



NRW.BANK
Promoting Ideas





Financial Report 2024

Financial Report 2024 of NRW.BANK



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This is an unofficial translation of the Finanzbericht 2024 (German Financial Report 2024) and is provided for convenience purposes only. In the event of any ambiguity, the German text will prevail.

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-  Further information is available online.
-  Further information is provided in this Financial Report.



The Managing Board of NRW.BANK:
Claudia Hillenherms, Eckhard Forst,
Johanna Antonie Tjaden-Schulte,
Dr. Peter Stemper and Gabriela Pantring
(from left to right)

Dear Readers,

The only constant in life is change. This quote from Heraclitus, which is more than 2,500 years old, is more relevant today than ever. Ideas are crucial for driving progress as innovations offer solutions to current economic, social and ecological challenges. Especially at a time when companies and municipalities are facing numerous challenges, they are the driving force for our future.

The State of North Rhine-Westphalia, which has a long tradition of change, offers optimal conditions for this. Our federal state is characterised by excellent minds, successful SMEs, strong research, innovative start-ups and municipalities open to new approaches.

NRW.BANK is the partner for all those who want to create urgently needed new homes and have promising ideas that actively drive the future. Together, we are promoting innovations for an ecologically and socially sustainable, digital and modernised economy and society. We provide appropriate financing and advice to ensure that every idea receives the right support.

The year 2025 is full of challenges. We want to tackle them together with our employees, our customers, our partners and our owner, the State of North Rhine-Westphalia.

We are shaping North Rhine-Westphalia together!

The Managing Board of NRW.BANK

Eckhard Forst
Chairman of the
Managing Board

Gabriela Pantring
Deputy Chairwoman of the
Managing Board

Claudia Hillenherms
Member of the
Managing Board

Dr. Peter Stemper
Member of the
Managing Board

Johanna Antonie Tjaden-Schulte
Member of the
Managing Board

Report on Public Corporate Governance in the Year 2024

1 General

NRW.BANK reports annually on the corporate governance efforts undertaken by NRW.BANK on the basis of its own Public Corporate Governance Code (PCGC), which reflects the specific requirements of the Bank. Since its amendment in 2014, it has been based on the Code of the State of North Rhine-Westphalia but also takes into account the specific public mission and the particularities of a competition-neutral public-law promotional bank that is almost entirely budget-independent. Besides legal and statutory provisions, it also includes recommendations and suggestions that go beyond the legal and statutory requirements. NRW.BANK's PCGC was last updated on July 1, 2019.

For the fiscal year, the Managing Board and the Supervisory Board declare that the Bank complied with the recommendations of the Code, save for one exception. In accordance with Section 29 Para. 8 of NRW.BANK's Statutes as well as Clauses 1.4 and 5.2 of the PCGC, this exception is disclosed and explained in the following Declaration of Conformity.

2 Guarantor and Board of Guarantors

The State of North Rhine-Westphalia is the guarantor of NRW.BANK. The State has assumed permanent institutional and guarantor liability for NRW.BANK and has issued the Bank with an explicit funding guarantee.

The State of North Rhine-Westphalia exercises its rights in line with its legal powers at the Board of Guarantors, where it exercises its voting right. As of the reporting date December 31, 2024, the Board of Guarantors was composed of five members. The Board of Guarantors is chaired by the State Minister for Economics. The voting right is exercised unanimously by the "voting agent", i.e. a member of the Board of Guarantors delegated by the guarantor. For the composition of the Board of Guarantors, please refer to [page 132](#).

The Board of Guarantors performed the tasks imposed on it by the Act on NRW.BANK and its Statutes and discussed, among other things, the strategy of NRW.BANK for the years 2025 to 2028 presented by the Managing Board and adopted the principles of the business, promotional and risk policy contained therein at the recommendation of the Supervisory Board. In the reporting year, the Board of Guarantors also resolved to renew the existing directors' and officers' liability insurance policy (D&O insurance) for the members of the Managing Board, the Supervisory Board and the Board of Guarantors for 2025. The agreed deductible amounts to 10% of each damage for each body but to no more than 1.5 times the fixed annual remuneration. Increasing requirements in the banking environment and constant amendments of the regulatory conditions require continuous further training. For this purpose, NRW.BANK constantly refines the training concept

for the members of the bodies, also with respect to the implementation format. A training budget is available to the members of NRW.BANK's bodies, which may be used in consultation with the Public Corporate Governance Adviser of NRW.BANK.

3 Managing Board

The Managing Board is responsible for independently managing NRW.BANK according to commercial principles taking the public benefit into account. Mr Stölting went into retirement and resigned from the Managing Board at the end of June 30, 2024. Mr Dr. Stemper and Ms Tjaden-Schulte joined the Managing Board as new members with effect from July 1, 2024 and October 1, 2024, respectively. As of December 31, 2024, the Managing Board of NRW.BANK was thus composed of five members, including the Chairman and the Deputy Chairwoman. As of the reporting date December 31, 2024, 60% of the members of the Managing Board were women and 40% were men. For the composition of the Managing Board, please refer to [page 135](#). In addition, the current brief CVs and responsibilities of the members of the Managing Board can be found on the website of NRW.BANK. When filling management positions at NRW.BANK, the Managing Board aims for diversity and an appropriate consideration of both genders. As of December 31, 2024, 33.6% of the management positions at the second to fifth level of the Bank were held by women, while 66.4% were held by men (2023: 34.4% women and 65.6% men).

The evaluation of the then Managing Board carried out in the reporting year by the Supervisory Board in accordance with Section 25d Para. 11 Nos. 3 and 4 KWG was supported by a con-

sultancy firm specialising in financial institutions. The Managing Board was evaluated with regard to the knowledge, skills and experience of its individual members and the body as a whole as well as with regard to its structure, size, composition and performance. The evaluation confirmed the good results of the previous year.

The members of the Managing Board are committed to the interest of the Bank and fulfil their tasks in virtue of their office in an independent, unbiased and selfless manner. No member of the Managing Board pursued personal interests when making decisions; no gifts, other benefits or promises thereof were solicited or accepted neither personally nor on behalf of third parties. Potential conflicts of interest that may occur in the context of other mandates are managed in a forward-looking manner in the meaning of the PCGC.

Secondary activities on Supervisory Boards or comparable controlling bodies of enterprises are performed only after they have been approved by the Supervisory Board. The respective approvals of the Supervisory Board for the existing mandates have been obtained. The remuneration received has been disclosed to the Bank and the Supervisory Board and is shown in the Financial Report.

NRW.BANK granted no individual loans to Managing Board members or their relatives. Therefore, it was not necessary in the reporting year to obtain any approval of the Risk Committee for permissible promotional loans made available in connection with promotional programmes of NRW.BANK.

The Managing Board is committed to ongoing further training, especially in the field of regulatory amendments and requirements in the banking environment; Managing Board members undertake appropriate further training measures at their own initiative.

4 Supervisory Board

The Supervisory Board of NRW.BANK oversees the management activities of the Managing Board of NRW.BANK, also with respect to regulatory requirements.

The Supervisory Board is composed of 15 members as well as three permanent representatives. In the reporting year, the permanent representative of Minister Neubaur changed with effect from April 1, 2024.

As of the reporting date December 31, 2024, 53.3% of the members of the Supervisory Board were women and 46.7% were men. This means that the 40% minimum for both genders specified in Clause 4.5.1 of the PCGC was met.

The Supervisory Board is chaired by the Minister for Economics. For the composition of the Supervisory Board, please refer to [page 133 et seq.](#) In addition, the current brief CVs of the members of the Supervisory Board as well as the permanent representatives can be found on the website of NRW.BANK.

In order to ensure an efficient division of labour and to obtain advice and support in the performance of its tasks, the Supervisory Board forms committees from among its members, which

focus on discussing and debating upcoming issues. The members were appointed to the individual committees based on their personal expertise as well as committee-specific requirements.

The Supervisory Board and its committees performed the tasks imposed on them by the Statutes and the applicable rules of procedure. The number and the duration of the meetings held by the Supervisory Board and its committees in the fiscal year were in line with the Bank's requirements. No member of the Supervisory Board attended fewer than half of the meetings. In analogy to the evaluation of the Managing Board, the Supervisory Board carried out a self-evaluation with support from a consultancy firm specialising in financial institutions. The good overall result of the previous year was confirmed. The Supervisory Board also addressed the recommendations adopted as a result of the evaluation carried out in 2023, which were implemented appropriately overall. In addition, the Supervisory Board identified new recommendations, mostly of a processual nature.

No relevant conflicts of interest were disclosed to the Supervisory Board in the fiscal year. No member of the Supervisory Board pursued personal interests when making decisions. The members of the Supervisory Board ensured that they had enough time to fulfil their mandates. The limits for the number of permissible mandates and chairs on supervisory bodies pursuant to the PCGC were met by the members.

NRW.BANK granted no individual loans to Supervisory Board members or their relatives. Therefore, it was not necessary in the

reporting year to obtain any approval of the Risk Committee for permissible promotional loans made available in connection with programmes of NRW.BANK. No business or personal relations that give rise to a material and not only temporary conflict of interest exist between the members of the Supervisory Board and NRW.BANK. Potential conflicts of interest that may occur in the context of other mandates are managed in a forward-looking manner in the PCGC. The members of the Supervisory Board undergo regular training in order to ensure that they have the expert knowledge required under statutory regulations as well as under the Bank's own governance principles. NRW.BANK considers it its duty to support the members of the Bank's bodies through constant improvement of its training concept, also with respect to the implementation format. A training budget is available to the members of NRW.BANK's bodies, which may be used in consultation with the Public Corporate Governance Adviser of NRW.BANK. Irrespective of the above, onboarding events are organised for all newly appointed Supervisory Board members in accordance with the "Concept to Ensure the Quality of the Work of the Supervisory Board".

5 Cooperation Between the Managing Board and the Supervisory Board

The Managing Board and the Supervisory Board cooperate closely to the benefit of the Bank. In this context, the regular communication of detailed information by the Managing Board to the Supervisory Board – either at meetings or in the form of written reports – on all relevant issues and changes regarding

the business development, planning, the risk situation, risk management, compliance and the economic environment plays an important role. This is complemented by an ongoing exchange, especially between the Chairpersons of the Managing Board and the Supervisory Board but also between the Managing Board and the Chairmen of the committees. The scope and the form of the committee meetings, of the reports and of the exchanges are continuously checked against the economic and legal framework and adjusted as necessary.

6 Transparency

NRW.BANK attaches great importance to creating transparency towards the public, the guarantor, the supervisory body, investors, customers and employees. Transparent and open communication forms the basis for trusting cooperation and sustainable corporate governance with the aim to promote the State of North Rhine-Westphalia. The Financial Report and the financial calendar are published on the website of NRW.BANK. In the context of its investor relations activities, the Bank regularly reports the latest corporate news with a focus on the capital market. Press releases and further publications supplement the comprehensive range of information offered by the Bank.

Pursuant to Section 2 Para. 9i KWG, NRW.BANK is not required to publish a Disclosure Report. The Report on Public Corporate Governance as well as the Declaration of Conformity are published both as part of the Financial Report and as a separate document on the website of NRW.BANK.

7 Accounting

The annual financial statements of NRW.BANK were prepared by the Managing Board and audited by the auditor in accordance with the provisions of the German Commercial Code (HGB), the Ordinance Regarding Accounting for Banks, Financial Services Institutions and Securities Institutions (RechKredV), the Act on NRW.BANK and the Statutes of NRW.BANK. The obligations regarding immediate notification in accordance with the PCGC have been agreed with the auditor. The Audit Committee as well as the Supervisory Board discuss the results of the audit with the auditor. The Board of Guarantors resolves on the approval of the annual financial statements, passes a resolution on the appropriation of profits and appoints the auditor. At the recommendation of the Audit Committee and the proposal of the Supervisory Board and in consultation with the North Rhine-Westphalian Court of Audit, the Board of Guarantors appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft for the first time as auditors of NRW.BANK's financial statements for the period ended December 31, 2024, following a Europe-wide tender. The auditor's statement of independence has been submitted and filed.

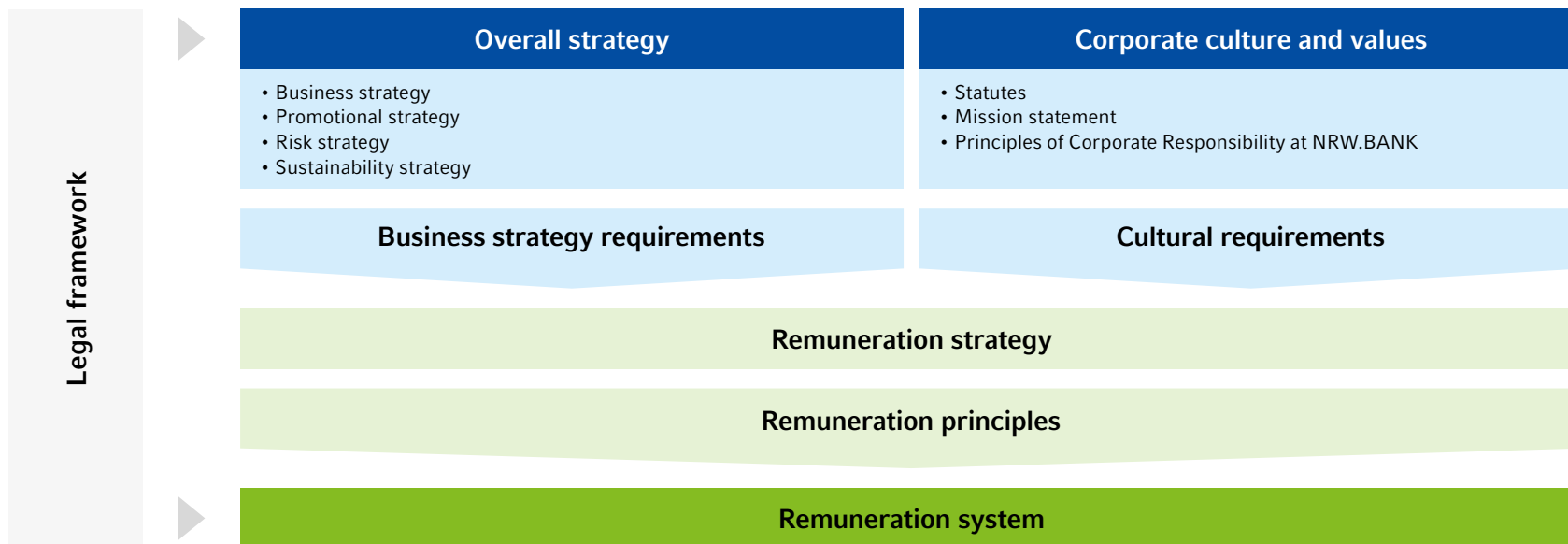
8 Remuneration Report

In this report, NRW.BANK comprehensively describes the key elements of the remuneration system for its executive and controlling bodies and its employees. The latter is based on the Bank's internal Public Corporate Governance Code, the Remuneration Ordinance for Institutions (InstitutsVergV) and the State Equal Opportunities Act of the State of NRW.

8.1 Remuneration Strategy and Control

The State of North Rhine-Westphalia is the sole owner of NRW.BANK. Every year, NRW.BANK's Board of Guarantors adopts the principles of the business, promotional and risk policy within the meaning of Section 10 No. 9 of NRW.BANK's Statutes.

These principles form the basis of the strategic orientation of NRW.BANK in its capacity as the promotional bank for North Rhine-Westphalia and, together with the business, promotional, risk and sustainability strategy derived from them, constitute the Bank's overall strategy including the strategic business requirements. The remuneration strategy is derived from the above as well as from the corporate culture and values of NRW.BANK. It formulates the remuneration principles of NRW.BANK and defines measures for their implementation. The remuneration strategy thus provides the basis for NRW.BANK's remuneration system.



The above sources result in the following principles for NRW.BANK’s remuneration strategy, which serve to secure the Bank’s sustainable performance:

- **Target-oriented incentives implementing the strategy**
The remuneration system supports the implementation of the targets and objectives defined in the Bank’s overall strategy. Incentives that help achieve the targets are supported, while those that are opposed to the targets are prevented.
- **Risk orientation**
The remuneration system supports NRW.BANK’s consistent conservative risk policy and does not encourage undesirable risk-taking.

- **Resource efficiency**
The remuneration system considers the principles of a cautiously operating public-law promotional bank. At the same time, NRW.BANK is subject to all bank-specific requirements and requires employees with the corresponding qualifications.
- **Long-term motivation**
NRW.BANK pursues a long-term, sustainable business model and is a future-oriented public-law employer acting in a socially responsible manner. The remuneration system supports the human resources policy, which is aimed at trusting, long-lasting cooperation and creates incentives for the necessary long-term motivation of the workforce.

This results in the following remuneration principles:

- All elements of NRW.BANK's remuneration system must meet the requirements of the conservative remuneration policy of a competition-neutral promotional bank whose primary objective is not the generation of profits.
- A total remuneration geared to the respective requirements and market environment forms the basis of NRW.BANK's remuneration system to secure the livelihood of its employees and ensure that NRW.BANK remains staffed with qualified employees to meet its bank-specific requirements at all times.
- NRW.BANK's remuneration system is gender-neutral and excludes any pay discrimination on the grounds of gender for the same work or work of equal value.
- NRW.BANK's remuneration system comprises consistent and transparent remuneration rules.

These remuneration principles must be fulfilled by all components of NRW.BANK's remuneration system. Amendments to NRW.BANK's remuneration system and their implementation are agreed with an in-house Remuneration Commission once a year as well as on special occasions. This Commission is composed of the Heads of Internal Audit, Human Resources, Credit Management (back office) and Risk Control as well as the Compliance Officer. To review the Bank's remuneration policy, the meetings of the Remuneration Commission are additionally attended by

the Head of the Legal Department. The Head of Finance and two members of the overall Staff Council complement the Remuneration Commission as guests. The members of the Remuneration Commission are tasked with

- the critical examination of remuneration systems,
- the annual review of any necessary adjustments to the remuneration strategy (and, if applicable, the remuneration systems) due to changes in business and risk strategy conditions and
- with informing/advising the Management Board accordingly. The latter is done at least once a year as part of the preparation of the Remuneration Report of the Managing Board to the Supervisory Board.

Based on the statement by the Remuneration Commission, the Managing Board decides on amendments to the remuneration system for the Bank's employees. No external advisory services were used in the definition of NRW.BANK's remuneration policy.

The Supervisory Board of NRW.BANK is the responsible main controlling body with regard to the remuneration systems. Based on a review and recommendation by the Remuneration Committee, the Supervisory Board decides on the contents and the appropriateness of the remuneration systems for the members of the Managing Board and monitors the appropriateness of the remuneration systems for the employees of the Bank.

