

Sustainability Report 2015

We Promote Sustainability



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This is an unofficial translation of the Nachhaltigkeitsbericht 2015 (German Sustainability Report 2015) and is provided for convenience purposes only. In the event of any ambiguity, the German text will prevail.

The background of the page is a close-up photograph of tree bark, showing its rough, cracked texture in shades of brown and grey. A semi-transparent blue rectangular box is positioned in the middle-left area, containing white text. In the bottom-left corner, there is a stylized, light-colored leaf graphic with a dark stem.

SUSTAINABLE DEVELOPMENT AND PROMOTION

As the development bank for North Rhine-Westphalia, NRW.BANK has the mission to operate in accordance with the principle of sustainability. Laid down in its statutes, this requirement guides its day-to-day activity.

Profile of NRW.BANK and Key Performance Indicators

NRW.BANK is the state development bank North Rhine-Westphalia. It supports its owner – the State of North Rhine-Westphalia – in fulfilling its tasks, especially in the fields of structural, economic, social and housing policy. For this purpose, it integrates the promotion programmes of the federal state, the federal government and the European Union and combines them with its own products. Competition-wise, NRW.BANK operates in a neutral manner as a partner to all banks and savings banks in North Rhine-Westphalia according to the house bank principle. The bank is a strong and reliable partner to small and medium-sized enterprises and supports them with the full range of lending tools – from low-interest development loans and loans offsetting a lack of collateral or strengthening the borrower's equity capital to structured financing to equity capital and advisory services. The Bank's Social Housing Pro-

motion Department 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 suitable promotion programmes. Municipal financing is also part of NRW.BANK's legal mission, which makes it the ideal partner to municipalities, which it supports with the corresponding advisory services and promotion products.

This year's Sustainability Report is the first dedicated report of its kind. This format will allow NRW.BANK to expand its ongoing dialogue with stakeholders, while at the same time meeting the requirements of EU Directive 2014/95/EU and providing even more transparency of the progress achieved.

Key performance indicators

€ **141.2** billion

in total assets reported by NRW.BANK as of 31 December 2015.

€ **9.7** billion

in net new commitments in FY 2015 – the highest promotion volume in the history of NRW.BANK.

100 %

of the CO₂ emissions resulting from NRW.BANK's business activity are offset by climate certificates. In addition, 100% of its electricity comes from renewable energy sources.

€ **500** million

was the amount of the third NRW.BANK.Green Bond issued in October 2015, bringing NRW.BANK's total Green Bond issuance to € 1.25 bn.

11 years

have passed since NRW.BANK started reporting on sustainability. Inspiring the development bank to continuously develop its sustainability philosophy further.

Sustainability balance

Economic performance indicators

	2015	2014	2013	Unit
Financial performance indicators				
Total assets	141,175	143,843	145,350	€ m
Equity capital pursuant to the German Commercial Code	17,982	17,933	17,883	€ m
Net interest and net commission income	546	568	562	€ m
Administrative expenses	210	215	198	€ m
Operating income	364	381	401	€ m
Cost income ratio	36.6	36.1	33.0	%
Non performing loans ratio	0.5	0.7	0.5	%
Common Equity Tier 1 capital ratio	42.58	40.09	37.37	%
Leverage ratio	11.80	–	–	%
Liquidity coverage ratio	> 100	–	–	%
NRW.BANK Green Bonds				
Volume	500	500	250	€ m
Maturity	10	4	4	years
Focus	Energy	Energy	Water	
Second opinion	oekom	oekom	–	
oekom rating ¹⁾	Approved (B+)	Approved (B+)	Approved (B-)	
CO ₂ -savings ²⁾	540	400	–	t/€ m
Fields of promotion (new business)				
Housing & Living	5,148	4,278	4,840	€ m
Seed & Growth	3,344	3,178	2,925	€ m
Development & Protection	1,185	1,441	1,467	€ m

Social performance indicators

	2015	2014	2013	Unit
Employee structure				
Number of permanent employees	1,271	1,233	1,201	employees
Women in % of total workforce	52.8	52.1	51.4	%
Share of women in management positions	30.3	27.2	26.7	%
Part-time employees in % of total workforce	24.9	23.8	22.1	%
Turnover ratio	3.1	2.6	2.5	%
Average service life	16.6	16.6	16.4	years
Average age	44.5	44.4	44.1	years
Additionally: temporary employees	53	66	72	employees
Additionally: Apprentices/trainees	38	50	55	employees
Vocational and further training				
Participation in internal seminars	866	650	1,215	employees
Participation in external seminars	361	372	345	employees
In-house trainers	191	190	189	employees
Work-life balance				
Part-time employees	316	294	265	employees
Executives working part-time	24	22	7	employees
Employees on passive parental leave ³⁾	40	50	40	employees
Corporate citizenship				
Total	0.7	0.7	0.7	€ m
Science & Education	49	47	46	%
Society & Social Affairs	14	14	19	%
Arts & Culture	37	39	35	%

Sustainability balance

Environmental performance indicators	2015	2014	2013	Unit
Greenhouse gas emissions⁴⁾				
Total emissions	2,220	2,106	2,336	t CO ₂
thereof direct emissions (Scope 1 ⁵⁾)	626	707	729	t CO ₂
thereof indirect emissions (Scope 2 ⁵⁾)	940	579	779	t CO ₂
thereof indirect emissions (Scope 3 ⁵⁾)	653	821	829	t CO ₂
Emissions per employee	1.5	1.6	1.7	t CO ₂
thereof offset ⁶⁾	100	100	100	%
Building energy				
Total electricity consumption	5,381,110	5,802,897	5,739,099	kWh
thereof from green electricity	100	100	95.3	%
thereof from market mix	0	0	4.7	%
Electricity consumption per employee	3,747	4,287	4,262	kWh
Total heating energy	4,846,170	4,433,420	4,733,010	kWh
Heating energy per employee	3,374	3,276	3,515	kWh
Business travel				
Total kilometres travelled	4,584,672	4,324,270	4,577,575	km
Kilometres travelled per employee	3,192	3,195	3,399	km
Paper				
Total paper consumption	44,077	46,620	47,840	kg
thereof recycled paper	71.1	53.0	4.6	%
thereof ECF, TCF, FSC	28.9	47.0	95.4	%
Paper consumption per employee	30.7	34.4	35.5	kg
Waste				
Total waste	249.9	210.4	247.9	t
Recycling ratio	55.3	48.3	56.2	%
Waste per employee	174	156	184	kg
Full-time equivalents				
For the calculation per employee	1,436	1,353	1,347	employees

Ratings	2015	2014	2013
Creditworthiness ratings (long-term)			
Dagong Europe	AA+s	AA+s	–
Fitch	AAAs	AAAs	AAAs
Moody's	Aa1s	Aa1s	Aa1n
Standard & Poor's	AA-s	AA-s	AA-s

Sustainability

Rated by	oekom research	imug	Sustainalytics	Vigeo

¹⁾ oekom research rates sustainability bonds on a 12-points scale from "excellent" (A+) to "largely non-transparent" (D-). "Approved" status (B- or better) is assigned to green bonds that qualify for green portfolios.

²⁾ The savings of the Green Bonds 2014 and 2015 cannot be compared due to different calculation methods.

³⁾ As of 31 December. 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 2015VfU Update. To facilitate comparability with the previous years, the figures for 2013 and 2014 were also determined using these conversion factors, which has resulted in deviations from the reports for 2013 and 2014.

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 wind park projects in developing countries. Abbreviations:

CO₂: carbon dioxide; ECF: elemental chlorine-free; FSC: Forest Stewardship Council; kg: kilogramme; km: kilometre; kWh: kilowatt hour; m: million; t: tonnes; TCF: totally chlorine-free



COMMITTED TO SUSTAINABILITY

NRW.BANK's sustainability strategy is based on the commitment to operate transparently, responsibly and conscientiously in the interest of its customers, stakeholders, society and its employees. Continuously reviewing and refining this strategy is a challenge embraced by the Bank as a whole.

Foreword by the Managing Board



Klaus Neuhaus, Chairman of the Managing Board (centre), and his fellow Board members Dietrich Suhlrie (left) and Michael Stölting

Dear Reader,

“We promote sustainability” – this is not only the title of the present report. As the development bank for North Rhine-Westphalia, our bank has the statutory mission to operate sustainably. Sustainability is therefore the guideline and key criterion of our corporate principles, our corporate responsibility and our mission also across corporate borders.

In 2009, we signed the ten internationally accepted principles of the UN Global Compact, which are incorporated into our day-to-day work. Each of our Financial Reports published since then also included a report on the progress achieved with regard to human rights, labour standards, environmental protection and corruption prevention. This year we have expanded our reporting and published the first dedicated Sustainability Report of NRW.BANK for even greater transparency.

When hearing of “sustainability” many people first think of climate and environmental protection. At NRW.BANK we also operate in a resource-efficient and climate-neutral manner in order to reduce CO₂ emissions to a minimum. This is why we use renewable resources wherever possible. Where this is not possible, we use certificates to offset our CO₂ emissions. The most recent example is the CO₂-neutral dispatch of letters and parcels since 2015. At the bottom line, our banking operations have been CO₂-neutral for several years. But sustainability is much more than the sparing and responsible treatment of resources and our environment. It also includes, for instance, counteracting the effects of the demographic change or strengthening the North Rhine-Westphalian economy. Our promotion and development products support these tasks.

The promotion and development business of NRW.BANK as a whole therefore has a sustainable orientation. 2015 was the most successful year in our history, with the promotion volume (€ 9.7 billion), reaching the highest level since the inception of NRW.BANK. The strongest stimulation was provided by the promotion of SMEs and start-ups and the financing of infrastructure projects. Demand for funds from the housing promotion programme also picked up notably, as private investors and housing companies stepped up their investments in the construction and modernisation of social housing. This is a result to be proud of – especially in the current low interest rate environment. After all, interest rates on loans declined continuously in the course of 2015 and reached a historical low at the beginning of 2016. This clearly shows that development banking means more than simply subsidising interest rates.

On the refinancing side, our investors have also benefited from the sustainable orientation of our promotion business since 2013, when we started issuing green bonds, which allow investors to invest their capital in an environmentally sensible manner on an annual basis. So far we have issued a total of three green bonds in the total amount of € 1.25 billion. These funds are used exclusively to refinance previously identified environmental promotion projects in North Rhine-Westphalia. The environmental added value of our green bonds and their compliance with international standards has been confirmed in a “second opinion” from renowned sustainability rating agency oekom research. The very good results of the oekom sustainability bond ratings also reflect the environmental benefit of the bonds. The Wuppertal Institut was given the task of quantifying the environmental benefits. The institute found that 540 tonnes of CO₂ emissions per one million euros are saved per year. In addition, there is also the environmental and social added value for example from the renaturation of the Emscher system.

NRW.BANK attaches great importance to treating its employees in a forward-looking and respectful manner, which is also an important aspect of its sustainable operation. Supporting a good work-life balance and promoting equal opportunities have been integral elements of our corporate culture for many years. Which is why berufundfamilie gGmbH therefore certified us as a family-friendly enterprise in 2015.

Our activities are geared to improving the living conditions as environmental and climate protection in North Rhine-Westphalia, and to stabilising the development of society. This is something our customers, our employees and our business partners can rely on.

The present Sustainability Report is an invitation to gain a deeper insight into the progress we have achieved in terms of sustainability and to provide an overview of the diverse measures and promotion programmes for sustainable economic activity in North Rhine-Westphalia.

We hope you find this report informative and we look forward to establishing a dialogue with you!

The Managing Board of NRW.BANK



Klaus Neuhaus
Chairman of the Managing
Board



Michael Stölting
Member of the Managing
Board



Dietrich Suhlrie
Member of the Managing
Board



SUSTAINABLE ACTION

All our employees are committed and encouraged to act in a sustainable manner at all times and across all divisions. This is how we fill the concept of “corporate responsibility” with life.

Living up to Our Corporate Responsibility

- NRW.BANK considers sustainability to be a central guiding principle and a key criterion in taking decisions on business policy. This credo 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 its offering of consulting services.
- One of the essential cornerstones of the sustainability strategy pursued by NRW.BANK is transparent and responsible treatment of its owner, customers, employees and its stakeholders 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.
- Rules on compliance and money laundering prevention are integral elements of NRW.BANK's business processes. They are designed to help the Bank prevent corruption, bribery and money laundering. In addition, NRW.BANK has installed binding regulations for the confidential treatment of information, for example company and business secrets, by its employees.
- To safeguard its competition-neutral status, NRW.BANK complies with the principle of non-discrimination.
- When commissioning third parties, NRW.BANK will pay attention not only to cost-efficiency but also to environmental protection, energy efficiency, female promotion and social aspects in accordance with applicable legal regulations.
- To confirm its sustainability targets, NRW.BANK will verify their attainment at regular intervals and join national and international initiatives or sign the voluntary commitments developed by such initiatives.
- For instance, NRW.BANK has signed the ten principles of the UN Global Compact, the Finance Initiative of the United Nations Environment Programme as well as the German Diversity Charter.

- NRW.BANK reviews its day-to-day work processes in light of sustainability-related aspects. The Bank will continue to improve the sustainability of its business activities and make the progress achieved measurable wherever possible. Focal points of these efforts include the integration of sustainability-related issues into departmental tasks, products, guidelines and processes as well as the integration of sustainability aspects into the credit and investment processes.
- NRW.BANK publishes regular reports on the further development of its internal guidelines as well as its activities in the individual areas and the progress achieved.

The NRW.BANK's statutes (section 5, para. 1) and the Act on NRW.BANK (section 3, para. 1) oblige the Bank to follow the principle of sustainability in the performance of its tasks which underlines the importance of this topic for the development bank. Sustainability is also a general principle of overriding importance in the Bank's strategy.

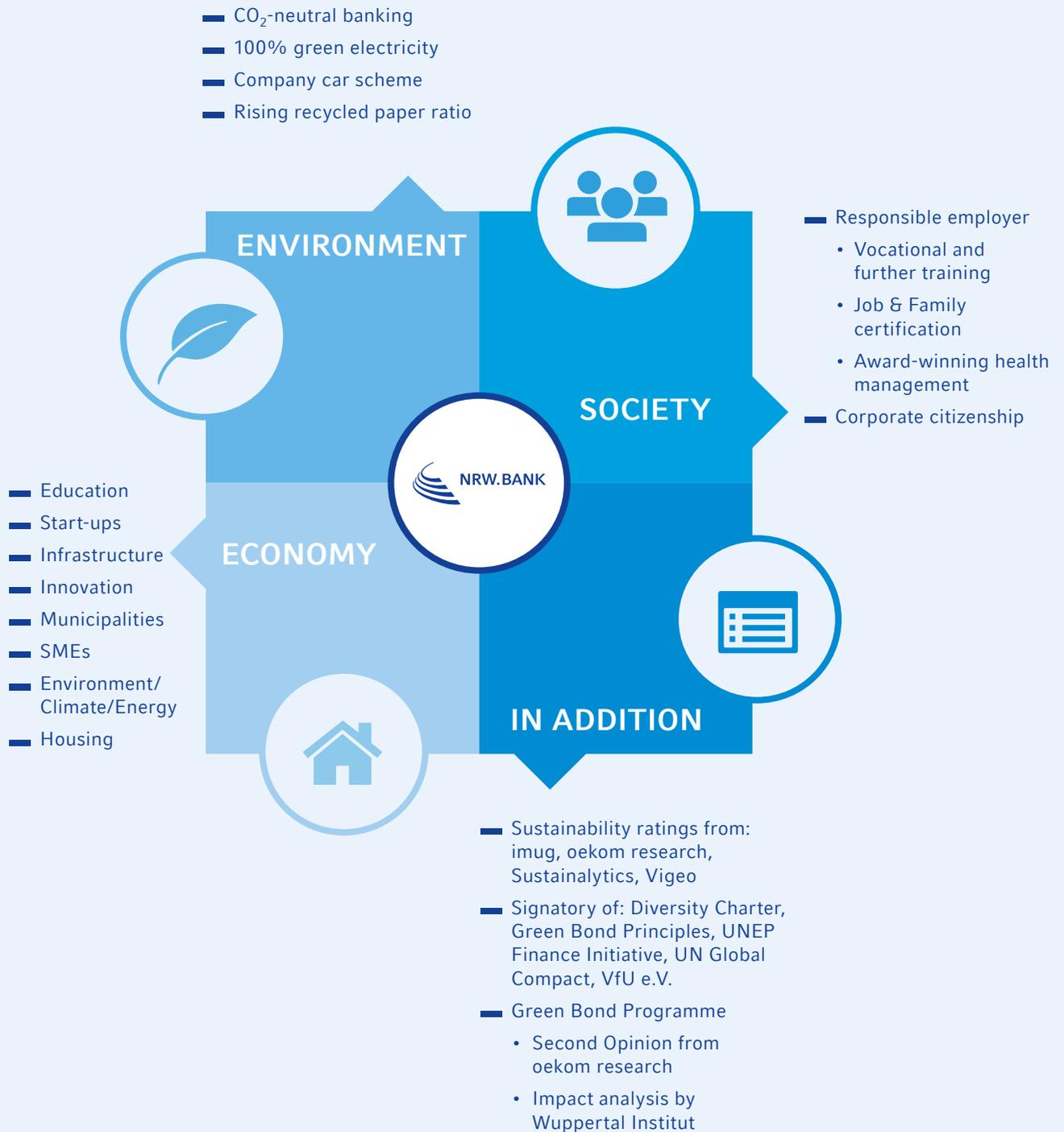
Statutory Framework and Internal Regulations

As a matter of course the Bank complies with the statutory provisions applicable in Germany. NRW.BANK has additionally formulated internal guidelines addressing various aspects of sustainability to put corporate responsibility into practice in the context of its own business activity.

