterprises for investments and working capital in 2018.

Like NRW.BANK.Universalkredit, NRW.BANK.Gründungskredit is targeted at business start-ups and young companies. More than 1,400 start-up and growth projects received funding under this programme in 2018, with loans totalling approx. € 357 million. Micro start-ups with credit requirements of up to € 25,000 receive customised promotion through the NRW.Mikro-darlehen. As this programme focuses on the viability of the concepts and the personality of the founder, projects may be financed also without proof of equity capital or the usual collateral required for bank loans. This makes it possible for formerly unemployed people to set up their own businesses.

In 2018, the Bank launched the new NRW.BANK.Digitalisierung und Innovation programme, which extended NRW.BANK's existing innovation promotion offerings by adding a special promotional facility for the financing of SME digitisation projects in response to the growing digitisation pressure facing the SME sector. The programme comprises two separate promotional modules to finance digitisation projects and to support process, procedural and product innovations in small and medium-sized enterprises. This new NRW.BANK promotional solution effectively complements the digitisation drive initiated by the State of North Rhine-Westphalia. This product is complemented by the NRW.BANK.Innovative Unternehmen programme. It provides special promotion for the proprietary development and production of innovative products, processes and services and offers favourable terms and conditions as well as an obligatory 70% liability release for the on-lending house bank. The programme thus takes account of the fact that it is often difficult for innovative companies to raise loans because of a lack of unencumbered collateral.

For many start-ups it is difficult to raise follow-up finance once a project loan expires. NRW.BANK therefore offers the NRW.StartUpKapital programme to ensure that newly established companies which previously received funding under the state programme "START-UP-Hochschul-Ausgründungen NRW" receive the necessary follow-up funds to finance their business via NRW.BANK convertible bonds.

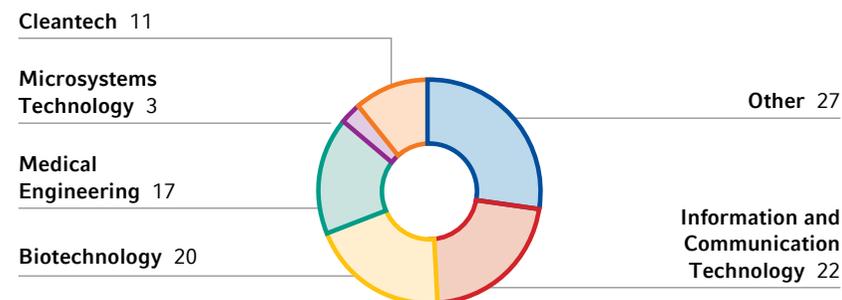
NRW.BANK supports seed financings of business start-ups and young companies in high-technology sectors by offering equity-strengthening solutions through its Seed and Venture Funds, which have a combined volume of € 310 million.

These funds make an important contribution to reducing the high market inefficiencies in the German venture capital market, thus providing important stimulation for innovation and the future competitiveness of North Rhine-Westphalia. In the venture capital segment, the Bank acts as a co-investor to finance newly established technology-oriented companies in sectors such as information and communication technology, biotechnology, cleantech, medical engineering and microsystems technology. The seed funds operate on a fund-of-funds basis. Currently NRW.BANK invests in twelve regional seed funds, which, in turn, have made investments in 100 high-tech start-ups.

Under the NRW.SeedCap Digitale Wirtschaft programme NRW.BANK makes available equity capital or near-equity funds for start-ups from the digital sector in parallel to investments by business angels. This offering complements the win NRW.BANK Business Angels Initiative, in the context of which the Bank helps capital-seeking innovative companies gain access to business angels.

The NRW.BANK.Effizienzcredit is a central offering to support the energy transition and to promote environmental protection in the field of economic development. The loan offers strongly interest-subsidised terms for investments with clear ecological merits. To qualify for promotion, borrowers must prove that their projects will increase energy and resource efficiency permanently by at least 20% and 6%, respectively. Replacement investments with lower efficiency increases are eligible for promotion only on the basis of certified environmental protection processes (e.g. PIUS Check or environmental management system).

Industry Structure in % NRW.BANK.Venture Funds and NRW.BANK.Seed Funds



Enterprises may also receive low-interest financing for research and development projects falling under the “Masterplan Elektromobilität Nordrhein-Westfalen” (North Rhine-Westphalia’s Electromobility Masterplan). To make North Rhine-Westphalia the leading federal state in terms of electromobility and to encourage decisions in favour of clean vehicles, the number of eligible businesses was expanded and the interest advantage of this offering was increased significantly in 2018.

Housing Promotion

As part of its subsidised housing construction activities, NRW.BANK made available new commitments of roughly € 923 million (previous year: € 907 million) for the creation of affordable, high-quality housing for low-income earners in 2018.

These promotional funds are designed to increase the housing supply especially for families with children or handicapped people also in conurbations characterised by rising rents. A total of 8,662 residential units were funded in 2018 within the scope of the Bank’s subsidised housing construction activities.

At € 719 million, some 6,200 rent-controlled and occupancy-controlled rental housing units accounted for the bulk of the promotional funds spent on subsidised housing construction. Other areas of interest in the promotion of new housing were the construction of new owner-occupied housing, the construction of dormitories for students and people with disabilities as well as the promotion of neighbourhood development projects: the combination of promotional funds is intended to respond to special local requirements in the promotion of neighbourhood development.

Measures addressing the existing housing stock primarily comprise measures aimed at preserving an adequate quality in the existing housing stock. These include energy-efficient building standards, the removal of barriers, protection against burglary as well as digital housing and building technology including an attractively designed environment.

In addition to subsidised housing construction, NRW.BANK offers low-interest investment loans for nursing homes and facilities operated by not-for-profit entities. These loans can be used, for instance, to finance modernisation and refurbishment projects or to fund the conversion of conventional care facilities into alternative nursing and care concepts.

Low-interest loans are granted under the NRW.BANK.Gebäudesanierung programme to support projects for raising energy efficiency as well as barrier-free refurbishment measures for privately owned buildings.

Infrastructure and Municipal Promotion

To support the expansion of the infrastructure in North Rhine-Westphalia, NRW.BANK offers both customised, individual financing solutions and standardised promotional programmes. Individual financing solutions are provided for both corporate financings and project financings.

To avoid diesel bans and improve air quality, NRW.BANK added a separate promotional sub-programme with particularly favourable conditions for clean air measures to its broad-based promotional programme for municipal investments in 2018. Projects eligible for promotion under this subprogramme include the conversion of municipal vehicle fleets to vehicles without combustion engines, municipal infrastructure improvement projects, or urban development measures, such as the installation of bicycle stations, that benefit air pollution control.

As part of the NRW.BANK.Gute Schule 2020 programme launched in cooperation with the State of North Rhine-Westphalia, NRW.BANK makes available € 500 million p.a. during the period from 2017 to 2020 for long-term loans to finance municipal investments in the refurbishment, modernisation and expansion of the municipal school infrastructure. The offering provides fixed quotas for each individual municipality. To prevent investments from failing because of the financial situation of a municipality, the State of North Rhine-Westphalia supports the municipalities by taking over their interest and principal payments. In addition, municipal school operators and school associations continue to benefit from the NRW.BANK.Moderne Schule programme, which provides long-term loans for the construction and modernisation of school buildings.

Infrastructure improvements require not only public-sector investments but also private investments. NRW.BANK.Infrastruktur is a programme designed to raise private capital for low-interest financing of projects in a wide range of different fields such as environmental protection, urban development, social affairs or education and qualification.

In addition, NRW.BANK offers the NRW.BANK/EU.Stadtentwicklungskredit, a special promotional loan for the sustainable economic and social revitalisation of urban neighbourhoods. This product provides low-interest loans and optional liability releases to support urban development projects which match the integrated action plans of the respective municipalities. In addition, NRW.BANK has special programmes to support, for instance, the preservation of monuments, the expansion of broadband coverage in North Rhine-Westphalia, flood protection measures as well as investments in sports facilities.

Investments in plants for the generation, storage and distribution of energy are promoted under the NRW.BANK.Energieinfrastruktur programme. In 2018, promotional loans with a total volume of € 275 million were granted under this programme, which were mainly used to finance wind turbine generators, partly in citizen's wind farms. The offerings for municipalities are complemented by the NRW.BANK/EU.Wärmeinfrastrukturkredit programme for the effective promotion of energy-efficient district heating and cooling networks.

For several years, NRW.BANK has actively supported the renaturation of the river Emscher, for which the Bank makes available long-term loans.

In addition to these infrastructure development and promotion programmes, NRW.BANK again was a reliable partner to the North Rhine-Westphalian municipalities in 2018. Its municipal loans and liquidity loans to North Rhine Westphalian municipalities made an important contribution to ensuring the municipalities' ability to act.

The Bank moreover supports the municipal sector with a wide range of advisory services.

Trusting Customer Relationships

Potential recipients of promotional loans increasingly inform themselves independently about available promotional options and hence expect promotional banks to provide targeted and objective information about promotional funds. NRW.BANK has therefore optimised its internet presence on an ongoing basis over the past years.

// GREEN BOND

Green Bonds issued by NRW.BANK allow investors to participate in ecological projects which, in turn, generate sustainable yields for the Bank's investors.



NRW.BANK.Green Bond 2018

In 2013, NRW.BANK was Europe's first regional agency to successfully launch a green bond. Since then the Bank's annual Green Bond issues have established a close link between NRW.BANK's environmentally oriented promotional business and its own funding activities in the international capital market.

The funds raised under the Green Bond programme are exclusively used to fund previously identified promotional projects in North Rhine-Westphalia that have a special environment and climate benefit.