In accordance with the provisions of Section 15 in conjunction with Section 4 of the Remuneration Ordinance for Institutions (InstitutsVergV) and Section 25d Para. 12 Sentence 1 of the German Banking Act (KWG), the Remuneration Committee of NRW.BANK is tasked with supporting the Supervisory Board by reviewing the appropriateness of the remuneration strategy and the structure of the remuneration systems for the members of the Managing Board and the employees of NRW.BANK. This is done at least once a year or as required on the basis of the Remuneration Report of the Managing Board in accordance with Section 3 of the Remuneration Ordinance for Institutions (InstitutsVergV). In this context, the Remuneration Committee assesses the impact on risk, capital and liquidity management initially and for all amendments to the remuneration systems and monitors the alignment of the remuneration strategy and the remuneration systems with the achievement of the objectives of the business and risk strategy and the corporate culture, the involvement of the internal control units and other relevant units in the design of the remuneration systems and the process of determining risk takers in accordance with Section 25a Para. 5b of the German Banking Act (KWG).

At its March 2024 meeting, the Supervisory Board of NRW.BANK addressed remuneration-related issues. The same applies to the Remuneration Committee as defined in Section 15 InstitutsVergV and Section 25d Para. 12 KWG. As of December 31, 2024, this Committee was composed of the following members:

- Minister Mona Neubaur (Chairwoman), Ministry of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia

- Minister Dr. Marcus Optendrenk (Deputy Chairman), Ministry of Finance of the State of North Rhine-Westphalia
- Minister Ina Scharrenbach (Deputy Chairwoman), Ministry for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia
- Authorised officer (Prokurist) Matthias Elzinga (representative of the employees of NRW.BANK)
- Director Frank Lill (representative of the employees of NRW.BANK)
- Dr. Birgit Roos (retired Savings Bank Director)

In accordance with Section 12 Para. 2 of the Statutes, the above ministers may appoint one permanent representative each and invite the latter to take part in the meetings. As of December 31, 2024, the following permanent representatives had been appointed:

- Assistant Secretary Susanne Hagenkort-Rieger, Ministry of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia
- Assistant Secretary Günther Bongartz, Ministry of Finance of the State of North Rhine-Westphalia
- Assistant Secretary Dr. Christian von Kraack, Ministry of Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia

8.2 General Conditions for Appropriate Remuneration

Ever since its inception, NRW.BANK has, in agreement with its guarantor, geared its remuneration systems and remuneration parameters towards its promotional tasks and has based its remuneration structure exclusively on regionally and/or nationally

used remuneration parameters to ensure that the amounts of its remuneration do not exceed the market level for comparable positions. This is examined applying external standards:

- The fixed salary for employees under collective agreements is based on the Basic Collective Agreement for Public-sector Banks (Manteltarifvertrag für die öffentlichen Banken). Two consecutive wage groups are allocated to each position under collective agreement. The lower group represents the entry into the position, while the upper group represents the final target position. In addition, individualised extra pay is possible for each position, which is capped at 1 euro below the next higher group. This means that in individual cases, the fixed remuneration may be up to 10% above the respective collective wage group.
- For positions not covered by collective agreements, remuneration comparisons of two consultancy firms, Willis Towers Watson, Frankfurt am Main, and hkp/Mercer, Frankfurt am Main, are used to determine market indicators for NRW.BANK, which supply benchmarks for the remuneration possibilities. These benchmarks are based on the median of a peer group of German banks previously defined by the Managing Board. The market data obtained are adjusted for obvious extremes, checked against comparable positions within the Bank and reviewed for adequate differentiation from the next higher and lower reporting levels. Salary increases may be decided by the managers only within the limits of these benchmarks. Salaries exceeding these limits are decided by the Managing Board on a case-to-case basis. In accordance with NRW.BANK's Company Car Directive, business unit and department heads

of the Bank are granted a company car (also for private use in compliance with applicable tax regulations) or a monetary alternative.

Structural inequalities in the remuneration of employees of different genders are made impossible by NRW.BANK's job assessment system, as each position is assessed by specialists who are not linked to the job in terms of both organisation and content before the position is advertised. The assessment itself is based on the tasks, requirements and skills of the respective function and is thus independent of the person chosen for it. Further details can be found, inter alia, in the "Report on Equality and Equal Pay pursuant to the German Equal Pay Act (Entgelttransparenzgesetz – EntgTranspG)" (see publication attached with the 2022 Management Report).

NRW.BANK pays an annual fixed bonus on April 1 of each year. The annual fixed bonus is not linked to collective agreements and does not increase the recipient's pension entitlement. Sustainable developments (seniority, expertise, skills and work experience) are a precondition for the first-time granting and any future increases of the annual fixed bonus. Outstanding individual achievements are exclusively recognised within the – non-monetary – motivation concept, which focuses on the following three fields of action: promote autonomy, permit development and give recognition. For this purpose, the Bank has implemented diverse measures, e.g. special development policies, a planning and assessment instrument (PUR) with intensified involvement of the employees concerned up to a revision of the organisational principles.

The PUR process is also the central component of NRW.BANK's internal management system. A consistent top-down process ensures that the corporate objectives are communicated to employees at the downstream levels. To this end, the Managing Board breaks down NRW.BANK's strategic objectives to the Bank's individual business units and operationalises them. The business unit heads and all senior managers are responsible for operationalising and transferring these strategic objectives to the employees in an adequate manner.

8.3 Composition of the Managing Board Remuneration

The remuneration of the Managing Board is regularly reviewed for appropriateness. For this purpose, NRW.BANK participates in an annual comparison of Managing Board salaries performed by an external remuneration consulting firm. This comparison covers the market data of Germany's top 30 banks, with the data of the banks directly participating in the remuneration comparison complemented by additional information taken from the annual and remuneration reports. Based on the total remuneration received by the Managing Board members of this peer group, the remuneration received by the Managing Board of NRW.BANK is clearly below the median. Compared to other large promotional banks the Managing Board remuneration of NRW.BANK is at a medium level.

All members of the Managing Board of NRW.BANK receive fixed remuneration only. For a detailed presentation of the remuneration received by the individual Managing Board members, refer to [page 109](#) in the notes.

In the event of an inability to work caused by an accident or illness, all five Managing Board members are entitled to their fixed annual salary for an indefinite period but no longer than up to the end of their employment. Thereafter, a benefit for invalidity will be paid depending on the individual pension commitment for the respective member. The members of the Managing Board are not entitled to pension if the Bank terminates the employment relationship for reasons attributable to the Managing Board members.

In case of a premature resignation without serious cause, the total payments to the members of the Managing Board including potential fringe benefits are limited to the remaining contractual term and to a maximum of two annual remunerations, respectively (severance payment cap).

All members of the Managing Board are entitled to pension benefits as they reach the age of retirement or in case of invalidity. In the event of their death, their dependants are also entitled to benefits.

All commitments are contractually unforfeitable or unforfeitable by law because of the number of years served. The members of the Managing Board benefit from a contribution-linked pension commitment. In the context of this pension commitment, personal pension accounts, some with a starting component, have been set up for them, into which annual pension components are paid. The pension component is calculated at an individual contribution rate on the basis of 69% of the fixed annual salary (equivalent

to the fixed remuneration less annual fixed bonus, benefits in money's worth and benefits in kind). Each pension account carries an individual interest rate. At the time the insured event occurs, the pension capital built-up in the account – in the event of invalidity, plus additional components, if applicable – is actuarially converted into a pension.

After the death of a Managing Board member, their dependants receive a reduced pension (up to 60% of the pension). Children are entitled to 20% of the pension if they are orphans and to a maximum of 12% if they are half-orphans.

The pensions of all Managing Board members are increased by 2.0% each year. In accordance with the regulations of the State of North Rhine-Westphalia, Gabriela Pantring receives sickness benefits.

The expenses for the pensions of the other Managing Board members and the present values of the obligations are shown in the notes on [page 110](#).

Michael Stölting went into retirement with effect from July 1, 2024. Dr. Peter Stemper and Johanna Tjaden-Schulte took up their positions as members of the Managing Board with effect from July 1, 2024 and October 1, 2024, respectively.

8.4 Remuneration of the Members of the Supervisory Board

The remuneration paid to the members of the Supervisory Board is based on a general resolution by the Board of Guarantors and is paid regardless of the business performance. This remuneration structure very well reflects the underlying idea according to which the generation of profits is not the primary business objective. In

accordance with the resolution passed by the Board of Guarantors on March 13, 2023, the remuneration of the Supervisory Board and its committees consists of an annual fixed remuneration with retroactive effect from January 1, 2023. No distinction is made between a member, the vice chairperson or the chairperson. Besides the fixed remuneration, travel expenses incurred by mandate holders are adequately refunded. In addition to the members of the Supervisory Board, the members of the Board of Guarantors, the Advisory Board for Housing Promotion, the Advisory Board and the Parliamentary Advisory Board also receive a fixed remuneration on the basis of the resolution passed by the Board of Guarantors on March 13, 2023. However, the absolute amount of the respective fixed remuneration of the individual bodies varies based on the different tasks and specific responsibilities. In accordance with the Act on NRW.BANK, members of NRW.BANK's bodies who are members of the North Rhine-Westphalian government receive a total annual remuneration that does not exceed the maximum limit stipulated in the Secondary Employment Ordinance (Nebentätigkeitsverordnung). NRW.BANK uses the portion exceeding the maximum limit for promotional purposes. The remuneration received by the individual members of the Supervisory Board, the Board of Guarantors and the Advisory Boards is explained and disclosed in the notes to the Financial Report ([page 112 et seq.](#)).

8.5 Disclosure Pursuant to Section 16 InstitutsVergV

All employees of NRW.BANK, including the Managing Board, exclusively receive fixed remuneration components. The total fixed remuneration is paid in cash and, on a small scale, in the form of benefits in money's worth (e.g. for the private use of company cars for selected groups of employees). In the period from January 1, 2023 to August 31, 2024, NRW.BANK paid all

active employees a monthly inflation compensation premium in accordance with Section 3 No. 11c of the German Income Tax Act (EStG) to mitigate the increase in consumer prices. There is no compensation in the form of shares or similar instruments.

8.5.1 Quantitative Information Regarding the Remuneration of the Risk Takers on the Managing Board

Composition of the Remuneration for the Year 2024

Fixed remuneration ¹⁾	Other benefits ²⁾	Total remuneration	Remuneration for mandates ³⁾	Number of risk takers ⁴⁾
€ 2,769,172	€ 610,466	€ 3,379,638	€ 81,000	6

¹⁾ Including benefits in money's worth and benefits in kind.

²⁾ Employer contributions to social security insurance, benefit payments and allocations to the provision for old-age pensions incl. interest expenses.

³⁾ Remuneration received in 2024 for mandates. Amounts incl. VAT, where applicable.

⁴⁾ Including changes of Managing Board members in the course of the year.

Information Regarding Other Remuneration Benefits

	Amount	Number of risk takers
Guaranteed payments pursuant to Section 5 Para 5 InstitutsVergV made in 2024	€ –	0
Severance payments made in 2024	€ –	0
– thereof single highest amount	€ –	0
Persons whose remuneration in 2024 exceeded € 1.0 million	€ –	0

For a breakdown of the payments to the Managing Board members by names, please refer to [page 109](#) of the notes.

8.5.2 Quantitative Information Regarding the Remuneration of All Employees Below the Managing Board

Composition of the Remuneration for the Year 2024

Segment	Number ¹⁾	Fixed remuneration ²⁾	Other benefits ³⁾	Total remuneration	Remuneration for mandates ⁴⁾
Programme-based Promotion	693	€ 49,482,625	€ 19,192,851	€ 68,675,476	€ 20,170
– risk takers	23	€ 4,281,604	€ 1,553,843	€ 5,835,447	€ 3,520
– no risk takers	670	€ 45,201,021	€ 17,639,008	€ 62,840,029	€ 16,650
Other Promotion/Liquidity Management	64	€ 8,021,354	€ 2,445,929	€ 10,467,283	€ 0
– risk takers	10	€ 2,220,907	€ 570,700	€ 2,791,607	€ 0
– no risk takers	54	€ 5,800,447	€ 1,875,229	€ 7,675,676	€ 0
Staff/Services	1,048	€ 80,781,860	€ 28,445,049	€ 109,226,909	€ 109,450
– risk takers ⁵⁾	46	€ 8,689,260	€ 3,158,989	€ 11,848,249	€ 109,450
– no risk takers	1,002	€ 72,092,600	€ 25,286,060	€ 97,378,660	€ 0
Total result	1,805	€ 138,285,839	€ 50,083,829	€ 188,369,668	€ 129,620

¹⁾ Including employees who departed in the course of the year (pro-rated remuneration for the term of employment); dual students/trainees are included in the Staff/Services segment.

²⁾ Incl. benefits in money's worth and benefits in kind.

³⁾ Employer contributions to statutory social security insurance, benefit payments and allocations to the provision for old-age pensions incl. interest expenses.

⁴⁾ Amounts incl. VAT, where applicable.

⁵⁾ Including the expenses for Dr. Peter Stemper until his change to the Managing Board as of July 1, 2024.

Information on Further Remuneration Benefits to Risk Takers

	Amount	Number of risk takers
Hiring bonuses paid or guaranteed payments made in 2024	€ –	0
Severance payments made in 2024	€ –	0
– thereof single highest amount	€ –	0
Persons whose remuneration in 2024 exceeded € 1.0 million	€ –	0

8.5.3 Quantitative Information Regarding the Remuneration of the Risk Takers on the Supervisory Board

Composition of the Remuneration for the Year 2024 for Persons Identified as Risk Takers on Account of Their Membership of the Supervisory Board

	Annual fixed remuneration ¹⁾	Number of risk takers
Members of the Supervisory Board pursuant to Section 12 Para. 1 Letters a to d, Para. 2 of the Statutes	221,758 €	13
Members of the Supervisory Board pursuant to Section 12 Para. 1 Letter e of the Statutes (staff representatives)	105,200 €	5

¹⁾ Incl. remuneration for risk takers on the Supervisory Board who resigned during the course of the year.

Where staff representatives have been identified as risk takers, the remuneration they receive for this activity is shown in the tables under point 8.5.2. For disclosure of the remuneration received, please refer to the notes on [page 114 et seq.](#)

Declaration of Conformity

The Managing Board and the Supervisory Board of NRW.BANK jointly declare that the Bank complied with the recommendations of the Public Corporate Governance Code (PCGC) of NRW.BANK in 2024 save for the following exception. The latter is made transparent and justified in accordance with Clauses 1.4 and 5.2 of the PCGC of NRW.BANK.

Submission of Resolution Proposals to the Supervisory Board

In deviation from Clause 5.1.5, documents required for decisions were, in exceptional cases, submitted to the members of the Supervisory Board less than 14 days prior to the meeting. This was mainly due to current developments. Thanks to the availability of the Managing Board for answering questions prior to the meetings, the preparation of the Supervisory Board meetings by the Executive and Nomination Committee and the possibility for extensive consultations at the meetings, it was nevertheless ensured that the necessary decisions were addressed and adopted.

The Managing Board and the Supervisory Board of NRW.BANK remain committed to the Public Corporate Governance Code and intend to comply with its recommendations also in future unless transparent and justified exceptions appear sensible and necessary.

NRW.BANK
April 2025

The Managing Board
The Supervisory Board

Report of the Supervisory Board

In compliance with the tasks imposed on it by the law, the Statutes and the Public Corporate Governance Code, the Supervisory Board monitored the proper conduct of the business and obtained regular reports on the latest business developments and the risk situation in the fiscal year 2024. It discussed and approved all transactions requiring its approval in accordance with legal or statutory provisions and addressed important matters of business policy in detail. These included in particular issues relating to ongoing challenges such as the economic development of North Rhine-Westphalia and crisis management. Accordingly, the Supervisory Board dealt with the economic and crisis-related effects on the risk situation and the promotional activities of NRW.BANK. As a result, NRW.BANK continued to promote the digital and sustainable transformation as a central topic for the future.

The Supervisory Board also dealt with the evaluation of NRW.BANK's Managing Board and with its self-evaluation. The Executive and Nomination Committee prepared the meetings of the Supervisory Board and the Board of Guarantors. It furthermore decided on the budget for NRW.BANK's corporate citizenship activities. The Remuneration Committee primarily supervised the appropriateness of the remuneration systems for the Managing Board and the employees of NRW.BANK.

The Risk Committee mainly assisted the Supervisory Board in monitoring the Bank's risk situation and monitored the effectiveness of the risk management system. The Promotional Committee primarily addressed various aspects of the promotional policy and the promotional business. The Building Committee monitored and assisted in NRW.BANK's planned new building project in Düsseldorf, Haroldstraße 5 (H5).

In accordance with regulatory requirements and the provisions in the Statutes, the Supervisory Board addressed the business, promotional, risk and sustainability strategy for the years 2025 to 2028. The principles of the business, promotional and risk policies were submitted for approval to the Board of Guarantors, which is the competent body under the Bank's Statutes. At its meeting on December 9, 2024, the Board of Guarantors approved the proposed strategy.

The Audit Committee mainly supervised the accounting process, the performance of the audit as well as the independence of the auditor. It also approved the permissible non-audit services. Deloitte GmbH Wirtschaftsprüfungsgesellschaft carried out the audit of the financial statements for 2024 and the management report and issued an unqualified audit opinion. The Supervisory Board and the Audit Committee formed from among its members

discussed in detail the financial statements of NRW.BANK and the report of the external auditors on the results of their audits. Following the final result of the audit, they raised no objections. At its meeting on April 7, 2025, the Supervisory Board approved the financial statements and the management report established by the Managing Board and proposed that the Board of Guarantors approve the financial statements for the year 2024.

The 2024 non-financial report, subject to voluntary application of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as a framework with the exception of the disclosures pursuant to Regulation (EU) No. 2020/852 (“EU Taxonomy Regulation”), was subjected to a voluntary limited assurance engagement by Deloitte GmbH Wirtschaftsprüfungsgesellschaft and, following the assessment of the audit result by the Supervisory Board, was found to be lawful and appropriate. As in the previous years, no consolidated financial statements were prepared for the year 2024, as the Bank is not obliged to do so under commercial law.

The Supervisory Board held four meetings in the fiscal year. Another 19 meetings were held by the Committees composed of the members of the Supervisory Board; the Executive and Nomination Committee held four meetings, the Risk Committee held four meetings, the Audit Committee held two meetings, the Promotional Committee held four meetings, the Building Committee held four meetings and the Remuneration Committee held one meeting. Some resolutions were passed by way of written votes.

Governmental control over NRW.BANK continues to be exercised by the Ministry of the Interior of the State of North Rhine-Westphalia, with respect to public housing promotion in cooperation with the Ministry responsible for housing. The purpose of this control was to ensure the lawfulness of the activities of NRW.BANK.

Düsseldorf/Münster, April 2025



Mona Neubaur
Chairwoman of the Supervisory Board

Management Report

of NRW.BANK for the Fiscal Year 2024

1 Fundamental Information about NRW.BANK as the Promotional Bank of North Rhine-Westphalia

NRW.BANK is the promotional bank of North Rhine-Westphalia (NRW). It has the public mission to support its owner and guarantor, the State of North Rhine-Westphalia, in the completion of its tasks, especially in the fields of structural, economic, social and housing policy. NRW.BANK conducts its activities in accordance with commercial principles, taking into account the public welfare on a non-competitive and non-profit-oriented basis. To fulfil its promotional mission, NRW.BANK draws on a wide range of promotional instruments and, in particular, contributes its lending expertise to the promotional process.