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 the Bank as laid down in NRW.BANK's Principles of Corporate Responsibility.

Living up to Our Corporate Responsibility



Equal Opportunities and Principle of Non-discrimination

NRW.BANK is committed to promoting mutual respect and avoiding discrimination in order to offer its employees a fair and good working environment. This is why equal opportunities and the principle of non-discrimination are laid down in the Principles of Corporate Responsibility and in special internal guidelines.

Compliance and Money Laundering Prevention

The business model of NRW.BANK relies on the confidence placed in the Bank's expertise, performance and integrity by its customers, business partners, employees, owner and the public.

Compliance with regulatory and statutory provisions as well as with internal requirements forms an important basis for this.

COMMITTED TO SUSTAINABILITY

SECTION 3 ACT ON NRW.BANK

NRW.BANK has been commissioned by the government mission to support the federal state and its municipal corporations in meeting their public tasks, particularly in the fields of structural, economic, social and housing policy and carry out and administer development measures in line with the benefit regulations of the European Union. In this regard, it is governed by the principle of sustainability.

Within the Bank, 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 Compliance Officers (MaRisk, WpHG) as well as a Money Laundering and OP Risk Officer as well as deputies for exercising the various Compliance functions. These Officers report directly to the management and are not bound by instructions in the performance of their tasks.

Its tasks primarily include: development, communication and review of the Bank-wide Compliance/Money Laundering Prevention framework, managing the compliance risk whilst taking other risk types into account, especially reputational and operational risks, preparation and further development of Bank-specific risk analyses to assess the appropriateness and effectiveness of the principles, resources and processes, advising and supporting the management in compliance-related matters including regular reporting.

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

A set of detailed, written internal Compliance Regulations as well as mandatory regular training courses raise employees' awareness for Compliance-related issues and are an important element of the development bank's preventive approach.

Data Protection

In accordance with its responsible and confidential handling of data NRW.BANK has regulated all activities in the area of data protection and banking secrecy regulations in a set of written policies and instructions to ensure that information is handled responsibly and confidentially. Compliance with these policies and instructions is mandatory for all employees.

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

Sustainable Procurement

Material sustainability aspects are mandatory also in the context of NRW.BANK's procurement processes for construction, delivery and other services. Based on the Act against Restraints of Competition (GWB) and the

prevailing North Rhine-Westphalian wage law for public procurement (TVgG-NRW) as well as the Minimum Wage Act (MiLoG), aspects of minimum and collective wages, environmental protection, energy efficiency, female promotion, the balance of work and family life or the prohibition of child labour are mandatorily binding within NRW.BANK.

Accordingly, the Bank places orders which exceed the EU limits in accordance with the Construction Contract Procedures (Part A) as well as the Regulations on Contract Awards for Public Supplies and Services (Part A) and the Regulations on Contract Awards for Independent Professional Services. Before placing orders worth € 25,000 or more, the Bank additionally performs an audit in accordance with section 8 of the North Rhine-Westphalian Anti-Corruption Act (KorruptionsbG). This way, the Bank can rule out bribery, fraud, influence peddling, restrictive agreements and other forms of corruption.

The integration of environmental aspects into the procurement of office materials is an important element of NRW.BANK's procurement policy. The focus is placed not only on the use of sustainable office materials but also on sustainable ordering and logistic processes.

NRW.BANK supports the employment of people with disabilities at its locations in Düsseldorf and Münster. In the past fiscal year, the Bank again commissioned workshops for disabled to provide such services as washing and cleaning. This is yet another way in which the Bank ensures its corporate responsibility towards society.

Public Corporate Governance Code

Being a development 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 Governors identify in full. Building on this basis, the Bank publishes an annual Public Corporate Governance Report to inform about material corporate governance developments.

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. The staff council is responsible for monitoring compliance with applicable laws, regulations, collective bargaining agreements and labour agreements and informing the employees of both head offices at the annual staff assembly.

As a public-law institution NRW.BANK is subject to the collective bargaining agreement for the private sector and public banking industry. It implements the collectively agreed results for its employees under collective agreements. For the majority of employees not covered by collective agreements they are voluntarily implemented as well.

Initiatives and Memberships

In accordance with its Principles of Corporate Responsibility, NRW.BANK also contributes to tasks identified outside its own business activity. The Bank is a signatory of the following sustainability-relevant initiatives:

- German Diversity Charter
- Green Bond Principles
- UNEP Finance Initiative
- UN Global Compact
- VfU e. V.

As an ordinary member of the Association of German Public Sector Banks and the European Association of Public Banks, NRW.BANK actively participates in working groups and panel discussions on sustainability and green bonds.



In 2015, NRW.BANK became a member of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. (VfU – Association for environmental management and sustainability in financial institutions). VfU is a network of the leading financial service providers in Germany, Austria, Switzerland and Liechtenstein.

NRW.BANK uses the VfU’s system of key performance indicators to prepare its eco-balance. This allows financial institutions to determine comparable environmental performance indicators based on international reporting requirements. Moreover, NRW.BANK benefits from various forums which provide a non-competitive room for the confidential exchange on sustainability-related topics affecting the financial sector.

Since 1995, the Association and its members have developed and implemented innovative and sustainable solutions for financial service providers with the aim of increasing the contribution to sustainable development made by the financial sector.

For more information, visit www.vfu.de

Sustainable Products

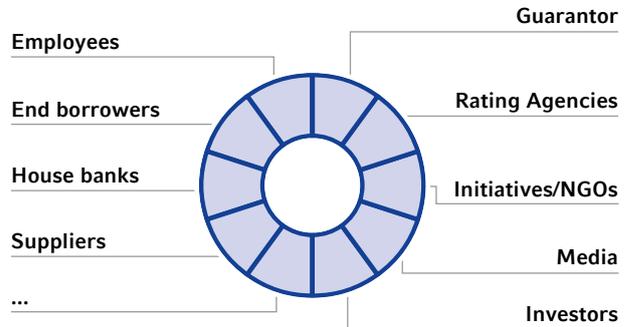
In accordance with its principles, NRW.BANK continuously optimises its business activities with regard to sustainability, with the main emphasis placed on its core business segments. The development bank strives to integrate sustainability topics in its promotional products. The chapter entitled [Designing Sustainable Promotion for Clients](#) in the present Report provides an insight into the corresponding implementation.

In the context of the established internal process for the launch of new products, NRW.BANK additionally reviews each of its promotion products for compliance with its sustainability values. Special attention is paid to sustainability risks and to compliance with the Principles of Corporate Responsibility.

Stakeholder Dialogue

NRW.BANK has defined its key stakeholders with regard to corporate responsibility and maintains a transparent and regular exchange with them.

Stakeholders



By developing new and expanding existing promotion products, the Bank supports the North Rhine-Westphalian government’s social and infrastructural measures as well as its energy and climate protection targets. The cooperation is based on trusting communication and coordination with the state of North Rhine-Westphalia.

The annual financial report and the Sustainability Report are the most important communication tools used by NRW.BANK to supply its stakeholders with transparent information about its corporate responsibility. The sustainability portal on the Bank’s website provides additional information. NRW.BANK continuously expands the information offered and added a new page about its Green Bond programme back in 2013.

Responsible Marketing

In keeping with its sustainable procurement policy and conforming with the provisions of the TVgG-NRW the Bank considers important aspects of corporate responsibility. This also applies when purchasing supplies and awarding contracts for marketing services.

The Bank’s advertising materials are also geared to sustainability. Since many years the bank uses environmentally-friendly products made from recycled or renewable, biodegradable materials.

Responsible marketing for NRW.BANK also means confidential treatment of customer information.

The Bank’s Data Protection Officer is involved in all dialogue-based marketing measures based on customer data.

Sustainability Ratings

Since a number of years NRW.BANK's sustainability performance has been rated by specialist agencies. The ratings focus on „Environmental“, „Social“, and „Governance“ themes. The Bank again obtained good sustainability ratings in the past fiscal year.

Rating agency oekom research AG, 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.

The best rating awarded by oekom within the group of "financial institutions" analysed is "B", which is only three notches higher than NRW.BANK's rating.

Sustainability

Rated by	oekom research	imug	Sustainalytics	Vigeo
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SUSTAINABLE SUPPORT

NRW.BANK's products and services are designed to secure the standards 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 promotion and development activities make a contribution to the development of enterprises and municipalities in North Rhine-Westphalia.

Designing Sustainable Promotion for Clients

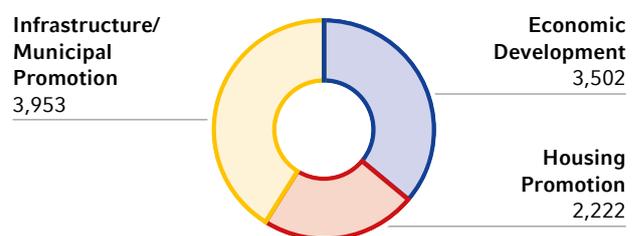
- NRW.BANK provides its financing and advisory services creatively, competently and responsibly for the benefit of businesses, municipalities and the people.
- In accordance with its sustainability strategy, NRW.BANK specifically promotes and funds projects and programmes designed to improve living conditions, social development as well as environmental and climate protection in North Rhine-Westphalia. In its capacity as the development bank for North Rhine-Westphalia, NRW.BANK specifically supports investments which take the North Rhine-Westphalian economy and infrastructure forward. The Bank uses part of its own income for its promotion activities.
- NRW.BANK's promotion activities are geared to funding projects of proven economic viability while taking its customers' interests into account and paying particular attention to environmental protection needs. Projects with unacceptable environmental impacts or unacceptable negative impacts on social development are excluded from NRW.BANK's support to the extent that such exclusion is permissible within the legal framework under which NRW.BANK operates.

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 offerings for economic, housing as well as infrastructure/municipal promotion.

For this purpose, the Bank uses the full range of lending tools and also steps in when banking and lending know-how is required for the promotion process. Besides the provision of funds, forward-looking and requirement-oriented promotion increasingly requires individualised advice. NRW.BANK has therefore built its advisory services and solutions into a second, equally important pillar of its business.

In 2015, NRW.BANK committed promotion funds totalling € 9.7 billion (previous year: € 8.9 billion) in an environment characterised by continued low interest rates. This represents yet another increase on the high of € 9.2 billion recorded in 2013. For detailed information on the promotion business, please refer to the chapter [The promotion and development business of NRW.BANK](#) in the 2015 financial report.

Net volume of new commitments in € millions



Partnership and Cooperation

NRW.BANK cooperates with other financial and development institutions in a spirit of partnership.

NRW.BANK conducts its commercial promotion business in cooperation with the banks and savings banks in North Rhine-Westphalia 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 promotion loans via banks and savings banks, which act as intermediaries. The latter check the loan and promotion applications and pass those that have been approved on to NRW.BANK. This means that the complete network of bank branches throughout the state is available to potential company founders as well as small and medium-sized entrepreneurs. Commercial promotion loans are extended directly only in case of a market failure or significant market inefficiencies – usually after prior consultation with the bank associations. As defined in the NRW.BANK law municipal loans and commercial loans to central, regional and local governments as well as to public-sector special-purpose associations and social housing promotion programmes are typically extended directly by NRW.BANK.

Designing Sustainable Promotion for Clients



Klaus Neuhaus

"Sustainable social development means responding flexible to current events."



NRW.BANK.
Flüchtlingsunterkünfte:

€ 160.1 m

(approx. 18,000 places)



Housing for refugees

€ 79.9 m

(1,027 dwellings)



Michael Stölting

"We promote sustainability – this means that we want to help shape the future of North Rhine-Westphalia. For example, there where the foundation, growth and succession of SMEs are concerned."



NRW.BANK.Universalkredit und
NRW.BANK.Mittelstandskredit:

€ 2.1 bn

(5,700 enterprises)



Dietrich Suhlrie

"Infrastructure is the lifelines of society. Making them sustainable and future-proof is one of the most important challenges of our time."



Infrastructure
development:

€ 2.1 bn



NRW.BANK
Energieinfrastruktur:

€ 213.8 m



Wind power
generators:

>50

Financing of SMEs

Sustainable growth supports prosperity, jobs and social security. Small and medium-sized enterprises are considered a key driver of the dynamic economic development. Against this background, promoting the economic development of small and medium-sized enterprises and the start-up of businesses in North Rhine-Westphalia is a key task of NRW.BANK.

To meet the specific development and promotion requirements of start-ups and SMEs, NRW.BANK offers a wide range of products and services. The individual offerings are assigned to the promotion themes "SME", "Start-up" and "Exports". The different promotion products cover the entire lifecycle of a company – from seed finance to the supply of capital for growth projects and support in difficult situations. Key instruments for the promotion of SMEs include low-interest promotion loans, risk assumptions and equity-strengthening solutions:

NRW.BANK.Mittelstandskredit and *NRW.BANK.Universalkredit* are NRW.BANK's anchor products for the promotion of SMEs. In 2015 interest subsidised loans for investments and working capital totalling € 2.1 billion were extended under these programmes.



€ 9.7 bn

in net new commitments represent the highest promotion volume in the history of NRW.BANK (2014: € 8.9 bn).

Some 5,700 companies received loans from either of the two programmes.

Under the house bank principle, the banks and savings banks acting as a conduit are liable to NRW.BANK for potential credit defaults and bear the full default risk for promotion loans they channel through. To ensure that the house banks are willing to act as conduits also in the case of insufficient collateral, NRW.BANK optionally offers liability releases for house banks, resulting in the house banks and NRW.BANK sharing the risk. Outside the promotion loan business, the *NRW.BANK.Konsortialkredit – Gewerbliche Wirtschaft* offers house banks the possibility to share the risk of larger credit exposures with NRW.BANK.

The *NRW.BANK.Mittelstandsfonds* responds to the problems frequently encountered when it comes to raising equity capital and offers direct as well as silent participations to help small and medium-sized enterprises realise their growth projects. The implementation of recapitalisation and restructuring exercises for companies in financial trouble also regularly requires the provision of investment capital. For this purpose, the Bank launched the *NRW.BANK.Spezialfonds* in an amount of € 40 million.