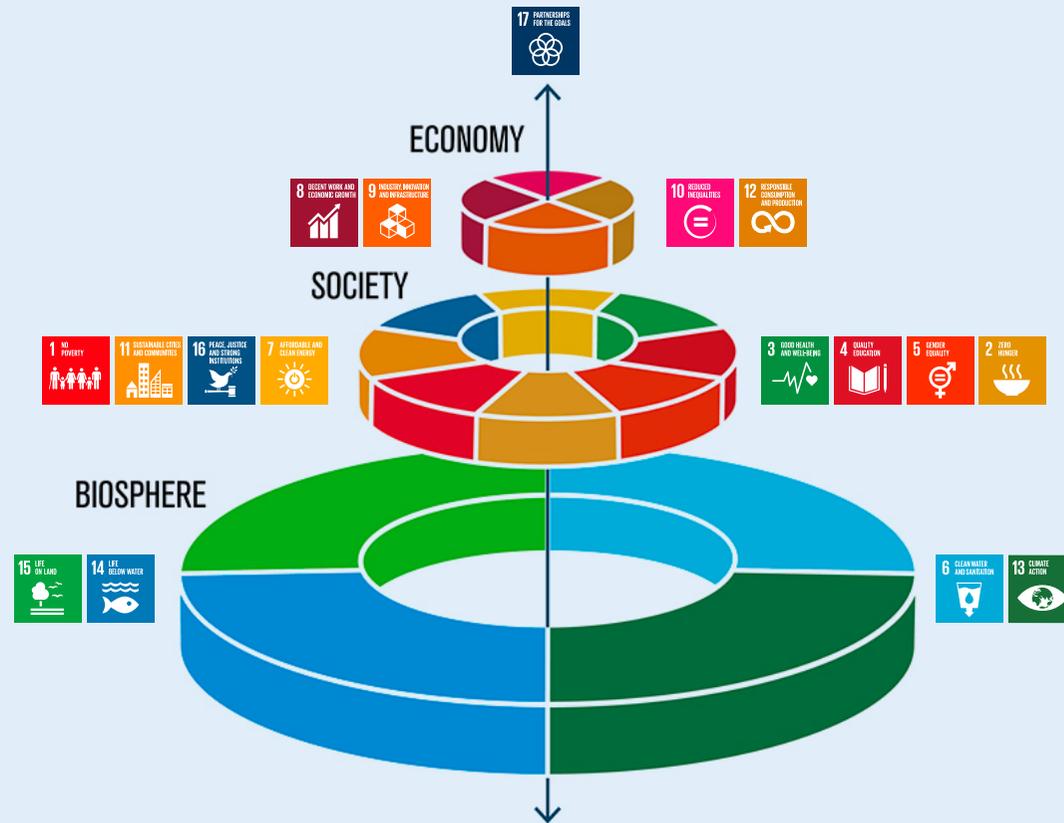
- Green Bond Principles define the framework
- NRW.BANK Green Bonds are Use of Proceeds Bonds
- Projects are selected by the Green Bond Team
- In selecting the asset pool to be refinanced, NRW.BANK applies the following criteria:
 - All selected projects have to support North Rhine-Westphalia's climate and sustainability strategy as well as the UN Sustainable Development Goals (SDGs)
 - Eligible fields include "Climate Mitigation" and "Climate Adaptation" or SDGs 3, 6, 7, 11, 13 and 14
 - Focus on climate protection
 - Climate benefits to be maximised by allocating projects to the portfolio based on the highest carbon footprint reduction

- Loans and the issue itself are closely linked: (Re)financing of loans that are not older than twelve months at the time of the issue of the SPO (second party opinion)
- All projects are "live"
- No risk of "green default". The maximum term of the issue is determined by the shortest loan maturity
- Internal designation of the loans
- Loan portfolio remains unchanged during the term of the issue
- One-off reporting is sufficient
- ISS-oekom research confirms the sustainability of the projects (second party opinion)
- The Wuppertal Institute prepares impact analysis; reporting about the projects and their environmental benefits is transparent
- The NRW.BANK.Green Bond 2018 is a material element of NRW.BANK's "[Non-financial Report](#)". This report was submitted to a voluntary review by the auditor and deemed lawful and appropriate in light of the result of the audit.

To be eligible for selection under the Green Bond programme, projects must have a commitment date within the past twelve months from the issue of the SPO and match the defined themes.

The focus is on contributing to the State of North Rhine-Westphalia's climate protection policy, supporting adaptation to the unavoidable implications of climate change and the United Nations' Sustainable Development Goals (SDGs 3, 6, 7, 11, 13 and 14).

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS – TAKING A NEW VIEW

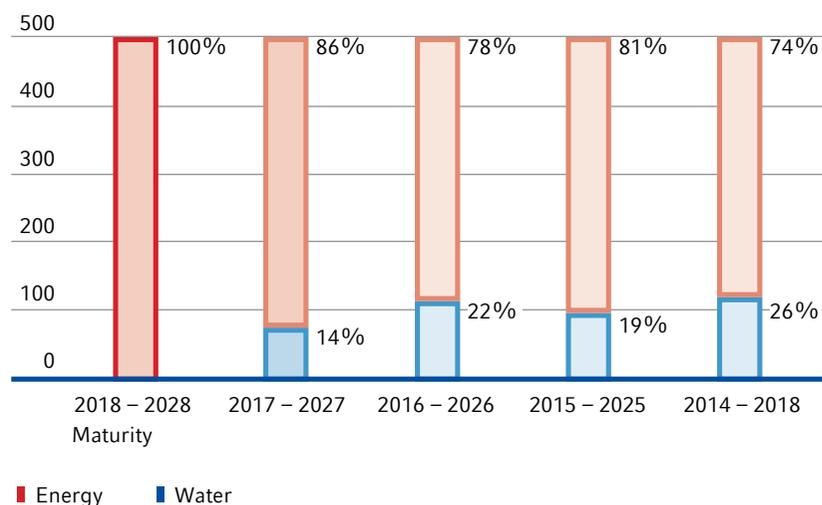


Source: Azote Images for Stockholm Resilience Centre

The measures supported by the Green Bond thus serve to reduce and avoid adverse environmental influences on the climate (mitigation) and to manage the consequences of climate change (adaptation). As the main emphasis is on climate protection, the selection of the projects primarily focuses on the highest carbon savings to be expected.

Between them, the NRW.BANK.Green Bonds issued to date have a total volume of € 2.8 billion, of which an amount of € 2.0 billion was outstanding as of 31 December 2018.

Overview of all NRW.BANK.Green Bonds (volume in € millions)



Since 2014 the ecological benefit and quality of the projects selected for the NRW.BANK.Green Bonds have been analysed and assessed by ISS-oekom, an independent sustainability rating agency. This SPO has confirmed their consistently sustainable concept and compliance with the requirements of the [Green Bond Principles \(GBPs\)](#).

Focus on the Environmental Impact

NRW.BANK has assessed the environmental impact of its Green Bonds since 2015 with the aim to publish the CO₂ emissions that have been saved and/or avoided by investing in its Green Bonds on an annual basis. Since the issue of the 2015 NRW.BANK.Green Bond, the Wuppertal Institute for Climate, Environment and Energy has been NRW.BANK's competent partner for analysing the positive environmental impact. NRW.BANK has published a detailed impact analysis in cooperation with the latter since 2016.

The Wuppertal Institute prepares the analyses in accordance with the recommendations of the [Harmonized Framework for Impact Reporting](#), which were developed by multilateral development banks under the umbrella of the GBPs. This framework permits the preparation of a transparent and comparable impact analysis of green bonds as recommended by the GBPs.

High Sustainability Ratings for NRW.BANK.Green Bonds

The clear concept closely aligned to the Green Bond Principles, the maturity, the good ESG rating of the issuer and the significant environmental benefit of the (re)financed projects are reflected in high sustainability ratings of the NRW.BANK.Green Bonds. On a scale from D- (poor) to A+ (excellent), ISS-oekom has given four bonds outstanding in 2018 a B+ rating. Due to the high proportion of wind power, the Green Bond 2017-2027 has a very high environmental benefit, which is reflected in a rating of A-. NRW.BANK.Green Bonds are thus in the top quantile of all bonds rated by ISS-oekom.

The liquid Green Bonds of NRW.BANK are issued exclusively in euros in order to create a green euro benchmark curve in the long term. This will enable the Bank to illustrate a potential price difference between the green NRW.BANK curve and the regular NRW.BANK benchmark curve.

NRW.BANK.Green Bond 2018

In the past fiscal year, an internal selection process identified eligible projects from the energy area with a total volume of € 500.0 million. At approximately € 330 million, the focus was once again on wind energy. The energy-related refurbishment of university clinics and residential buildings accounted for around € 160 million. New additions include loans for the expansion of electromobility and the modernisation of local public transport.

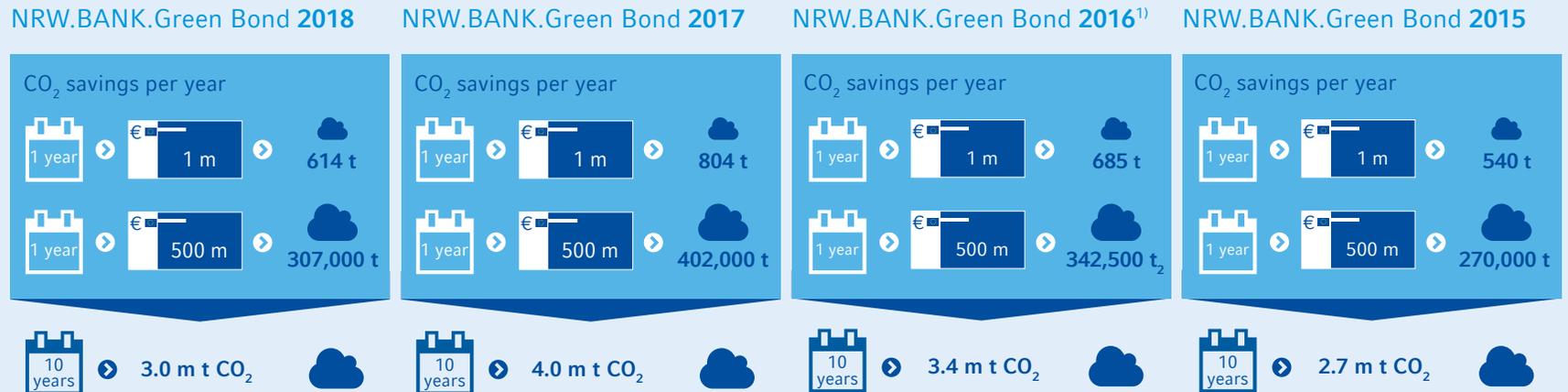
The projects chosen were earmarked by NRW.BANK as "2018 Green Bond Asset Pool".

ISS-oekom confirmed the sustainability and environmental benefit of these projects through a positive second party opinion.

On the basis of this asset pool, NRW.BANK successfully issued its sixth Green Bond, the € 500.0 million 10-year NRW.BANK.Green Bond 2018, in June 2018. NRW.BANK guarantees its investors that the funds of the 2018 Green Bond will be used to fund renewable energy, energy efficiency and clean transport projects over the total term of the bond.

Area	Field	Topic	Number of Projects Funded	Promotional Volume in € m
Energy	Mitigation	Clean Transport	23	9.5
Energy	Mitigation	Renewable energy	71	329.2
		– thereof solar energy	6	3.0
		– thereof onshore wind energy	65	326.2
Energy	Mitigation	Energy efficiency	1,234	161.3
		– thereof modernisation of public facilities	4	114.3
		– Miscellaneous	1,230	47.0

Summary of the Environmental Impact of the NRW.BANK.Green Bonds



Field "Climate Adaptation" – Rebuilding the River Emscher

- Single biggest water management project in the EU to implement the European Water Framework Directive Project period: almost three decades to the "Blue Emscher" in 2020
- Conversion of the river and its affluents into semi-natural waters with a positive impact on biodiversity and other eco-system services
- Creation of a modern sewage system: 132 pump stations, five sewage treatment plants as well as one central sewage sludge plant and 87 rainwater treatment plants
- Direct participation of citizens
- Significant increase in species diversity

¹⁾ In 2018, € 19 million from renewable energies (wind energy) were prematurely repaid. In accordance with the „Use of Proceeds“, these assets were substituted by thematically corresponding projects.