1.1 Business Model

NRW.BANK's business model is that of a largely budget-independent promotional bank and supports the fulfilment of its public promotional mission. According to the Act on NRW.BANK (NRW.BANK G), it is a legally independent promotional bank engaging in competition-neutral promotional business which permanently benefits from institutional and guarantor liability as well as from an explicit statutory funding guarantee from its guarantor. Insolvency proceedings with respect to the Bank's assets are not permissible. This enables NRW.BANK to make available the required liquidity at short notice at any time. To

complete its mission, NRW.BANK uses the resulting possibilities for funding in the international capital market, where the Bank has established itself as a reliable market participant. NRW.BANK generates its own income within the parameters of its conservative investment strategy. This income is used to finance the promotional business, to secure the viability of the Bank, also with regard to the creation of its own, non-interest-bearing provisions and reserves, and to finance the banking operations. The use of own resources, e.g. to reduce the interest rates on promotional loans, is a key aspect of NRW.BANK's business model. The promotional instruments used for the banking business include, in particular, loans with below-market interest rates, long-term fixed-interest options and/or redemption discounts as well as risk sharing with house banks and the provision of equity and mezzanine capital. Beyond the traditional banking business, NRW.BANK provides advisory services and grants for initial or ancillary costs; as a partner of the federal state, the Bank also assumes service functions in the area of grant-based promotion. In the 2023 financial statements, a promotional fund was established within the allowance reserves pursuant to Section 340g of the German Commercial Code (HGB), which provides the funds for self-financed redemption discounts and grants for initial or ancillary costs. This fund does not count towards the regulatory core capital.

NRW.BANK takes into account the existing offers by the Federal Promotional Institutes in the arrangement of its promotion and supports the use of federal and European promotional funds in the State of North Rhine-Westphalia.

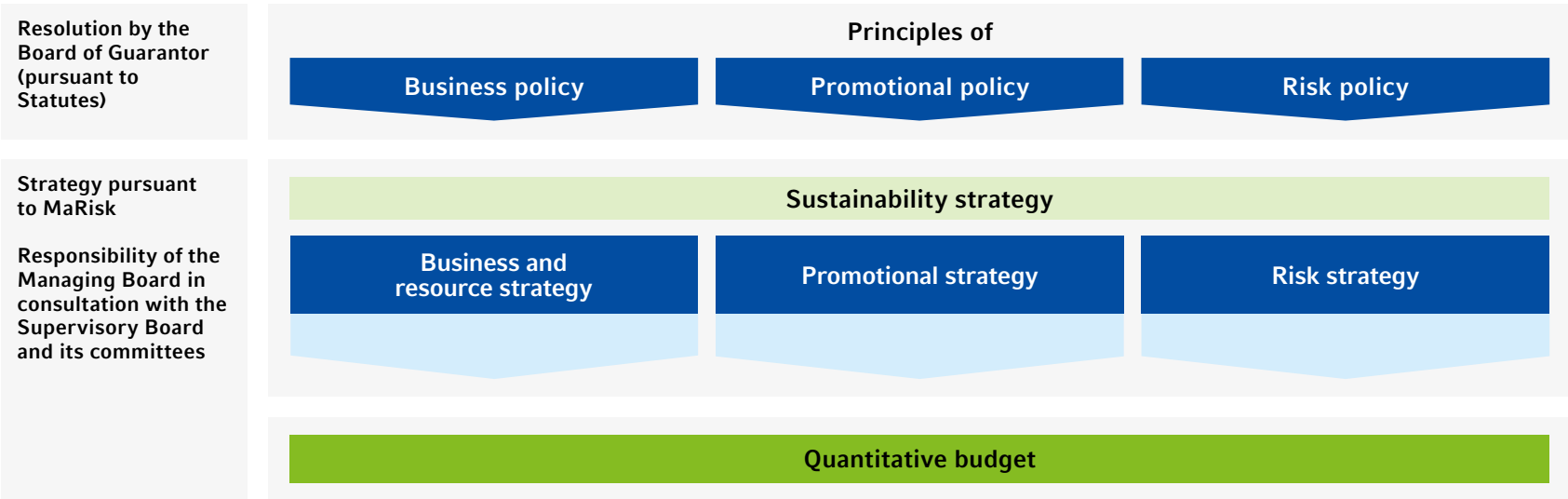
1.2 Objectives and Strategies

The Bank’s overall strategy is composed of the principles adopted by the Board of Guarantors according to the Statutes and of the strategy defined by the Managing Board pursuant to the Minimum Requirements on Risk Management (MaRisk). It is adopted for a rolling four-year planning period. The principles of the business, promotional and risk policy define the framework of strategic action. The business, promotional, risk and sustainability strategy

puts the strategic positioning of the Bank which is defined in the principles into more concrete terms and leads to a quantitative budget.

The Managing Board of NRW.BANK liaises closely and constantly with the Bank’s other executive bodies and ensures the appropriate degree of transparency in implementing and refining its tasks and strategy.

The Bank’s overall strategy is geared to NRW.BANK’s public mission to support the State of North Rhine-Westphalia and its municipal corporations in the fulfilment of their tasks and to serve as the first port of call for the state government with regard



to financial and promotional issues. Material business activities as defined in the Minimum Requirements on Risk Management (MaRisk) are the promotional business and the capital market business, which supports the promotional activities (“Förderhilfsgeschäft”).

The promotional strategy is at the heart of the Bank’s overall strategy, which reflects the special importance of the promotional business. The business/resource strategy defines the capital market strategy as well as its sub-strategies, i.e. cash management strategy, funding strategy and investment/trading strategy, as well as resource-related topics such as human resources and IT. The risk strategy addresses the risk-relevant aspects of the strategy and is closely linked with the promotional and business strategies.

Sustainability is a central guiding principle and a key criterion for NRW.BANK’s decisions on business policy. The cross-sectional and overarching Sustainability Strategy comprises the strategic focus, the relevance for the business activity, sustainability management as well as the sustainability communication formats.

The promotional strategy defines key objectives and priorities for the further development of NRW.BANK’s promotional business. It is based on a theme-oriented approach that divides the promotional business into three promotional fields – Economy, Housing as well as Infrastructure/Municipalities. Long-term objectives have been defined for all three promotional fields, with the promotional field Economy aiming to strengthen the economy in

North Rhine-Westphalia. More specifically, this means improving the financing situation for small and medium-sized enterprises and providing promotional incentives for innovation and digitalisation projects and for start-ups. Long-term objectives in the field Housing include the creation of affordable housing and the strengthening of residential neighbourhoods. The central objective in the promotional field Infrastructure/Municipalities is the strengthening of the infrastructure, specifically by providing promotional incentives in favour of the technical and social infrastructure as well as securing the liquidity and investment capacity of the North Rhine-Westphalian municipalities. In view of the overarching importance of the topic, the promotion of sustainability projects is a long-term objective in all three promotional fields. In procedural terms, NRW.BANK is committed to ensuring the efficiency of its promotional business.

The medium-term priorities in the promotional business are defined within the promotional strategy via the strategic focus topics, which define the specific content-related and procedural priorities for the further development of the promotional business. In the context of the 2024–2027 promotional strategy, the medium-term focus in terms of content in the reporting year was on supporting transformation processes and promoting social participation in North Rhine-Westphalia. On the one hand, this focus meant that the promotional offerings were more closely aligned with the topics of sustainability and digitalisation/innovation. On the other hand, besides expanding and optimising the promotion of affordable housing, the aim was to optimize the promotional portfolio in the area of social infrastructure,

especially education, care and healthcare. In procedural terms, the medium-term focus was placed, in particular, on increasing NRW.BANK's added value for state promotion and at further developing the impact orientation of NRW.BANK's promotional activities.

NRW.BANK's Non-financial Report is a separate chapter of the Financial Report. It is based on voluntary application of the European Sustainability Reporting Standards (ESRS), except for the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

NRW.BANK's Financial Report is available at <https://www.nrwbank.de/en/about-us/financial-reports>.

1.3 Internal Management System

For its internal management, NRW.BANK generally uses controlling concepts and methods which have proven their worth and are commonly used in the banking sector. NRW.BANK's objectives are primarily geared to providing its guarantor, the State of North Rhine-Westphalia, with permanent support in performing its structural and economic tasks.

The preservation of the Bank's net asset value has been designated as a key condition for the Bank's internal management. NRW.BANK defines the net asset value as the equity capital shown in the balance sheet with all its components plus allowance reserves.

The key indicators (financial performance indicators) for internal management purposes are the volume of new commitments in the promotional business and the "Förderleistung" as well as operating income, administrative expenses, the cost-income ratio (CIR) before "Förderleistung", total assets and business volume. The corresponding budget values are regularly subjected to plan/actual comparisons as well as scenario and forecast analyses in order to provide appropriate control stimuli.

The volume of new commitments comprises the commitments for promotional funds made in the current fiscal year. The term "Förderleistung" covers the monetary and non-monetary services provided by NRW.BANK to fulfil its promotional mission and to support the economic and structural policy objectives of its owner. Operating income comprises net interest income and net commission income as well as net income from trading operations and the other operating result. Administrative expenses comprise personnel expenses as well as operating expenses.

The CIR before "Förderleistung" is the ratio of administrative expenses excluding "Förderleistung" to net interest and commission income before "Förderleistung". The CIR reflects the changes in cost-income ratios and thus serves to measure efficiency. It is adjusted for the "Förderleistung" so as to avoid making incentives that contradict the promotional purpose and to allow comparison with the CIRs of other (promotional) institutions.

The business volume comprises total assets, contingent liabilities, other commitments as well as administered funds.

2 Report on Economic Position

2.1 Economic Climate

2.1.1 The German and North Rhine-Westphalian Economies

The expectations of a gradually accelerating recovery of the German economy, which still prevailed in spring 2024, failed to materialise. The slightly positive trend in the services sector was just sufficient to offset the continued declines in the industrial and construction sectors. The economic downturn in Germany continued until the end of the year. Gross domestic product (GDP) declined by a slight 0.2% in the year as a whole.

At the beginning of the year, hopes for macroeconomic growth were pinned on private consumption. While the latter was able to support the economy in the first half of the year, the hoped-for recovery failed to materialise in spite of strong real income growth. In view of growing uncertainty about the economic policy conditions and increasing concern about their own jobs, private households in Germany and North Rhine-Westphalia were clearly reluctant to spend.

The industrial sector also failed to gain momentum, as pressure on companies continued to grow in the course of the year. More and more companies announced job cuts and plant closures. Besides weak economic activity, structural problems also had an adverse effect. For instance, Germany's high energy and production costs, by international comparison, are weighing on competitiveness and, together with the shortage of skilled labour, are adding to the economic difficulties of many companies. Especially

energy-intensive companies, which make a higher contribution to economic output in North Rhine-Westphalia than in other federal states, need planning certainty with regard to the availability of energy and to price trends in order to make their investment decisions.

Due to the poorer competitive position, foreign trade did not provide any stimulation to macroeconomic growth. On balance, exports contracted by 1.0%. In particular, exports to China and the European Union declined noticeably, whereas some exports to the USA were brought forward towards the end of the year in anticipation of tariff increases. Just like German exports, exports from North Rhine-Westphalia declined towards the end of last year as a result of declining competitiveness. North Rhine-Westphalian companies lost market share in important output markets.

The economic crisis sent corporate insolvencies rising sharply in 2024. According to Creditreform, they reached the highest level since 2015, exceeding the pre-Covid level for the first time. Insolvencies of young enterprises (up to two years on the market) recorded a particularly sharp increase of almost 40%. Older enterprises (over ten years) reported an increase by 21.9%. A total of 58.2% of the insolvent companies had been active for ten years or less.

In view of the still high financing costs and the extreme uncertainty regarding economic policy, companies scaled back their investments more strongly than expected. The prolonged low

capacity utilisation is also likely to have contributed to the weak investment activity. According to surveys by the ifo Institute, it has been declining since October 2022 and is now far below the long-term average. This clearly reflects the persistently low demand. Many companies meanwhile describe their order situation as extremely poor and claim that the lack of demand is impeding production.

The construction sector continued to face weak demand for construction services. The housing construction segment, in particular, felt the adverse effect of the increased financing costs. As a result of the interest rate hikes in 2022 and 2023, many construction projects were given up. Not only the persistently high borrowing costs but also the continued high construction costs had an adverse effect on investment. According to the ifo Institute, more than half of the construction companies reported a lack of orders, which was not least due to the recent increase in the number of order cancellations.

The weakness of the German economy increasingly spread to the labour market in the course of the year. Employment growth almost came to a standstill, and the jobless rate rose by 0.3 percentage points to an annual average of 6%. Moreover, short-time work in the manufacturing sector has picked up sharply since July. Also, the decline in vacancies indicates that companies are less willing to hire new staff. Several large industrial enterprises have already announced redundancies.

Inflation showed an inconsistent trend in 2024. Starting at the beginning of the year, the rate of inflation initially declined

noticeably, reaching a temporary low of 1.6% in late summer. It thus stood below the 2% target of the European Central Bank for the first time since spring 2021. This was mainly due to base effects and more favourable energy prices. Towards the end of the year, the rate of inflation picked up again to 2.6%. The prices of services, in particular, increased at an above-average rate, reflecting the sharp rise in wage costs resulting from higher labour intensity. The average annual rate of inflation in Germany stood at 2.2%, down from an average of 5.9% in 2023.

2.1.2 Financial Markets

In the first half of 2024, key interest rates remained at the level reached at the end of 2023. The main refinancing rate was 4.5% and the ECB deposit facility 4.0%. When it became increasingly clear that inflation in the euro area and in Germany would decline permanently towards the ECB's medium-term target of 2%, the ECB loosened its monetary policy for the first time in June 2024. The first rate cut was followed by three more 0.25 percentage point cuts in September, October and December.

Changes were implemented by the ECB with regard to the rate on the main refinancing operations and the rate on the marginal lending facility. In accordance with the changes to the ECB's operational framework for implementing monetary policy announced in March 2024, both were reduced by an additional 0.35 percentage points on September 18. The spread between the rate on the main refinancing operations and the deposit facility rate thus declined from 0.50 percentage points to 0.15 percentage points, while the spread between the rate on the marginal lending facility and the deposit facility declined to 0.40 percentage

points. The ECB's approach is aimed at keeping money market interest rates within a narrow band close to the deposit facility rate and thus at reducing short-term interest rate fluctuations on the interbank market. At the end of the year, the main refinancing rate stood at 3.15% and the ECB deposit facility at 3%.

While the ECB loosened its monetary policy by cutting key interest rates, it continued to tighten its purchase programmes. The reinvestment of assets in the Asset Purchase Programme (APP) ended already in 2023. At the end of 2024, assets worth € 2.7 trillion were held in this programme. In the second half of 2024, the ECB also scaled back the Pandemic Emergency Purchase Programme (PEPP). On average, the ECB did not reinvest maturing securities worth € 7.5 billion per month. At the end of 2024, the reinvestment of assets in this programme was entirely discontinued. At the end of December, the ECB still held € 1.7 billion under this programme. The targeted long-term refinancing operations (TLTRO) were almost fully repaid by the banks and credit institutions in 2024.

The ECB's balance sheet reduction left hardly any traces on the markets for government and corporate bonds in 2024. What was striking, however, was the increase in the 10-year Bund yield above the corresponding swap rate in November. This was due to lower demand for German government bonds in view of the premature end of the German government coalition. The reputation of German government bonds as a safe haven was briefly tarnished, which became more evident following the discontinuation of the ECB's asset purchases.

Looking back at 2024 as a whole, the 3-month Euribor moved close to the ECB deposit facility and the yield on 10-year German government bonds fluctuated between 2% and 2.7%. In the first half of the year, the Bund yield picked up successively as economic sentiment improved. The upward trend in US interest rates was another important driver. The 10-year Bund yield reached its peak in the context of the dissolution of parliament and the new elections in France in June and July 2024. In the second half of the year, however, yields tended to point downwards, adversely affected by the bleaker economic outlook and declining inflation. The inverse yield curve ended in the second half of 2024, which means that short-term Bunds again yielded less than their long-term counterparts.

2.2 Course of Business

The economic conditions and financial market developments made the past fiscal year a challenging one for NRW.BANK.

At € 11.4 billion (2023: € 11.8 billion), the volume of new commitments in the promotional business again exceeded expectations and matched the prior year result in 2024. The high volume of new commitments is essentially attributable to increased demand in the promotional field Housing, which performed above expectations and recorded yet another increase on the previous year. This largely offset declines in demand in the other promotional fields. This means that demand in the three promotional fields again differed quite substantially.

In the reporting year, NRW.BANK's housing promotion products benefited from programme optimisations and increased promotional incentives. At € 2.2 billion, public housing promotion under the Law on the Promotion and Use of Housing for the State of North Rhine-Westphalia (Gesetz zur Förderung und Nutzung von Wohnraum für das Land Nordrhein-Westfalen – WFNG NRW) again slightly exceeded the high result of the previous year (2023: € 2.1 billion), benefiting from the redemption discounts from federal state funds. In the promotional field Economy, demand was again adversely affected by companies' reluctance to invest. Demand for broad-based, low-subsidy promotional offerings for investments and working capital declined particularly strongly. By contrast, demand for more strongly interest-subsidised special programmes for digital and environmental transformation projects remained largely stable. The same applies to risk participation by NRW.BANK via syndicated financing, for which there was strong demand as in the previous year. State aid restrictions and regulatory uncertainties for infrastructure projects in the energy sector adversely affected demand in the promotional field Infrastructure/Municipalities.

A "Förderleistung" totalling € 210.2 million was drawn in the fiscal year 2024, which was in line with expectations and almost twice as high as in the previous year (2023: € 106.4 million).

This strong increase is due, on the one hand, to the increase in interest rate subsidies implemented in the previous year for selected economic and housing promotion products and, on the other hand, to the increase in interest rate subsidies implemented in the reporting year for municipal funding for climate-related or refugee housing projects. In this context, the NRW.BANK.Nach-

haltig Wohnen programme deserves special mention, in which the "Förderleistung" had been temporarily increased until into the first quarter of 2024 due to a promotion freeze at KfW.

In the reporting year 2024, NRW.BANK restructured its promotional offerings in the Infrastructure/Municipalities field by introducing a new, broad-based programme for the promotion of infrastructure projects. The new programme combines the previous individual programmes under a common umbrella and provides specific promotional frameworks with increased interest rate subsidies for projects relating to renewable energy, climate, broadband and education. Since September 2024, companies have been granted a bonus in the form of an additional interest rate subsidy in selected economic promotion products via a newly developed incentive system if they make special efforts to reduce their greenhouse gas emissions. Climate-oriented action thus benefits from separate promotional support. In 2024, NRW.BANK also expanded its existing mezzanine capital offerings for young innovative start-ups by adding new convertible loans that provide bridge financing until (new) equity investors are signed up.