Characterised by especially favourable interest rates, the *NRW.BANK.Gründungskredit* is specifically targeted at business start-ups and young companies. In 2015, this NRW.BANK programme supported almost 2,000 start-up and growth projects and extended loans totalling approx. € 465 million. Micro start-ups with credit requirements of up to € 25,000 are supported via the *NRW/EU.Mikrodarlehen*. As no collateral is required for the micro loans, they also allow socially disadvantaged or unemployed people to set up self-employed businesses, thereby facilitating their return to working life. Applications for promotion funds under these loans are channelled through the *STARTERCENTERS* in North Rhine-Westphalia.

Besides monetary support, NRW.BANK also offers these clients advice on how to optimise their financing structures using public promotion funds.

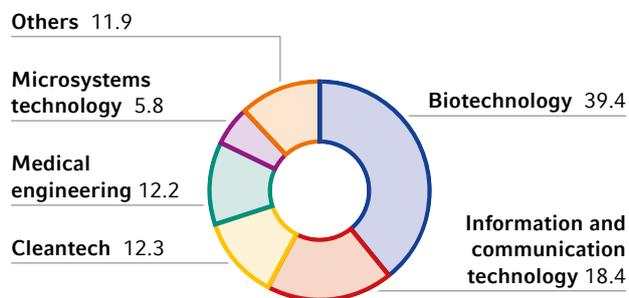
Strengthening innovation in business and industry

NRW.BANK's innovation promotion activities focus on business start-ups and young companies in high-technology sectors, as these are of special relevance for innovation and future competitiveness. Naturally, the promotion offerings for these economically very important but very small target groups cannot achieve the same high case numbers or volumes as the promotion loan business. It is much more important that

NRW.BANK's financing and advisory solutions provide effective stimulation to reduce the very high market inefficiencies, which sometimes even result in complete market failure, in the seed financing of innovative companies.

NRW.BANK's seed and venture funds in the total amount of € 180 million support the early phase financing of young enterprises. 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.

Industry structure in %
 NRW.BANK.Venture Fonds und
 NRW.BANK.Seed Fonds



So far, private capital in the amount of € 200 million has been raised via co-investments for North Rhine-Westphalia in the venture capital segment alone and more than 700 jobs have been created or secured in the high-tech environment. The seed funds operate on a fund-of-funds basis and currently invest in ten regional seed funds, which, in turn, have made investments in 79 high-tech start-ups.

Advisory services and support for start-ups and newly established innovative companies complement the range of financing solutions offered by NRW.BANK; the *NRW.BANK.Venture Center*, for instance, serves as a one-stop agency for founder teams from universities and research institutions in North Rhine-Westphalia.

In 2015, more than 14 events and workshops were organised – partly in cooperation with innovation transfer officers at universities – in order to raise awareness for start-ups among research teams. 25 founder teams were provided with advice and support for their spin-off projects. Promising results of these long-term support

services include, for example from the contacts made by a founder team from the virtual reality sector with a strategic partner for prototype development as well as support and assistance in winning pilot customers for a spin-off project in the biochemical energy generation sector.

In the context of the win *NRW.BANK Business Angels Initiative*, NRW.BANK organises regular investor meetings to bring together capital seekers, innovative enterprises and business angels. Some 60 capital-seeking founder teams or newly established innovative companies received active support in their search for business angels.

Move towards green energy and environmental protection in the corporate sector

Supporting the move towards green energy and promoting environmental protection is a cross-section theme for development banks which is relevant for both economic development and housing/infrastructure promotion. The respective offerings are assigned to the promotion theme "Environment/Climate/Energy".

With net new commitments totalling a good € 44 million, the *NRW.BANK.Effizienzcredit* is the highest-volume offering in the economic development segment. It offers strongly subsidised interest rates for especially deserving environmental investments. To qualify for promotion, projects must demonstrably achieve energy or resource efficiency increases of 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).

Companies which invest in cogeneration technology by converting or expanding existing plants or constructing new cogeneration plants receive funding under the *NRW/EU.KWK Investitionskredit*. NRW.BANK's range of infrastructure promotion solutions also include promotion offerings for the use of combined heat and power plants.

New housing construction, modernisation and energy efficiency

NRW.BANK's social housing promotion programmes play a special role within the offerings for new housing construction and housing modernisation grouped in its "Housing" promotion theme. The respective promotion 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 promotion policy concepts into concrete promotion measures.

NRW.BANK's social housing promotion programmes are designed, among other things, to support the creation of affordable, high-quality housing for low-income earners. This ensures that families with children or handicapped people continue to find affordable housing also in conurbations characterised by rising rents. In 2015, NRW.BANK extended loans totalling € 47 million for the acquisition and construction of owner-occupied housing as well as over € 460 million for the construction of new rent-controlled and occupancy-controlled rental housing. The promotion loans are granted directly to borrowers who file an application with the approval authorities of the cities and municipalities.

Demographic change leads to increased demand for high-quality housing concept for elderly people. Under the state government's WoFP plan, NRW.BANK makes available low-interest loans both for the nursinghomes and the creation of nursing home places and for the reduction of barriers in the existing housing stock. In addition, NRW.BANK offers low-interest capital expenditure 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.

As a result of the challenging refugee situation, demand for low-interest loans for investments in refugee accommodation has increased strongly. Against this background, NRW.BANK offers the North Rhine-Westphalian municipalities especially low-interest and long-term financing solutions. Funds are available for the acquisition, construction or modernisation of refugee accommodation. In 2015, the Bank committed promotion loans totalling approx. € 160 million, with the help of which some 17,000 new places for refugees were built and some 1,000 existing ones were modernised.

In the context of the rented housing promotion activities of the Social Housing Promotion unit, a new promotion programme for the creation of refugee housing was introduced to investors in the housing sector. Since the launch of the programme in spring 2015, loans totalling roughly € 80 million have been extended and more than 1,000 new dwellings been financed.

Infrastructure and municipal promotion

A well-developed and future-oriented infrastructure meeting actual needs is an important element for the attraction of businesses, the creation of jobs and the sustainable development of the economy in North Rhine-Westphalia. To support the expansion of the infrastructure in North Rhine-Westphalia, NRW.BANK offers both customised, individual financing solutions and standardised promotion programmes. One in five euros was invested in infrastructure measures.

Individual financing solutions are provided for both corporate financings and project financings. Local, regional and central governments and municipal cooperatives (water/sewage cooperatives) are financed directly; otherwise, NRW.BANK participates in syndicate financings with house banks. In 2015, NRW.BANK extended loans totalling € 156 million and € 73 million, respectively, via its "Environment/Climate/Energy" and "Social Infrastructure and Education" competence centres. The combined heat and power plants of Stadtwerke Düsseldorf (Block Fortuna) and RheinEnergie AG (Cologne-Niehl) are just two examples of projects supported by NRW.BANK.

The municipal sector continues to be of particular relevance for the financing of infrastructure projects. Apart from the above-mentioned individual financing solutions, NRW.BANK offers municipalities, their enterprises and municipal cooperatives interest-subsidised loans for the financing of infrastructure projects also on a direct basis. In addition, the *NRW.BANK. Moderne Schule* programme, which is also distributed directly, offers municipal school operators and municipal school associations long-term finance for the construction and modernisation of school buildings at extremely attractive terms. In 77 projects, a total amount of approx. € 106 million was spent on building measures, e.g. to support the state of North Rhine-Westphalia's inclusion strategy.

Besides the activities of the municipal sector, it is becoming increasingly important to raise private capital for the maintenance and the expansion of the infrastructure in North Rhine-Westphalia. In response to this need, the *NRW.BANK. Infrastruktur* programme has been developed, which offers private investors inter-

est-subsidised financing options for projects in fields such as environmental protection, urban development, social affairs, education and qualification.

Investments in plants for the generation, storage and distribution of energy can be promoted under the *NRW.BANK.Energieinfrastruktur* programme. In 2015, interest-subsidised promotion loans with a total volume of € 213.8 million were granted under this programme. These were mainly used to finance wind turbine generators, partly in citizen wind farms. In total, more than 50 new wind turbine generators were financed in North Rhine-Westphalia. The loans were refinanced

almost exclusively via the Green Bond 2015. With 270,000 tonnes per year, the [CO₂ savings](#) of the Green Bond made a key contribution to climate protection.

NRW.BANK actively supported the renaturation of the River Emscher through its promotion activities. The construction of the new sewage canal under the river is, for example, financed via the *Sonderförderung Emscher* programme. The construction of the canal is a precondition for the renaturation of the Emscher. In 2015 alone, long-term loans totalling € 95.4 million were made available under this programme.



The biggest single water management project in the EU for the implementation of the European Water Framework Directive is the renaturation of the River Emscher. This ambitious programme is to be completed over a period of 30 years.

Since 1990, the river formerly misused as a sewage canal is being reconverted into the „blue Emscher“. The river will be brought back to its natural state and renaturalized in the best manner possible. The conversion of the Emscher does not only comprise the Emscher itself but also the renaturation of its affluents. The Emscher Cooperative wants to achieve several objectives, including the introduction of a flood management system as well as a greater biodiversity.

From a technical point of view, the renaturation of the Emscher is a very ambitious project. It requires the separation of sewage and fresh water. Due to mine subsidence, the course of the river has to be modulated and sewage pumps are required to transport both the sewage water and the fresh water to the estuary area of the Emscher in Dinslaken.

Ongoing and open-minded dialogue with the general public has been an important element of project implementation. By engaging with all stakeholder groups and securing their involvement, it has been possible to avoid conflicts that have occurred on comparable large-scale projects.

In 2015 the funds provided for the Emscher renaturation project were refinanced from the [Green Bond 2015](#).

NRW.BANK furthermore supports the preservation of buildings listed as public historical monuments, the expansion of Internet broadband services in North Rhine-Westphalia, solutions for flood management and control as well as investments in sports facilities in the state.

In addition to these infrastructure development and promotion programmes, NRW.BANK was a reliable partner in 2015. 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 respect to inter-municipal cooperation, the development and implementation of municipal action plans, the management of public buildings and facilities with a view to ensuring their financial sustainability or the planning and realisation of public-private partnership projects.



€ 1.1 bn

were committed by NRW.BANK in 2015 for environment, climate and energy projects.

Trusting customer relationships

Potential recipients of promotion loans increasingly inform themselves independently about available promotion options and hence expect promotion banks to provide targeted and objective information about promotion funds. NRW.BANK has therefore optimised its Internet presence on an ongoing basis over the past years. In addition, the Bank's marketing strategy aims to inform clearly and objectively about its own and accompanying public promotion offerings.

As part of its stakeholder dialogue efforts, NRW.BANK performed its first customer satisfaction analysis in 2015. Companies which had received a promotion loan used consulting services provided by the bank or attended events organised by NRW.BANK were questioned by means of three separate modules. They were asked to indicate their overall satisfaction and willingness to recommend NRW.BANK to third parties as well as their satisfaction with individual aspects of the respective offering. All in all, the results show an above-average overall satisfaction and willingness to recommend the bank to third parties – also compared to peers. In this context, respondents' very high satisfaction with the individual promotion programmes used as well as with the expertise of NRW.BANK's consultants is worth mentioning.



SUSTAINABLE YIELDS

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

NRW.BANK.Green Bond 2015

- Green Bond Principles define the framework
- Use of Proceeds Bonds
- Projects are selected by the Bank's sustainability officer
- In selecting the loans to be counted towards the € 500 million refinancing portfolio, NRW.BANK applies the following criteria:
 - All selected projects have to support North Rhine-Westphalia's climate and sustainability strategy
 - Eligible fields include "Climate Mitigation" and "Climate Adaptation"
 - Focus on climate protection
 - Climate benefits to be maximised by allocating projects to the portfolio based on the highest carbon footprint reduction
 - Borrowers should agree to the transparent disclosure of their project
- All loans, as well as the issue itself, should originate in the same calendar year
- 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 by the sustainability officer
- Loan portfolio remains unchanged during the term of the issue
- One-off reporting is sufficient
- oekom research confirms the sustainability of the projects (second opinion)
- No "green washing"!
- Wuppertal Institut prepares impact analysis
- Sustainability Report provides transparent insight into the projects and their environmental benefit

www.nrwbank.com/greenbond

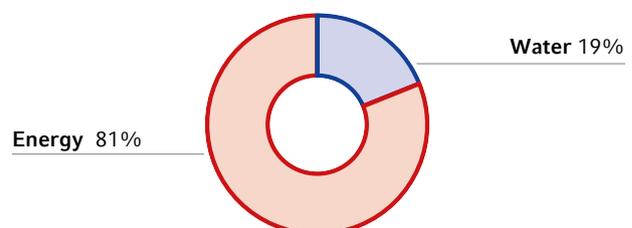
To establish a close link between its environmentally oriented promotion programmes and its own funding in the international capital market NRW.BANK launched a special product, the "Green Bond", in 2013.

While the proceeds from NRW.BANK's regular bonds are also used to support the social and economic aspects of its development business, the funds raised through the Green Bond programme are exclusively used to refinance previously identified ecological projects based in North Rhine-Westphalia.

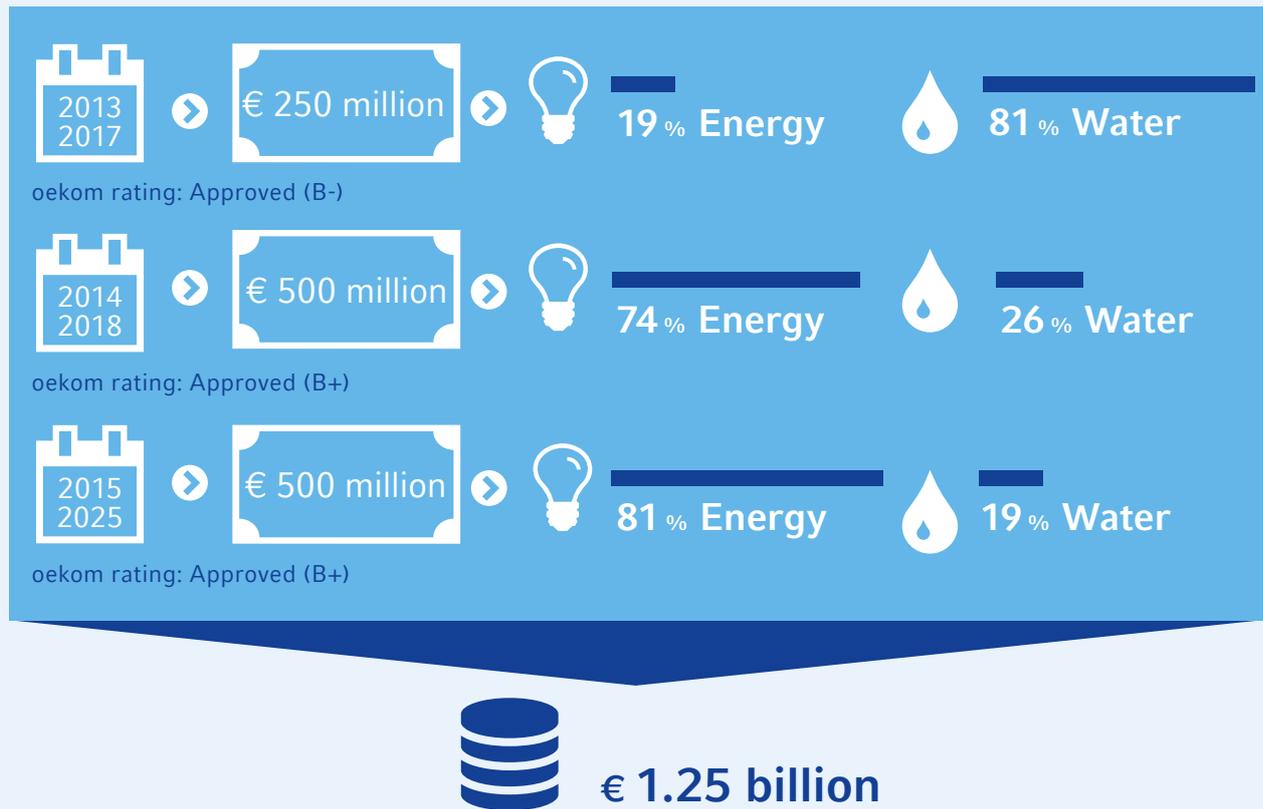
In 2013 NRW.BANK was Europe's first regional agency to successfully launch a green bond. By issuing its Green Bonds also in 2014 and 2015, the Bank demonstrated its commitment to bring a green paper to the market on an annual basis. The € 500 million, 10-year NRW.BANK Green Bond 2015 was successfully issued in November.