Environmental Impact Analysis for the NRW.BANK.Green Bond 2018

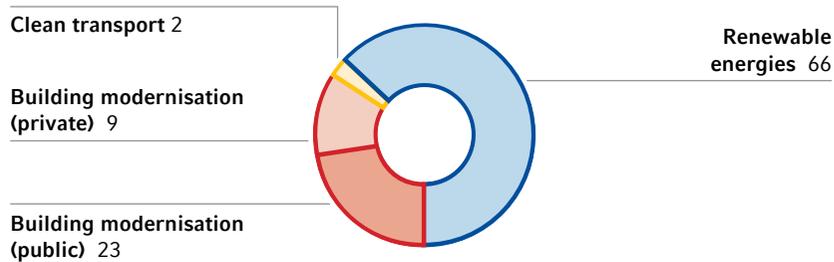
In the reporting year, the Wuppertal Institute again determined the positive environmental effect of the selected projects in the field of "Climate Mitigation" with a total volume of € 500.0 million.

Field "Climate Mitigation"

The projects financed in the field of "Climate Mitigation" by the NRW.BANK.Green Bond 2018 help reduce or even avoid negative environmental influences on the climate. The projects relate to:

- renewable energy (wind energy and photovoltaics),
- the modernisation of residential buildings,
- the modernisation of university hospitals and
- clean transport.

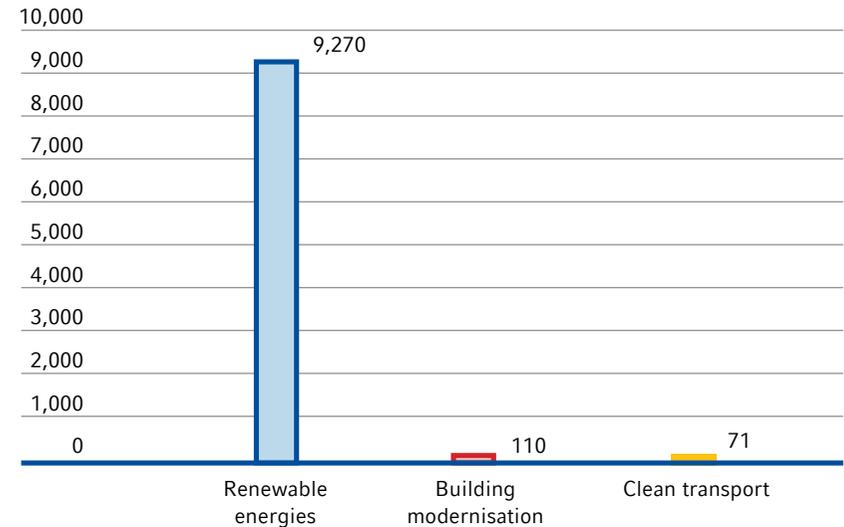
Breakdown of Project Financing Volume in the Field "Climate Mitigation" (€ 500 m) in %



3 MILLION TONS OF CO₂ EQUIVALENTS SAVED

It has been calculated that these projects avoid greenhouse gas emissions of approximately 3 million t of CO₂ equivalents over the 10-year term of the NRW.BANK.Green Bond 2018. This is equivalent to the CO₂ storage capacity of a managed forest almost four times the size of Berlin. Measured by the size of the Green Bond asset pool of € 500.0 million, 614 t of CO₂ equivalents are saved per € 1.0 million per year.

CO₂ Equivalents Avoided Through a € 1 Million Investment over a Ten-year Period (based on the Investment Volume of € 500 Million) in Tons



In relation to the pro-rated financing, onshore wind turbine generators have proven to be the most efficient form of investment for the avoidance of greenhouse gas emissions in the Green Bond (928 tons per year and € 1.0 million). All investments will continue to avoid greenhouse gases also beyond the maturity of the Green Bond.

The newly built onshore wind farms with a total output of 358 MW included in the Green Bond Asset Pool at an amount of € 326.2 million were realised with a promotion portion of 57%. They produce an estimated 588 GWh of electricity per year. These wind parks avoid 3.0 million tons of CO₂ equivalents over a period of ten years.

The Bank uses funds in the total amount of € 114.3 million from its Green Bond to support the modernisation of university hospitals. Of this amount, an estimated € 51.3 million is directly invested in energy efficiency upgrades (45% of the promotional amount). Compared to existing buildings, the greenhouse gas emissions are thus reduced by approx. 11,600 tons of CO₂ equivalents over a period of ten years.

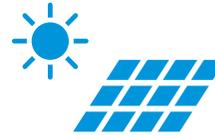
An amount of € 47.0 million originates from the NRW.BANK.Gebäude-sanierung programme. Compared to the existing housing stock, the modernisation of residential buildings in North Rhine-Westphalia helps save another 6,100 tons of CO₂ equivalents over the ten-year term and in relation to the estimated promotion portion of 90%.

Details as well as information on the precise method and presentation of the results in accordance with the Harmonized Framework for Impact Reporting can be found in the [impact analysis](#) prepared by the Wuppertal Institute.



Green Bond Projects

Green Bond funding is used to promote sustainable energy provision and manufacturing methods.



140 metres of energy suppliers



Solarpark Grottenkamp GbR

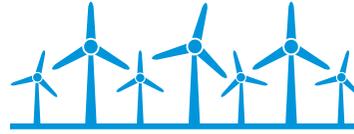
INFRASTRUCTURE

www.nlf-gmbh.de

Green Energy on a Green Site

The “Am Grottenkamp” solar park was built in 2018 on around 11,000 square metres of wasteland on the edge of a residential area in Steinfurt-Borghorst. In 13 rows measuring up to 140 metres in length, some 2,500 photovoltaic modules now generate up to 650,000 kWh of electricity per year. NRW.BANK supported Solarpark Grottenkamp GbR in the construction of the plant by providing the same amount in euros under the NRW.BANK.Energieinfrastruktur programme, which was refinanced via the NRW.BANK.Green Bond.

While people in the neighbouring residential area were initially somewhat sceptical, the solar park is now widely appreciated. The local residents are happy that green energy is being generated on their doorstep. They also appreciate the fact the green site on which the solar collectors are installed is a habitat for many wild animal and plant species.



Electricity for 22.400 households



Hörstel Community Wind Farm

INFRASTRUCTURE

www.buergerwind-hoerstel.de

Local Residents in Action for their Own Wind Farm

Over the coming years, 16 wind power plants will be erected in Hörstel under the leadership of motivated citizens – four in Uthuisen, nine in Lager Feld and three in Birgte. NRW.BANK supports the operating company, Bürgerwind Hörstel GmbH & Co KG, under the promotional programme NRW.BANK.Energieinfrastruktur. In addition to NRW.BANK, four house banks are pre-financing the project in full. The residents will not have to contribute their capital – at least € 1,000 each – before the wind farm is connected to the grid. The project differs from other wind energy projects also with regard to the lease model; everybody in Hörstel who is affected by the operation of a wind power plant will receive lease payments, i.e. not only those residents on whose land the plants are erected. The four wind turbines in Uthuisen were connected to the grid in July 2017. In the near future, nine wind turbines are expected to produce 85.2 million kWh of electricity per year on the second section, Lager Feld. The community wind farm can thus feed electricity for 22,400 households into the grid. For comparison: Hörstel has about 8,600 households.



Some 520 t of CO₂ saved



**Kölner
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ELECTROMOBILITY

www.kvb.koeln

Cologne's Public Transport Authority Invests in Climate Protection

As early as the end of 2016, the Cologne public transport authority (KVB) converted eight vehicles on bus line 133 from diesel to e-mobility. Around 520 t of CO₂ per year will be saved on the route between the Zollstock district and the central railway station. These are 18 m long articulated buses developed by Dutch manufacturer VDL Bus & Coach by according to the specifications of KVB and which are therefore unique in the world. By 2021, around 50 buses on another six KVB bus lines will be running emission-free, which will further reduce CO₂ emissions by 4 to 5 million tonnes per year. The procurement process is already under way.

NRW.BANK supports KVB in converting its entire bus operations to e-mobility and zero emissions by 2030. Under the NRW.BANK.Elektromobilität programme, which is refinanced via the NRW.BANK.Green Bond, NRW.BANK provides a promotional loan of approx. € 3.6 million to master the challenge of climate and environmental protection.

NRW.BANK.Green Bond Investment Portfolio

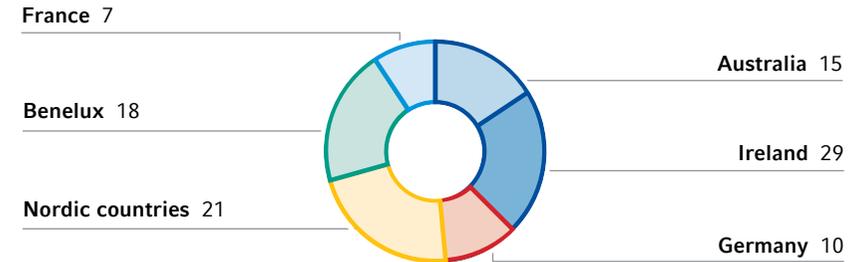
NRW.BANK continues to expand the Green Bond investment portfolio launched in 2017. The Bank is no longer merely an issuer of green bonds but also considers such bonds for its own investments.

The Bank's target to establish an NRW.BANK.Green Bond investment portfolio with a volume of at least € 200.0 million by 2020 was reached already in late 2018. Consequently, NRW.BANK has raised its target to at least € 300.0 million by 2020.

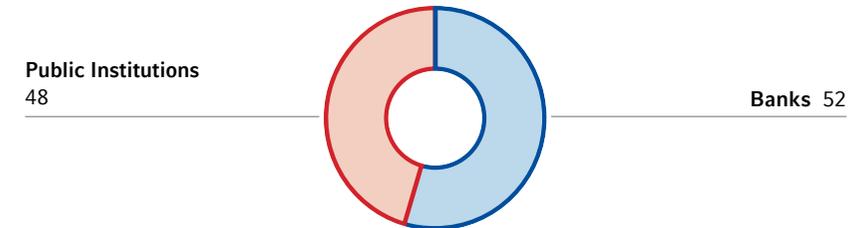
To qualify for this portfolio, bonds have to meet the Green Bond Principles (GBP) and publish corresponding reports. In addition, the environmental benefit of the bond must be determined by a second opinion or certificate meeting the standards of the Climate Bond Initiative. NRW.BANK primarily invests in climate protection and climate adaptation projects. In order to maximise the contribution to climate protection, light green bonds as defined in the [CICERO Shades of Green](#) are not purchased.

As at 31 December 2018, the portfolio amounted to as much as € 209.0 million and comprised bonds from the following countries/regions with terms of up to twelve years.