From the point of view of NRW.BANK, the business trend in 2024 was positive on balance. The Bank's net assets, financial position and results of operations are sound. The Bank generated positive operating income before risk provisions/revaluation adjustments and was able to further strengthen the allowance reserves for general banking risks and the regulatory capital and to increase the funds for expanding the range of promotional instruments ("promotional fund").

At € 161.8 billion (2023: € 161.3 billion) and € 184.6 billion (2023: € 183.4 billion), respectively, both total assets and the business volume were slightly above plan.

As had been expected, operating income, at € 654.1 million (2023: € 874.4 million), was much lower than in the previous year. This was primarily due to a much higher "Förderleistung". Moreover, net interest income from equity investments declined. As a result of the collective wage agreement, non-interest expenses from the valuation of personnel obligations were much higher than projected.

As had been expected, administrative expenses increased noticeably to € –359.0 million (2023: € –306.0 million).

Due to lower operating income and increased administrative expenses, the cost-income ratio before "Förderleistung" rose more sharply than expected to 40.7% (2023: 32.5%).

The result of operations by segments breaks down as follows:

Result of Operations	Programme-based Promotion		Other Promotion/ Liquidity Management		Staff/Services		NRW.BANK	
	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Net interest income	93.9	252.3	439.4	434.3	133.2	130.6	666.5	817.2
Net commission income	24.7	28.8	48.8	50.4	–4.4	–4.4	69.1	74.8
Net result from trading operations	0.0	0.0	0.1	–0.5	0.0	0.0	0.1	–0.5
Other operating result	8.1	5.4	0.6	0.1	–90.3	–22.6	–81.6	–17.1
Operating income	126.7	286.5	488.9	484.3	38.5	103.6	654.1	874.4
Personnel expenses	–55.8	–55.2	–8.5	–8.3	–163.9	–124.5	–228.2	–188.0
Operating expenditure	–57.3	–52.2	–37.3	–35.8	–36.2	–30.0	–130.8	–118.0
Administrative expenses	–113.1	–107.4	–45.8	–44.1	–200.1	–154.5	–359.0	–306.0
Operating result before risk provisions/revaluation adjustments	13.6	179.1	443.1	440.2	–161.6	–50.9	295.1	568.4
Risk provisions/revaluation adjustments	–80.7	–33.8	–37.5	–83.2	–172.4	–442.4	–290.6	–559.4
Taxes on income and revenues	–0.4	–0.8	0.9	–1.4	–0.3	–2.2	0.2	–4.4
Net income/loss for the year	–67.5	144.5	406.5	355.6	–334.3	–495.5	4.7	4.6

The segment report provides further insight into management control and is derived from the internal management information system. The segmentation is based on the Bank's organisational structure.

The Programme-based Promotion segment comprises the business units Housing Promotion, Promotion Programmes, Special Finance, Equity Finance, Grant-based Promotion as well as Promotion Programme Advisory Services & Customer Service.

The Other Promotion/Liquidity Management segment includes the capital market business, which supports the promotional activities ("Förderhilfsgeschäft"), as well as Municipal Direct Financing in North Rhine-Westphalia.

The Staff/Services segment comprises the Service and Staff business units such as Information Technology and Services, Risk Control, Finance, Transformation and Innovation as well as Corporate Development including the participations in the public interest.

2.3 Net Assets, Financial Position and Results of Operations

2.3.1 Results of Operations

Net Interest Income

At € 666.5 million, NRW.BANK's net interest income was clearly below the previous year's € 817.2 million, mainly due to the expected strong increase in the "Förderleistung" as well as to higher refinancing expenses and declining dividend income from equity investments.

Net Commission Income

A major contribution to net commission income of € 69.1 million (2023: € 74.8 million) was made by income from surrogate loan transactions. In these transactions, NRW.BANK acts as hedge provider (seller).

Net Income from Trading Operations

NRW.BANK engages in short-term trading book transactions to a very limited extent. In the fiscal year 2024, this resulted in net income from trading operations of € 0.1 million (2023: € -0.5 million).

Other Operating Result

The other operating result amounted to € -81.6 million (2023: € -17.1 million). Due to the increased average actuarial interest rates, interest-related expenses from the valuation of personnel obligations declined to a total of € -9.8 million (2023: € -15.5 million). By contrast, non-interest expenses for provisions for pensions and additional benefits for employees and pensioners of Portigon AG who are entitled to a pension under the laws relating to civil servants were much higher, at € -85.1 million, than in the previous year (2023: € -11.4 million). Compared to the previous year, pension expenses increased noticeably mainly due to the collective wage agreement for public-sector banks.

Administrative Expenses

NRW.BANK's administrative expenses rose to € -359.0 million (2023: € -306.0 million).

Personnel expenses were higher than in the previous year, in particular for pensions, due to the effect of the above-mentioned collective wage agreement on the valuation of pension provisions for original employees of NRW.BANK. The increase was also due to collectively and individually agreed salary adjustments as well as to a moderate increase in personnel, mainly in connection with new tasks in the promotional business and as a result of much stricter regulatory requirements.

At € –130.8 million (2023: –118.0 million), operating expenses exceeded the previous year's level, essentially due to higher advisory costs related to the Bank's current projects as well as to an inflation-related increase in the costs of the banking operations.

Risk Provisions/Revaluation Adjustments

Risk provisions/revaluation adjustments amounted to € –290.6 million in the fiscal year 2024 (2023: € –559.4 million).

Risk provisions/revaluation adjustments in the lending business in the amount of € –29.3 million (2023: € –50.0 million) were marked by a much lower need for value adjustments in the promotional business.

Income from equity investments amounted to –10.9 million (2023: € 30.5 million). Promotional investments had to be written off in the reporting year, whereas the gains on disposal were relatively low. In the previous year, the gains on disposal clearly exceeded the write-offs.

A net result of € –25.1 million (2023: € –58.9 million) related to the results of sales and revaluations in the securities and derivatives business.

As in the previous years, NRW.BANK used its operating result to allocate an amount of € 225.3 million (2023: € 481.0 million) to allowance reserves. The promotional fund established in the previous year as part of the allowance reserves pursuant to Section 340g of the German Commercial Code (HGB) was endowed with € 95.0 million (2023: € 150.0 million). This promotional fund is not counted towards the regulatory core capital and is now available in the amount of € 245.0 million for the intended promotional purposes.

Net Income

NRW.BANK posted net income of € 4.7 million (2023: € 4.6 million) in the fiscal year 2024. As in the previous years, net income is exactly identical with the federal interest expenses pursuant to Section 14 of the Act on NRW.BANK.

Segment Results

Net interest income in the Programme-based Promotion segment comprises the results of the promotional business units and amounted to € 93.9 million (2023: € 252.3 million).

The decline in this segment is mainly due to an increased "Förderleistung" in the form of interest rate subsidies. At € 56.1 million (2023: € 4.7 million), the increase is mainly attributable to the NRW.BANK.Nachhaltig Wohnen programme, for which the "Förderleistung" was temporarily increased due to a promotion freeze at KfW. A much higher "Förderleistung" was also used for the NRW.BANK.Flüchtlingsunterkünfte programme, at € 23.6 million

(2023: € 0.3 million), and the NRW.BANK.Moderne Schule programme, at € 18.8 million (2023: € 7.3 million).

Moreover, the equity investment business was characterised by lower profit distributions from third party-managed venture capital and private equity funds as well as by higher refinancing expenses than in the previous year.

At € 24.7 million, net commission income was below the previous year's level (2023: € 28.8 million).

The segment's risk provisions/revaluation adjustments amounted to € –80.7 million (2023: € –33.8 million).

Risk provisions/revaluation adjustments in the lending business in the amount of € –30.6 million (2023: € –53.4 million) were much lower than in the previous year due to a reduced need for value adjustments in the promotional business.

At € –10.9 million (2023: € 29.3 million), the risk result in the equity investment and securities business was mainly attributable to write-downs on promotional investments, whereas in the previous year, income contributions from the disposal of promotional investments dominated.

In 2024, NRW.BANK allocated a total amount of € 39.2 million (2023: € 9.7 million) to allowance reserves for the promotional business units.

At € 439.4 million (2023: € 434.3 million), net interest income in the Other Promotion/Liquidity Management segment remained constant at a high level.

At € 48.8 million (2023: € 50.4 million), net commission income was also on a par with the previous year and essentially included the result from the surrogate loan business.

The segment's risk provisions/revaluation adjustments amounted to € –37.5 million (2023: € –83.2 million).

The withdrawal and the termination of own issues resulted in net losses of € –14.8 million (2023: € –14.4 million). The voluntary repurchase of own issues is exclusively made at the request of the investor. Reasons for investors to return the securities include, for instance, the desire to change their maturity profiles and nominal interest rates as well as to optimise existing lines. In the long term, this will improve NRW.BANK's funding base and strengthen its profitability, as the Bank may make new issues at current conditions.

The management of the overall portfolio resulted in net losses from securities and (hedging) derivatives in the amount of € –9.7 million (2023: € –43.6 million).

Due to the application of the strict lower of cost or market principle for securities held in the liquidity reserve, market fluctuations resulted in revaluation adjustments of € –0.7 million (2023: € –0.9 million).

In the lending business, a result of € 13.7 million (2023: € 3.4 million) arose from the reversal of general value adjustments resulting from the valuation on the reporting date in accordance with IDW RS BFA 7.

For the Other Promotion/Liquidity Management segment, NRW.BANK allocated € 26.0 million to the allowance reserves (2023: € 27.7 million).

Net interest income in the Staff/Services segment amounted to € 133.2 million (2023: € 130.6 million) and mainly included earnings contributions from participations held in the public interest and from investments in the amount of the personnel provisions.

The burden arising from the other operating result in the amount of € –90.3 million was much higher than in the previous year (2023: € –22.6 million) and was mainly attributable to the valuation of provisions for pensions and additional benefits.

Risk provisions/revaluation adjustments in the Staff/Services segment in the amount of € –172.4 million (2023: € –442.4 million) related to allocations to the allowance reserves for general banking risks, including the promotional fund.

2.3.2 Financial Position

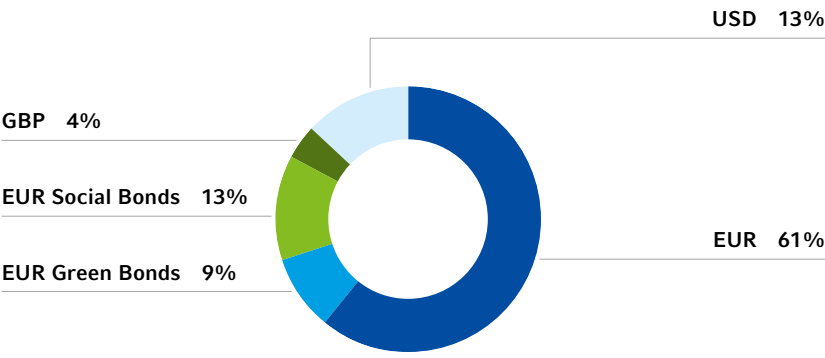
Being the state’s promotional bank and benefiting from institutional liability, guarantor liability and an explicit funding guarantee from its guarantor, NRW.BANK shares the same excellent rating with the State of North Rhine-Westphalia.

Like every year, rating agencies Fitch Ratings, Moody’s and Standard & Poor’s reviewed NRW.BANK’s creditworthiness and reconfirmed the Bank’s good ratings.

Overview of current ratings

	Fitch Ratings	Moody’s	Standard & Poor’s
Long-term rating	AAA	Aa1	AA
Short-term rating	F1+	P-1	A-1+
Outlook	stable	stable	negative

The Other Promotion/Liquidity Management segment is responsible for the funding of NRW.BANK. In its capacity as state-guaranteed promotional bank, NRW.BANK issued bonds in the amount of € 8.6 billion after repurchases (2023: € 6.8 billion); this figure does not include the non-cancelled issues from the previous years in the amount of € 3.2 billion as well as drawings under global loans of € 0.1 billion. Funds in the total amount of € 11.7 billion were raised in 2024. As shown in the chart below, the funding instruments were placed with domestic and international investors in different currencies. Accounting for 83% and 13%, respectively, the euro and the US dollar were the dominating currencies. Green bonds and social bonds accounted for 22% (2023: 21%) of NRW.BANK's funding mix.



The funding transactions with domestic investors are dominated by bearer bonds, note loans and registered bonds. NRW.BANK also used its international funding programmes for its funding operations. These programmes essentially include the Debt Issuance Programme and the Australian and New Zealand Medium Term Note Programme (Kangaroo/Kauri Programme) for medium-term to long-term maturities as well as the Global Commercial Paper (GCP) Programme for maturities of up to twelve months. Other sources of refinancing were the programme-linked funds from KfW Bankengruppe and Landwirtschaftliche Rentenbank for the on-lending business.

2.3.3 Net Assets

As of December 31, 2024, NRW.BANK's total assets amounted to € 161.8 billion (Dec. 31, 2023: € 161.3 billion).

Assets

	Dec. 31, 2024 € billions	Dec. 31, 2023 € billions	Change € billions
Receivables from banks	52.6	56.2	-3.6
Receivables from customers	59.4	58.9	0.5
Bonds and other interest-bearing securities	42.7	40.0	2.7
Equity investments in non-affiliated and affiliated companies	2.5	2.5	0.0
Other assets	4.6	3.7	0.9
Total assets	161.8	161.3	0.5

At € 52.6 billion (2023: € 56.2 billion), receivables from banks were lower than in the previous year. The portfolio of promotional loans granted under the house bank principle stood at € 35.7 billion (2023: € 35.9 billion). Under the house bank principle, applications for promotion are submitted to the respective house banks, which pass them on to NRW.BANK. NRW.BANK subsequently makes the funds available through the house bank. Of the receivables payable on demand, an amount of € 5.0 billion (2023: € 7.1 billion) related to the deposit facility with Deutsche Bundesbank. The portfolio of registered instruments and note loans amounted to € 8.5 billion (2023: € 8.7 billion).

Receivables from customers rose slightly to € 59.4 billion (2023: € 58.9 billion). Receivables in the Housing Promotion segment

and in the other promotional segments increased to € 15.3 billion (2023: € 14.6 billion) and € 26.2 billion (2023: € 25.2 billion), respectively. By contrast, the portfolio of registered instruments and note loans in the securities business declined to € 15.9 billion (2023: € 17.1 billion). The portfolio of time deposits remained unchanged at € 5.3 billion.

At € 42.7 billion (2023: € 40.0 billion), bonds and other interest-bearing securities increased slightly.

The book values of NRW.BANK's equity investments and equity investments in affiliated companies remained unchanged at € 2.5 billion.

Liabilities

	Dec. 31, 2024 € billions	Dec. 31, 2023 € billions	Change € billions
Liabilities to banks	38.1	38.4	-0.3
Liabilities to customers	14.2	13.5	0.7
Certificated liabilities	81.3	80.6	0.7
Provisions	3.5	3.4	0.1
Subordinated liabilities	1.0	1.2	-0.2
Fund for general banking risks	2.1	2.0	0.1
Equity capital	17.7	18.0	-0.3
Other liabilities	3.9	4.2	-0.3
Total liabilities	161.8	161.3	0.5
Contingent liabilities	14.1	14.0	0.1
Other commitments	8.7	8.1	0.6
Business volume	184.6	183.4	1.2

Liabilities to banks declined slightly to € 38.1 billion (2023: € 38.4 billion). Promotional loans, which are mostly paid out on the assets side according to the house bank principle and funded through KfW Bankengruppe or Landwirtschaftliche Rentenbank, accounted for € 21.5 billion (2023: € 21.8 billion). This balance

sheet item also comprises global loans in the amount of € 1.4 billion (2023: € 2.7 billion) of the European Investment Bank (EIB), the Council of Europe Development Bank (CEB), KfW Bankengruppe as well as Landwirtschaftliche Rentenbank for general refinancing.

Liabilities to customers rose to € 14.2 billion (2023: € 13.5 billion), mainly due an increase in time deposits. This item essentially comprises registered instruments issued, which declined to € 8.6 billion (2023: € 8.9 billion).

At € 81.3 billion, the certificated liabilities item was also above the previous year's level (2023: € 80.6 billion).

Equity under commercial law declined to € 17.7 billion (2023: € 18.0 billion), as an amount of € 255.8 million from the profit for the year was repaid to the State of North Rhine-Westphalia as planned.

The regulatory capital requirements were complied with at all times in the fiscal year 2024. The unchanged CET1 capital ratio of 42.5% reflects NRW.BANK's high capitalisation, which mainly serves to fund the promotional loans and is therefore necessary for the promotional business. For more information on the regulatory performance indicators, see Chapter 5.4.1 of the Risk and Opportunity Report.

3 Report on Post-Balance Sheet Date Events

No events of special importance occurred after the end of the fiscal year.

4 Report on Expected Developments

4.1 General Information

This Report on Expected Developments contains forward-looking statements relating to the overall economic environment as well as to NRW.BANK's business, net assets, financial position and result of operations for the next fiscal year. Such statements are based on expectations and assumptions derived from information available at the time of preparation. As such they involve risks and uncertainties beyond the control of NRW.BANK. These include, in particular, the economic development and the condition of the financial markets. This means that the actual events occurring in the future may deviate from these statements, expectations and assumptions.

4.2 Development of the Economic Environment

4.2.1 The German and North Rhine-Westphalian Economies

The outlook for 2025 is subdued as the economy has been treading water for more than two years. The German economy is not only facing persistent cyclical problems but also structural challenges. Decarbonisation, demographic change and increased competition with companies from China have led to structural adjustment processes in Germany, which are putting a damper on the growth prospects of the German and the North Rhine-Westphalian economies at least in the medium term.

Additional factors of uncertainty arose in November 2024 when the German coalition government ended and the US elections took place. This means that the economic downturn is likely to continue for some time to come. The economic framework conditions for companies and consumers will not become more predictable again, at least in Germany, before a newly elected federal government takes up business. As the year progresses, the lengthy phase of weakness should gradually give way to a moderate upturn, with the German economy slowly beginning to recover. Against this background, only moderate GDP growth of about 0.3% is expected for 2025. However, there is a risk that the anticipated economic recovery in North Rhine-Westphalia will be more subdued due to the high importance of energy-intensive industries.

The industrial sector is facing a difficult environment and high pressure to adapt to changing structural conditions for production in the domestic market and the world markets. It must adapt to the longer-term effects of the energy price shock caused by Russia's war of aggression against Ukraine and cope with numerous challenges such as stricter climate protection regulations. This structural change affects in particular the German automotive industry and the supplier industry that depends on it and is important for North Rhine-Westphalia.

Moreover, German companies are facing increasing protectionist tendencies in the world markets and growing competition from emerging economies. This means that the competitive environment

is difficult and the pressure to adapt remains high. According to the ifo Institute, most German exporters are therefore pessimistic about the near future. The Chamber of Industry and Commerce's survey for NRW shows that the same applies to North Rhine-Westphalia. The situation is likely to improve only as the year progresses. The expected growth in the world economy and the recovery of the euro area should support German exports. As competitiveness has declined, however, this effect is likely to be weaker than in the past. Moreover, the new US administration is expected to impose restrictions on international trade, which will also affect German exporters.