To be selected for the Green Bond 2015, projects needed to fulfil a specific profile including a commitment date in the current calendar year and the relevance in terms of the themes defined for the Green Bond: The focus is on contributing to the state of North Rhine-Westphalia's climate protection policy and the United Nations' Sustainable Development Goals as well as supporting adaptation to the unavoidable implications of climate change. This is why all funded measures serve to reduce and avoid adverse environmental impacts on the climate (mitigation) and to deal with the consequences of climate change (adaptation).

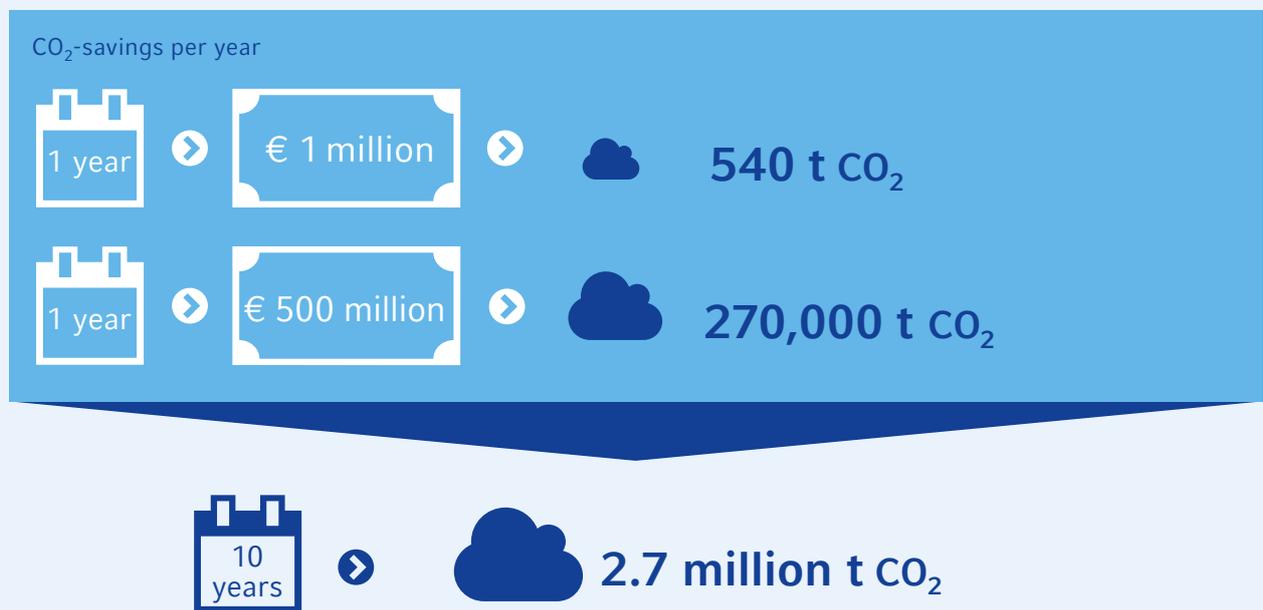
An internal selection process identifies eligible projects from the water and energy areas. Amounting for a total of approximately € 405 million, energy projects accounted for the bulk of the funded volume. NRW.BANK guarantees its investors that the proceeds from the Green Bond will be used to refinance loans extended in 2015 to finance projects in the fields of water management, renewable energies or energy efficiency.



Total volume of NRW.BANK.Green Bonds issuance to date



NRW.BANK.Green Bond 2015



is equivalent to the CO₂ storage capacity of a managed forest the size of the Düsseldorf administrative district west of the River Rhine



approx.
3,000 sq. km

The following projects amounting to a total development volume of € 500 million were unambiguously designated as investment to be refinanced from NRW.BANK's Green Bond 2015.

Field	Topic	Number of Projects Funded	Promotion Volume
Water	River renaturation	1	94,600,000 €
Energy	Construction/renovation of public buildings	1	203,400,000 €
Energy	NRW.BANK.Effizienzcredit	24	9,100,000 €
Energy	NRW.BANK.Energieinfrastruktur	14	148,400,000 €
Energy	Promotion of other energies	2	44,500,000 €



The "Climate Bond Initiative", an NGO with a good standing in the green bond market, named NRW.BANK in the category "First Regional Development Bank" as a pioneer of the green bond market.

www.climatebonds.net

The ecological benefits and the quality of the selected projects have been analysed and assessed by oekom research since 2014. This [second opinion](#) has confirmed the consistently sustainable concept of the NRW.BANK Green Bonds.

The approach taken by NRW.BANK implements the ideas of the Green Bond Principles.

Member of the Green Bond Principles

In 2015 NRW.BANK officially joined the ICMA Green Bond Principles (GBPs). The concept underlying NRW.BANK's Green Bonds meets the standards laid down in the GBPs.

Consequently it was only logical for the Bank to join the GBPs. ICMA accommodated NRW.BANK's membership application within only two days.

Green Bond rating and accolade as Green Bond Pioneer

Besides second opinions, oekom research also prepares Sustainability Bond ratings. oekom research has rated the sustainability credentials of the NRW.BANK Green Bonds since 2016. The sustainability rating agency assessed the 2014 and 2015 issuance on a twelve point scale from "excellent" (A+) to "largely non-transparent" (D-) and awarded a b+ rating. This places both issues in the top quantile of the more than 140 green bonds rated by the agency. Any rating above B- denotes "approved" status, meaning that oekom believes that a bond is a suitable addition to a green-oriented portfolio.

The rating is based on the sustainability standing of the issuer, transparency, external audit arrangements as well as the sustainability quality and impact of the underlying projects. oekom research particularly appreciated the high environmental benefits of the projects selected for the NRW.BANK Green Bonds as well as the high degree of transparency.

The Climate Bond Initiative, an NGO with a good standing in the green bond market, rated NRW.BANK positively, too, naming the Bank as a pioneer ("First Regional Development Bank") of the green bond market.

Environmental impact analysis

NRW.BANK has assessed the environmental impact of its Green Bonds since 2015. A competent partner to analyse the projects in the "Climate Mitigation" field was found in the Wuppertal Institut. Its impact analysis was prepared in accordance with the recommendations of the [Harmonized Framework for Impact Reporting](#). While approximately € 405 million of the Green Bond 2015 went into climate mitigation projects, € 95 million

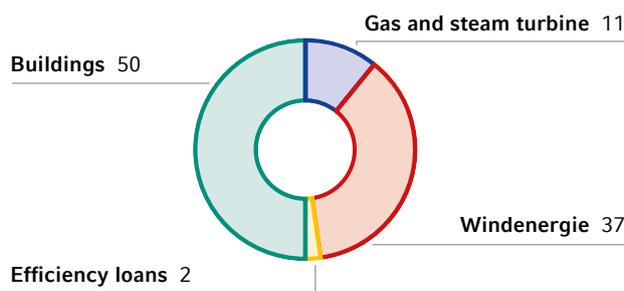
were invested in climate adaptation projects. According to the calculations made by the Wuppertal Institut, the projects avoided 2.7 million tonnes of CO₂ equivalent emissions over the 10-year maturity of the bond. Based on the total issuance volume of € 500 million, the annual CO₂ saving comes to 540 tonnes per € 1 million. These headline results are discussed in greater detail below:

Field “Climate Mitigation”

Approximately half the € 405 million was invested in the construction of energy-efficient buildings. The other half went towards the construction of wind power plants and gas and steam turbine power plants. The loan portfolio was rounded off by investments in SMEs active in the energy efficiency sector.

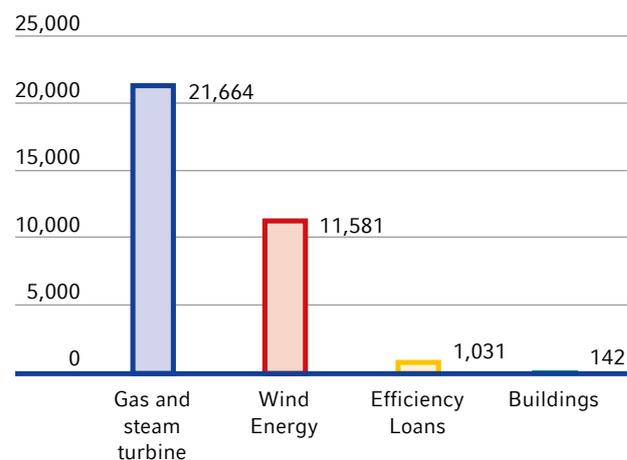
The decision to refinance the funding of gas and steam turbine power plants – which are not a renewable technology – from the proceeds of the Green Bonds issuance, was based on their high thermal efficiency of over 85 percent. The results of the impact analysis confirm the wisdom of this decision; compared to North Rhine-Westphalia’s electricity mix, power produced in gas and steam turbine plants yields the highest CO₂ savings per million euros of investment. The volume saved in this area is 21,000 tonnes of CO₂ compared to 124 tonnes in the “Buildings” segment, 1,000 tonnes in the “Efficiency Loan” segment and 11,500 tonnes in the “Wind Energy” segment. This is obviously a quite outstanding level of savings.

Breakdown of project financing volume in the Climate Mitigation field (€ 405 million) in %



Approximately € 44.5 million from the Green Bond was used to refinance the construction of highly efficient gas and steam turbine power stations which burn natural gas to produce both electricity and heat. During the 10-year term of the bond, 964,000 tonnes of CO₂.

CO₂ equivalents avoided through a € 1 million investment over a ten year period in t



The approximately € 148 million earmarked for “Wind Energy” was used to construct just under 50 wind power generators rated for a total combined output of 136 MW in North Rhine-Westphalia. These plants generate an estimated 160 GWh of electricity per year, thereby avoiding some 170,000 tonnes of CO₂ equivalents. However, the production, installation and maintenance of wind power installations cause a certain level of CO₂ emissions, meaning that wind power is not entirely CO₂-neutral.

About € 9.1 million of the bond proceeds went towards energy efficiency and air pollution control measures while another € 8.2 million was used to save power and heat. This resulted in 8,440 tonnes of greenhouse gases being avoided over a period of 10 years. A large part of the investments went into the retailing sector.

Moreover, a total of € 203 million from the Green Bond funds was used to refinance the construction of energy-efficient research, teaching and administration buildings. This is equivalent to a 91% NRW.BANK funding share based on the total investment costs. Compared to existing buildings, at least 29,000 tonnes of CO₂ equivalents will be avoided over a ten-year period equivalents will be avoided.

For details regarding the methodology and the presentation of the results according to the [Harmonized Framework for Impact Reporting](#) readers are referred to the [impact analysis](#) prepared by the Wuppertal Institut.

Field “Climate Adaptation” field

Just under € 95 million from the Green Bond 2015 issue went into measures undertaken by the “Emscher-genossenschaft” water management association. The bulk (just under € 85 million) went towards a number of technical measures implemented as part of the renaturation of the Emscher river while another € 10 million was used to fund measures undertaken as part of the renaturation of another river in North Rhine-Westphalia, namely the Lippe.

Emscher renaturation

The measures funded through the Green Bond 2015 are instrumental in the sustainable ecological conversion of the Emscher system into a near-natural riverscape which adds substantial value to the quality of living in the region. In addition, these measures are essential to the development of a new level of biodiversity which is rich in species thriving in urbanised environments. The technical measures implemented in 2015 included the continued construction of the large Emscher sewer (Abwasserkanal Emscher, AKE). In the early 20th century the region’s booming heavy industries used the river Emscher as a sewer canal. The construction of the separate sewer is key to rehabilitating the river. The new sewer will serve as the sewage artery for the Emscher, Lippe and Ruhr conurbation. Environmental aspects are taken into consideration already when inviting bids for the individual construction phases so that these aspects can be assessed in the evaluation of the bids and the awarding of the contracts. In 2015 the construction of the new sewer system involved the conversion of the large Emschermündung sewage treatment plant into a modern regional sewage treatment plant. The converted plant is ready to accommodate future energy recuperation and resource management technologies. Green Bond funds were also used to push ahead the renaturation of the riverscapes of such Emscher tributaries as the Handbach, Hellbach and Nettebach. A total of 320 kilometres of modern sewers were newly built in the Emscher region. 45 kilometres of the new 51 kilometre long AKE sewer were completed. In addition, 120 kilometres of the open land stretches of water have been ecologically rehabilitated and handed over to nature whose dynamics will determine their future development.

NRW.BANK will support this project all the way to its completion, at which time a total of 430 kilometres of sewer will have been newly constructed and 341 kilometres of water stretches will have been renaturated.

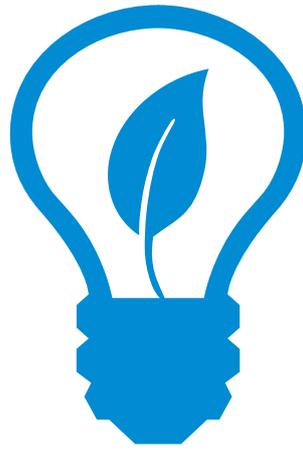
The reshaping of the Emscher riverscape is the largest water management project in the EU. The project is set to remain both on budget and on schedule and continues to be implemented on a consensual basis involving all relevant stakeholders. Several backwaters of the Emscher system already merit the “good ecological status” rating stipulated by the EU.

Lippe renaturation

A part of the funds was employed in the Lippe area. Here the challenge is – against the background of the stringent requirements of the European Water Framework Directive – to redevelop the ecological properties of the river Lippe and its tributaries within the area of responsibility of the Lippeverband association. In addition, the last open sewage canals dating from the era of active mining are being renaturated. In 2015, funding from the Green Bond was primarily used to finance the ecological conversion measures on the Körne and other upstream sections of the Seseke. The latter is similar in structure to the former sewage canal system of the Emscher, although it is somewhat smaller. It has already been reshaped almost entirely into an ecologically valuable near-natural riverscape offering a rewarding nature experience for locals and visitors. In 2015 the focus was on smaller, not yet redeveloped upstream sections. As a result of these measures, the renaturated Seseke area will soon be completely free of sewage. Here, too, the objective is to achieve the “good ecological status” or the “good ecological potential” stipulated by the EU directive.

Growing species diversity

The new surface waters making up the Emscher and Lippe systems represent attractive spaces for leisure and relaxation while at the same time improving flood protection. In addition, nature quickly reclaims these areas, leading to increasing biodiversity in the Emscher region. At latest count, more than 400 animal and plant species have been shown to exist here, compared to approximately 150 in the year 1990. The surface waters in the Seseke area have been repopulated with fish within a very short time, enabling the foundation of a fishing cooperative. Funding from the Green Bond has substantially contributed to the above mentioned positive effects on the surface waters in the Emscher and Lippe areas and has as such been instrumental in bringing about a sustained improvement in the environmental status and the quality of living in both river regions.



Green Bond-projects

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



400 animal and plant species

have been shown to exist in and alongside the Emscher and its tributaries, compared to 150 in 1990.



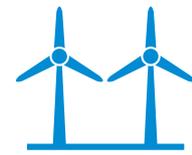
Emscher- genossenschaft and Lippeverband

**WATER MANAGEMENT
ASSOCIATIONS**

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Ecological reconditioning of Seseke and Emscher

During the mining era, the river Emscher and the Seseke, a tributary to the Lippe, were two of the Ruhr area's notorious sewers. Green Bond funding has enabled a substantial ecological enrichment of these surface waters. In the Seseke area alone, for instance, a total of 73 kilometres of new waterways have been created. These waters make a significant contribution to the area's biodiversity, water quality as well as climate protection thanks to their ability to retain greenhouse gases. Funds refinanced through the Green Bond 2015 also helped in the construction of the 33 hectare Dortmund-Mengede/Castrop-Rauxel Ickern flood retention basin which will act as one of the most important ecological cornerstones of the Emscher system.



more than **8 million** kWh
p.a.