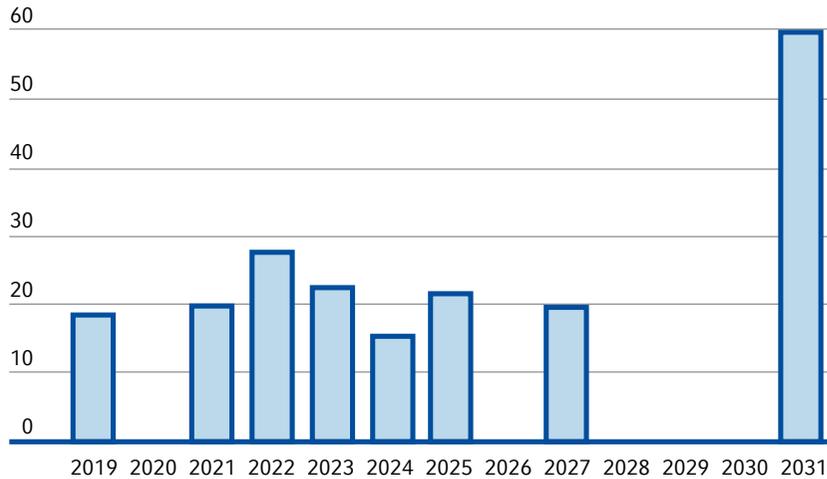
NRW.BANK.Green Bond Investment Portfolio by Countries in %



NRW.BANK.Green Bond Investment Portfolio by Sectors in %



Maturity Structure of the Green Bond Investment Portfolio in € Millions



The securities in the NRW.BANK.Green Bond investment portfolio are green bonds whose funds raised are used by the issuers to invest in environmental projects, e.g. to promote renewable energy, sustainable buildings, low carbon transport and (waste) water management. A good two thirds of the underlying assets are classified as “dark green”, almost one third as “medium green” and only slightly more than 1% as “light green” projects according to the CICERO Shades of Green.

As seven of the 14 bonds were issued in the reporting year, no full report is available yet for investors. Impact analyses are available for the seven bonds issued before 2018. The investment volume of these bonds amounts to € 94.5 million. These bonds (co-)finance a large number of projects around the world.

The impact analyses of the issuers are based on different frameworks. The Nordic Public Sector Issuers’ Position Paper on Green Bonds Impact Reporting is used most frequently; issuers also use the MDB Harmonized Framework for Impact Reporting or national benchmarks.

Based on the analysed investment volume of € 94.5 million, the result are savings of approx. 550 t of CO₂ per million and year.

Sustainability Criteria for the Investment Portfolio

Since 2018, NRW.BANK has evaluated its investment portfolio in accordance with the MSCI sustainability criteria using a traffic light system for sustainable investments. This sustainability traffic light indicates the MSCI-compliant share of the sustainability portfolio in the total investment portfolio by means of the colours red, yellow and green. The traffic light system is monitored via a daily report.

Outlook

In the context of the implementation of the Sustainability Guidelines in the investment business, NRW.BANK continues to aim for a high percentage of sustainable investments. As of 2019, NRW.BANK will therefore begin to anchor the Sustainability Guidelines in the specification sheets for the NRW.BANK.Liquiditätskredit and the NRW.BANK.Kommunaldarlehen. The borrower thus assumes responsibility for ensuring that the relevant principles (e.g. SDGs, state sustainability guidelines or sustainability guidelines adopted by individual municipalities) are also taken into account in the use of the funds from the loan agreement.



// ECO-BALANCE

For many years, NRW.BANK has been committed to the responsible use of our natural resources and the protection of our environment and climate. The Bank verifies the sustainability of its activity on an ongoing basis to ensure that it continues to improve.

Protecting the Climate and the Environment

NRW.BANK actively supports the political and social sustainability efforts and is doing everything possible also within the Bank to conserve resources and ensure sustainable operations. The Bank thus helps implement the North Rhine-Westphalian government's guiding principle of "sustainability".

The Bank uses resources consciously and carefully to reduce carbon emissions from its operations to a minimum. It is the Bank's declared objective to vigorously cut the use of resources and to largely offset unavoidable impacts to the extent possible. To ensure that the positive trend in its environmental performance indicators continues, the Bank pays attention to resource-efficient and energy-efficient technology, uses district heat and energy-efficient IT hardware in all its buildings and sources 100% certified green electricity from run-of-river hydropower plants.

For twelve years, NRW.BANK has prepared a balance sheet of its environmental data and consumption figures in accordance with the standards of the Association for Environmental Management and Sustainability in Financial Institutions (VfU).

Scope and Period of Reporting

To prepare its eco-balance for 2018, NRW.BANK has determined the environmental impacts resulting from its business operations. The Bank operates at two locations in Düsseldorf and at a building complex in Münster.

The reporting period corresponds to the calendar year. The consumption and flow data (input and output) were collected for the period from 1 January 2018 to 31 December 2018. Information relating to space, vehicles and employees is stated as of the reporting date 31 December 2018.

Data Collection and Reference Values

As the data are collected in accordance with the VfU standard, they can be compared with data of companies applying the same standard. The basis is formed by the VfU's revised guidelines in conjunction with the conversion factors of the 2018 update 1.2 of 12 December 2018. The data presented here is an extract from the 2018 eco-balance. In order to enable a direct comparison with previous years, the CO₂ values for 2016 and 2017 were recalculated using the conversion factors of the 2018 VfU update. This may result in deviations from the data published in previous years. These are solely attributable to the updated conversion factors.

The number of employees utilised in this chapter provides the basis for the formation of relative environmental performance indicators (consumption per employee). Part-time employees are added up to full-time employees, and external employees working temporarily for the Bank are covered for the accurate to the day duration of their employment. For this eco-balance, 1,452 employees for 2018, 1,428 employees for 2017 and 1,409 employees for 2016 are calculated as the sum of the company's own employees and the local employees of the service providers.

To calculate water consumption per employee/day the number of working days was fixed at 250 days.

Building energy

Resource-efficient energy sources such as certified green electricity from run-of-river hydropower plants and district heat from combined heat-and-power units are the most important elements of NRW.BANK's sustainable building management efforts. These high environmental standards are implemented at all of the Bank's locations.

Energy Consumption	2018	2017	2016
	kWh	kWh	kWh
Heating energy			
– total	5,060,700	5,386,870	5,406,170
– per employee/year	3,484	3,773	3,836
Electricity			
– total	5,918,385	5,678,066	5,846,930
– per employee/year	4,075	3,977	4,148

In addition, the photovoltaic systems in Münster produced roughly 18 MWh of electricity to cover the Bank's own requirements in 2018. Overall, NRW.BANK makes a point of using energy-efficient technology.

In 2018, NRW.BANK's consumption of thermal energy was down by approximately 6.1% on the previous year. Specific per-capita consumption decreased by 7.7%.

Electricity requirements were up on the previous year, namely by 4.2% in absolute terms and by 2.5% per employee.

The changes in both thermal energy requirements and electricity consumption are within the usual range of variation and are attributable to climatic and use-specific circumstances.

Business Travel

NRW.BANK's success hinges on good contacts with its clients and the maintenance of its business relationships. Business trips are therefore indispensable. However, NRW.BANK has issued travel guidelines to minimise the environmental impact of employees' travelling activity. The recommendation to use video and telephone conferences and to travel by public transport is an important factor in reducing emissions from business trips.

91.4% of the rail trips are classed as carbon neutral due to Deutsche Bahn AG's carbon mitigation programme and are included in the CO₂ balance at a reduced conversion factor. The remaining 8.6% are business trips by local public transport and the Thalys (altogether 83,349 km), which are counted at the full conversion factor for carbon emissions according to the VfU standard.

As in the previous years, multi-leg flights¹⁾ were broken down into segments for the reporting of short-haul and long-haul flights.

With regard to NRW.BANK's company cars, binding insights regarding the relevant carbon emissions will be regulated only as of September 2018 once the regulations for the measurement technique for emissions (of new cars) are defined. More recent publications from the Federal Motor Transport Authority were not available at the time the eco-balance was published. Consequently, manufacturers' specifications were again used for the present balance.

Due to the public uncertainty caused by the threat of driving bans for vehicles with diesel engines, the proportion of vehicles with petrol engines and thus also the average CO₂ emission factor rose for the first time in 2018 by 2.5% to 132.5 g/km compared to 129.3 g/km in 2017. However, ongoing expert advice on the selection of new company cars remains an important element in finding the best possible compromise between the necessary mobility of NRW.BANK's employees and their efforts to actively protect the climate.

In its efforts to further reduce carbon emissions, NRW.BANK also offers its company car owners the option of choosing electric cars. One electric vehicle was chosen in 2018.

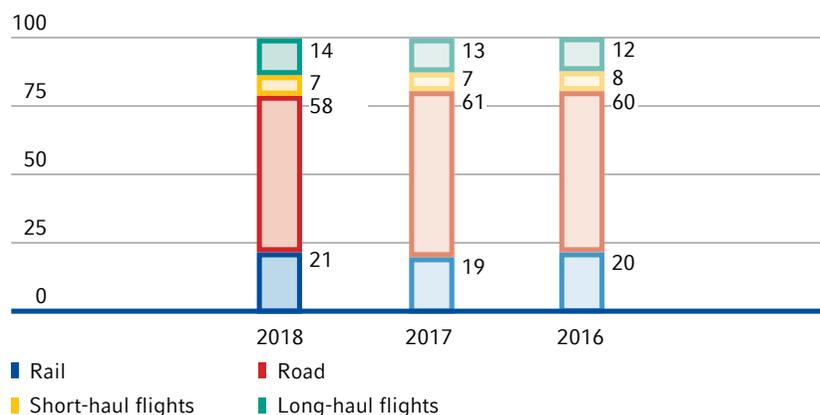
¹⁾ Multi-leg flights comprise transfer flight and main flight.

NRW.BANK's employees travelled a total of 4,736,230 km on business trips in 2018. This is equivalent to 3,261 km travelled per employee. Compared to the previous year, the total kilometres travelled thus increased by 2.5%, while the kilometres travelled per employee remained almost constant at +0.8%

Business Travel	2018	2017	2016
	km	km	km
Rail	968,843	897,897	915,722
Road ¹⁾	2,768,741	2,823,098	2,748,430
Short-haul flights	321,492	320,051	342,905
Long-haul flights	677,154	579,388	558,529
Total	4,736,230	4,620,434	4,565,586
km per employee	3,261	3,236	3,239

¹⁾ total kilometres travelled on business trips with the Bank's cars, rental cars and private vehicles

Share of Means of Transport in %



The breakdown of the travel activity by means of transport in 2018 remained relatively stable compared to the previous years. At 58.4%, cars accounted for most of the business trips, followed by air travel (21.1%) and rail (20.5%).

Paper

For the 2018 eco-balance, NRW.BANK recorded all paper used in the offices including printed matter (e.g. letterhead), envelopes and communication materials (e.g. annual reports, brochures, flyers, etc.) as well as the external printed output.

Total consumption in 2018 amounted to 57.1 t (previous year: 61.8 t), while per-capita consumption reached 42.5 kg (previous year: 43.3 kg). As a result of employees' growing awareness and the increasing digitisation of business processes, total paper consumption could thus once again be reduced.

This becomes even more obvious if only the consumption of office paper is considered. Excluding envelopes and printed matter, there was a clear reduction of 10.3% in absolute terms or 11.9% per employee:

Paper Consumption ¹⁾	2018	2017	2016
	kg	kg	kg
Total	34,437	38,389	42,936
kg per employee	23.7	26.9	30.5

¹⁾ office paper, excl. printed matter, envelopes and marketing materials

Besides the quantity consumed, the quality of the paper used is also an important item in the eco-balance. To determine the share of recycled paper, all paper types used (excl. envelopes) were analysed. The share of recycled paper was once again increased strongly by 9.1% in 2018.