This means that the environment for investment for German companies – and North Rhine-Westphalian ones in particular – will remain difficult. The weakness of the export industry and the reduced demand for capital goods resulting from the previous monetary tightening have resulted in clearly underutilised capacities in the meantime. Against this background, sentiment among manufacturers of capital goods is clearly subdued, according to the ifo Institute. Corporate investment is therefore likely to remain weak. Before making any plans, companies are likely to wait for a new growth initiative by the future federal government and restrict their investments to what is absolutely necessary. Only a slight increase in spending on plant and equipment is expected thereafter. At the same time, however, there is still an urgent need for investment especially in the areas of energy transition, climate neutrality and digitalisation.

Construction spending is likely to continue declining until the spring. This is suggested by the ongoing decline in residential construction permits. For the time being, there is no budgetary basis for new public construction investments, at least at the federal level. As the year progresses, however, financing conditions are likely to ease more and more and the high demand for housing, particularly in metropolitan areas, combined with a stabilisation of construction prices and the free capacity of housing construction companies, should lead to a gradual recovery in housing construction investment. Demand should additionally be stimulated by the high need for energy-efficient renovations of existing properties.

Private consumer spending is expected to stimulate growth only little. The growing uncertainty about the future economic trend and the associated fear of job losses are likely to have a dampening effect on private consumer spending. Moreover, real disposable incomes should grow only little, following a strong increase in the previous year. This is not least due to the fact that private households will be left with hardly any more net income from wages, which are already rising at a slower rate than before, due to the abolition of inflation compensation premiums that are exempt from tax and social security contributions and a significant increase in social security contributions. The difficult economic situation is also expected to have a dampening effect on the upcoming collective wage agreements.

The economic downturn is also increasingly reflected in the labour market, with the employment outlook likely to deteriorate further. According to the Ifo Employment Barometer, companies' personnel planning is becoming more restrictive and the number of companies planning to cut jobs is growing. The economic crisis is leaving its mark on personnel planning, especially in the industrial sector. According to a study conducted by the German Economic Institute (IW Cologne) among 49 industry associations and published in late 2024, nearly all sectors are considering job cuts. Unemployment is expected to increase as a result. The gradual economic recovery over the course of the year will initially probably not lead to increased staff hiring in the labour market. This is also attributable to the fact that due to shifts in the economic structure, existing and in-demand occupations and qualifications no longer match as well as they did in the past.

Despite the weak economy, inflation is likely to decline only slowly, with higher labour costs being the main price driver. This applies to the services sector, in particular, where inflation is clearly higher than headline inflation. As the year progresses, services sector inflation is likely to decline gradually in sync with the slowdown in wage growth. Moreover, energy price inflation should subside in the course of the year and lead to lower consumer price inflation. Moreover, consumers' restraint should have a dampening effect on companies' scope for setting prices. All said, the average annual rate of inflation should decline from 2.2% in 2024 to 2.1%, i.e. close to the ECB's 2% target.

The outlook for the German economy and, hence, also for the North Rhine-Westphalian economy remains subject to unusually high uncertainties. The risks of adverse developments remain high. Factors of uncertainty currently exist particularly with regard to increasing global protectionism (in particular the future trade policy of the USA), growing geopolitical conflicts, the effects of structural changes accompanied by increasing industrial weakness and the direction of the future financial and economic policy after the German parliamentary elections. On balance, downside risks currently dominate for economic growth, while upside risks dominate for inflation.

4.2.2 Financial Markets

The ECB will probably continue to loosen monetary policy in 2025 and cut interest rates several times. It is likely to decide three or four interest rate cuts by 0.25 percentage points each. This is suggested by ECB staff projections, which predict subdued economic growth in the euro area and a return to the 2% inflation target already in 2025. Although monetary policy is geared towards additional easing, the asset portfolios from the purchase programmes are likely to be further reduced at the same time.

The expected interest rate cuts by the ECB should depress interest rates in the money market and for short credit maturities. The link between the 3-month Euribor and the ECB deposit facility rate is likely to be maintained. The normalisation of the yield

curve, which became apparent already in the course of 2024, is likely to continue. The 10-year Bund yield should fluctuate within a relatively narrow margin of between 2.0% to 2.5%. Yields are well protected on the downside by the ECB's departure from the purchase programmes. The 10-year Bund yield is expected to stand at around 2.3% at the end of 2025. Yields are unlikely to reach the very low levels of the years before 2022 again in the foreseeable future, as inflation is likely to come under upward pressure in the medium term, especially because of demographic change, decarbonisation and deglobalisation.

Topics that are likely to be important for the international capital markets in 2025 are the rising budget deficits in many countries, the ever-increasing government debt and, consequently, debt sustainability as well as the emerging supply of government bonds. According to the Bundesbank's Financial Stability Report, the high levels of public and private debt worldwide pose risks that make the global financial system more susceptible to macro-economic shocks. Moreover, doubts may arise about the debt sustainability of individual countries.

In view of the volatile environment, the ECB also believes that the financial system in the euro area remains vulnerable. According to the ECB, the outlook for financial stability is clouded by macro-financial and geopolitical uncertainty and by the growing risk of global trade conflicts. These developments could lead to a sudden turnaround in risk sentiment. A possible escalation of the war in

Ukraine, for instance, could put government debt in Europe's highly indebted countries under additional pressure and increase credit risks in the financial sector.

4.3 Development of the Bank

NRW.BANK and its promotional portfolio will continue to play a key role in the economic and structural development and sustainability of North Rhine-Westphalia. As part of its promotional activities, the Bank will combine financing, advisory services grants and other services in a target-oriented manner. In terms of content, it will continue to refine its promotional offerings in line with new promotional requirements and current socio-political challenges such as strengthening and transforming the economy in North Rhine-Westphalia. The topics on which this refinement will focus in the medium term have been redefined.

A focus will be placed on supporting transformation and innovation processes. For 2025, the Bank plans to restructure its special programmes for the promotion of innovation and transformation in the promotional field Economy from scratch and to clearly increase the promotional incentives. Besides reduced interest rates, the Bank intends to make greater use of redemption discounts to provide more incentives. In addition, it is planned to further expand the Bank's range of promotional products for innovative young companies in this promotional field. The new bonus introduced in 2024 in the form of additional interest rate subsidies for special efforts to reduce greenhouse

gas emissions is to be extended to other programme loans. The Bank will continue to support the State of North Rhine-Westphalia in improving the carbon footprint of universities and university hospitals.

In 2025, strengthening social participation will again be the second medium-term focus for the refinement of the promotional offerings. The implementation of the state's housing promotion programme, which has been adapted to current market conditions, will remain important in this context. It is also planned to further develop the promotion for public-interest enterprises and social innovations.

In processual terms, one of the strategic priorities will be to implement an impact measuring system for the promotional business, which was newly developed in the reporting year. Moreover, the Bank intends to make greater use of the Block Exemption Regulation (BER) as a state aid regime for promotion and to analyse potential promotional applications for data analytics and artificial intelligence.

According to current estimates, the volume of new commitments will be around the same level as in 2024. The Bank plans to make a much higher amount of "Förderleistung" available in 2025. For the first time, it is intended to grant redemption discounts and grants for initial and ancillary costs, which will be covered by the promotional fund.

At the bottom line, NRW.BANK expects a positive operating income before risk provisions/revaluation adjustments for the fiscal year 2025. The Bank expects the overall business performance to remain positive.

However, operating income is expected to be noticeably lower in 2025, primarily as a result of the higher "Förderleistung". Moreover, conditions in the money and capital markets are expected to remain difficult in view of the geopolitical developments.

NRW.BANK expects its administrative expenses to rise slightly in 2025. Personnel expenses are likely to stay at the same level. Operating expenses are expected to reflect the increased project expenses.

The cost-income ratio before "Förderleistung" is likely to increase moderately in 2025.

Pursuant to Section 14 of the Act on NRW.BANK, only the interest amounts to be paid by the state due to the utilisation of loans from the federal government for the promotion of housing construction and modernisation (subsidies pursuant to Article 104a, Para. 4 of the German Constitution in the version effective until

August 31, 2006) which become due in the year following the respective fiscal year must be paid directly to the federal government from the net income for the year of NRW.BANK upon request by the state government. The potentially remaining net income for the year will be allocated to the reserves. Further profit distributions are not permitted under NRW.BANK's Statutes.

NRW.BANK expects total assets and the business volume to be slightly lower than in the reporting year.

5 Risk and Opportunity Report

NRW.BANK has a comprehensive framework of guidelines, organisational structures and processes to manage the risks to which it is exposed in the context of its business activities. This is to ensure that risks are identified, measured, aggregated and managed and that they are limited with due regard to risk-bearing capacity.

Like all legally independent promotional banks in Germany, NRW.BANK is specifically excluded from the scope of the Capital Requirements Directive (CRD). Pursuant to Section 1a Para. 1 of the German Banking Act (KWG), however, it is still subject to the provisions of the Capital Requirements Regulation (CRR). This means that it is supervised by the Federal Financial Supervisory Authority (BaFin) and Deutsche Bundesbank under national jurisdiction.

5.1 Organisation of Risk Management

The Managing Board of NRW.BANK is responsible for the risk management system. This includes, in particular, the proper organisation of risk management, the risk strategy, the risk-bearing capacity concept as well as risk monitoring. In the context of the general reporting process, the Managing Board is regularly informed about the Bank-wide risk situation.

The Managing Board is supervised by the Supervisory Board. The Risk Committee, a committee of the Supervisory Board, regularly addresses the Bank's risk situation. The committee receives reports on the risk profile for the various risk categories on a quarterly basis minimum.

The Board of Guarantors decides, among other things, on the principles of the business, promotional and risk policies and on the release of liability of the members of the Supervisory Board and the Managing Board.

The Asset Liability Committee (ALCO) is responsible for the Bank's asset/liability management. This includes, in particular, responsibility for the Bank-wide allocation of financial resources to the Bank's operating units as well as Bank-wide risk management. The ALCO's tasks include market risk and liquidity risk management, Bank-wide risk management, profit management as well as balance sheet structure management.

In view of the special importance of the topic of sustainability and the associated growing demands, the Bank also has a Sustainability Committee. It is primarily responsible for NRW.BANK's strategic and overarching business policy decisions with regard to sustainability, taking into account the relevant regulatory changes and market-induced developments.

There is one Credit Committee each for the promotional business and the capital market business as well as a Venture Investment Committee. They prepare credit decisions to be made by the Managing Board and take their own credit decisions based on predefined levels of competence. In addition, the Credit Committees address issues of a general nature relating to credit

risks as well as current macroeconomic, political and regulatory developments and their potential effects on individual exposures.

The management circle, which is composed of the Managing Board and all business unit Heads, addresses issues of strategic relevance. The main focus is on the further development of the

Organisational Structure of Bank Steering



Bank's overall strategy and on assessing its consistency with the principles of the business, promotional and risk policies and the overall components of the promotional policy objectives of the federal state.

In accordance with the MaRisk requirements, risk monitoring and risk reporting are managed independently of the front-office business units. While the front-office business units are responsible for managing risks within the defined limits, Risk Control is in charge of risk monitoring, especially compliance with the limits defined by the Managing Board. Functional separation between the business units is ensured up to Board level. This also applies to the separation of functions required in the credit process with regard to the back office areas.

The risk controlling function pursuant to MaRisk is the responsibility of the Managing Board member in charge of Risk Control. As a member of the full Managing Board, he participates in all important management decisions relating to the risk policy, especially through his involvement in the ALCO, the Sustainability Committee and the management circle.

The Risk Control business unit performs all tasks of the risk control function. These primarily include the development of the risk strategy, the determination of the risk-bearing capacity (including Bank-wide stress tests), the monitoring of limits, risk reporting, the daily valuation of trades, the management of the rating procedures, responsibility for compliance and money

laundering prevention as well as the coordination of the processes for the launch of new products.

The Credit Management business unit is one of the back-office units and is mainly in charge of voting, loan processing and on-going monitoring in the promotional and capital market business as well as for preparing the watchlist (for high-risk exposures) and managing non-performing loans. The Housing Promotion business unit assumes these tasks as the second back-office unit for the public housing promotion portfolio. In addition, the Credit Management business unit is responsible for coordinating the meetings of the Credit Committee.

Acting as an independent body on behalf of the Managing Board, Internal Audit regularly reviews the effectiveness and appropriateness of the risk management structures and processes.

5.2 Risk Policy and Strategy

Being a promotional bank, NRW.BANK has a focused business model in the context of which risks are taken on a limited scale. According to its risk strategy, the promotional business takes precedence over the "Förderhilfsgeschäft" when it comes to the allocation of risk capital. Avoiding defaults takes precedence over profit generation in all of the capital market activities which are undertaken to support the promotional business. New business with a sub-investment grade rating is permitted only in the promotional business.

The risk strategy is part of NRW.BANK's overall strategy, which is updated annually for a planning period of four years. It builds on the promotional, business and sustainability strategies and aims to ensure balanced risk management within NRW.BANK. It puts the risk policy principles adopted by the Board of Guarantors into more concrete terms by way of corresponding limits as part of the operational controlling process. These limits are defined on the basis of the overall risk profile and the existing capital and cash resources and define NRW.BANK's risk appetite.

The Managing Board of NRW.BANK defines the strategy and submits it to the responsible bodies. The Risk Committee consults on the risk strategy, which is finally discussed at the year-end meetings of the Supervisory Board and the Board of Guarantors.

5.3 Risk Inventory

Effective risk management and monitoring hinge on the precise identification and assessment of risks. In the context of Group-wide risk inventory taking, NRW.BANK systematically examines whether the overall risk profile fully reflects all risks which may directly or indirectly influence the net worth, earnings or liquidity position. This is done at a Bank-wide level on an annual basis and whenever required on special occasions. On this basis, risks are classified as material or non-material, respectively.

The material risks identified (including risk concentrations contained therein) are the credit risk, the market risk, the liquidity risk and the operational risk. The two latter risk types rank

behind the credit and the market risk, however, as they are less important.

The risk inventory also includes the sustainability risk, which is taken into account as a risk relating to and covering all risk types.

Complemental to the risk inventory, new products to be added to the product portfolio of NRW.BANK are subjected to a cross-divisional process for the introduction of new products to ensure that the risks of new products are identified, measured and limited.

5.4 Risk Management

The overriding objective of risk management is to ensure the Bank's ability to continue as a going concern by means of adequate capital and liquidity. This is assessed in the context of internal processes – the ICAAP (Internal Capital Adequacy Assessment Process) and the ILAAP (Internal Liquidity Adequacy Assessment Process). Here, a distinction is made between a normative and an economic perspective.

In both perspectives, the institutional liability, the guarantor liability and the explicit refinancing guarantee are not regarded as risk-mitigating.

5.4.1 Normative Perspective

The normative perspective is geared to compliance with all material regulatory requirements. At NRW.BANK, these include the following performance indicators: CET1 ratio, total capital

ratio, leverage ratio, utilisation of the large exposure limit, liquidity coverage ratio (LCR) and net stable funding ratio (NSFR). The table below shows the normative perspective at Bank-wide level as of the reporting date:

Performance Indicators of the Normative Perspective

	Dec. 31, 2024	Dec. 31, 2023
CET1 ratio	42.5%	42.5%
CET1 capital (€ billions)	19.1	18.4
Total amount at risk (€ billions)	45.1	43.3
Total capital ratio	42.6%	42.6%
Own funds (€ billions)	19.2	18.5
Leverage ratio	18.9%	18.8%
Utilisation of large exposure limit	20.3%	17.9%
Liquidity coverage ratio	520%	239%
Net stable funding ratio	118%	116%

NRW.BANK's own funds are made up of CET1 capital and Tier-2 capital. CET1 capital is the main component.

All performance indicators are determined in accordance with the CRR regulatory requirements, using standard procedures exclusively.

Taking into account the minimum requirements under the CRR, the capital buffer requirements under the KWG and the additional capital requirement (SREP surcharge), the regulatory minimum capital ratios are 9.50% (2023: 9.50%) for the CET1 capital and 14.75% (2023: 14.75%) for the total capital. NRW.BANK's capitalisation clearly exceeds the requirements.

The leverage ratio must not fall below 3%. It should be noted that, by definition, a low ratio implies high leverage. NRW.BANK's leverage ratio exceeds the requirement by far.

The utilisation of the large exposure limit is derived from the maximum risk exposure value of the respective large exposures in relation to the large exposure limit, with a maximum limit of 100%. Utilisation at NRW.BANK is clearly below the maximum limit.

The requirement for the liquidity coverage ratio – which is an indicator of short-term liquidity – is at least 100%. For the calculation, net outgoing payments of the next 30 days are set in relation to the regulatory liquidity buffer. NRW.BANK's short-term liquidity position is above this requirement.

The net stable funding ratio is a long-term liquidity ratio which puts the available stable funding in relation to the required stable funding. The minimum ratio is 100%. NRW.BANK's long-term liquidity position is also above this requirement.

The risk strategy defines limits for all performance indicators. In addition, the early warning thresholds (which are defined in consideration of a management buffer) serve to indicate an imminent limit violation at an early stage. The limits and early warning thresholds were complied with at all times during the fiscal year.

In addition to the reporting date analysis, a forward-looking assessment over a period of several years is made. For this purpose, a capital and liquidity plan for four years is prepared – annually as part of the risk strategy – which comprises a base scenario (business planning) and two adverse scenarios. This also takes into account those risks that are not included in the reporting-date analysis. These include risks of the economic perspective, which may become apparent also in the normative perspective only over time. This may be caused by changes in the income statement (and the resulting own funds) and by changes in the total risk amount.

In addition, capital planning is updated quarterly in the course of the year in a rolling three-year view and a multi-periodic view of liquidity based on the scenarios on which capital planning is based.

The limits of the normative perspective were complied with in all scenarios over the respective period under review both in strategic capital and liquidity planning and in its update in the course of the year.

5.4.2 Economic Perspective

The economic perspective is an essentially mark-to-market view, which serves to secure economic losses through disposable capital (capital cover). In contrast to the normative perspective,

internal bank procedures are used here. The table below shows the economic perspective at Bank-wide level (ICAAP) as of the reporting date:

Performance Indicators of the Economic Perspective in € billions

	Dec. 31, 2024	Dec. 31, 2023
Capital cover	18.2	19.0
Capital reserve	6.1	5.3
Bank-wide limit	12.2	13.7
Economic capital	7.5	7.5

The capital cover is derived from commercial law equity, with additional mark-to-market corrections made, e.g. for hidden charges and reserves from securities and derivatives as well as pension obligations. Positive own credit risk effects are not accepted as mitigating factors on the liabilities side. In addition, the expected annual result (viewed on a rolling basis) is deducted if it is negative – a positive result occurring in the course of the year is ignored. The decline from the previous year results from

changes in market value (especially in the valuation of promotional loans with below-market interest rates as well as hidden liabilities).