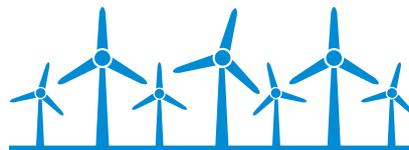
of green power produced by
two wind power plants in Moers –
sufficient for 2,400 households

ENNI
Energie & Umwelt
Niederrhein GmbH
MUNICIPAL CORPORATION

www.enni.de

Expansion of renewable energy generation in Moers-Repelen

A new wind power site has been developed in Moers-Repelen where local energy provider ENNI Energie & Umwelt Niederrhein GmbH, a public-private partnership enterprise, invested € 4.5 million – refinanced through the NRW.BANK.Green Bond – in two 146 metre tall wind-power generators. This means that another 2400 households will be supplied with electricity from renewable sources. Generating more than 8 million kWh annually at this site, the energy provider continues to push ahead the expansion of renewable energy production in the Lower Rhine region as part of its growth strategy.



ca. **100 million** kWh

of eco power generated by the Lichtenau civil wind farm per year.



Lichtenauer
Bürgerwind GmbH &
Co. KG
WIND ENERGY PLANTS

www.lichtenauer-buergerwind.de

Lichtenau civil wind farm supplies clean energy

The community as a source of energy – eleven wind power generators are operated by Lichtenauer Bürger- wind GmbH & Co. KG and Planungsgesellschaft Hassel GmbH, generating 100 million kWh of eco power per year. Founded by members of the community and land owners, the company can supply enough energy to supply more than 18,000 four-person households with clean energy. Some € 30 million was invested in the 240 hectare wind farm. The investment effort benefited from the NRW.BANK Energieinfrastruktur programme which refinanced the funding through the NRW.BANK.Green Bond, thereby making a contribution to Germany's transition to green energy.



1.2 million^t

of CO₂ p.a. are avoided by the cogeneration plants "Niehl 3" in Cologne (500,000 t) and the „Fortuna“ unit in Düsseldorf (700,000 t).

Stadtwerke Düsseldorf AG RheinEnergie AG Köln

ENERGY PROVIDERS

www.swd-ag.de
www.rheinenergie.com

Impressive overall efficiency

Cogeneration plants not only produce electricity and heat at the same time but are also highly efficient. This is impressively demonstrated by the modern gas and steam turbine power plants operated by Düsseldorf AG and RheinEnergie AG. These plants boast a top-notch overall efficiency rating (electricity and district heat generation) of more than 85%. Out of the contribution to the syndicated project loans a total of € 44.5 million was refinanced through the NRW.BANK.Green Bond.



327,000 kWh

in energy savings and 185 tonnes of CO₂ avoided per year thanks to a new planing machine.



Bruns & Co. Holzverwertungsges. m.b.H.

WOOD PROCESSING

www.brunsholz.com

A passion for wood

Based in Mülheim an der Ruhr, Bruns & Co. looks back on a 90-year tradition in wood processing with a real passion for their trade. The firm exclusively sources wood from sustainable forestry for processing into boards, strips, planks, beams and profiles used in building and outfitting gardens, homes, facades and saunas. To further enhance the environmental credentials of its operations, Bruns & Co. has invested € 600,000 in a new planing machine which saves 327,000 kWh of energy per year. The required funds were raised by taking out a loan under the NRW.BANK.Effizienzcredit and refinanced through the NRW.BANK.Green Bond.



SUSTAINABLE MANAGEMENT

As a public-law institute which is firmly rooted in North Rhine-Westphalia, 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

- NRW.BANK is a forward-looking and socially responsible employer under public law. The Bank is especially committed to a responsible human resources and training policy as well as to fair dealings with all employees.
- NRW.BANK complies with international standards – such as human rights, the UN Convention on the Rights of the Child for the protection of children against exploitation (Art. 32) and also the rejection of forced labour – as well as with national laws and labour standards. The right of all employees to organise and the active support of statutory co-determination play an especially important role in this context.
- As part of its corporate responsibility, NRW.BANK attaches great importance to voiding discrimination. The Bank's "Fairness at Work" convention not only prohibits all forms of discrimination within NRW.BANK but also describes measures to prevent discrimination and defines rules relating to employees' right to file complaints.
- For NRW.BANK, fair dealings with its employees also means creating a corporate culture in which partnership and cooperation, openness, mutual respect and esteem are values that are endorsed by all. Together with dialogue-oriented processes, these values lay the basis for a positive and productive working climate.
- For NRW.BANK, assuming responsibility for its employees means creating a long-term, attractive working environment, for example through high job safety, modern health management and regulations supporting a good balance of work and family life.
- As a modern development bank, NRW.BANK believes that the functional and social skills of women are indispensable. The Bank therefore aims to give women at all levels equal professional opportunities and to take this into account also with regard to the exercise of mandates and the Bank's investments. The Bank's family-friendly policy is also designed to give men the possibility to achieve a better balance of work and family life and thus helps to take equal opportunities at work forward and to stabilise them.

- While there can be no doubt that a positive working environment is conducive to high performance and excellent achievements, the most important preconditions are good qualifications as a basis to start from, as well as possibilities for further development. This is why NRW.BANK attaches top priority to excellent vocational training, constant further training and individual development. In this context, the Bank respects the individual potential, needs and interests of its employees, which is not least reflected in its signing of the "German Diversity Charter".

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 health to ensure that NRW.BANK can successfully fulfil its tasks as the development bank for North Rhine-Westphalia now and also in future.

From this overriding goal, the Bank derives 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 health.

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. In summer 2016, for instance, NRW.BANK will convert its clerical

apprenticeship programme from “office communication assistants” to “banking clerks”. Besides approval from the Düsseldorf and North Rhine-Westphalia chambers of commerce, this also required the practical training contents to be adjusted at the two locations in 2015. For this purpose, the requirements were discussed with the trainers in the specialist departments and translated into new concepts for practical training stints. In addition, within the framework of this 2.5-year traineeship, NRW.BANK cooperates with the saving banks to expand the practical training by deploying the trainees in the savings bank branches. Thanks to the new marketing campaign developed for this purpose, all available traineeships for the new profession were filled by the end of 2015. This change ensures that NRW.BANK will offer vocational traineeships that meet the requirements of both school-leavers and the Bank also in the coming years.

This vocational traineeship and the dual-track study courses “Bachelor of Arts, Banking & Finance” and “Bachelor of Science, Business IT”, which are organised in conjunction with Hochschule für Oekonomie & Management in Düsseldorf, will allow NRW.BANK to operate as an attractive provider of vocational training in the market also in the future.

Given that NRW.BANK trains young people to cover its own requirements, permanent employment contracts are offered to all trainees who complete their training programmes with good results. Of the 20 trainees who completed their training in 2015, 18 have signed permanent employment contracts.

The success is not least reflected in the fact that NRW.BANK’s apprenticeship graduates from the office communication assistant course were among the year’s best graduates in 2015. Four of the eleven graduates in this course received honourable commendations from the Düsseldorf and North Westphalia chambers of commerce in 2015. These chambers of commerce again voted NRW.BANK one of the best providers of vocational training in North Rhine-Westphalia, which reflects the high quality of the Bank’s vocational training.



> **12,000** hours

were spent by NRW.BANK’s vocational trainers on supporting trainees and apprentices at their places of work.

A good 80% of the apprentices who completed their training at NRW.BANK in the past eleven years until 2015 have signed permanent employment contracts with the Bank. Taking subsequent resignations into account, 67% of all former apprentices still worked for the Bank as of 31 December 2015. These obtained further personal and professional qualifications through on-the-job academic and non-academic study courses as well as job changes within the Bank. Today, many of them already perform demanding specialist functions and some of them even hold executive positions.

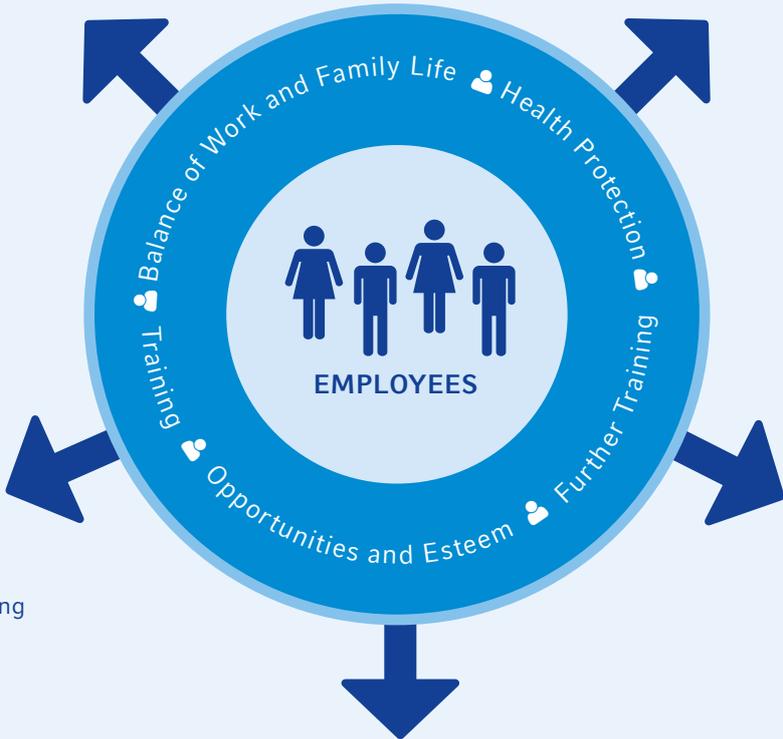
Given NRW.BANK’s current age structure, the aim of “securing junior staff” will remain in the Bank’s focus. The Bank wants its trainees to replace at least part of the employees who will retire from the Bank in the coming years.

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.

Assuming Social Responsibility for Employees

- Flexible working arrangements
- Work-life balance
- Child care support
- Sabbatical

- Prevention
- Occupational health management
- Regular hazard analyses
- Numerous health offerings



- Attractive educational offers
- Permanent employment contract
- Excellent company offering vocational training

- Job rotation
- On-the-Job study courses and other qualifications and degrees
- Professional seminars
- Personal development trainings

- "Fairness at Work" convention
- High job safety
- Filling of vacant positions according to the motto "internal promotion is preferable to external hiring"

Facilitating Development

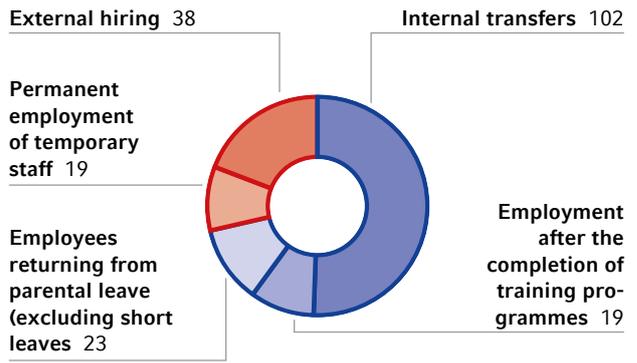
This includes challenging tasks which encourage professional and personal growth as well as the possibility to get to learn new topics and to assume responsibility. Of course this needs to be complemented by the prospect of earning higher salaries in the future.

NRW.BANK offers its employees a wide range of development opportunities by filling vacant positions according to the motto "internal promotion is preferable to external hiring"; this means that vacant positions are advertised publicly only if and when no suitable candidates can be found among the employees or the trainees.

A large part of the positions which became vacant during 2015 were once again filled from the Bank's own internal human resources: 102 successfully applied for internally advertised positions and were able to assume new tasks. Given that internal transfers usually result in new vacant positions, consistent internal hiring offers employees numerous professional development options within the Bank.

In 2015, NRW.BANK also created new jobs, in particular to meet various regulatory requirements. It was not possible to fill all vacant and new positions by offering trainees permanent employment contracts at the end of their training as well as by employees returning from parental or similar leaves. This gap was closed by the permanent employment of previously temporary staff as well as by external hiring.

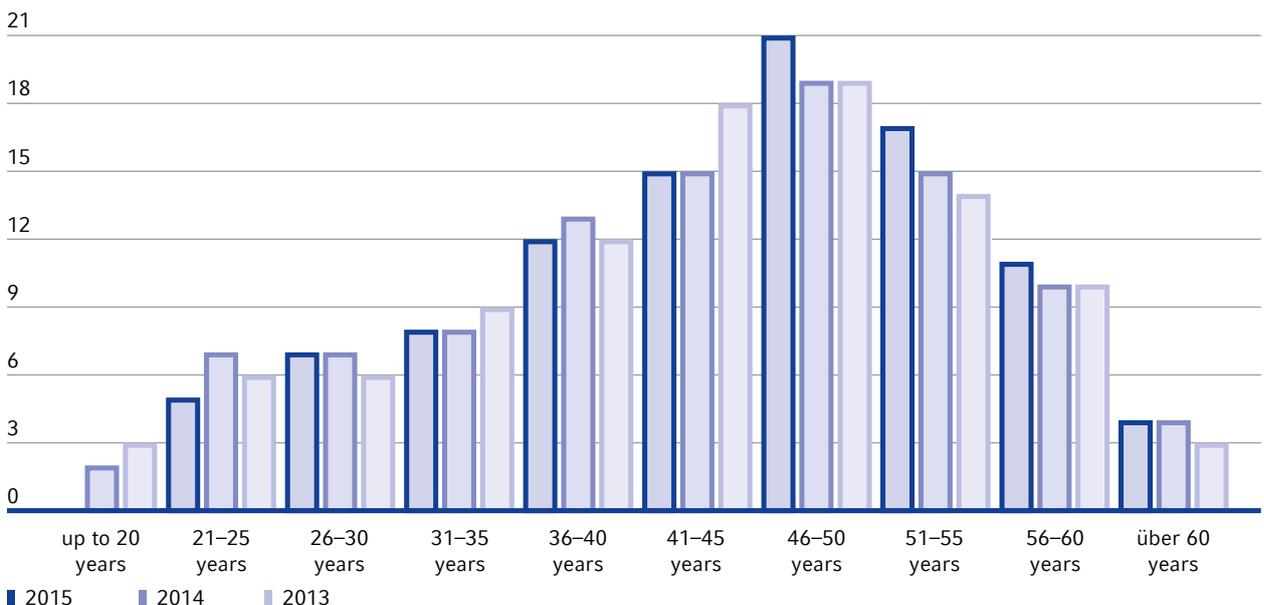
Vacant Positions filled in 2015



As in the previous years, NRW.BANK actively supported the restructuring of Portigon AG. In 2015, it therefore directly hired twelve former employees of Portigon AG (included in the number of external hirings). Moreover, NRW.BANK tried to find jobs for this group of people outside of NRW.BANK and its subsidiaries. This resulted in the transfer of twelve additional former employees of Portigon AG to different state ministries.

At 3.1%, staff fluctuation at NRW.BANK remained low. Of the 39 employment relationships ending during the period, nine were terminated and 30 occurred for age-related reasons.

Age Structure in %



Due to the age structure, age-related resignations will remain at a similar level in the coming years. Forward-looking planning ensures that measures to retain knowledge within the Bank are taken at an early stage. In accordance with the Bank's strategic objective, these projectable resignations will be used to offer junior staff development opportunities.

This future-oriented planning also includes employee interviews within the performance review process: at least once a year, all executives of the Bank hold an interview with each of their employees to provide feedback on their accomplishments and performance in the past year and to plan the tasks for next year. Building on these interviews, future development opportunities and the steps required to implement them are discussed as well.

Life-long Learning

Knowledge and experience are indispensable when it comes to grasping and mastering new challenges. NRW.BANK supports its employees through a wide variety of HR development measures. Apart from classical seminars and support in completing degree- (bachelor or master) courses, this also includes job rotation schemes and other temporary assignments.