Paper Grades (excl. envelopes)	2018	2017	2016
	%	%	%
Recycled paper	77.8	65.8	63.4
Primary fibre paper, ECF ¹⁾ (incl. wood-free)	9.4	8.8	12.8
Primary fibre paper, FSC and PEFC ²⁾	12.8	25.4	23.8

¹⁾ Elemental chlorine-free (ECF)

²⁾ Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification schemes (PEFC)

As part of an optimised reporting practice, NRW.BANK decided to fully determine the paper grades of all paper used. According to this complete data determined for the first time for 2016 – which also include envelopes and printed matter – recycled paper accounted for 72.3% in 2018 (2017: 61.2%).

Paper Grades (incl. printed matter and envelopes)	2018	2017	2016
	%	%	%
Recycled paper	72.3	61.2	60.2
Primary fibre paper, ECF ¹⁾ (incl. wood-free)	10.7	10.5	14.1
Primary fibre paper, FSC and PEFC ²⁾	17.0	28.3	25.7

¹⁾ Elemental chlorine-free (ECF)

²⁾ Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification schemes (PEFC)

Water

Water is a precious resource and NRW.BANK is actively promoting its sparing use. The Bank's sanitary facilities use grey water from the air scrubbers and recooling systems and thus ensure that this water is reused. When retrofitting or buying new technical equipment, water-saving technology is considered besides other environmental aspects.

The following figures show the total water consumption, which also includes the water consumption of the kitchens at the locations in Münster and at Kavalleriestraße in Düsseldorf.

Absolute water consumption across all locations was up by 18.8% on the previous year, while per-capita consumption increased by 16.7%. This is mainly due to weather-related influences.

Process and Drinking Water	2018	2017	2016
Total consumption	23,564 m³	19,841 m³	22,266 m³
Daily consumption per employee ¹⁾	64.9 l	55.6 l	63.2 l

¹⁾ To calculate water consumption per employee, the number of working days was fixed at 250 days.

Waste

The 2018 eco-balance covers the following waste types: paper (incl. documents shredded), mixed packaging, food residues, waste fats, green waste, glass, residual waste, sludge from the company's own water treatment, mixed scrap, electronic waste, data carriers, bulky waste, oily waste and fluorescent lamps.

The specific average weights of the waste fractions determined for the individual sites in 2017 were also used to determine the weight quantities in 2018 as the composition of the waste remained unchanged.

Where available, the concrete quantities and weights supplied by the waste management service providers for individual waste disposal processes were again used for the evaluation.

Taking the waste types mentioned as well as the empirically determined conversion factors into account, the Bank produced a total of 258.2 t of waste in 2018 (previous year: 268.5 t). This is equivalent to 177.8 kg of waste per employee (previous year: 188.1 kg).

This shows that the trend towards a reduction in total waste volumes observed in the past years continued in 2018. Total waste and waste per employee declined by 3.8% and 5.5%, respectively.

The following table shows the amounts of waste produced exclusively as a result of the banking activity and excluding waste primarily produced in conjunction with the operation of the kitchen:

Waste Volume	2018	2017	2016
	t	t	t
Waste paper	27.8	29.3	53.5
Document shredding	46.5	51.0	61.4
Residual waste	40.5	34.2	108.5
DSD ("Green Dot")	11.0	10.5	3.6
Total¹⁾	125.8	125.0	227.0
kg/employee	86.7	87.6	161.1
Recycling ratio ¹⁾	69.7%	72.6%	53.2%

¹⁾ excl. other and kitchen waste

The efficient use of office paper is also reflected in a reduced amount of waste paper to be disposed of.

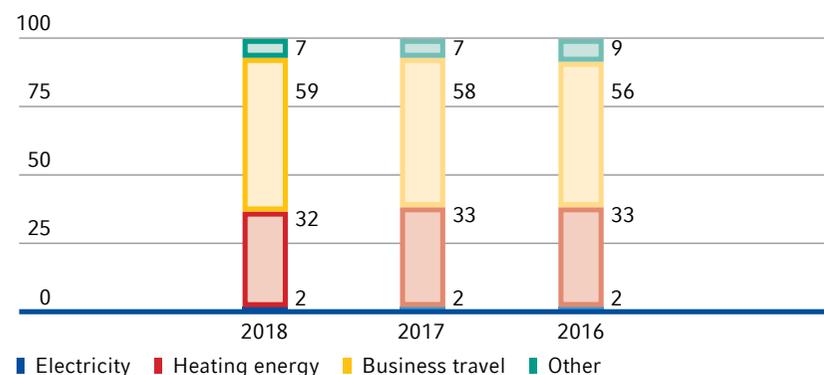
Greenhouse Gases

NRW.BANK's CO₂ balance covers all the above-mentioned environmentally relevant consumption figures and wastes as well as the quantity of emergency power diesel used summarised in a single performance indicator. This performance indicator is an important parameter for assessing the Bank's environmental performance.

For the 2018 eco-balance, the conversion factors of the VfU standard, 2018 update 1.2, were for the first time used as the basis for the calculation of the CO₂ emissions. In order to ensure comparability with previous years, the emission values for 2017 and 2016 were recalculated with the updated factors. This may result in deviations from the data published in the past two years.

CO ₂ Emissions	2018	2017	2016
	kg CO ₂	kg CO ₂	kg CO ₂
Electricity	41,407	39,814	41,134
Heating energy incl. emergency	589,880	626,625	625,472
Business travel	1,092,825	1,094,701	1,069,642
Paper	61,933	67,143	62,859
Drinking water	15,623	13,155	14,762
Waste	59,527	60,645	100,161
Total emissions	1,861,195	1,902,083	1,914,030
CO ₂ /employee	1,281	1,332	1,358
Offset by climate certificates	1,861,195	1,902,083	1,914,030
Total	0	0	0

CO₂ Emissions by Producers in %



In 2018, NRW.BANK issued a total of 1,861 tons of CO₂ (-2.1% year-on-year). This is equivalent to 1,281 kg of CO₂ per employee (-3.8% year-on-year).

A significant portion of the decline is due to the effects of weather conditions on the use of heating energy.

Direct and Indirect CO₂ Emissions at NRW.BANK in 2018 According to VfU (Update 2018, Version 2.1)

Greenhouse Gas Sources	Scope 1 ¹⁾	Scope 2 ¹⁾	Scope 3 ¹⁾	Total
	kg CO ₂	kg CO ₂	kg CO ₂	kg CO ₂
Electricity				41,407
– renewable			39,237	39,237
– photovoltaic plant			2,170	2,170
Heating energy				589,880
– district heat		459,410	117,712	577,122
– emergency power diesel	10,657		2,101	12,758
Travel				918,943
– rail			4,092	4,092
– rail, carbon-neutralised			8,324	8,324
– road, company car	412,700		312,218	724,918
– road, rental car			181,609	181,609
– short-haul flights			54,832	54,832
– long-haul flights			119,050	119,050
Paper				61,933
– recycled paper			44,646	44,646
– primary fibre paper (ECF, TCF, FSC, PEFC)			17,287	17,287
Water			15,623	15,623
Waste				59,527
– waste incineration			56,787	56,787
– special waste			2,740	2,740
Total	423,357	459,410	978,428	1,861,195
kg CO₂/employee				1,281

¹⁾ Distinction between direct and indirect emissions:

Direct greenhouse gas emissions come from sources owned or controlled by NRW.BANK.

Indirect greenhouse gas emissions result from the business activity of NRW.BANK – but their sources are owned or controlled by third parties.

In accordance with the “Greenhouse Gas Protocol”, emissions are divided into three categories depending on the degree of influence exerted by NRW.BANK:

- Emission category (Scope 1): all direct emissions.
- Emission category (Scope 2): all indirect emissions produced, for instance, in the generation of electricity, steam or thermal energy sourced by NRW.BANK from external sources.
- Emission category (Scope 3): all other indirect emissions in the field of logistics, material consumption, supplies and disposal. This also includes the emissions produced by service providers or manufacturing companies and their upstream suppliers.

Avoiding Preferred to Offsetting

Since 2013, NRW.BANK has consistently aimed to make its banking operations carbon-neutral. In this context, top priority is attached to avoiding emissions from being generated in the first place. To achieve this aim, the Bank has implemented the above-described measures for many years – including the use of certified green electricity, environmentally friendly district heat, recycled office paper and grey water from air scrubbers and cooling systems as well as providing expert assistance when it comes to choosing new company cars.

As emissions were not entirely unavoidable, NRW.BANK decided in 2013 to neutralise emissions caused by its banking operations with the help of certificates from the NRW.BANK Climate Certificate Programme. These certificates stem from global climate protection projects and help to achieve the highest possible CO₂ savings in relation to the financial expenses incurred in the process.

The CO₂ emissions of 1,861 t produced in 2018 were voluntarily offset by the Bank by purchasing certificates from a wind farm project in Inner Mongolia.

The analysis also covers the emissions resulting from postal communication with its clients. Since 2015, NRW.BANK has dispatched its mail via the carbon-neutral [GOGREEN programme of Deutsche Post DHL Group](#). In 2018, 508,711 letters were mailed under this programme. Carbon emissions resulting from this transport totalled around 19 t. Due to the Bank's participation in the GOGREEN programme, these emissions were neutralised with the help of climate protection projects.



// HUMAN RESOURCES

As a public-law institute NRW.BANK has a special responsibility to act as a role model for a sustainable human resources policy. This comprises all aspects from offering future-proof training to balancing work and family life to ensuring equal opportunities and implementing a modern health management.

Assuming Social Responsibility for Employees

The knowledge, commitment and performance of the staff are important factors which underpin the long-term success of the Bank's business activity. The strategic objectives of the Bank's Human Resources activities therefore include winning and retaining qualified employees and preserving their performance to ensure that NRW.BANK can successfully fulfil its tasks as the promotional bank for North Rhine-Westphalia now and also in future.

In the context of the Bank's human resources strategy, this overriding goal involves three fields of action which ensure that all activities and measures support the accomplishment of the strategic objectives:

- securing junior staff,
- facilitating development and
- maintaining employees' performance.

The high relevance of these goals is not least reflected in the fact that the strategic fields of action and the medium and long-term objectives derived from them form part of the Bank's overall strategy.

Securing Junior Staff

"Securing junior staff" sums up NRW.BANK's commitment to training young people and improving their qualifications. To ensure that junior staff can integrate smoothly into the Bank's existing workforce, their training is carefully aligned with the Bank's needs in general and the individual departments' needs in particular. This constant balancing leads to changes in the number of apprenticeships and traineeships as well as to amendments in terms of the course curricula and the job roles the young people are trained for.



Award-winning vocational training

In a survey conducted on behalf of Focus Money under the title "Germany's best providers of vocational training in 2018", NRW.BANK was voted one of the companies offering the best vocational training. Scoring 97.5 of 100 points, the promotional bank achieved a similarly good result as in the previous year.

In addition, NRW.BANK supports the Fair Company initiative, which focuses on interns, working students, job starters and trainees. As a "Fair Company", NRW.BANK is primarily committed to reliable quality standards and verifiable rules for interns.