The capital cover contrasts with the economic capital. It is determined for all the risks identified as material according to the risk inventory and, additionally, for the pension risk and the business and cost risk. Economic capital is the relevant risk management

parameter of NRW.BANK across all risk types and business units. It forms the basis on which risks are comprised into a Bank-wide figure using a consistent methodology.

NRW.BANK uses a value-at-risk (VaR) concept covering a risk horizon of one year to quantify the individual risks and aggregate them into an overall ratio. A risk horizon of one year is covered here, with a confidence level of 99.9%.

Besides the market risk, the credit risk is one of the key risks at Bank-wide level. It is determined using a mark-to-market credit VaR approach based on a multi-factor model. As part of the model, the portfolio is divided into segments that are characterised by different macroeconomic risk drivers. This allows to determine the credit risk using self-estimated correlations.

The calculation of economic capital for the market risk is based on a mark-to-market VaR approach. The sensitivities used for the VaR calculation take into account general and specific interest rate risks, currency risks and volatility risks (in particular also the mark-to-market general interest rate risks from housing promotion and the specific interest rate risks in the capital investment business). Market risks that take effect under HGB accounting are largely secured except for dispositive peaks.

The liquidity risk takes into account changes in NRW.BANK's funding spread that are relevant for the HGB income statement, as an increase in funding costs leads to higher expenses. The risk is derived from the change in the funding spread.

The economic capital for the operational risk is calculated from the maximum value of the regulatory basic indicator approach according to the CRR and an internal procedure. The economic capital is calculated at least twice a year.

The pension risk is determined by means of a scenario analysis, which takes into account changes in the statistical assumptions regarding invalidity and mortality which could lead to an increase in pension obligations. It is calculated once a year and then remains unchanged for the entire year. Interest rate risks relating to pension obligations are incorporated into the market risk.

For the business and cost risk, a general risk amount is determined on the basis of a simplified method. The economic capital is derived conservatively by considering negative deviations from the planned result for the year. It is calculated once a year and then remains unchanged for the entire year.

More detailed information on the individual risk types and the methods used for their calculation under the economic perspective is provided on the following pages of the Risk and Opportunity Report.

Bank-wide economic capital is determined by way of an addition of the economic capital of the risk types without taking diversification effects into account.

The limit for the Bank-wide economic capital is defined as a partial amount of the capital cover that corresponds to the Bank's risk appetite as derived from planning. The remaining free portion of the capital cover represents a capital reserve outside the Bank-wide limit, which is subject to fluctuations over the course of the year depending on the capital cover.

The Bank-wide limit is allocated to the main risk types and business units as part of the annual strategy process. This ensures that sufficient capital cover is available, especially for the implementation of the planned promotional targets, while limiting risks at the same time. The utilisation of the limits is determined daily. The limits were met at all times in the fiscal year.

Two early warning thresholds complement the management of risk-bearing capacity. In the event that the economic capital increases compared to the Bank-wide limit, an early warning threshold is considered to have been reached if the limit utilisation is 90%. If the capital reserve reduces compared to the Bank-wide limit, an early warning threshold is considered to have been reached when the capital reserve drops to 10% of the Bank-wide limit.

In addition to capital management, liquidity management (ILAAP) is carried out using the liquidity gap analysis, which covers future cash flows in individual maturity ranges.

In order to minimise the uncertainties resulting from the models of the economic perspective, especially the statistical processes of the value-at-risk approach, NRW.BANK takes various measures to validate the data used as well as the risk results that are determined. In addition, the normative perspective validates the adequate forecasting quality of the capital and liquidity planning process.

5.4.3 Stress Tests

The risk management concept is supplemented by Bank-wide stress and scenario analyses that take into account the interplay between the normative and economic perspectives. The analyses are carried out quarterly as well as on an ad-hoc basis. The analyses are designed to review the individual risk potential of the Bank with regard to unusual but plausible possible events in order to ensure the adequacy of the capital and liquidity position and thus the continued existence of the Bank even in the event of adverse developments.

An integrated approach is applied, which consistently interlinks the material risks and takes into account the main Bank-specific features, such as the composition of the portfolio and risk concentrations. The stress scenarios examine the combined effects

of a deterioration in borrowers' creditworthiness (rating downgrades, increases in probabilities of default and loss given default) and of changes in market data (interest rates, credit spreads and exchange rates). Operational risks are additionally taken into consideration. At least one historical and three hypothetical scenarios are analysed.

Historical scenarios translate past crises to the current portfolio. NRW.BANK currently uses a scenario that reflects changes in risk parameters during the European government finance crisis of 2011.

Hypothetical scenarios are developed by the Bank on the basis of market analyses and expert estimates. The scenarios analysed include, for instance, an assumed increase in the risk factors relevant to the sovereign portfolio or a severe economic downturn and increase in inflation.

The scenario analyses are complemented by inverse stress tests. Inverse stress tests examine which events could potentially jeopardise the Bank's ability to survive.

The effects of the scenarios are quantified for the indicators of the normative and the economic perspective. According to the definition of the perspectives, changes in risk parameters occur over a three-year scenario horizon in the normative perspective and on an ad-hoc basis in the economic perspective.

In the normative perspective, changes in the capital ratios in all scenarios are essentially due to an increase in the total risk amount as a result of rating downgrades. The impact of simulated effects on the income statement can be offset by the high allowance reserves, avoiding a reduction in own funds.

Under the economic perspective, credit risks and market risks play an equally important role in the stress tests. Under stress, the capital cover reacts very sensitively to changes in market data.

As part of the ILAAP, the liquidity ratios "LCR" and "NSFR" are included in the stress tests. They vary little in the scenarios as a result of the assumed deterioration in market data and rating downgrades.

Current topics are taken up within the framework of event-related stress tests. In the reporting year, the focus here was on a global trade conflict and, once again, on climate risks. The stress test on the trade conflict assumes a noticeable increase in mutual import tariffs, which will hit an already weak economy and high government debt in the EU. This results in varying rating downgrades for companies, sovereigns and financial institutions, with companies from export-dependent sectors being particularly affected. At the same time, credit spreads increase. Higher import prices send inflation and, hence, interest rates rising moderately, while the euro depreciates further due to the relative weakness

of the economy. The climate stress test examined the effects of a transition of the economy to limit climate change on NRW.BANK's risk-bearing capacity using three scenarios based on a study by the ECB. The scenarios differ with regard to the measures taken to limit climate change and, hence, to the intensity of physical and transitory risks by the year 2030.

On balance, the adverse scenarios analysed do not indicate any additional capital or liquidity requirements.

5.4.4 Capital and Liquidity Adequacy

In the reporting year, NRW.BANK had sufficient risk-bearing capacity under both the economic and the normative perspective. The limits for risk-bearing capacity agreed between the Managing Board and the Bank's responsible bodies in the context of the strategy process were met. Overall, the Bank's risks are manageable and are within the Bank's defined risk appetite. NRW.BANK's business performance is currently not subject to any special risks. The adverse scenarios analysed do not indicate any additional capital requirements in the future. This means that the risks resulting from the Bank's business model are manageable also over multi-year periods of stress. The capitalisation of NRW.BANK is adequate under both perspectives.

Liquidity limits are met under both the economic and the normative perspective. There are no signs of restrictions even in stress scenarios. On balance, the liquidity risks are manageable.

5.5 Credit Risk

5.5.1 Definition

The credit risk describes the risk of a counterparty being partly or fully unable to meet their contractual obligations towards NRW.BANK. There is the risk of a loss or reduced profit resulting from the full or partial default of a counterparty. This comprises the credit risk from loans, issuers and counterparties, risks resulting from equity holdings, migration and concentration risks including the country risk.

NRW.BANK defines the credit risk from loans as the risk of a contractual partner failing to meet its obligations to repay liquid funds (e.g. loans or money market transactions).

The issuer risk describes the risk of payment inability of an issuer (e.g. in the case of securities) or a reference counterparty (e.g. credit derivatives).

Counterparty risk means that the default of a contractual partner under a derivatives contract makes it impossible for the Bank to realise an unrealised gain from pending transactions (i.e. up to contractual maturity) if the market conditions have changed in the meantime or that the Bank will face increased replacement costs.

The risk from equity holdings results from the risk of incurring losses from the provision of equity capital to enterprises.

NRW.BANK's equity holdings comprise investments which are primarily held in the public interest and were essentially transferred to the Bank upon its inception as well as investments entered into as part of the Bank's mission as a promotional bank.

The migration risk shows potential value losses resulting from a deterioration in the creditworthiness of a debtor/counterparty. The migration risk partly overlaps with the credit spread risk, which forms part of the market risk.

Concentration risks arise from an uneven distribution of receivables, for example from individual borrowers or in geographical regions. This includes the country risk, in particular. In NRW.BANK's view, a country risk exists where the Bank has an exposure to customers headquartered outside Germany. This definition covers all aspects of the country risk (creditworthiness, transfer and economic risks).

5.5.2 Methods

Factors playing a key role in the calculation of the credit risk include the amount of the exposure or the exposure at default (EAD), the probability of default and the loss given default of each debtor. These parameters form the basis for managing the risk at the level of each individual exposure and at a Bank-wide level.

- The amount of the exposure is the sum total of all relevant amounts that are subject to a risk of default. In the case of loans, this is the remaining capital plus binding payment

obligations; in the case of securities, it is the higher of the amortised cost price and the nominal value. Credit equivalents are recognised to calculate counterparty risks from derivatives, taking netting and collateral pursuant to standardised framework agreements into account. In addition, credit derivatives are recognised at their nominal value; thereby the purchase of protection reduces the exposure of the respective reference counterparty, while the sale of protection increases it. The amount of the exposure is used for monitoring at single name level.

To calculate economic capital at a Bank-wide level in the multi-factor model, mark-to-market EADs for loans, securities and derivatives are used.

- The probability of default is derived from the debtor's internal rating. For this purpose, NRW.BANK uses differentiated risk classification methods. The portfolios of corporates, financials and real estate clients are classified using external rating procedures that are generally suitable to meet the requirements of the internal rating based (IRB) approach of the CRR. The ratings for exposures to foreign governments are determined on the basis of external agency ratings and structured internal plausibilisation. In view of the joint liability scheme and the fiscal equalisation scheme, uniform ratings are used in particular for savings banks and domestic municipalities, respectively. Simplified internal risk classification methods are used for smaller portfolios. Depending on the type of debtor, each rating is assigned a probability of default based on a 26-step scale, so that all debtors are included as risk-relevant in the calculation of the economic capital on a staggered basis.

- The loss given default (LGD) describes the portion of the exposure which would irrecoverably be lost in the case of insolvency proceedings after realisation of potential collateral. Differentiated LGDs are assigned to the exposures depending on the type of debtor. They are determined for housing promotion exposures based on an analysis of own historical data. For other asset classes, they are primarily determined on the basis of external data sources, as there is no statistically significant number of defaults in the Bank's portfolio.

NRW.BANK determines the economic capital for the credit risk on the basis of a credit value-at-risk. The risk horizon is one year, the confidence level is 99.9%.

The credit VaR is calculated on the basis of a simulation-based multi-factor model that takes both defaults and rating migrations into account. For internal estimation of asset correlations, NRW.BANK's portfolio is divided into five different segments (public sector, housing promotion, financial sector, domestic corporates, international corporates). For these segments, various macroeconomic risk drivers (e.g. gross domestic product) are identified on the basis of historical rating data, resulting in bank-specific and segment-specific asset correlations.

Besides the economic capital, standard risk costs are generally taken into account when defining the terms and conditions, unless intended otherwise under the promotional policy. This is

to ensure upon the closing of a transaction that the expected losses are compensated by corresponding income.

In the context of the Bank-wide stress tests, various historical and hypothetical scenarios are analysed, which assume deteriorations in the rating quality that are differentiated by asset classes.

The above risk management methods allow NRW.BANK to appropriately monitor credit risks, to identify unbalanced portfolio developments and risk concentrations and to take any measures that may be required at an early stage.

5.5.3 Validation

The risk classification procedures, the probabilities of default and the LGDs as well as other methodological assumptions on which the calculation of economic capital is based are reviewed at least once a year.

The reviews serve to ensure that the risk calculation remains adequate.

5.5.4 Risk Assessment and Limitation

NRW.BANK uses limits and processes to ensure that the credit risk is limited. On the one hand, there are concentration limits which limit the exposures, especially at individual debtor level, at Group level and at country level as well as at sub-portfolio level.

The respective limit utilisation is determined by the amount of the exposure, with new transactions being immediately counted against the limits. On the other hand, there is a Bank-wide and a business unit-specific limitation of the economic capital under the going concern perspective. The limits take into account both the Bank's risk-bearing capacity and the budgets prepared by the individual business units as part of the strategy process.

Key elements used to monitor the credit risk:

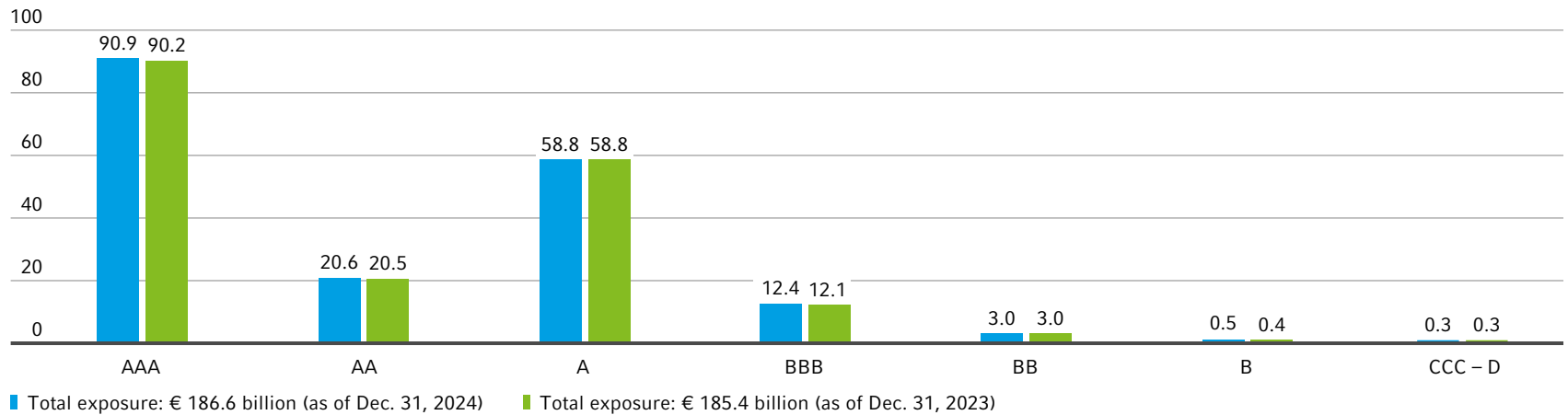
- Event-related bad news process including immediate analysis and decision on individual measures (e.g. rating review, limit adjustments)
- Daily monitoring of single name, group, country and economic capital limits
- Daily monitoring of capital market investments in the context of an early warning system (e.g. changes in credit spreads and ratings)
- At least annual monitoring of individual credit exposures
- Ongoing monitoring of the exposures on the watchlist, which contains intensive care and problem exposures

Suitable escalation processes have been defined for cases where limits are exceeded.

The promotional funds extended by NRW.BANK are either secured or granted according to the house bank principle, which means that the respective portfolio is a low-risk portfolio. Sub-investment grade exposures may be entered into only if this is required by the public promotional mission, e.g. in the promotion of business start-ups as well as small and medium-sized enterprises, public housing promotion or special allocations in the promotional business.

In addition, the Bank holds a portfolio of securities/receivables and derivatives and engages in money market transactions. Derivative contracts are concluded with counterparties with good credit ratings on the basis of standard contracts. New business in this portfolio must always be of investment-grade quality (this corresponds to internal rating AAA to BBB).

Total exposure by internal rating classes incl. derivatives, in € billions



NRW.BANK's total exposure amounts to € 186.6 billion, which represents an increase by € 1.2 billion from the previous year's € 185.4 billion.

Due to the high proportion of government and domestic municipal loans, most of the ratings remain within the internal rating class AAA. 97.9% of the portfolio (2023: 98.0%) are investment grade exposures.

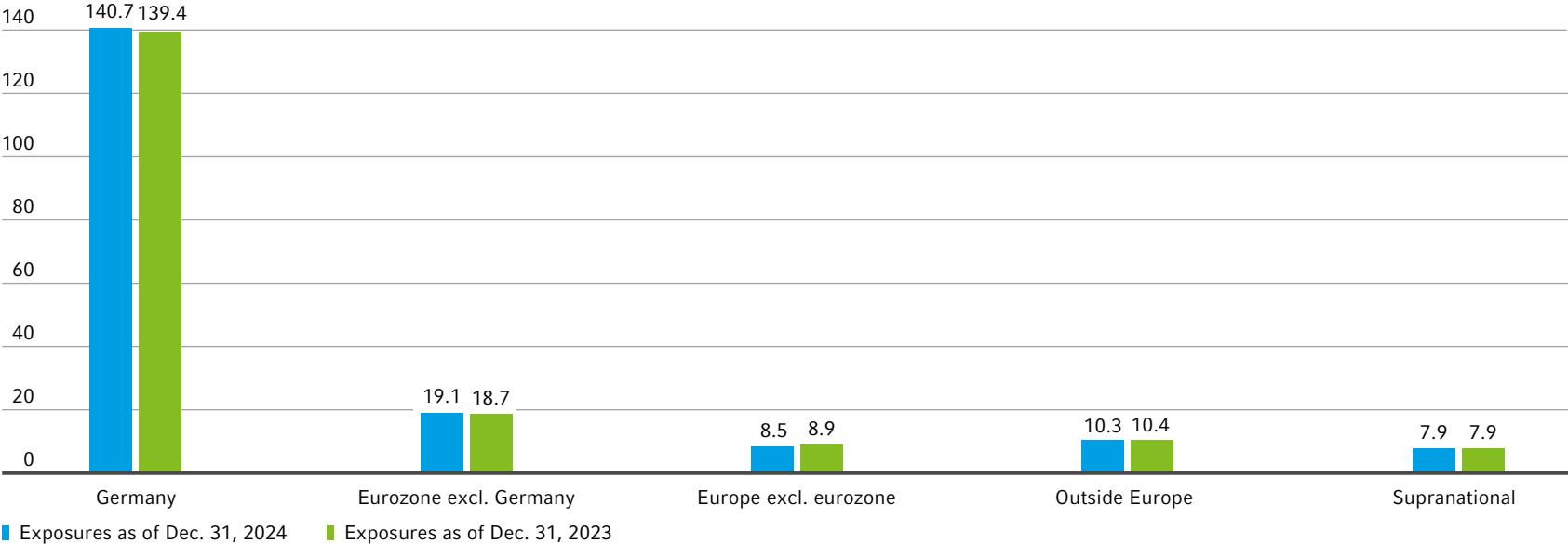
At € 140.7 billion (2023: € 139.4 billion), exposures in Germany account for the biggest portion of the portfolio (75.4% of the total exposure; 2023: 75.2%). Of this amount, € 88.6 billion (2023: € 86.1 billion) relates to North Rhine-Westphalia; this amount includes direct exposures to municipalities of

€ 20.2 billion (2023: € 18.8 billion). This concentration is the result of the public promotional mission, because of which the Bank has a special responsibility towards the municipalities and provides them with reliable funding.