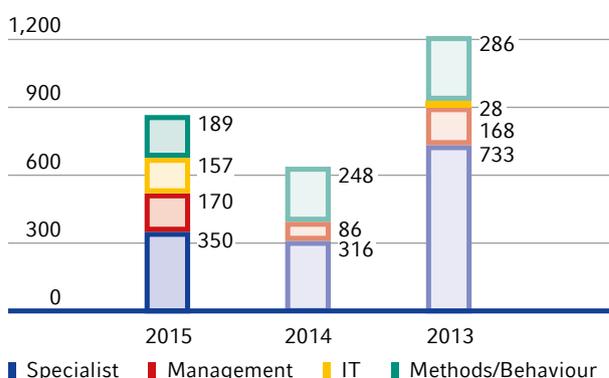
NRW.BANK assists employees in obtaining the above-mentioned qualifications and degrees by bearing (part of) the study and examination fees and releasing employees from work for exams and their preparation but also by organising networks and learning groups. There is great interest in this programme especially among former trainees, who represent 76% of the currently 67 participants. Accordingly, at almost 80%, the highest demand is for Bachelor and Master degrees.

In addition, NRW.BANK offers its employees a comprehensive range of seminars for professional and personal growth. Most of these seminars are held internally. 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.

For several years e-learning and blended learning courses have been offered not only for statutory and compliance-related subjects but also for foreign language and IT skills as well as behavioural and methodological competence.

NRW.BANK's 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 thus closely meet the Bank's concrete requirements and needs; such seminars may be held by in-house or external trainers.

Internal professional further training increased compared to 2014 as a result of regulatory and other legal changes.

The higher number of internal IT seminars in 2015 was primarily due to the introduction of new software which required the training of many employees.

For its executives, NRW.BANK offers 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. Compulsory training on labour and collective bargaining law as well as different systems and processes used at NRW.BANK complement the entry module.

In order to support an ongoing consideration and discussion of leadership issues, optional workshops on related topics are regularly offered to all former participants of the last module. In 2015, joint work in these workshops focused on the defined "principles for communication, cooperation and leadership at NRW.BANK". The principle of "appreciating each other" as a basis for cooperation was the starting point. The in-depth and personal analysis of these principles and their realisation in the daily management practice will be continued in additional workshops on this subject in the coming years.

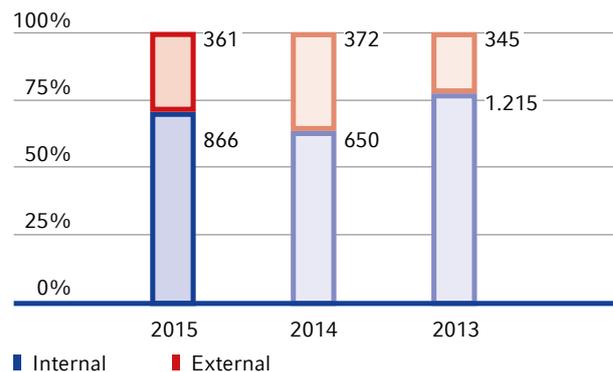
Supplementary measures enabling executives to handle special leadership situations round off the executive programme.

Annual fluctuations in the number of executives attending this programme is primarily due to the number of newly appointed executives because it is intended that they should participate in this programme shortly after having assumed their new responsibilities.

In addition to the extensive range of internal offerings, the employees of NRW.BANK may, of course, also take part in seminars organised by external providers.

Similar to the previous years, 85.8% of these external seminars were professional seminars on special topics which are only relevant for a limited number of employees. In these cases it is not possible to offer internal seminars.

Ratio of Internal and External Seminar Attendance



While NRW.BANK's seminar programme is essentially open to all employees on an equal basis, individually tailored programmes are offered to meet the needs of specific groups of employees. In late 2013 the Bank started a series of workshops specifically for women who, in their majority, still have to shoulder the dual burden of managing both a household with children and a career at the same time, often resulting in them missing out when it comes to taking important career steps. These workshops were again offered and attended in 2015.

Another series of workshops launched in 2013 were targeted to more experienced and older employees, highlighting topics such as knowledge, relationship, conflict and change management.

Numerous training measures on communication, presentation and business etiquette furthermore support the Bank's increasing focus on the provision of consulting services for politicians, municipalities and enterprises.

Equal Opportunities and Fair Working Conditions

The corporate culture supporting the balancing of work and family life and promoting equal opportunities which has been cultivated at NRW.BANK for many years was reviewed in 2015 by means of the *berufundfamilie* audit. This process first recorded the status quo of the measures already offered. The self-management of working time, the individual and flexible part-time models and part-time executive positions were assessed equally positively as the various child and dependent care supports. This includes, in particular, the day care facilities at both locations of NRW.BANK, the emergency and holiday care services and the tax-free child care allowance.

These comprehensive 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 2015: 73.9% of the mothers returned to work after a period of parental leave of twelve months or less. In addition, 22 fathers made use of the option to take parental leave, in some individual cases it was for more than two months. This corresponded more or less to the previous year's figures.

This recording of the existing work-life balance offerings in connection with the *berufundfamilie* audit was followed by a strategy workshop with the business unit heads at which the main fields of action and the leadership guidelines were defined. At the following workshop the measures available to date and potential new offerings for achieving a better balance of work and

family life were discussed with employees with various family situations. Finally, the target agreement for obtaining the "family-friendly company" certificate was drafted and signed. NRW.BANK was certified at the end of October 2015. The objectives and measures defined in the agreement have to be implemented in the next three years.

The equal opportunities statistics for 2015 confirm the high acceptance and success of the support offered to date. Increasing use was made of the flexible and individual working hour models. In 2015, 25% of all employees of the Bank worked part time. The average working hour percentage of women and men working part time amounted to 64.5%, and 82%, respectively. The number of executives working part time also increased once again. At 10.3%, it exceeded the previous year's level.

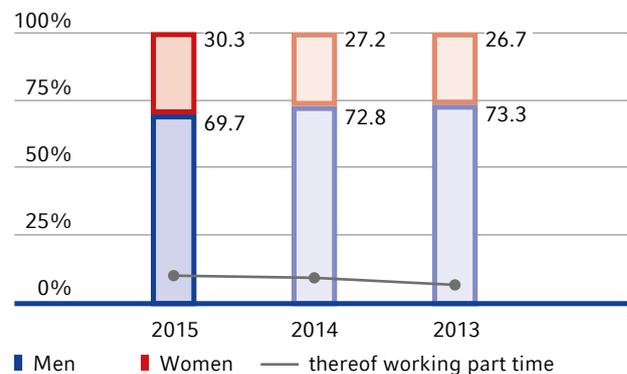
As in the previous years, increasing the share of women in executive positions and the filling of higher positions by women was another main target in 2015. Here, too, an improvement was made. As of 31 December 2015, the share of women with leadership responsibility stood at 30.3% (previous year: 27.2%). The continuation of this positive trend is due to the consistent motivation as well as targeting and promotion of young female staff at the Bank for many years. According to the guidelines for the filling of executive positions, women moreover have to be increasingly considered for such positions.

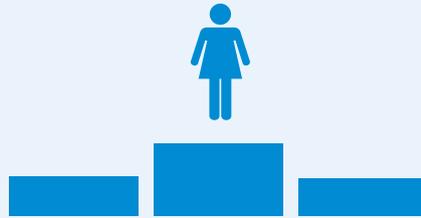


Particularly family-friendly

In October 2015, NRW.BANK received an award by *berufundfamilie* gGmbH, formerly Gemeinnützige Hertie-Stiftung, for the good balance of work and family life promoted by the Bank. The certification applauds the exemplary working conditions and family-friendly offerings which enable employees to effortlessly combine their family life and professional career. In connection with the audit, it was also agreed to continue to promote equal opportunities in the next three years.

Development of the Percentage of Women and Part-time Employees in Executive Positions in %





30.3 %

Share of women in executive positions

55.6 %

Share of women in executive positions filled in 2015

29 %*

Average share of women in executive positions in Germany in 2014

* Source: Federal Statistical Office

The principles for cooperation, communication and leadership were confirmed by their reissue in 2015.

Maintaining Performance

Occupational Safety and Strategic Health Management

Good working conditions and exemplary health and safety policies form part of NRW.BANK's corporate responsibility towards its employees. For many years, the Bank has implemented this in the context of its strategic health management system which has been expanded continuously since 2006. Services range from a company doctor to a social worker 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"?

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 bi-annual 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. In 2015, the circle of participants was extended to the catering services in order to include the offering of the staff restaurant in the development and implementation of health measures.

The Working Circle selected “Cardiovascular system – listen to your heart” as the main topic to be addressed in 2015. After the well-attended kick-off events, NRW.BANK offered its employees a medical check-up by the company doctor, followed by various voluntary measures during the course of the year. During a nutritional week, the special characteristics of heart-healthy foods were emphasised and these were included in the lunch options. Furthermore, over 600 employees took part in a pedometer event. A database created for this purpose enabled the participants to record the steps taken each day and compare their results with others anonymously. An autogenous training course completed the programme.



Award of the Unfallkasse

At the end of October, NRW.BANK received the highest possible award by the Unfallkasse NRW, the North Rhine-Westfalian accident insurance fund, for its excellent health and safety organisation. As the statutory accident insurance carrier at municipal and state level, Unfallkasse NRW analysed and assessed the health and safety measures implemented by the Bank.

Targeted measures were offered in all relevant health fields nutrition, exercise and relaxation – and these were very well received. The measures offered in 2015 have shown that even a small change in our life style has a positive long-term effect on health.

All current occupational health and safety measures as well as NRW.BANK’s future plans are detailed in the annual health report which is available to all members of the workforce.

Preventive check-ups, no matter how expertly planned and performed, cannot entirely prevent illnesses. This is why NRW.BANK started to optimise its post-illness reintegration management system already in 2013. The purpose of this optional and voluntary service for employees returning after a prolonged illness is to develop a set of personalised support and reintegration measures which take their working environment into account. These measures are meant to support their reintegration after a long absence and help stabilise their health. The Bank is very much aware of the sensitive personal issues touched by this process and attaches the utmost importance to ensuring absolute confidentiality and data protection.

Flexible Annual Working Hours

NRW.BANK offers its employees very flexible part-time agreements, which are increasingly being used.

However, some personal needs cannot be met by reducing the number of hours worked per week. NRW.BANK has therefore developed two offers permitting an individual reduction of the working hours in a specific year.

Such sabbaticals are becoming increasingly important against the background of extended working lives resulting from people joining the workforce at an earlier age due to Germany’s shortened secondary education track and the higher statutory retirement age.

Since mid-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. The scheme ensures that employees remain fully covered for social security purposes. The number of employees who make use of this option has increased year on year. While ten and 15 employees took time off in 2014 and 2015, respectively, 18 applications have already been received for 2016. This offer is used by both men and women of all ages across all functions, including executives.

Under an additional scheme introduced in 2016, employees of NRW.BANK can take ten additional days off per year against a corresponding reduction of their pay and taking operational requirements into account. In

order to enable as many employees as possible to benefit from this option, such an application may only be submitted for a single year at a time.

NRW.BANK Personnel in Figures

	2015		2014		2013	
	absolute	in %	absolute	in %	absolute	in %
Active employees, total¹⁾	1,271	100.0%	1,233	100.0%	1,201	100.0%
by sex						
– women	671	52.8%	642	52.1%	617	51.4%
– men	600	47.2%	591	47.9%	584	48.6%
by company location						
– Düsseldorf	874	68.8%	829	67.2%	802	66.8%
– Münster	397	31.2%	404	32.8%	399	33.2%
by type of employment						
– full time	955	75.1%	939	76.2%	936	77.9%
– part time	316	24.9%	294	23.8%	265	22.1%
by function group						
– management (incl. Managing Board)	234	18.4%	232	18.8%	232	19.3%
– specialists/project workers	473	37.2%	428	34.7%	395	32.9%
– case workers	454	35.7%	471	38.2%	467	38.9%
– secretaries	48	3.8%	45	3.6%	46	3.8%
– non-commercial functions	54	4.2%	51	4.1%	55	4.6%
– special functions ²⁾	8	0.6%	6	0.5%	6	0.5%
by remuneration						
– collective pay	834	65.6%	812	65.9%	792	65.9%
– non-collective pay	437	34.4%	421	34.1%	409	34.1%
Average age, total	44.5		44.4		44.1	
Average service life	16.6		16.6		16.4	
Departures, total	39	3.1%	32	2.6%	30	2.5%
– due to termination	9	0.7%	10	0.8%	10	0.8%
– due to age	30	2.4%	22	1.8%	20	1.7%
In addition: temporary employees	53		66		72	
In addition: apprentices and trainees						
– Trainees	1		2			
– apprentices	37		48		55	
– thereof new apprenticeships	12		16		20	
– completed apprenticeships	20		25		18	
– hiring ratio (unlimited)	90.0%		84.0%		72.2%	

¹⁾ excluding employees on parental leave, apprentices and trainees as well as employees under temporary contracts

²⁾ exempted staff representatives, Equal Opportunities Officer, Occupational Safety Officer, Remuneration Officer



SUSTAINABLE PROTECTION

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.

Climate and Environmental Protection

- NRW.BANK's resource efficiency and its active contributions to North Rhine-Westphalia's public life are an integral part of its corporate responsibility for the present and future generations.
- Minimised use of resources and the utilisation of a large share of environmentally friendly and, preferably, renewable resources are essential elements of the Bank's activities aimed at shaping a high-quality living environment.
- NRW.BANK lives up to this responsibility by taking into account all resources used in its business processes. For example, the Bank aims to implement the state of the art whenever it comes to constructing or converting buildings for its banking operations. As part of its ongoing improvement process, the Bank also recognises the key importance of sensitising its employees to the importance of making responsible use of resources.

Promotion and development for its clients, social responsibility for its employees and commitment to the environment and the climate all form part of NRW.BANK's sustainability efforts. This means that the development bank for North Rhine-Westphalia actively implements the state government's guiding principle of "sustainability".

Conscious and sparing use of resources ensures that the production of CO₂ emissions resulting from its business operations is reduced to a minimum. In 2013, NRW.BANK therefore decided to offset its unavoidable CO₂ emissions through climate protection projects in developing and emerging countries with the help of certificates from the NRW.BANK climate certificate programme. This strategy was also pursued in 2015.

For the past nine years, the environmental performance has regularly been determined and evaluated in accordance with the VfU¹⁾ standard. This gives NRW.BANK a solid database for its ongoing efforts to implement sustainable operation and resource protection in its day-to-day business. As a member of the VfU, NRW.BANK has been instrumental in refining and improving the performance indicators since 2015.

We provide detailed and comprehensive information on our environmental performance indicators to ensure transparency towards the different stakeholders of NRW.BANK.

Scope and Period of Reporting

The figures presented here provide an overview of the environmental data of NRW.BANK's operations and the resulting environmental impact for the year 2015. The Bank operates at two locations in Düsseldorf and a building complex in Münster.

This year the reporting period coincides with the calendar year for the first time. The Bank collected the consumption and flow data (input and output) for the period from 1 January 2015 to 31 December 2015. Information relating to space, vehicles and employees is stated as of the reporting date 31 December 2015 in the environmental report.

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 2015 update.

The number of employees provides the basis for the formation of relative environmental performance indicators (per-capita consumption). Part-time employees are added up to full-time employees, and temporary employees are covered for the duration of their employment.

Staff numbers of 1,347 for 2013, 1,353 for 2014 and 1,436 MA for 2015 were taken as the basis.

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

¹⁾ Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten.



Circa **380,000** letters

dispatched using a CO₂-neutral mailing service

Besides reducing its own direct environmental impact, NRW.BANK also attaches great importance to reducing the indirect impact resulting from its business activities. Since 2015, NRW.BANK dispatches its letters and parcels CO₂-neutrally.

Building Energy

In the field of building energy, NRW.BANK continues to rely heavily on resource-efficient energy sources. All of the Bank's buildings are heated using district heat, which is particularly environmentally friendly, and 100% of the electricity purchased by the Bank in 2015 was certified green electricity generated by run-of-river hydropower plants. In addition, the bank's own photovoltaic systems at the Münster location produced some 22 MWh of electricity for internal use. Only one rented building in Düsseldorf consumed 729 kWh worth of mixed electricity supplied by Stadtwerke Düsseldorf (0.01% of the total). The Bank supports Stadtwerke Düsseldorf's change to increasingly efficient technology and is a partner in the construction of the gas and steam turbine power plant unit "Fortuna".