In 2018, NRW.BANK was again able to fill all available positions in the three traineeships it offers:

- Seven school-leavers were signed up for a banking clerk traineeship, three of them in Münster,
- four young people opted for the dual study course Bachelor of Arts “Banking & Finance” and
- three enrolled in the dual study course Bachelor of Science “Business Information Systems”.

Given that NRW.BANK trains young people to cover its own requirements, permanent employment contracts are offered to all apprentices who complete their apprenticeships with good results. As the commercial apprenticeship was changed to a banking clerk apprenticeship in 2016, all apprentices who completed their training in 2018 came from dual study courses. All nine accepted the permanent employment contract they were offered. In addition, one trainee took up a position after successfully completing the trainee programme in 2018.

In view of the age structure of NRW.BANK’s workforce, the Bank continues to pay great attention to its objective to “secure junior staff”. The Bank wants its trainees and apprentices to replace at least part of the employees who will leave the Bank due to age in the coming years.

Facilitating Development

In order to ensure their long-term retention, NRW.BANK offers its junior staff – as well as all its other employees – numerous development opportunities and prospects.

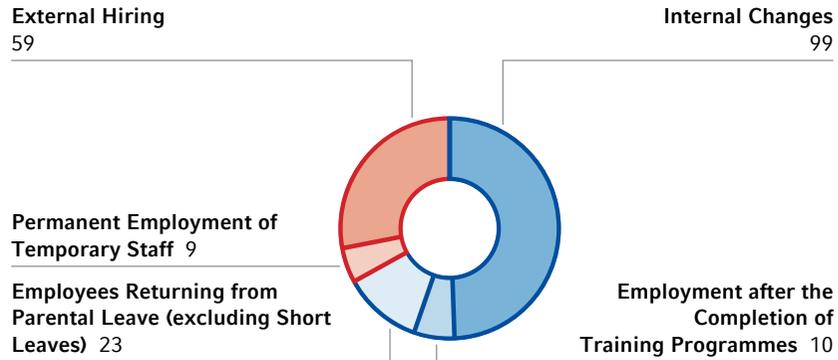
This includes challenging tasks and growing independence, which encourage professional and personal growth, as well as the possibility to get to learn new topics and to assume more demanding tasks. In 2018, NRW.BANK adjusted the appraisal procedure to focus even more strongly on these ideas: the aspects of autonomy, development and recognition are now central issues in the annual interview between executives and employees. In addition, a new element has been developed which allows employees to initiate an exchange about their individual development opportunities and the necessary implementation steps independently of the appraisal process.

Realising development opportunities means above all taking on new tasks and responsibilities. To ensure that this can be done on the largest possible scale, NRW.BANK fills vacant positions according to the motto “internal promotion is preferable to external hiring” wherever this is possible. Where this cannot be done, vacant positions are advertised externally.

As a result, 99 employees changed their positions due to redeployments in 2018. As internal staffing usually results in a new vacant position, a consistently pursued internal staffing policy is ideally suited to offer the Bank’s own employees the widest possible range of career development opportunities within the Bank. Moreover, 23 employees returned to the Bank from parental leave or from leave granted under the Landesgleichstellungsgesetz (State Equal Opportunities Act) in 2018.

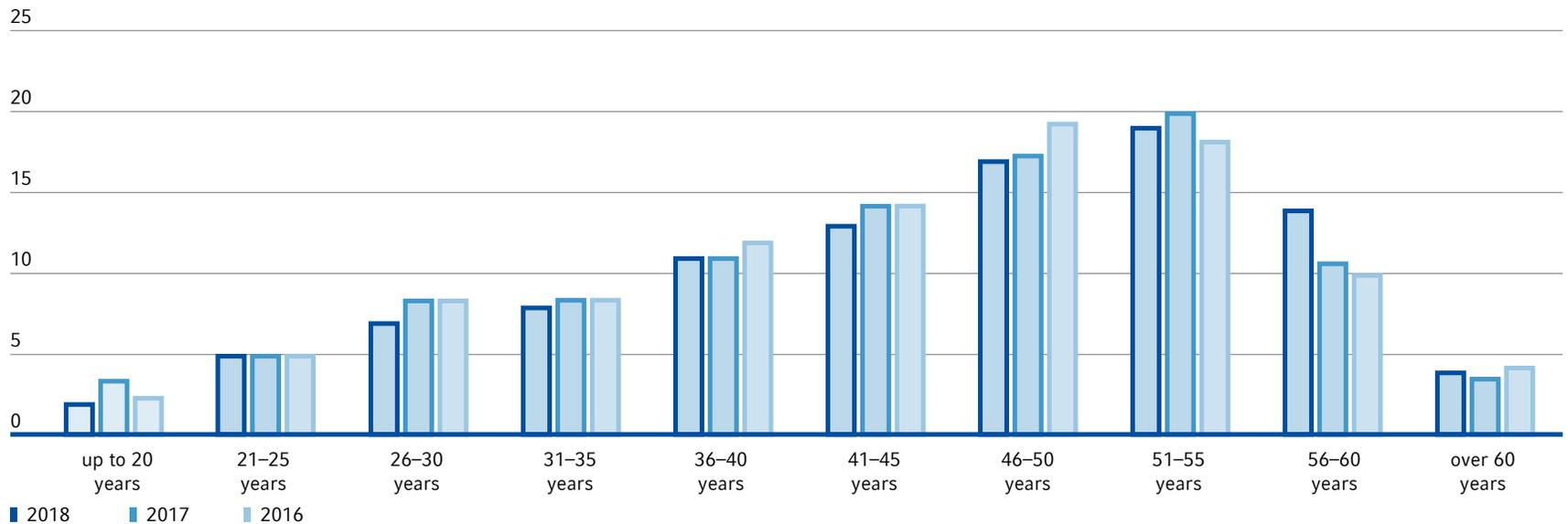
As NRW.BANK’s headcount continued to grow in 2018, it was not possible to fill all vacancies without hiring external staff.

Vacant Positions Filled in 2018



NRW.BANK continues to actively support the restructuring process of Portigon AG by taking over former employees of Portigon AG (shown in the chart under "External Hiring") or by arranging employment opportunities in ministries and companies of the State of North Rhine-Westphalia. In 2018, 14 people changed from Portigon AG to NRW.BANK, with another eight starting to work for the State of NRW.

Age Structure¹⁾ in %



¹⁾ excluding employees on parental leave as well as employees under temporary contracts

Age-related resignations will remain at a similar level in the coming years as a result of the workforce's age structure. Forward-looking planning ensures that measures to retain expertise within the Bank are taken at an early stage. In accordance with the Bank's strategic objective, these foreseeable resignations will be used to offer junior staff suitable career development opportunities.

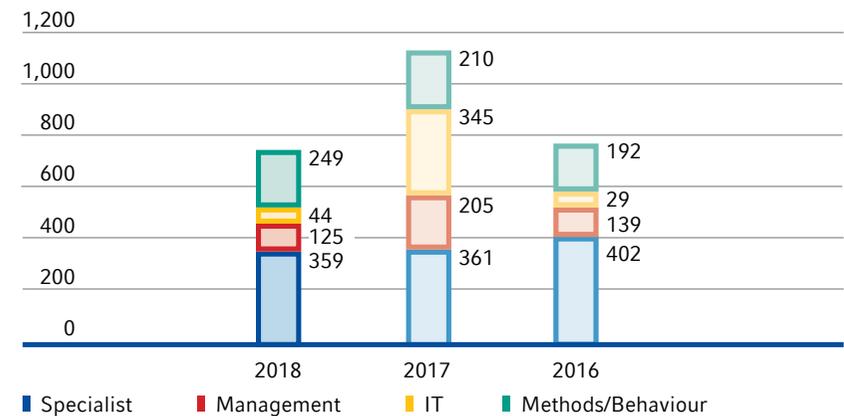
Life-long Learning

Knowledge and experience are indispensable when it comes to grasping and mastering new challenges. NRW.BANK provides a wide variety of HR development measures to support its employees in this respect. After the initial training, NRW.BANK assists employees, for instance in obtaining the above-mentioned qualifications and degrees by bearing (part of) the study and examination fees. This programme was expanded in 2018 to include four IT-related Bachelor's and Master's degrees in line with the Bank's requirements. In 2018, 18 employees obtained such a degree with support from the Bank.

In addition, NRW.BANK offers its employees a comprehensive range of seminars for professional and personal growth. Most of these seminars are held internally¹⁾. Over time this form of training has proven to be a great success and has met with a very positive response from all employees due to the high quality of courses offered and how pertinent they are to the Bank's needs and requirements.

A comprehensive catalogue of regular seminars covers a range of professional subjects both at basic and specialist level, aspects of methodological and behavioural competence as well as structured and multi-layered leadership skill acquisition. This catalogue has been developed and refined in recent years, with current professional subjects being added in response to actual demand on an ongoing basis.

Internal Seminar Attendance by Topic



¹⁾ Internal seminars are all events organised exclusively for the Bank's employees at NRW.BANK's special request and whose contents and concepts closely meet the Bank's specific requirements and needs; such seminars may be held by in-house or external trainers.

The internal catalogue of seminars comprises 72 different subjects, for which 126 seminars were organised in the reporting year. The diversity of the topics covered was once again expanded compared to the previous year. By contrast, the number of participants was much lower than in the previous year. The very high number of participants in the previous year was mainly due to special measures such as an IT seminar on software used in the promotional business units and a seminar offered to all executives in connection with the change of the remuneration system.

To train its executives, NRW.BANK offers them a multi-part systematic executive development programme, completion of which is mandatory. In addition to an entry module, there are two follow-up modules for more experienced executives. All modules comprise several days of training which are spread over a longer period of time to enable participants to process developments and improve the transfer of learnings into practice. For the launch date in April 2019, the content of the central module was revised by a new team of trainers and adapted to the current requirements of the executives at NRW.BANK.

More than half of NRW.BANK's executives have meanwhile completed the final module. In order to support an ongoing consideration and discussion of leadership issues, the Bank regularly offers workshops on related topics for this target group. Since 2015, joint work in these workshops has focused on the defined "principles for communication, cooperation and leadership at NRW.BANK". In 2018, the workshops on „Constructive Cooperation“ were launched. These workshops also address the requirements and options of NRW.BANK's adjusted appraisal system.

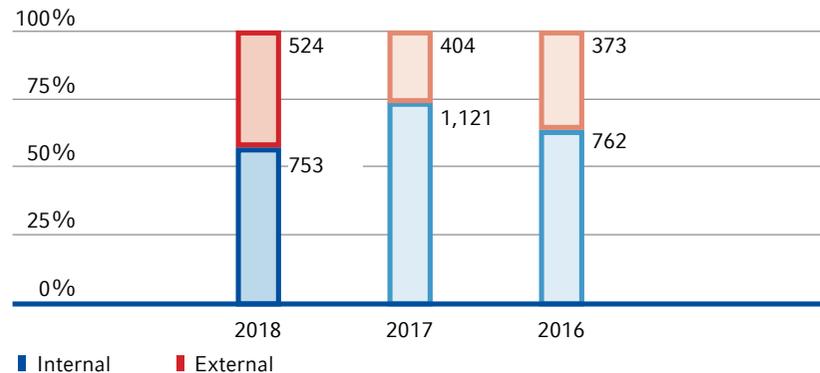
The offerings for executives are rounded off by supplementary measures enabling executives to handle special leadership situations.