As a largely budget-independent promotional bank, NRW.BANK uses the income from its international exposures to fulfil its promotional mission. The international exposure totals € 45.8 billion (24.6% of the total exposure; 2023: € 46.0 billion) and is composed of exposures to European countries in the amount of € 27.7 billion (2023: € 27.7 billion) and of exposures to non-European countries as well as supranational organisations in the amount of € 18.2 billion (2023: € 18.3 billion). The international exposure is focused exclusively on investment-grade countries.

The European exposure comprises investments in the euro area in the amount of € 19.1 billion (2023: € 18.7 billion) and investments outside the euro area of € 8.5 billion (2023: € 8.9 billion). The non-European exposures focus on North America with € 6.1 billion (2023: € 6.4 billion), Australia/New Zealand with € 2.3 billion (2023: € 2.4 billion) and Asia with € 1.9 billion (2023: 1.6 billion). Supranational organisations account for a total of € 7.9 billion (2023: € 7.9 billion).

Geographic breakdown of exposures incl. derivatives, in € billions



There are no sub-investment-grade country exposures at sovereign level. As a general rule, no new capital investments are made in these rating classes. The total exposure in countries with lower investment grade ratings (BBB) declined in the course of the fiscal year; a material exposure in this rating category is Italy (€ 1.3 billion; 2023: € 1.3 billion). New burdens faced by the governments or a more pronounced economic slowdown could put the ratings under pressure.

As of the balance sheet date, the securitisation exposures – all of investment-grade quality – amounted to € 2.7 billion (2023: € 2.9 billion). A major portion of the portfolio (33.0%) additionally benefits from a comprehensive state guarantee (from the US Department of Education). NRW.BANK constantly monitors the credit risk associated with the underlying reference pools of securitisation exposures.

The equity investment business comprises participations in the public interest which are primarily held on behalf of the Federal State of North Rhine-Westphalia and were essentially transferred to the Bank upon its inception as well as investments entered into as part of the Bank's promotional mission. The credit risks arising from the investments are largely based on strategic and operational risks, which are primarily analysed using the corporate data made available for investment controlling purposes. As part of the controlling of investments, results are controlled

and plans monitored on a regular basis; in addition, investments are checked for risk-relevant issues. As such, risk management is a systematic and continuous process that enables rapid adaptation to changing conditions. At some of these investments, the Bank is represented through mandates on bodies such as advisory councils, supervisory boards or investment committees and/or attends their shareholder meetings. Moreover, the investment contracts usually contain regulations which reserve a veto/approval right for NRW.BANK in specific cases.

For some equity investments, the credit risk is reduced due to a strong involvement of the public sector. The promotional business, for instance, has an investment portfolio with an exposure of € 99.4 million (2023: € 118.9 million) whose credit risk is reduced by a guarantee from the Federal State of North Rhine-Westphalia, which covers 49% of the capital invested in each case.

The € 2.2 billion book value of the investment in Portigon AG, which is held on behalf of the Federal State of North Rhine-Westphalia, is fully secured by a guarantee from the federal state.

Equity investment exposures are included in economic capital management and reflected in the credit risk.

5.5.5 Economic Capital

As at the reporting date, the economic capital set aside for credit risks amounted to € 1.5 billion (2023: € 1.4 billion).

5.5.6 Risk Provisions

Defined criteria are used to determine whether risk provisions need to be established for credit claims and sureties. Where they are needed, the amount of the required individual value adjustments or provisions is determined in a timely manner in the course of the year. Thereby, existing collateral is taken into account. In evaluating collateral, the usual methods applied for the valuation of real estate are used for public housing promotion loans. The result is reduced by a discount calculated on the basis of historical data. By contrast, generalised individual value adjustments are established in public housing promotion as part of managing the Bank's exposure to non-performing loans in the owner-occupier segment (remaining capital of less than € 750 thousand). For latent credit risks, a general value adjustment is made in accordance with IDW RS BFA 7.

In the securities business, the risk provision is calculated on the basis of market information, mathematical models and individual creditworthiness estimates.

Equity investments of NRW.BANK are also regularly checked for the need to establish risk provisions. Where these are required, the book value is written down.

5.5.7 Opportunities

In accordance with its business model and the risk strategy principles, NRW.BANK takes risks only within clearly defined limits. This means that unexpected opportunities arising from potential future developments or events which may lead to a positive deviation from forecasts or targets exist only to a very limited extent.

Opportunities arise, for instance, from rating upgrades of the exposures, which means that less rating-related economic capital needs to be set aside for credit risks. This opens up further investment opportunities with additional income potential.

In the equity investment business, there is a possibility to generate sales proceeds above the book value of the investment when selling promotional investments.

NRW.BANK determines anticipated losses on the basis of probabilities of default and loss given default and incorporates them in the planning and extrapolation for its result under HGB. There is a possibility that the actual defaults are lower than the anticipated losses. In these cases higher allocations to reserves may be made, which helps strengthen the capital cover and the risk-bearing capacity.

5.6 Market Risk

5.6.1 Definition

The market risk refers to a potential loss resulting from unfavourable changes in market prices or price-influencing parameters. This definition covers interest rate, foreign exchange rate and volatility risks. As far as the interest rate risk is concerned, a distinction is made between the general and the specific interest rate risk. It comprises both changes in general interest rates and changes in the credit spread of issuer classes and changes in the credit spread of individual issuers (residual risk).

5.6.2 Methods

NRW.BANK manages market risks both for net interest income (income-oriented perspective) and for the economic value of the Bank (value-oriented perspective). In both perspectives, market risks are limited and monitored daily, independent of trading.

NRW.BANK manages the market risks for the economic value using a stress VaR approach. The stress VaR is calculated for daily management at a 95% confidence level for a one-day holding period and takes into account all risk factors relevant for the portfolio, such as interest rates, foreign exchange rates, implicit volatilities and credit spreads. The observation period is 250 days, with a greater weight placed on incidents in the more recent past.

The EU government financial crisis of 2011 is primarily used as a stress period. This way, the Bank ensures that unfavourable market phases are also taken into consideration. The stress VaR is calculated and limited – across all levels from the Bank-wide level to sub-portfolio level – on the basis of a Monte Carlo simulation, with the Bank defining which transactions are to be fully revalued on a daily basis. The selection is based on the increase in accuracy that is achieved for the corresponding transactions by a full revaluation as compared to a sensitivity-based approach. A significantly increased accuracy is observed especially for the housing promotion loans and for positions with strategic interest rate risks (essentially pension obligations), which are therefore fully revalued. This selection is reviewed regularly and validated on a quarterly basis.

Under the value-oriented perspective, the general interest rate risks from the equity-funded social housing promotional business as well as the specific interest rate risks (credit spreads) are considered in the investment portfolio.

The mark-to-market analysis is complemented by other instruments for managing the HGB income statement (income-oriented perspective), which take more extensive account of the Bank's buy-and-hold strategy and its focus on HGB net interest income (net interest income based on HGB sensitivities).

Under this approach, all market risks which may influence the HGB income statement are taken into account. In the investment portfolio, this may include potentially open interest or foreign exchange rate positions resulting from assets and liabilities with different fixed interest periods or currencies which have not yet been hedged on a nominal value basis in the context of asset/liability management. For the trading portfolio and the liquidity reserve, all relevant risk types are additionally measured on a mark-to-market basis. Accordingly, temporary fluctuations in market value are taken into account in the HGB income forecast for the trading portfolio and the liquidity reserve.

In contrast to a mark-to-market VaR concept, the focus is not on the mark-to-market sensitivities but on the sensitivities of the HGB result. To limit the risks to the result under commercial law, HGB market risks are limited on the basis of HGB sensitivities and HGB stress tests.

Above and beyond the day-to-day management of the interest-bearing business, strategic interest rate risks from pension obligations (incl. benefit obligations) and participations in the public interest are considered. Strategic interest rate risks from pension obligations result from the Bank's strategic decisions regarding the capital investment of pension provisions in cases where the maturity of the investment does not exactly match the payment profile. There is a risk that the interest income

generated from the investment needs to be complemented by other operating income to meet all pension obligations. In addition, strategic interest rate risks include risks from participations in the public interest if the term of the refinancing differs from the assumed term of the investment.

Under both perspectives, the calculation of the key figures is supplemented with daily stress scenario computations. In this context, hypothetical scenarios are considered for interest rates, foreign exchange rates, implicit volatilities and credit spreads. In addition, the effects of changes in interest rates and credit spreads are examined for historical scenarios. The standardised stress scenarios are supplemented if needed with individual, situational considerations tailored to the risk structure of the Bank's portfolio. Moreover, the analysis of the sensitivities and risk concentrations from the above risk factors is an integral element of daily market risk measurement.

5.6.3 Validation

Daily backtesting is used to check the quality of the VaR projection. In this context, the losses projected by the VaR model are compared with the changes in the result. Here, the Bank uses clean backtesting without ageing. This means that only changes in the result that are due to changes in market data are taken into account.

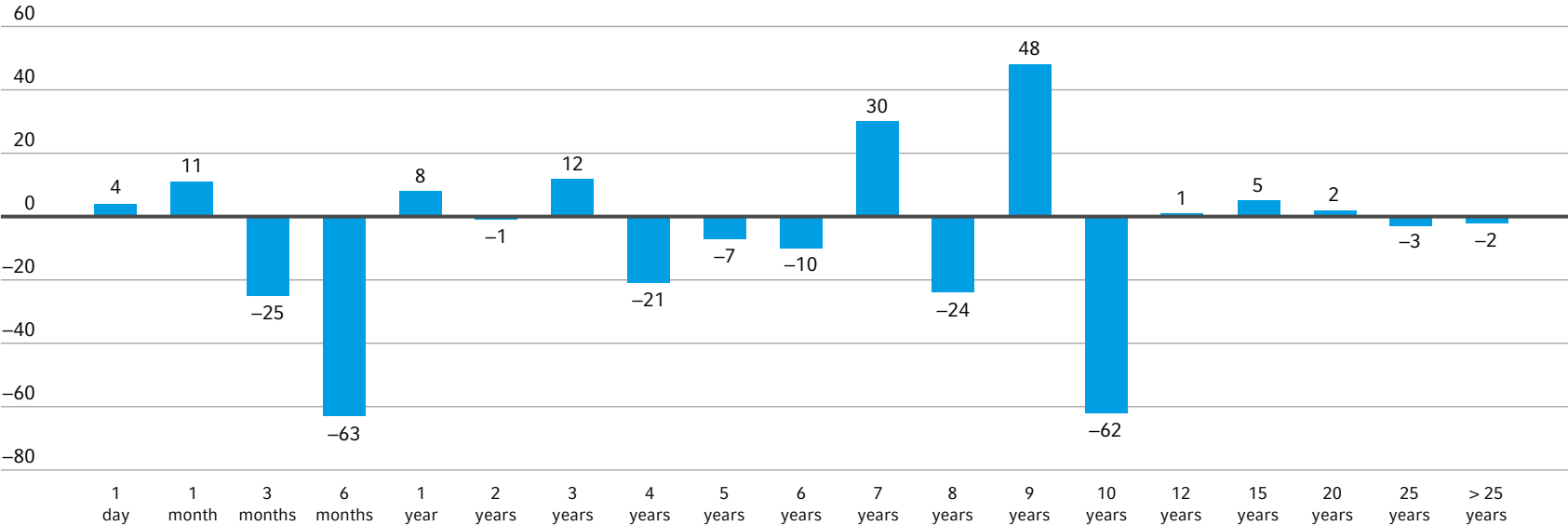
When the backtesting approach for internal market risk models accepted by the regulatory authorities pursuant to the CRR is applied to NRW.BANK's backtesting, the model is generally within the statistically expected range. The regular daily, monthly and annual processes conducted to review the parameters and assumptions confirmed the validity of the model.

5.6.4 Risk Assessment and Limitation

The focus of the market risks under a mark-to-market perspective is on general and specific interest rate risks in the investment portfolio. The resulting market value fluctuations are not reflected in profit/loss in the HGB income statement, provided there is no permanent impairment. As investments in the investment portfolio are made with the intention of being held to maturity, the hedges used by the Bank relate to the nominal value at maturity. Accordingly, there are only minor fixed-interest-period and currency mismatches under the income-oriented perspective with daily management, which are limited by the HGB sensitivities for the risks of all future fiscal years as well as for the current and the next three fiscal years. This is complemented by mark-to-market VaR limitation. The Bank also has minor active positions in the trading portfolio. These are limited by a separate limit for the trading portfolio. All limits were met at all times in the fiscal year.

Due to the hedges in place, there are no material fixed-interest-period mismatches at Bank-wide level under the income-oriented perspective (the following graph shows sensitivities of max. € 48 thousand and min. € -63 thousand).

HGB interest rate sensitivities (excl. strategic interest rate risks, all periods) to a 1 bp interest rate hike
in € thousands as of Dec. 31, 2024



In addition, HGB interest rate sensitivities from strategic interest rate risks for pension obligations and participations in the public interest for the current and the next three fiscal years in the amount of € –157 thousand were considered in the risk measurement as at the reporting date.

Currency risks also play only a minor role for the HGB result. They are extensively hedged using derivatives, which means that the HGB result is essentially exposed only to the currency risk on the interest margin generated.

The table below shows the stress test results (based on regulatory stress tests) for market risks under the income-oriented perspective over the course of the year.

HGB stress tests for market risks – total

	March 2024 € millions	June 2024 € millions	September 2024 € millions	December 2024 € millions
Short-term downward shock	-23	-45	-14	18
Short-term upward shock	23	45	14	-18
Steepening	-35	-46	-21	-3
Flattening	32	47	19	-4
Parallel downward shift	24	1	15	47
Parallel upward shift	-24	-1	-15	-47
FX +30% (depreciation of the euro)	7	10	10	8
FX -30% (appreciation of the euro)	-7	-10	-10	-8

The results of the stress tests show the potential impact on the Bank's current results over the next four fiscal years. The effects are minor due to the limited interest rate and currency mismatches on a nominal value basis.

5.6.5 Economic Capital

In calculating economic capital, market risks are taken into account on a mark-to-market basis with a uniform confidence level of 99.9%; the risk horizon is 250 days. The economic capital

for market risks is determined from a stress VaR with stressed correlations and volatilities. This way, the Bank ensures that the calculation of economic capital also reflects unfavourable market phases.

The economic capital for market risks results, in particular, from general interest rate risks of the housing promotion loans. These are funded with own equity funds. To comply with regulatory law, own equity funds used to fund housing promotion loans may

not be taken into account in the risk calculation. In calculating the mark-to-market market risk, regulatory law thus implies that housing promotion loans are funded fully mismatched with overnight deposits. This results in a high assumption-based interest position. Furthermore, the economic capital contains mark-to-market strategic interest rate risks and all credit spread risks of the investment portfolio. The resulting fluctuations in market value are usually not recognised in NRW.BANK's HGB financial statements due to the buy-and-hold strategy. As at the reporting date, the economic capital set aside for market risks amounted to € 5.4 billion (2023: € 5.5 billion).

5.6.6 Regulatory Standard Tests

Under the mark-to-market perspective, the potential effect of a sudden and unexpected interest rate change in the investment book in six interest rate shock scenarios defined by an EU Commission Delegated Regulation (regulatory interest rate shock) is dominated by the above-mentioned assumption-based interest position of the housing promotion loans. As at the reporting date, the negative change in the present value of the Bank's investment book resulting from the interest rate shock amounted to 17.8% (2023: 17.6%) of the regulatory equity capital.

The interest rate sensitivity of the housing promotion loans that dominates the stress calculations results from the fact that they are funded with equity. When assessing the Bank's potential sensitivity to the postulated interest rate shock, equity funds

must be modelled as maturity mismatched refinancing funds payable on demand according to regulatory requirements.

In addition, an earnings-oriented regulatory stress test is to be determined, which simulates the effects of interest rate changes on commercial-law net interest income for a time horizon of one year under two stress scenarios. In contrast to the mark-to-market view, this takes into account not only the existing business but also simulated new business based on the assumption of a constant balance sheet. The above-described special features of housing promotion under the mark-to-market perspective do not exist under the income-oriented perspective. As of the reporting date, the negative change in net interest income amounts to 0.2% of regulatory equity capital, which means that only minor interest rate risks exist under this perspective.

5.6.7 Opportunities

The aim of NRW.BANK's asset/liability management is to generate a fixed interest and commission margin with regard to the HGB income statement. This entails low market risks, which limit the respective opportunities in the investment portfolio. The biggest opportunities therefore lie in the development of the rates for future new business on the asset and the liability side and not in additional gains from mismatched interest and currency positions. In the trading portfolio, further opportunities are also ruled out due to the existing limit. This means that opportunities for generating additional HGB income from market risk positions

play only a minor role. From a mark-to-market point of view, market price fluctuations lead to changes in unrealised profit and losses. In the investment portfolio, these are regarded as temporary value fluctuations – provided that they are not permanently impaired. Because of the buy-and-hold strategy, realised net gains in the investment portfolio exclusively result from portfolio-enhancing measures.

5.7 Liquidity Risk

5.7.1 Definition

The liquidity risk as part of the ILAAP includes, in particular:

- the risk of being unable to meet payment obligations at maturity (liquidity risk in the narrower sense),
- the risk of being unable to provide sufficient liquidity at the anticipated conditions (funding risk) when needed and
- the risk of being unable to unwind or liquidate transactions or to do so only at a loss because of insufficient market depth or market disruptions (market liquidity risk).

5.7.2 Methods

The liquidity risk is managed centrally at NRW.BANK to ensure liquidity across the entire Bank at all times.

The risk of insolvency and the funding risk are monitored daily on the basis of a liquidity gap analysis and its limitation. The liquidity gap analysis (in EUR and foreign currency) is prepared

and analysed each day independently of trading units. It reflects the contractually agreed (deterministic) inflows and outflows of cash for each day until the final cash flow occurs (incl. interest cash flow and off balance sheet transactions).

For stochastic cash flows (e.g. termination rights or early redemption), conservative assumptions are made in such a way that negative effects are assumed for NRW.BANK. Moreover, no (fictitious) new business is reflected or modelled in the liquidity gap analysis; e.g. there is no prolongation of unsecured and secured funding.

The funding risk as an earnings risk for the HGB result also includes long-term liquidity mismatches in addition to the risks from the planned issuing activity and is limited within the framework of the risk-bearing capacity. In the ICAAP, the funding risk is based on both the planned issue volume of the next twelve months and the existing and required long-term refinancing funds with a (remaining) term of more than ten years. For these positions, the funding risk is derived from an increase in the own credit spread. The Bank's existing liquidity buffer means that funding risks are mitigated as it permits secured funding independent of the Bank's own credit spread.