Energy consumption	2015	2014	2013
	kWh	kWh	kWh
Heating energy			
– total	4,846,170	4,433,420	4,733,010
– per employee/year	3,374	3,276	3,515
Electricity			
– total	5,381,110	5,802,897	5,739,099
– per employee/year	3,747	4,287	4,262

In 2015, NRW.BANK consumed approx. 9.3% more heating energy than in the previous year; this effect had been expected as the previous year's consumption figures were low because of the mild weather. By contrast, the specific per-capita figures increased by only 3.0%.

Absolute electricity consumption declined by 7.3% on the previous year, while per-capita consumption was down by 12.6%. The reduced electricity consumption is attributable to the weather. Due to the relatively mild summer 2015, the buildings were not cooled as strongly as in the previous years. The use of LEDs in many lamps also contributed to the reduction.

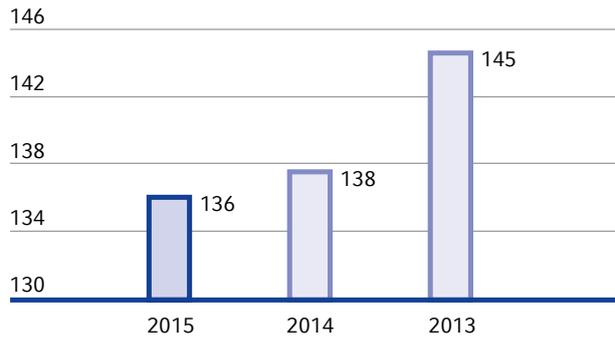
Business Travel

Business trips are an important aspect in assessing a company's environmental performance. While they serve to maintain and foster business relationships and to ensure smooth and effective coordination between the individual locations, they also have an adverse impact on the environment.

Being aware of these problems, NRW.BANK has issued clearly defined travel guidelines aimed at reducing employees' business trips to a minimum. The travel guidelines ensure that preference is given to video and telephone conferences, local public transport and rail travel.

The fact that average CO₂ emissions of the Bank's vehicle fleet (as stated by the manufacturers) continue to be reduced successfully is not least due to the fact that the Bank seeks expert advice when it comes to selecting new company cars. Average emissions were reduced from 137.7 g/km in 2014 to 136.2 g/km in 2015. This represents a decline by 1.1%.

Average CO₂ Emissions of the Company Cars in g/km

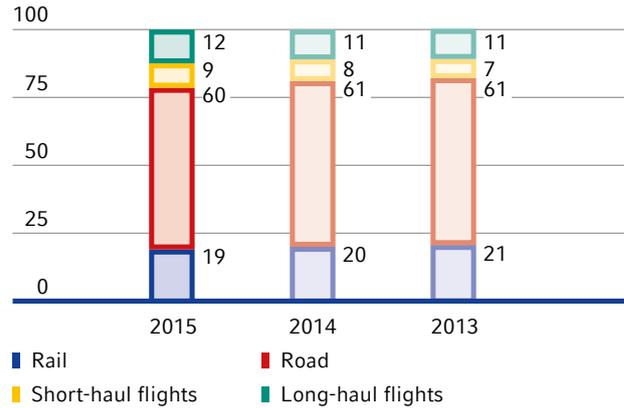


Employees of NRW.BANK travelled a total of 4,584,672 kilometres on business trips in 2015, which is equivalent to 3,192 kilometres travelled per employee. Total kilometres travelled thus increased by 6.0%, whereas kilometres travelled per employee were down by 0.1% on the previous year. Kilometres travelled on long-haul flights increased sharply. Due to the special situation in the eurozone, NRW.BANK increasingly raises funds in foreign currencies, especially in US dollars. Reaching international investors and maintaining existing contacts requires flights to be made outside the EU.

Business Travel	2015	2014	2013
	km	km	km
Rail	866,653	870,804	955,831
Road*	2,723,420	2,660,988	2,785,373
Short-haul flights	430,117	328,557	339,565
Long-haul flights	564,482	463,921	496,806
Total	4,584,672	4,324,270	4,577,575
km per employee	3,192	3,195	3,399

* 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 kilometres travelled on business trips remained almost stable compared to the previous year. At 59.4%, cars accounted for the biggest share, followed by rail travel with 18.9%.

Long-haul flights and short-haul flights account for 12.3% and 9.4%, respectively of the kilometres travelled.

91.5% of the rail trips made with Deutsche Bahn were CO₂-neutral. Only the short-haul trips (64,404 km) and the trips made on the Thalys (9,135 km) are included in the CO₂ calculation as general rail travel. Most of the rail kilometres travelled are calculated using the reduced factor for CO₂-free rail travel.

For the reporting of short-haul and long-haul flights, multi-leg flights were broken down into segments.

Paper

The eco-balance covers all paper used for office purposes including printed matter (such as letterheads), annual reports and envelopes as well as marketing materials such as brochures, flyers, etc. In 2015, total paper consumption amounted to 61.5 t, while 42.8 kg were consumed per employee.

The table below shows the consumption of office paper only, i.e. excluding envelopes, marketing materials and printed matter:

Paper Consumption	2015	2014	2013
	kg	kg	kg
Total	44,077	46,620	47,840
kg per employee	30.7	34.4	35.5

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.

Paper Grades	2015	2014	2013
	%	%	%
Recycled paper	71.1	53.0	4.6
Primary fibre paper, ECF ¹⁾ and non-labelled	5.5	24.0	83.7
Primary fibre paper, TCF ¹⁾ , wood-free	<0.1	0.1	0.0
Primary fibre paper, FSC and PEFC ²⁾	23.3	22.9	11.7

¹⁾ Elemental chlorine-free (ECF), totally chlorine-free (TCF)

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

The effects of the decision to no longer use virgin fibre paper for printers and copiers taken in 2013 were still felt clearly in 2015. The recycled paper ratio improved by 18.1% and stood at 71.1% in the reporting year.

Water

NRW.BANK actively encourages the sparing use of the precious resource that is water. Grey water from the air scrubbers and recooling systems is used for the Bank's sanitary facilities, and water-efficient technologies are specified for retrofits and new installations. The figures refer to the total water quantity, which also includes the water consumed in the kitchens.

Process and Drinking Water	2015	2014	2013
Total consumption	20,669 m ³	21,281 m ³	19,206 m ³
Daily consumption per employee*	57.6 l	62.9 l	57.1 l

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

Total water consumption was down by 2.9% on the previous year, while per-capita consumption declined by 8.4% in the same period.

Waste

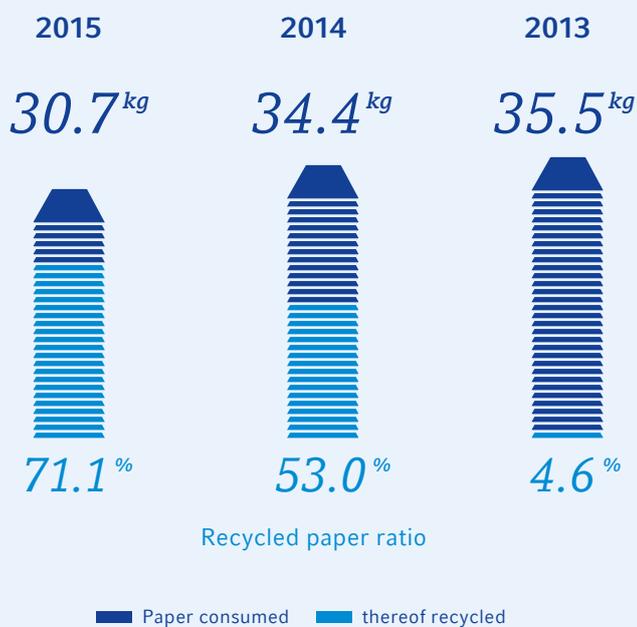
The 2015 eco-balance covers the following waste types: paper (incl. documents shredded), mixed packaging, food residues, waste fats, green waste, used electronic devices, glass, residual waste, sludge from the company's own water treatment, aluminium, mixed scrap, oily waste and fluorescent lamps.

Taking all waste types into account, the Bank produced a total of 403.5 t of waste in 2015 (previous year: 371.6 t). This is equivalent to 280.9 kg of waste per employee (previous year: 274.6 kg).

Compared to the previous year, the total waste volume increased by 8.6%, while the waste volume per employee rose by only 2.3% due to the increased headcount.

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:

Paper Consumption per Employee in kg/Year



Turning less into more: between 2013 and 2015, paper consumption per employee declined by 13.5%. At the same time, the share of recycled paper in the total consumption increased from 4.6% to 71.1%.

Waste Volume	2015	2014	2013
	t	t	t
Waste paper	56.4	55.4	53.6
Document shredding	78.4	43.0	82.3
Residual waste	111.7	108.9	108.6
DSD ("Green Dot")	3.4	3.2	3.4
Total*	249.9	210.4	247.9
kg per employee	174.0	155.5	184.1
Recycling ratio*	55.3%	48.3%	56.2%

*excl. other and kitchen waste

In 2015, the total waste volume resulting from the banking operations (excl. kitchen waste, etc.) was back at the 2013 level and up by 18.8% on the previous year. This was mainly due to the amount of files shredded. The higher recycling ratio is also essentially attributable to this increase. However, as a result of the increased headcount, the waste volume per employee rose by only 11.9%.

Greenhouse gases

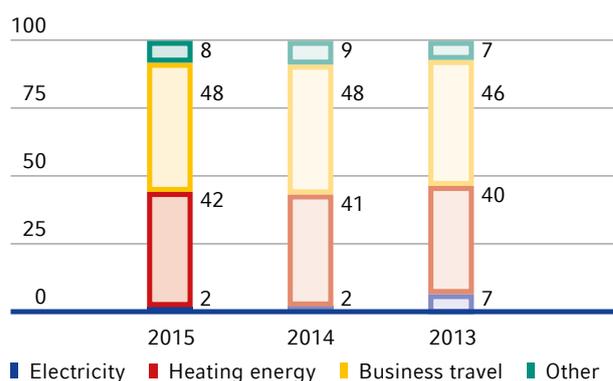
The CO₂ balance arising from the corporate activity is a key performance indicator to assess the environmental performance of a company. The calculation of this performance indicator covers all the above-mentioned environmentally relevant consumption figures and wastes of NRW.BANK as well as the quantity of emergency power diesel used. The conversion factors correspond to the 2015 VfU Update. To facilitate comparability with the previous years, the figures for 2013 and 2014 were also determined using these conversion factors, which has resulted in deviations from the reports for 2013 and 2014.

CO ₂ emissions	2015	2014	2013
	kg CO ₂	kg CO ₂	kg CO ₂
Electricity	38,648	39,460	150,712
Heating energy incl. emergency power diesel	940,157	870,750	928,622
Business travel	1,055,711	1,006,615	1,084,540
Paper	69,247	74,071	67,111
Drinking water	14,530	14,960	13,502
Waste	101,645	100,399	91,577
Total emissions¹⁾	2,219,939	2,106,255	2,336,063
CO ₂ /empl.	1,546	1,556	1,735
Offset by climate certificates ²⁾	2,219,939	2,106,255	2,336,063
Total	0	0	0

¹⁾ Differences due to rounding

²⁾ Wind power

CO₂-Emissions by Producers in %



In 2015, NRW.BANK's CO₂ emissions totalled 2,220 t, which is equivalent to 1,547 kg per employee. Absolute emissions thus increased by 5.4% on the previous year, while emissions per employee declined by 0.6% due to the increased headcount.

The rise in total emissions is essentially attributable to the increased consumption of heating energy and the higher number of kilometres travelled.

Direct and Indirect CO₂ Emissions at NRW.BANK in 2015 According to VfU

Greenhouse Gas Sources	Scope 1*	Scope 2*	Scope 3*	Total
	kg CO ₂	kg CO ₂	kg CO ₂	kg CO ₂
Electricity – renewable			36,437	36,437
Electricity – photovoltaic plant			1,902	1,902
Electricity – Stadtwerke Düsseldorf		309		309
Heating energy				
– district heat		940,157		940,157
– emergency power diesel				
Travel				
– rail			4,015	4,015
– rail, CO ₂ -neutralised			16,814	16,814
– road	511,186		387,543	898,729
– short-haul flights	61,554		11,828	73,382
– long-haul flights	53,343		9,427	62,770
Paper				
– ECF, TCF, FSC			23,319	23,319
– recycled			45,928	45,928
Water			14,530	14,530
Waste				
– waste incineration			95,933	95,933
– special waste			5,712	5,712
Total	626,083	940,466	653,390	2,219,939
kg CO₂ per employee				1,546

Differences due to rounding.

* 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.

Avoiding Preferred to Offsetting

Since 2013, NRW.BANK has aimed to make its banking operations CO₂-neutral. When it comes to choosing between avoiding or offsetting CO₂ emissions, priority is given to minimising the production of CO₂ emissions in the first place. For many years, the Bank has implemented this goal by taking measures such as the use of certified green electricity, environmentally friendly district heat, recycled office paper, grey water from air scrubbers and cooling systems and expert assistance when it comes to choosing new company cars.

Notwithstanding these efforts, some 2,000 tonnes of CO₂ are produced from the banking operations each year, which cannot be avoided. These unavoidable emissions are ultimately offset by NRW.BANK through

the purchase of pollution rights. These certificates stem from developing and emerging countries. In these countries, the highest possible CO₂ savings can be achieved relative to the financial expenses incurred in the process.

The CO₂ emissions of 2,200 t produced in 2015 were voluntarily offset by the Bank through the purchase of certificates from a wind farm project in Inner Mongolia (China).

The analysis also covers the emissions resulting from postal communication with the Bank's clients. Through its participation in the GoGreen Programme of Deutsche Post DHL Group, NRW.BANK has CO₂-neutralised the dispatch of letters and parcels. More information can be found [here](#).

The background of the page is a close-up photograph of dark brown soil. Several small, light-colored seeds are scattered across the surface, some of which are beginning to sprout with tiny green shoots. A semi-transparent blue rectangular box is positioned in the middle-right section of the page, containing white text. In the bottom-left corner, there is a stylized, light-colored leaf icon.

SUSTAINABLE COMMITMENT

NRW.BANK is aware of its social responsibility. Every year, we therefore support projects from the fields of "Science & Education", "Arts & Culture" as well as "Society & Social Affairs" which promote the realisation of sustainable social ideas.

Showing Commitment to Society

- As part of its commitment to society and under its remit as a development bank, NRW.BANK endeavours to shape a subsidiarity-based and project-related collaboration with its partners on a medium to long-term basis in order to create the required continuity. The Bank strives to ensure the social and regional balance of its activities in North Rhine-Westphalia.
- NRW.BANK's efforts are guided by its resolve to foster creativity and ideas as well as responsible action. In this context, the Bank focuses on sponsorships related to education (academic, cultural and economic) in North Rhine-Westphalia for a young target group.
- In accordance with the guidelines set by the Supervisory Board, NRW.BANK makes neither direct nor indirect donations to political parties or party-related foundations. Moreover, the Bank places no advertisements in their publications.

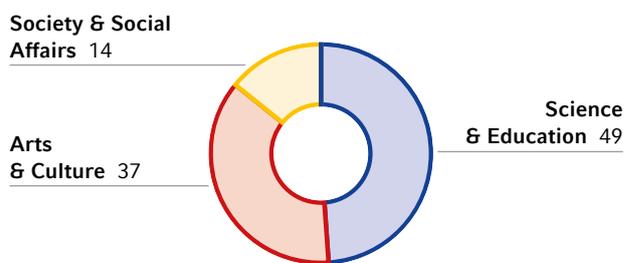
NRW.BANK also lives up to its corporate responsibility through its contributions to public and community life in North Rhine-Westphalia. Suitable measures are supported in accordance with the Bank's "Guidelines for Corporate Citizenship and Other Services".

The Bank is committed to making its decisions on grants and sponsorships transparent and comprehensible and has established a formal internal process for this purpose. All requests received regarding the sponsorship of projects are documented centrally by the Bank and voted on using standardised assessment criteria. One essential precondition for approval is that the resources made available by NRW.BANK exclusively benefit projects in North Rhine-Westphalia. Proposed sponsorships and grants are voted on by the Managing Board on a quarterly basis.