Individualised seminars have been developed also for other employee groups. In the reporting year, for example, the seminar series "Stark im Gespräch" (Effective Conversation) was established to promote self-confidence and open interaction in all (communication) situations. 15 such training courses were already held in 2018 and met with a very good response; the series is to be continued on a similar scale in the coming years. Since 2012, there has been a series of 5.5-day workshops targeted at employees aged 50+. A seminar for women gives inspirations and strategies for more efficient and less stressful handling of the dual roles typically fulfilled by women, namely as members of the workforce on the one hand and as household/family managers on the other. Further measures for the promotion of equal opportunities will follow in 2019.

A new series of moderation training courses will support employees in particular for their deployment in external projects, conferences, training and consulting.

In addition to the extensive range of internal offerings, the employees of NRW.BANK may also take part in seminars organised by external providers. The absolute number of external seminar participations increased once again compared to the previous year. Close to 90% of these seminars were professional seminars that are only relevant for a limited number of employees, which means that it would have been uneconomical to organise them internally.

Ratio of Internal and External Seminar Attendance



Equal Opportunities and Fair Working Conditions



For many years, NRW.BANK has pursued a policy of supporting the balance of work and family life and promoting equal opportunities. In 2015, this NRW.BANK policy received the “berufundfamilie” certification. The 2018 re-audit confirmed that NRW.BANK may bear the certificate for another three years.

Aspects that were regarded as particularly positive include the self-management of working time, the individual and flexible part-time schemes, the possibility to assume management roles also when working reduced hours and, last but not least, the comprehensive range of child care services.

These services are provided, for instance, in the form of day care facilities, emergency and holiday care services as well as a child care allowance. Employees whose relatives are in need of care receive support in the form of advice and services for their care and support.

These offerings especially for children below school age assist young families in balancing work and family life.

The past years’ trend towards a fast return of young mothers and short parental leaves of fathers continued in 2018: 70.0% of the mothers returned to work after a period of parental leave of twelve months or less. In addition, 29 fathers made use of the option to take parental leave, a few of them for more than two months.

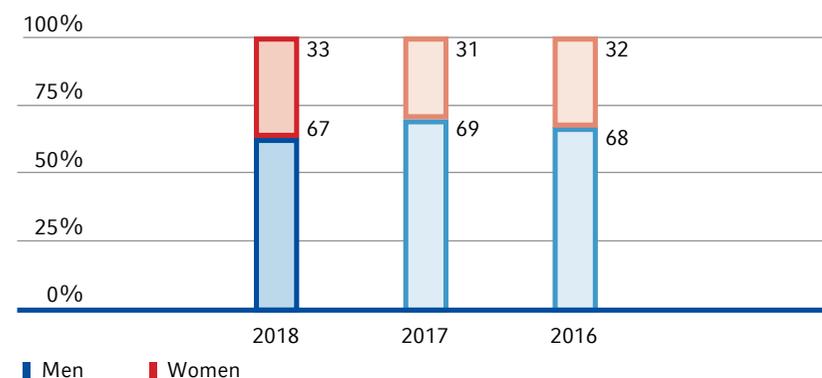
A two-year test phase for the more extensive use of alternating telework started in spring 2017. The insights gained during this period are to be used to adopt a final telework regulation.

The equal opportunities statistics for 2018 confirm the high acceptance and success of the support offered to date. As more and more employees are taking advantage of the flexible and individualised working hour schemes, the percentage of part-time employees once again picked up slightly to 34% as of 31 December 2018 (previous year: 33%). The average working hour percentage of women and men working part time amounted to 69% and 85%, respectively. The share of executives working part time – also due to the possibility to flexibilise their annual working time – stood at 19%.

The share of women in executive positions across all management levels including the Managing Board increased from 31% to 33% as of 31 December 2018. The Bank maintained the tried-and-tested measures – especially the effective targeting and promotion of female young talent – of the previous years to increase the share of women. According to the guidelines for the filling of executive positions, women have to be increasingly considered for such positions. At 41%, the continuously high share of women in positions without leadership responsibility and not covered by collective agreements forms a good basis for this.

As of 2019 – when the first Equality Plan after the amendment of the NRW State Equality Act (LGG NRW) will be adopted – individual quotas will be specified for the individual management levels.

Share of Women and Men in Executive Positions in %



NRW.BANK's Equal Opportunities Officer is closely involved in the current activities aimed at improving the development opportunities for women. This applies in particular to social, organisational and personnel-related measures including job offers, selection processes and job interviews. She will also participate in the preparation and updating of the Equality Plan, which comprises all pertinent measures, and report annually on its implementation.

NRW.BANK's Equal Opportunities Officer also serves as the designated complaint recipient within the meaning of the German Equal Treatment Act (AGG). Should, in spite of the measures taken, employees be disadvantaged or harassed because of their ethnic background, gender, religion, belief or handicap, age or sexual identity, they may contact the complaints unit. As in the previous years, no incident was reported to the complaints unit in 2018.

A fair and adequate remuneration system is one of the working conditions that have a notable impact on the satisfaction and the loyalty of the employees.

Since its inception, NRW.BANK has, in consensus with its owner, focused its remuneration system and remuneration parameters on the promotional and development tasks performed by it. Accordingly, its remuneration strategy is derived from the Bank's overall strategy taking into account its statutes, corporate culture and values. For a detailed presentation of the remuneration system, please see the [Financial Report 2018](#).

In accordance with the requirements of the Remuneration Transparency Act, the Bank's "Report on Equal Opportunities and Equal Pay", which was published for the first time in the notes to the 2017 Management Report, describes the measures taken to promote equal opportunities for women and men in terms of the filling of vacant positions, personnel development and work-life balance and how structural inequalities in the remuneration policy are excluded. The latter is ensured, in particular, by means of a job appraisal that is exclusively based on the requirements of the respective position, i.e. irrespectively of the person. In doing so, the Bank bases its decisions regarding positions covered by collective agreements on the requirements of the "Manteltarifvertrag für das private Bankgewerbe und die öffentlichen Banken" (basic collective agreement for private sector and public-sector banks) and for positions not covered by collective agreements on external remuneration comparisons.

Maintaining Performance

Occupational Safety and Health Management

Good working conditions and exemplary health and safety policies form part of NRW.BANK's corporate responsibility. For many years, the Bank has implemented this in the context of its occupational health management system, which has been expanded continuously since 2006. Services range from a company doctor to a social counsellor offering confidential help to a variety of offerings revolving around such topics as preventive medicine, nutrition and sports.

For NRW.BANK, health means much more than just the absence of illness. Its health promotion activities therefore aim to encourage healthy behaviour and reduce avoidable strains in the workplace. Therefore, the focus is on the question "what keeps people healthy in the long term"?



NRW.BANK has been voted one of the TOP 100 "LEADING EMPLOYERS Germany 2018" from among more than 70,000 companies across Germany. In the independent survey, the Bank made 17th place in the Banks/Financial Services category, which covered 1,500 companies, and was ranked 89th among all companies surveyed.

In the „Great Place to Work 2018 – IT“ competition, which is organised annually by Computerwoche magazine and the international consulting institute "Great Place to Work", NRW.BANK was voted one of the best employers in the information and telecommunications industry upon its very first participation. In the ranking of medium-sized companies, it scored an excellent 17th place.



An important tool to identify strains in good time is a systematic hazard analysis. All employees are regularly asked about potentially hazardous circumstances and stress factors at work. In order to obtain a more comprehensive picture, the focus is placed on varying topics when the survey is repeated. Thanks to the collaboration between the responsible persons – especially the Occupational Safety Officer, the company doctor, the staff council, the Social Officer, building management as well as the managers and executives – any strains identified by the survey are usually eliminated in an unbureaucratic way.

NRW.BANK has established two working groups to address the health protection issue to the benefit of all employees:

- The Occupational Safety Committee advises the Bank on all matters of occupational safety as well as accident prevention. Its members comprise representatives of the Bank, the staff council, the company doctor, the representatives of the severely disabled, a Safety Officer and the Occupational Safety Officer.
- The Health Working Circle further develops the strategic health management and decides concrete measures. In addition to the human resources staff responsible for health management, the regular meetings are attended by the company doctor, the social counsellor, the Occupational Safety Officer, the representatives of the severely disabled as well as a representative of the staff council. To ensure that the services provided by the staff restaurant can also be reasonably integrated, the circle of participants also includes the catering services.

As the relevant areas of health were intensively addressed in the previous years by means of various themed measures, the Health Working Circle decided to use the year 2018 for an analysis of the health status and the health behaviour of NRW.BANK's employees. The results are intended to align the range of health promotion measures even more closely with the requirements and wishes of the people concerned.

An anonymous employee survey will form part of this evaluation in 2019.

The NRW.BANK Health Check was launched in 2018 as a new, ongoing service for all employees. In this context, the company doctor determines values for health behaviour and risk factors. The NRW.BANK Health Check may be repeated every two years, which allows the participants to identify changes in their health over time.

The Bank's health management offerings, which are usually free, are available to all employees.

Under the motto „Wir für Andere“ (We are there for others), employees of NRW.BANK also make health-related contributions to society, e.g. as part of the annual blood donation campaign organised in cooperation with the German Red Cross at both Bank locations, in which a large number of employees participate every year. Since 2018, employees have additionally been able to have their bone marrow typed by the company doctor in cooperation with the Bone Marrow Donation Centre in Düsseldorf.

All current occupational health and safety measures as well as NRW.BANK's future plans are detailed in the annual health report which is published on the Bank's intranet.

Preventive check-ups, no matter how expertly planned and performed, cannot entirely prevent illnesses. NRW.BANK's post-illness reintegration management system – an offering aimed at defining individualised measures matched to the working environment through personal talks with employees affected by illness – helps employees restart work after long illness and stabilise their health in the long term. The Bank is very much aware of the sensitive personal issues touched by this process and attaches the utmost importance to respecting the discretionary decision of the people affected to accept or reject this option as well as to ensuring absolute confidentiality and data protection.

Flexible Annual Working Hours

NRW.BANK offers its employees very flexible agreements to reduce their regular working hours. In addition, the Bank provides two more possibilities that allow employees to increase the flexibility of their working time:

- Since 2013, NRW.BANK has offered its employees the option to take up to two months of unpaid leave of absence in addition to the paid vacations. This option was used by 17 employees in the reporting year.
- Introduced in 2016, the possibility to take ten additional days off per year against a corresponding reduction of the salary is very popular among the workforce. In 2018, 119 employees took advantage of this offer. As of 2019, the option to take an additional five days off will additionally be introduced. This will increase the number of users to 205 in 2019.

