

Appendix to the Management Report 2017

Report on Equal Opportunities and Equal Pay

pursuant to the Transparency of Remuneration Act (Entgelttransparenzgesetz – EntgTranspG) dated July 5, 2017

In accordance with Section 21 et seq. of the Transparency of Remuneration Act (EntgTranspG), NRW.BANK reports on measures taken to promote equal opportunities and equal pay for women and men as well as the effectiveness of these measures. Pursuant to Section 25 Para. 3 EntgTranspG, the present report refers to the year 2016 and will be attached with the Management Report for 2017 as an appendix.

Measures for the Promotion of the Equal Treatment of Women and Men

As an institution under public law, NRW.BANK is covered by the Landesgleichstellungsgesetz NRW (LGG NRW – State Equal Opportunities Act), which was amended and considerably extended in December 2016. The aim of the LGG NRW is to put into practice the fundamental right of equal rights for women and men, explicitly through measures aimed at promoting equal opportunities, the reconciliation of work and family life and the elimination of female underrepresentation.

NRW.BANK's first plan for the promotion of women was drawn up in 2004 and updated in 2010. On April 13, 2016, the plan – now referred to as "Equal Opportunities Plan of NRW.BANK" – was adopted by the Managing Board and subsequently published on the intranet of NRW.BANK. It has a term of three years. The main fields of action are "Filling Vacant Positions", "Human Resources Development" and "Work-Life Balance". These will be addressed in greater detail on the following pages.

■ Filling Vacant Positions

When planning the targets and objectives for 2014 to 2017, the Supervisory Board and the Managing Board of NRW.BANK already agreed to continuously increase the share of women in management positions to about 33% (end of 2013 = 27.2%) based on the expected staff turnover rate. This target was also included in the targets and objectives agreed with the business unit heads. The target is to be reached by appointing women to at least one in two management positions to be filled. As at

December 31, 2016, the share of women in management positions was 31.7%.

Another focus is being placed on filling specialist positions not covered by collective agreements with women. While 29.8% of these positions were held by women in December 2009, this share increased to 38.6% by December 2016 and continues to rise.

■ Human Resources Development

NRW.BANK remains committed to the functional and personal qualification and further development of its employees. This is reflected in further training programmes that form part of the Bank's efforts to promote young talent as well as in the classic human resources development activities.

In 2016, 16 junior employees – eleven of whom were women – obtained a degree in a qualification programme supported by the Bank. Six Master's and five Bachelor's degrees as well as five other degrees reflect employees' great interest in the Bank's on-the-job study offerings.

As far as the classic training measures are concerned, each employee accounted for about two further training days on average in 2016, with congresses, information events, health management measures as well as coaching and team-building measures not included in the evaluation. About half each of the participants were men and women, respectively, which also reflects the overall distribution of NRW.BANK's employees.

■ Work-Life Balance

NRW.BANK has traditionally supported a good work-life balance at all levels, especially through highly flexible solutions for (special) leave and part-time work, diverse and comprehensive care offerings for children and other family members as well as through information events on family-related topics.

Nearly all positions are also available as part-time positions. At the end of 2016, part-time workers accounted for 28.8% of the workforce, 16.8% of them were men.

NRW.BANK's work-life balance offerings make it much easier for parents to return to work after their parental leave. Consequently, most women take a parental leave of no more than twelve months and return to the Bank early.

Measures Aimed at Achieving Equal Pay for Women and Men

Since the inception of NRW.BANK in 2002, women and men have each represented about half of the workforce. In the above fields of action, we have since taken measures to achieve truly equal opportunities for women and men in their professional development and their pay. Over the past years, considerable successes have been achieved in these areas, even if specialist and management positions not covered by collective agreements (see above) were still mostly held by men in 2016.

With a view to implementing the LGG NRW Act, NRW.BANK's Equal Opportunities Officer therefore primarily supports development measures and job

appointments in those areas in which women are underrepresented, i.e. specialist and management positions not covered by collective agreements. The shares of women in these positions have increased continuously in the past years (see above). The prospects for the future are also very good, as the group of specialists covered by collective agreements (from whom candidates for non-collective positions are appointed in line with the Bank's a policy of giving preference to internal applicants over external ones) was composed of women and men in equal parts already at the end of 2016.

Structural inequalities in the pay for women and men are prevented by NRW.BANK's job evaluation system: Before a vacant position is advertised, it is evaluated by specialists who are independent from the job appointment in both organisational and content terms. Employees who receive collectively agreed wages are covered by the collective agreements for the private banking sector and public-sector banks. For each role not covered by collective agreements, market indicators are prepared on the basis of external remuneration comparisons, which define the framework for the salary trends. This ensures that salaries are set based on the job requirements for each specific role regardless of the person eventually filling the position.

Average Headcount in 2016*

	Women	Men	Total
Full-time employees	381	564	945
Part-time employees	316	65	381
Total	697	629	1,326

*Excl. Managing Board, trainees, apprentices, interns as well as employees on parental or similar leave.

This is an unofficial translation of the Bericht zur Gleichstellung und Entgeltgleichheit (German Report on Equal Opportunities and Equal Pay) and is provided for convenience purposes only. In the event of any ambiguity, the German text will prevail.