In 2015 the Bank approved grants and sponsorships totalling € 0.7 million in its three defined fields "Society & Social Affairs", "Arts & Culture" and "Science &

Education". The following chart illustrates the breakdown of the budget in line with the number of requests received during the year:

Sponsorship by Fields in %



Science & Education

The Bank's concept of corporate citizenship calls for the promotion of creativity and ideas as well as responsible action. The Bank consequently focused on sponsorships related to education in North Rhine-Westphalia in 2015. The following projects from the field of "Science & Education" were sponsored by the Bank:

Junges Theater Siegen e.V.

The association Junges Theater Siegen e.V. was founded by artists and teachers to promote child and youth theatre projects in the region. Their "Stolpersteine" project encouraged youths to get involved in the writing and production of a play on the history of persecution and deportation in the Siegen-Wittgenstein district during the dictatorship of the Nazis based on reports by contemporary witnesses.

buddY e.V., Düsseldorf

The primary school programme buddY Kinderrechte is based on the UN Convention on the Rights of the Child. In NRW, the children's rights to protection, care and participation are also to be included in the school programme in an age-appropriate way and considered a cross-subject task. During the training on the rights of primary school children, teachers, social pedagogues and school social workers learn how the rights of children can be integrated in the daily lessons and extracurricular activities and how the awareness for them by all parties involved can be increased.

One of the project partners is UNICEF Deutschland. As of the 2015/2016 school year, this programme covers 60 schools for one and a half years.



€ 700,000

donated for sustainable social and cultural projects by NRW.BANK in 2015.

Universities

The year 2015 saw the Bank continue its support for academic institutions focusing on the finance and housing sectors. Annual basic grants were received by:

- Institut für Kredit- und Finanzwirtschaft at Ruhr- Universität Bochum
- Centre for Financial Research at University of Cologne
- European Center for Financial Services at Universität of Duisburg-Essen
- Institut für Raumplanung at TU Dortmund University
- Institut für Kreditwesen at University of Münster

Since 2013, NRW.BANK has moreover funded grants for two students at the above institutions under the Deutschlandstipendium scheme per year.

In 2014 the Bank committed to funding a 3-year grant at the Ruhr Graduate School in Economics in Essen.

Additional Measures in the Field of "Science & Education"

Organisation/Project	Measures Supported	Target Group
Stiftung Haus der kleinen Forscher	Project in North Rhine-Westphalia for the education of children at pre-school and school age in the fields of natural sciences, mathematics and technology	Pre-school/primary school children
Competence Center Begabtenförderung, Düsseldorf	Support of the foundation of a children and youth academy for the promotion of the best with a focus on career counselling (learning from role models), development of skills (experiences through project work) and the conveyance of values (responsible acting in the interest of society as a whole)	School children
Die Bildungsgenossenschaft – Beste Chancen für alle eG, Essen	Innovative education ideas and projects for the use of renewable energy sources and thus the protection of the environment are promoted by NRW.BANK and "Die Bildungsgenossenschaft" by the competition "Wir haben Energie! Ideen. Unterricht. Innovationen." (We have energy. Ideas. Education. Innovations.). Children from 17 schools in North Rhine-Westphalia addressed the topic "Unsere Umwelt – Unsere Zukunft" (Our environment – our future). Sylvia Löhrmann, Minister of Schools and Education of the State of North Rhine-Westphalia, presented awards to the three best project ideas	School children

Organisation/Project	Measures Supported	Target Group
School cooperation with 2 secondary schools and 2 grammar schools in Düsseldorf and Münster	Initiation of career guidance projects	School children
Einstieg GmbH, Cologne	Further training for teachers from all school types with the objective to improve the career counselling for school children	School children
Ernst Mach Gymnasium, Hürth	"Meine Geschichte" (My story) school film project for which the school children visited 15 to 18 year olds from war and terror zones in refugee homes to give 7-10 young people a "voice" and allow them to present their stories and hopes	School children
Schutzgemeinschaft Deutscher Wald, Landesverband NRW e.V., Oberhausen	Support of the 2015 "SOKO Wald" (Forest task force) tour across North Rhine-Westphalia which helps grade 5 and 6 children understand the importance of forests for human beings by means of an interactive rallye with the "WaldMobil" (Forest van) and the "SOKO Wald-Koffer" collection of teaching materials	School children
Vocational training sponsorships since 2009	Bearing the cost of vocational training for ten apprenticeships Ausbildungsplätze in service companies working for NRW.BANK	Secondary school graduates
Münsteraner Willem C. Vis International Commercial Arbitration Moot	Support of junior academics during a simulated legal negotiation	Students
MUIMUN Arbeitsstelle Forschungstransfer, Münster	English-language conference "Münster University International Model United Nations (MUIMUN)" in Münster for students from all over the world	Students
NRW.BANK.Studienpreis „Wohnen & Stadt“, Technische Universität Dortmund	Award for diploma, master and PhD theses outlining feasible recommendations for action or helping to advance the promotional and structural policy concepts in North Rhine-Westphalia	Students
Symposium Oeconomicum Münster e.V.	The objective of this economic congress organised by students is to bring together interested students and representatives from industry, politics and other areas in order to promote the exchange of ideas	Students
Westfälische Wilhelms-Universität Münster; Institut für Siedlungs- und Wohnungswesen	Support of the 2015 annual meeting of the Verein für Socialpolitik (German Economic Association)	Students
Universitätsgesellschaft Münster e.V.	Financing of language course grants for refugees in order to allow them to begin their studies	Students
ROCK YOUR LIFE! Münster	ROCK YOUR LIFE! Münster is a student organisation which promotes secondary school children from socially disadvantaged backgrounds. Students are trained to become voluntary coaches who accompany students for two years in a 1 : 1 mentoring relationship on their route to vocational training or continuing education	Students/school children
5th Schlaun competition, Münster	Sponsorship of the competition on "Standort Hamm" designed to find solutions for urban planning and development	Master students/graduates of urban planning, architecture, landscape planning and civil engineering

Arts & Culture

In 2015 NRW.BANK's sponsoring activities in the field "Arts & Culture" continued to focus on the promotion of young talent.

Concerts by Young Artists and Corporate Volunteering

The Bank continued to support cultural events at its two locations by making available its premises:

In connection with the "CHAPEAU Classique" concert series organised annually since 2011, the duo Joncol (Britta Schmidt and Carles Guisado Moreno, guitar) performed together with Kurt Fuhrmann (percussion) in the staff restaurant of NRW.BANK in Münster in December. As in the past, the event was arranged by the Bank jointly with Gesellschaft zur Förderung der Westfälischen Kulturarbeit e. V.

For the seventh year in a row, NRW.BANK organised two evening concerts in the foyer of its Düsseldorf building in cooperation with the "Düsseldorf Festival": one by Johanna Borchert and band and, the other by the Moscow Art Trio.

NRW.BANK employees volunteered at all concerts, serving beverages and snacks to the guests. The proceeds amounting to approximately € 1,600 were once again donated to the programme "JeKits – Jedem Kind Instrumente, Tanzen, Singen". The purpose of JeKits is to provide access to musical instrument playing, dancing and singing as an aesthetic experience for groups of children.

NRW.BANK.Kunstkalender

For the eleventh time in the series, NRW.BANK invited young photographers to submit their application for the design of the NRW.BANK.Kunstkalender. The theme chosen for the 2016 edition of this annual calendar was "Departure and Destination – Bridges in NRW" and numerous impressive entries were received. NRW.BANK awarded the first prize to Tobias Weßling from Cologne. Sebastian Keitel from Cologne and Cord Richert from Bergheim finished second and third, respectively.

The theme of the 2017 calendar will be "NRW as the Business Location of the Future, Focus on Digitalisation: Making the Invisible Visible" .

Kunstförderung

In order to promote young talents, NRW.BANK regularly permits young artists to show their talent. Since many years, the Bank has exhibited works of students at both head offices in cooperation with the Düsseldorf and Münster arts academies. In 2015, NRW.BANK also held a number of guided tours of these arts exhibitions for members of the general public:

- Düsseldorf: 15 students of the class of professor Rita McBride. April 2013 to April 2015: "Group Effect" exhibition
- Düsseldorf: 29 students of the class of Herbert Brandl. October 2015 to September 2016: "Even Newer New Painting"
- Münster: 23 students of the class of Julia Schmidt. October 2013 to October 2015: "Flamingo" exhibition. The next exhibition is scheduled for 2016.

Additional Measures in the Field of "Arts & Culture"

Organisation/Project	Measures Supported	Target Group
lit.COLOGNE, Cologne	lit. COLOGNE event in general and the children and youth programme offering readings for school classes in particular	Children and youths
Bühnen der Stadt Köln	Support of the children's opera in Cologne	Children and youths
KRASS e. V., Düsseldorf	Strengthening and promotion of children and youths, especially from low-income families, by means of art and culture	Children and youths
Consol Theater Gelsenkirchen / Forum kunstvereint e.V.	Support of a children and youth jury at the "WESTWIND" children and youth theatre festival	Children and youths
Gesellschaft zur Förderung der Westfälischen Kulturarbeit e. V., Münster	Promotion of promising young artists as well as concept development and organisation of cultural events in the fields of art, music and literature in Westphalia	Up-and-coming artists

Organisation/Project	Measures Supported	Target Group
Stiftung Klavier-Festival Ruhr, Essen	Grants for young pianists, competition winners and first-time performers	Up-and-coming artists
Kultur Ruhr GmbH, Ruhrtriennale, Gelsenkirchen	Support of innovative mediation formats at the international arts festival, which focuses on promoting young talent and aims to establish the Ruhr area as an important cultural location	Up-and-coming artists
Kammerphilharmonie Amadé e. V., Cologne	Concerts on the occasion of the 70th anniversary of the liberation of the concentration camp in Auschwitz	Up-and-coming artists
cuba e. V., Münster	Art projects in connection with the long night of museums in Münster	Up-and-coming artists
Kunsthalle Düsseldorf gGmbH	Exhibition of Kunstakademie Düsseldorf at KIT (Kunst im Tunnel)	Up-and-coming artists
Regional Association of Westphalia-Lippe, Volkskundliche Kommission für Westfalen, Münster	"Love is a Stranger" art project on binational/bicultural partnerships	Up-and-coming artists
Musikhochschule Münster, Jugendakademie	Support of the training and further training of musicians and promotion of young talents	Amateur musicians, music school teachers, school and up-and-coming musicians
ensemble:hörsinn, Münster	Support of a music workshop	School and up-and-coming musicians
Wege durch das Land gGmbH, Detmold	"Wege durch das Land" (Paths through the country) literature and music festival	Up-and-coming authors
Internationale Kurzfilmtage Oberhausen gGmbH	Sponsorship of the short film festival and support of the NRW competition especially for productions from up-and-coming filmmakers from North Rhine-Westphalia	Up-and-coming filmmakers
Kino Gesellschaft Köln	NRW KINOTAG, where movies from NRW are presented to a broad audience in special features	Diverse

Society & Social Affairs

Eine Welt Netz NRW e. V., Münster

In 2015 NRW.BANK continued to support the "Eine Welt Netz NRW" initiative which organises projects to strengthen kids' and youths' awareness of our world. The "Eine Welt Mobil", a white van packed with teaching materials for school children from year 3 and older, responds to strong demand from schools for on-site support. The teaching units introduce school children to such topics as climate change, energy consumption, fair trade, the rain forest and responsible garment production.

Christmas Activity and Donation

Marking the eighth year of this Christmas activity, NRW.BANK employees once again supported charitable institutions looking after children and youths. Two large Christmas trees at the Bank's dual head offices in Düsseldorf and Münster were decorated with stars inscribed with suggestions for presents and donations for the benefit of the Regenbogen and Königskinder children's hospices, the Düsseldorf and Münster cancer support charities, the "Raum_58" project in Essen, Deutscher Kinderschutzbund Düsseldorf e. V. as well as „Helfen hilft e. V. Münster“. In addition, the Bank's employees donated bags with personal hygiene products for refugees to Deutsches Rotes Kreuz in Erkrath. Besides the presents, the employees donated an additional amount of approximately € 18,000 to the above institutions. This sum was more than quadrupled by NRW.BANK, so that the organisations received a total of € 75,000.

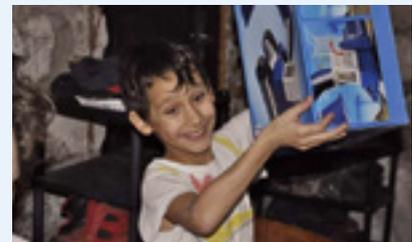
In addition, the Bank's annual Christmas donation benefited the following charities:

- Kulturmäuse e. V. in Recklinghausen and Herne offer children aged 6 to 12, including refugee children, the opportunity to experience the entire range of culture first hand. In their own art projects, the children can in addition discover their creativity.
- A project of LVR-Industriemuseum Ratingen in cooperation with Martin-Luther-King-Gesamtschule Ratingen on dressing styles aims at enhancing the media literacy of school children, promoting their perception and communication skills, sensitising them to sociocultural aspects and strengthening their self-confidence.

SOS Kinderdorf e. V.

The SOS-Kinderdorf Niederrhein subsidised by NRW.BANK in 2015 gives a new home to boys and girls who can no longer live with their parents for various reasons. The SOS-Kinderdorf comprises eight families, four living communities for children and youths, one group for becoming independent, assisted living, one daycare group, an integrative daycare centre, a care centre for early and late hours as well as open all-day school offerings. At workshops and training facilities, youths without opportunities on the job market are prepared for work, trained and qualified in 28 different occupations.

"Leuchtende Kinderaugen" charity



In 2015 advent season, the employees of NRW.BANK significantly increased their readiness to donate and help others compared to the previous year. At the staff meetings, they could see for themselves how their donations were welcomed by the recipients: Some of the benefiting institutions were shown in a short film, which also included a personal thank you from their representatives as well as from North Rhine-Westphalia's Prime Minister.

Additional Measures in the Field of "Society & Social Affairs"

Organisation/Project	Measures Supported	Target Group
Wellenbrecher e.V., Dortmund	A school class project on the prevention of violent behaviour	Children and youths
Deutscher Kinderschutzbund Landesverband NRW e.V., Wuppertal	Promotion of projects which aim at improving the quality of life, safety, education and health of children	Children and youths
roterkeil.net, Münster	The foundation fights the maltreatment of children	Children and youths
Chancenwerk e.V., Castrop-Rauxel	In the form of a "learning cascade" students support children at secondary schools who in turn help younger children with their homework	Children and youths
Kunst gegen Sucht e.V., Düsseldorf	Support of a play on dependency prevention at all types of schools in cooperation with teachers and school social workers	Children and youths
Düsseldorfer Drogenhilfe e.V.	Support of charitable, economic and social projects	Drug addicts and groups threatened by dependency
draußen! e.V., Münster	Creation of life improvement prospects through the "draußen!" street magazine	Homeless and unemployed people
Asphalt e.V./fiftyfifty, Düsseldorf	Support services for the homeless	Homeless people
Frauenselbsthilfe nach Krebs Landesverband NRW e.V., Düsseldorf	Free care for cancer sufferers as well as their relatives by volunteers at self-help groups in North Rhine-Westphalia	Diverse
Landesverband der Tafeln in NRW e.V., Essen	Food banks in North Rhine-Westphalia, which collect excess food of immaculate quality and distribute it to people in need	Diverse
Caritasverband für das Bistum Essen e.V./Flüchtlingsdorf NRW/Syrien	Support of the erection of the "Flüchtlingsdorf Ruhrgebiet" (Refugee village Ruhr area) in Northern Iraq consisting of 100 insulated container homes donated by cities and companies	Diverse
Westfälischer Heimatbund, Münster	Promotion of voluntary work	Diverse
Stiftung Technisches Hilfswerk (THW), Berlin	Promotion of the civil and disaster protection by volunteers (with a focus on North Rhine-Westphalia)	Diverse

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