Flexible Working Lifetime

Especially against the background of the age structure and the expected retirement of a large number of specialists within the course of a few years, NRW.BANK developed a regulation governing the old-age part-time work scheme in 2018. This has several advantages for both the Bank and its workforce: NRW.BANK will have a better possibility to control and manage critical age-related staff departures as well as the necessary know-how transfer. Successor planning will be possible over a longer-term period, allowing the Bank to offer specific development opportunities to qualified junior staff at an earlier stage. Old-age part-time work also caters to employees' wish for a flexible transition into retirement. In 2018, twelve employees already submitted an application to start old-age part-time work in 2019.

NRW.BANK Personnel Figures as at 31 December 2018

	2018		2017		2016	
	absolute	in %	absolute	in %	absolute	in %
Active employees, total¹⁾	1,365	100%	1,319	100%	1,301	100%
by sex						
– women	708	51.9%	688	52.2%	682	52.4%
– men	657	48.1%	631	47.8%	619	47.6%
by company location						
– Düsseldorf	963	70.5%	926	70.2%	898	69.0%
– Münster	402	29.5%	393	29.8%	403	31.0%
by type of employment						
– full time	908	66.5%	889	67.4%	926	71.2%
– part time	457	33.5%	430	32.6%	375	28.8%
by function group						
– management (incl. Managing Board)	252	18.5%	244	18.5%	234	18.0%
– specialists/project workers	596	43.7%	553	41.9%	523	40.2%
– case workers	410	30.0%	419	31.8%	437	33.6%
– secretaries	50	3.7%	46	3.5%	47	3.6%
– non-commercial functions	51	3.7%	51	3.9%	54	4.2%
– special functions ²⁾	6	0.4%	6	0.5%	6	0.5%
By remuneration						
– collective pay	841	61.6%	823	62.4%	840	64.6%
– non-collective pay	524	38.4%	496	37.6%	461	35.4%
Total average age (in years)	45.4		45.0		44.6	
Average period of employment (in years)	16.6		16.3		16.4	
Total departures	39	2.9%	51	3.9%	48	3.7%
– due to termination	18	1.3%	17	1.3%	21	1.6%
– due to age	21	1.5%	34	2.6%	27	2.1%
Additionally: temporary employees	36		33		34	
Additionally: apprentices and trainees						
– trainees	0		2		3	
– apprentices	49		45		34	
– thereof new apprenticeships	14		19		16	
– completed apprenticeships	9		7		17	
– hiring rate (unlimited)	100.0%		100.0%		88.2%	

¹⁾ excl. employees on leave according to BEEG and LGG, excluding apprentices/trainees as well as employees under temporary contracts

²⁾ Staff council members released from their duties



// CORPORATE CITIZENSHIP

NRW.BANK is aware of its social responsibility. Every year, it supports projects from the fields of "Science & Education", "Arts & Culture" as well as "Society & Social Affairs" that contribute to society and the quality of life in North Rhine-Westphalia.



Showing Commitment to Society

NRW.BANK also lives up to its corporate responsibility through its contributions to public and community life in North Rhine-Westphalia. Suitable measures are supported in accordance with the Bank's "[Guidelines for Corporate Citizenship and Other Services](#)" adopted by the Supervisory Board.

The Bank is committed to making its decisions on grants and sponsorships transparent and comprehensible. Within the Bank, the Managing Board is responsible for the allocation of the funds available for corporate citizenship purposes. The Supervisory Board's Executive and Nomination Committee is the highest controlling body for the allocation of the funds.

The funds made available by NRW.BANK benefit projects in North Rhine-Westphalia.

As part of its commitment to society and under its remit as a promotional bank, NRW.BANK endeavours to shape a subsidiarity-based and project-related collaboration with its partners. In this context, the Bank strives to ensure the social and regional balance of its activities in North Rhine-Westphalia. The corporate citizenship budget is divided into the following three categories: "Science & Education", "Arts & Culture" and "Society & Social Affairs".

In 2018, NRW.BANK spent a total amount of € 826,000 on donations, sponsorships or memberships in North Rhine-Westphalia. The corresponding projects are presented as examples below.

Science & Education

The Bank's concept of corporate citizenship calls for the promotion of creativity and ideas as well as education-related topics for a young target group. The Bank consequently focused on sponsorships related to education in 2018 and supported several projects from the field of "Science & Education". The most important funding projects, apart from cooperation with universities, were:

EDUCATION Y Bildung. Gemeinsam. Gestalten. e. V., Düsseldorf

Since 2015, NRW.BANK has supported the state programme of the NRW Ministry for School and Education developed by EDUCATION Y in cooperation with UNICEF on "primary school children's rights". Teachers and educational staff are trained in implementing the participatory idea of the UN Convention on the Rights of the Child in schools using suitable formats such as the installation of class councils. The idea is to offer school children effective development opportunities, to allow them to assume responsibility by helping to shape their own learning process and to give them protection.

School Cooperations in Düsseldorf and Münster

Since 2007, NRW.BANK has financed study and job orientation workshops at four schools, namely Cecilien-Gymnasium and Hauptschule St. Benedikt in Düsseldorf as well as Freiherr-vom-Stein-Gymnasium and Hauptschule Coerde in Münster. Pupils are given the opportunity to discover their own strengths, talents and interests for their future careers. Parents are involved in the project and learn how to assist their children in finding the right occupation. The Bank also finances a state-wide further training programme for teachers to enable them to advise their pupils effectively with regard to their career choices.

Schlaun-Forum e. V., Münster

Since 2011, the Bank has supported the “Schlaun Competition” for students from the 5th semester as well as graduates up to the age of 35 of the fields of study of urban development, architecture, landscape planning and civil engineering. Every year, a new location is chosen for which urban planning and development solutions are to be found. One of the objectives of the competition is to encourage creative young talent to come up with new ideas for the creation of forward-looking, energy-efficient and sustainable housing as well as with adequate solutions to the traffic situation in currently problematic city centres. Paderborn has been chosen as the location for the 8th Schlaun Competition 2018/2019, where a former military site will be redeveloped.

Arts & Culture

NRW.BANK’s sponsoring activities in the field “Arts & Culture” focused on the promotion of young talent.

Concerts by Young Artists and Corporate Volunteering

In the reporting year, the Bank again supported cultural events at its two locations by making available its premises:

In the context of the “CHAPEAU classique” music festival, which has been held annually since 2011, NRW.BANK’s staff restaurant in Münster served as the venue for a performance by Carlos Navarros and the string quartet of the Dortmund Philharmonic Orchestra in September. The same venue had been chosen in July for a “Summerwinds Festival” concert starring the Fetén Fetén Duo and clarinetist Jou Gonzales. As in the past, both concerts were organised in cooperation with “Gesellschaft zur Förderung der Westfälischen Kulturarbeit e. V.”, Münster.

For the tenth consecutive year, NRW.BANK organised two evening concerts in the foyer of its Düsseldorf building in cooperation with the “düsseldorf festival!” held annually in September. The first concert starred “Trio Biondini, Godard, Niggli”, while the second concert was performed by Masaa Quartet.

NRW.BANK employees volunteered at all concerts, serving beverages and snacks to the guests. The proceeds of € 3,300 were doubled by NRW.BANK and donated to the “JeKits” foundation to allow children attending music schools in North Rhine-Westphalia to share the aesthetic experience of playing musical instruments, dancing and singing in a group.

NRW.BANK.Kunstpreis

In accordance with its arts policy, NRW.BANK has sponsored up-and-coming artists since 2010. In 2017, the Bank launched an annual art award at all state art schools in North Rhine-Westphalia. The principals of the participating colleges and universities nominate students or graduates for the categories “Painting & Graphic Design”, “Photography & Media Design” and “Sculpture & Installation”. The winners are chosen by a jury of renowned regional arts experts. The works of the participants will be presented to the public at annual exhibitions alternating between Düsseldorf and Münster.

In October 2018, NRW.BANK awarded the prizes totalling € 33,000 on the occasion of a festive exhibition opening in Münster.

Lit.COLOGNE, Cologne

The promotional concept was revised in 2018. NRW.BANK sponsors the new Lit.Kid.COLOGNE format, which is targeted at children and young people.

More NRW.BANK Cultural Sponsorships

NRW.BANK sponsors the Young Talent Award presented at the International Short Film Festival Oberhausen. The Bank also supported the piano concertos by Mao Fujita and Yekon at the Ruhr Piano Festival as well as the German premiere of "The Welcome Party" at the Ruhrtriennale – a theatre experience for children aged 8+.

Society & Social Affairs

NRW.BANK attaches special importance to promoting responsible behaviour in socially relevant areas.

Special Petit Départ, Düsseldorf

NRW.BANK supported the Düsseldorf Sports Office in organising the "Special Petit Départ". Some 170 pupils with special needs took part in the cycling sports day for students attending the special-needs schools in Düsseldorf, Mettmann, Erkrath and Ratingen in summer 2018.

Eine Welt Mobil, Münster

The Bank has supported the „Eine Welt Netz NRW“ van for seven years. The team helps teach pupils and kindergarten children responsible and social behaviour. The donation helped to fund over 60 uses of the "Eine Welt" van.

Kreisimkerverband Düsseldorf im Imkerverband Rheinland e. V./ Apsis e. V., Münster

In keeping with its commitment to sustainability, the Bank has promoted the protection of bees in Düsseldorf since 2017.

Bees are of great ecological importance as they make a significant contribution to the preservation of wild and cultivated plants and their yields. Local bee protection additionally supports the urban biodiversity. A similar project was realised in Münster in 2018.

Employee Commitment / Christmas Activity

Since 2017, NRW.BANK has made available a total annual amount of € 20,000 to support the honorary work of its employees in charitable organisations. In 2018, amounts of € 4,000 each were donated to: Förderverein der Klimakommune Saerbeck e. V. (for the project "Referent für die Umwelthelden", an environmental education programme for children and young people); VTV Mongshof e. V., Mönchengladbach (for the project "therapeutisches Reiten", revitalisation of people with disabilities); Kinderkrebshilfe Münster e. V. (for the project „All of Us“, the choir and band project of the Children's Oncology Ward at the UKM); Sportverein 1924 Glehn e.V. (for the project "Einsatz eines FSJlers in Kooperation mit der Grundschule Glehn") and SG Benrath-Hassels 1910/12 e.V. (for the project "Willkommen im Fußball").

During the festive season, NRW.BANK employees supported socially disadvantaged children and young people in NRW: in Düsseldorf, employees donated presents to the Richardstraße primary school in the Eller district, while the elementary classes of the PRIMUS school in the Berg Fidel district received presents from the Bank's employees in Münster.

Apart from making presents, the employees additionally donated approx. € 4,980 to three institutions for which employees of NRW.BANK work on an honorary basis: „All of Us“, the choir and band project of Kinderkrebshilfe Münster e. V., "gutenachtbus" from Düsseldorf and Morbus Down Krefeld e. V. NRW.BANK doubled the amount donated for a total Christmas donation of € 9,960.

Besides the measures described above, which merely serve as examples, NRW.BANK supported many [other projects](#) in 2018 in the fields of “Science & Education”, “Arts & Culture” as well as “Society & Social Affairs”.

In accordance with the “Guidelines for Corporate Citizenship and Other Services” set by the Supervisory Board, NRW.BANK made neither direct nor indirect donations to political parties or party-related foundations in 2018. Moreover, the Bank places no advertisements in their publications.

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