In addition, the funding base is diversified in terms of investor groups, regions and products, which helps minimise the funding risk.

The market liquidity risk is of minor importance for NRW.BANK, as the investment portfolio only consists of positions held in accordance with the buy-and-hold strategy. Accordingly, temporary market liquidity fluctuations are not relevant for the HGB income statement, as the focus is not on short-term profit generation by way of a sale. Sales of investments held in the investment portfolio serve to optimise the portfolio in the context of portfolio management and are not directly related to the generation of liquidity.

According to the risk inventory, the market liquidity risk from securities held in the liquidity reserve and the trading portfolio is not material, as the securities holdings are relatively small.

An analysis of the market liquidity risk that goes beyond the analysis of the market risk is performed in the form of a regular analysis of the short-term liquidity to be generated from the securities portfolio. In addition, it is reflected in the liquidity risk limitation in the form of haircuts on the calculated liquidity potential.

5.7.3 Risk Assessment and Limitation

Because of the explicit funding guarantee extended by NRW.BANK's guarantor and its correspondingly good rating, the Bank can generate the required liquidity at short notice. The Bank usually funds itself in the money and capital markets.

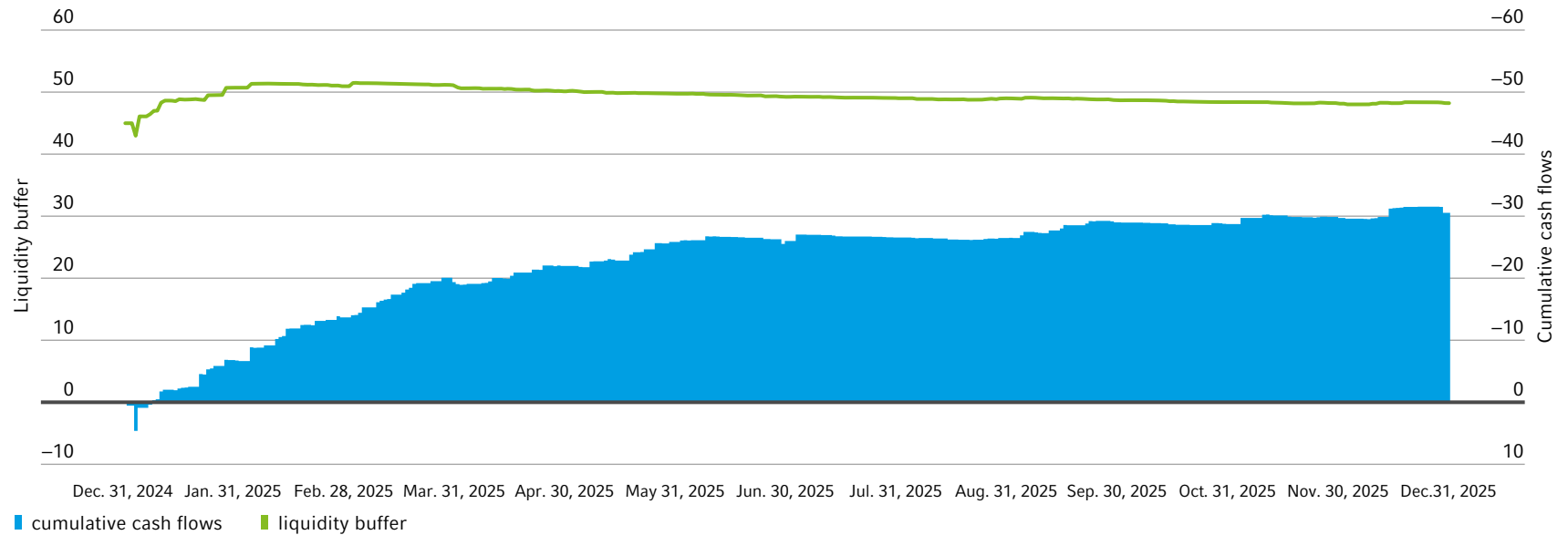
To ensure it is able to meet its payment obligations at all times, the Bank additionally holds a substantial portfolio of liquid ECB/repo-eligible securities as well as ECB-eligible credit receiv-

ables. Regardless of the buy-and-hold strategy, the securities may be used in the repo market or for ECB open-market transactions to generate liquidity. Sales of securities in the investment portfolio are therefore not required for this purpose.

To limit liquidity gaps, a limit system graded according to maturities is in place, which is based on the MaRisk requirements for assets to be held as liquidity buffer even in a stress scenario (up to one week: highly liquid securities that can be liquidated in private markets without significant losses at any time and that are ECB-eligible; up to one month: unencumbered ECB-eligible securities and unencumbered securities deposited with the Bundesbank). The limit system also requires liquid securities for observation periods of more than one month. The liquidity buffer is thus an important element of the system for liquidity gap limitation. In addition, there are further funding possibilities on the money and capital markets, which are reflected in the limit system in a second step, with haircuts being applied.

Due to the above-mentioned limit system, NRW.BANK's ability to meet its payment obligations is secured by the freely available portfolio of ECB-eligible receivables and the unused ECB line even without external capital market funding. Netted with cash inflows and outflows, there is a significant liquidity buffer for the 1-year period that is most relevant for risk management.

Liquidity gap analysis of NRW.BANK in € billions



The limit system ensures that liquidity gaps are at all times covered by the liquidity buffer, especially in the short-term segment.

Idiosyncratic, market-wide and combined stress tests are also performed in the context of liquidity management. These stress tests take into account crisis-specific effects on payments, the liquidity buffer maintained by the Bank as well as the limit utilisation. The following is simulated in the context of the stress tests:

- defaults of material borrowers,
- outflows under collateralisation agreements,
- reduced liquidity potential from ECB-eligible securities due to rating changes and
- reduction in the collateral value of ECB-eligible securities and credit receivables.

The results are analysed at least on a monthly basis. Even assuming these stress scenarios, NRW.BANK is able to meet its

payment obligations at all times. In addition, the Bank subjects the HGB result to stress tests in the form of rising costs from USD exchange rate hedges.

Liquidity risk management also incorporates compliance both with the German Liquidity Regulation and with the requirements regarding the minimum reserve. These conditions were met at all times in the fiscal year.

5.7.4 Economic Capital

As at the reporting date, economic capital set aside for liquidity risks amounted to € 251.8 million (2023: € 215.9 million).

The parameters and assumptions of the model are reviewed regularly in the context of various daily, monthly and annual processes.

5.7.5 Funding Structure

In its capacity as state-guaranteed promotional bank, NRW.BANK issued bonds in the amount of € 8.9 billion (2023: € 6.8 billion); this figure does not include the non-cancelled issues from the previous years in the amount of € 3.2 billion, withdrawals and exchanges in the amount of € –0.3 billion as well as drawings under global loans of € –0.1 billion. Funds in the total amount of € 11.7 billion were raised in 2024.

The funding transactions with domestic investors are dominated by bearer bonds, note loans and registered bonds.

NRW.BANK also used its international funding programmes for its funding operations. These essentially comprise the Debt Issuance Programme, which covers medium and long-term maturities, and the Global Commercial Paper Programme, which covers maturities of up to twelve months.

5.7.6 Opportunities

Thanks to its status as a promotional bank and the funding guarantee granted by the Federal State of North Rhine-Westphalia, NRW.BANK has been firmly established in the market as an issuing house since 2004. It therefore expects the funding environment to remain favourable in 2025 for the planned long-term funding volume of € 11 to 13 billion. Additional opportunities may arise for the coverage of short-term liquidity, which may take place in different money market segments, depending on the financial market situation.

5.8 Operational Risk

5.8.1 Definition

Operational risk comprises risks in systems or processes, specifically resulting from human or technical failure, external events or legal risks resulting from contractual agreements or applicable law.

5.8.2 Methods

The framework for operational risk management at NRW.BANK incorporates both qualitative and quantitative aspects. Qualitative

management is based on the MaRisk requirements, while quantitative management is based on the economic capital.

By using a combination of decentralised and centralised risk management and risk monitoring, the Bank ensures that management can respond promptly as needed and that the Managing Board can simultaneously take the necessary decisions based on the Bank's overall risk profile.

NRW.BANK collects information on losses and loss-free risk events in a central risk event database and categorises them in accordance with the regulatory event categories according to the CRR. The data collection serves as the basis for the assessment of operational risks at NRW.BANK. The results of the annual forward-looking self-assessments and the findings resulting from scenario analyses and from the monitoring of risk indicators are also included in the overall assessment of the risk situation.

Comprehensive, business process-oriented emergency plans exist for particularly mission-critical events such as a major loss of staff, breakdown of a bank building or a computing centre. The contingency plans cover all areas and are designed to prevent high financial and reputational risks.

The Bank's insurance cover is reviewed regularly to ensure that it is appropriate.

NRW.BANK uses standardised contracts to minimise legal risks from transactions. Deviations from standardised contracts and individual transactions are approved by the Legal business unit.

At present, no material legal proceedings are pending against NRW.BANK.

Operational risks are mitigated by, among other things, the instructions in the written orders as defined in the internal control system (ICS). These comprise all processes, methods and control measures ordered by the Managing Board which serve to ensure the proper and safe functioning of the operational processes. The ICS comprises general principles and requirements for working and behavioural practices, e.g. the four-eye principle, but also specific process-related instructions. In the event of material changes in the structural and operational organisation, the business units involved in the downstream workflows as well as the Risk Control function, the Compliance function and Internal Audit analyse the effects on the control procedures and the intensity of control. In the event of changes to the IT systems, the Information Security and Data Protection functions must also be involved as a general rule.

Human resources risks are initially managed in the context of regular human resources planning. HR-related measures are implemented in close consultation between the respective business units and the Human Resources business unit. As part of the observation of risk indicators, indicators, e.g. regarding staff turnover or further training, are monitored in order to respond to undesirable developments at an early stage.

Operational risks in NRW.BANK's IT environment are managed on the basis of the IT strategy. The written instructions include rules for the use, procurement and development of hardware

and software, with the main emphasis on compliance with the necessary security standards and business continuity. Appropriate authorisation concepts and processes additionally have a risk-mitigating effect. Contingency plans exist for the breakdown of all critical IT systems. In addition, extensive security measures are in place to protect the Bank against cyber risks, i.e. the unauthorised access to computers or network systems (e.g. hacking, data theft, virus attacks). Overall, information security and data protection are of great importance to the Bank.

Risks that may result from the outsourcing of material business activities are mitigated by an established audit and monitoring process. The latter primarily consists of a detailed risk or scenario analysis as the basis for a possible outsourcing decision to limit outsourcing risks.

In addition, the Bank effectively mitigates potential risks related to MaRisk and WpHG compliance, money laundering and financing terrorism as well as other criminal acts. Bank-wide security procedures, processes for the reporting of suspicions, regular risk analyses as well as self-assessments serve to manage and limit the potential risks arising in conjunction with these topics.

The economic capital for the operational risk is calculated from the maximum value of the regulatory basic indicator approach according to the CRR and an internal simulation-based procedure, which uses the valuation of the individual risks from the risk inventory.

5.8.3 Risk Assessment and Limitation

In the context of the identification and assessment of risks, all losses and risk events are analysed for their causes (including the observation of early warning indicators). Regardless of the amount of the risk or the risk potential, this is done to ensure that countermeasures can be taken at an early stage if similar events occur.

NRW.BANK performs self-assessments of all operational risks to which the Bank may be exposed. Risks are assessed separately for relevance (probability of occurrence) and frequency.

Neither the operational risk losses and loss-free risk events identified in the reporting year nor the findings from the self-assessments and the observation of early warning indicators have revealed any risks that could jeopardise the existence of the Bank.

The economic capital is calculated at least twice a year. As the economic capital allocated to cover potential losses otherwise remains constant throughout the year, no distinction is made between limit and utilisation.

5.8.4 Economic Capital

As at the reporting date, economic capital set aside for operational risks amounted to € 250 million (2023: € 165 million). The increase is attributable to the revaluation of individual sub-types of the operational risk as part of the risk inventory carried out in the reporting year, especially the revaluation of the cyber risk.

5.9 Pension Risk

5.9.1 Definition

Pension risk relates to the risk that there is a need to increase the pension provisions.

Pension obligations may increase primarily as a result of changes in the statistical assumptions regarding invalidity and mortality. This risk was classified as non-material in the risk inventory. Nevertheless, it will continue to be taken into account in the risk-bearing capacity.

Strategic interest rate risks related to pension obligations are included in the market risk. In addition, risks resulting from a change in interest rates are considered in the capital cover.

5.9.2 Methods

The calculation of the pension provisions requires the actuarial determination of cash flows reflecting future changes in payment obligations over time.

With regard to the period during which pensions are received, invalidity and death must be modelled in the cash flows. This is done on the basis of actuarial mortality tables (acc. to Heubeck), which are generally accepted for Germany and approved by the tax authorities.

For the mortality tables, no historical changes covering sufficiently long periods are available from which the volatilities

required for a VaR model can be derived. This is why the risk of changes in the statistical assumptions regarding invalidity and death is quantified using a scenario analysis in which the cash flows increase based on the assumption of a growing life expectancy. In addition, the probabilities of invalidity are modified. To quantify the risk, the scenario showing the strongest impact on the Bank is applied.

5.9.3 Risk Assessment and Limitation

The pension risk comprises the obligations towards both NRW.BANK's own employees and the employees of Portigon AG employed under a dual contract.

Economic capital is calculated once a year. As this means that it is constant throughout the year, the Bank makes no distinction between limit and utilisation.

5.9.4 Economic Capital

As at the reporting date, economic capital set aside for pension risks amounted to € 90 million (2023: € 90 million).

5.10 Business and Cost Risk

5.10.1 Definition

Business risk describes the risk of changes in the economic environment (market and/or demand) or the legal and/or political environment as a result of which income may be reduced. Cost risk means that the planned personnel and operating expenses are exceeded or that unplanned costs become effective.

The business and cost risk was classified as non-material in the risk inventory. It is nevertheless taken into account in the risk-bearing capacity.

5.10.2 Methods

A general risk amount is defined on the basis of a simplified procedure for a one-year risk horizon, which is consistent with other risk types. For this purpose, the deviations from the projected balance of income and administrative expenses are determined for the fiscal years since the inception of the Bank. From the negative deviations, mean and standard deviations are determined, from which the economic capital at the chosen confidence level is derived.

5.10.3 Risk Assessment and Limitation

Developments from which business and cost risks may arise are analysed on a regular basis. This includes, in particular, a review of the internal and external premises on which the strategy of NRW.BANK is based.

Economic capital is calculated once a year. As this means that it is constant throughout the year, the Bank makes no distinction between limit and utilisation.

5.10.4 Economic Capital

Economic capital set aside for the business and cost risk amounted to € 60 million as at the reporting date. No changes have occurred compared to the previous year.

5.11 Sustainability Risk

5.11.1 Definition

The sustainability risk is defined as the risk of financial losses or reputational damage due to events or conditions that have occurred in the environmental, social or governance (ESG) fields. The sustainability risk comprises both negative impacts of NRW.BANK's business activities on the environment and society ("inside-out") and possible impacts on NRW.BANK's risk positions due to environmental, social and governance challenges ("outside-in").

5.11.2 Risk Assessment and Limitation

Being a risk relating to and covering all risk types, the sustainability risk is not a risk type in its own right, but can be summarised as a risk driver under the aforementioned material risk types and thus be reflected through the latter. The relevance and influence of potential ESG risk drivers on various risk types were examined in an ESG risk driver analysis carried out in the reporting year as part of the risk inventory. In its analysis, the Bank concludes that the ESG risk drivers in the portfolio have little impact on the existing risk types at the bottom line.

The Bank's Sustainability Strategy defines allocation and knock-out criteria for the promotional business in the ESG promotional requirements, while an ESG Investment Framework is in place for the capital market business. The proportion of countries or sectors that are increasingly exposed to environmental, social

or governance risks is analysed regularly and reported on a quarterly basis in the monthly risk report and to the Risk Committee. Sustainability criteria (in addition to the internal credit rating) are taken into account in the investment portfolio for the corporate concentration limits anchored in the risk strategy.

5.12 Reporting

In accordance with the MaRisk provisions, the Risk Control business unit ensures market-independent and regular reporting to the Managing Board and the Risk Committee.

Daily reports are produced for the Managing Board both on Bank-wide level and for the capital market business. These include risk ratios and earnings figures as well as all cases where limits for market risks and liquidity risks as well as counterparty and issuer limits are exceeded.

As a general standard, the monthly risk report covers the following topics: Bank-wide risk management, credit risks, market risks, liquidity risks, operational risks and profit performance. It forms the basis for the discussion of the risk situation in the ALCO and the Credit Committee. Besides the standardised content, the report covers risk-relevant special topics as required. Every quarter, it covers the Bank-wide stress tests across all risk types as well as sustainability risks.

The quarterly reports to the Risk Committee are based on the monthly reports that are relevant for the quarter; while the level of detail is reduced with a view to the recipients, all material aspects are addressed. In addition, extraordinary events which are material from a risk perspective immediately trigger an (ad-hoc) report.

6 Internal Control System Relevant for the Financial Reporting Process

NRW.BANK's internal control system (ICS) is to ensure that the annual financial statements present a true and fair view of the net worth, financial position and result of operations of the Bank in accordance with applicable legal provisions and standards. It primarily comprises regulations governing the organisational and operational structure and makes a clear distinction between responsibilities as well as processes, procedures and measures to ensure the appropriateness and reliability of internal and external accounting.

The Managing Board of NRW.BANK is responsible for the creation and effective maintenance of an appropriate accounting-related internal control system. Responsibility for implementation rests with the Finance business unit in cooperation with Business Support and Risk Control.

Accounting-related business events are mostly handled locally. All accounting-relevant events are initiated in IT systems. The respective business units are responsible for full and proper capture and for implementing and documenting the required controls. Bank-wide functional responsibility for the accounting rules, the booking system, accounting and the definition of the valuation principles rests with the Finance business unit. This ensures that consistent accounting and valuation principles are applied within NRW.BANK even where business transactions are recorded locally. Risk Control is responsible for the trading-independent valuation and results analysis.

In the context of the Management Information System, a standardised report on the income statement, the cost centre statement, total assets, the business volume and the planning process is usually sent to the Managing Board each month to ensure timely reporting. The Managing Board regularly informs the Supervisory Board and its committees about the current business situation.

The annual financial statements are prepared by the Finance business unit and drawn up by the Managing Board. In accordance with the Statutes, the annual financial statements are endorsed by the Board of Guarantors. The accounting documents are disclosed on the Bank's website in accordance with the European Single Electronic Format (ESEF) for annual financial reports. In addition, they are published in the company register within the statutory periods.

On the basis of legal standards, especially of the German Commercial Code (HGB) and the Ordinance on Accounting by Banks and Financial Institutions (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute – RechKredV), NRW.BANK's accounting process is described and laid down in manuals and work instructions. These written orders are updated on a regular basis. All employees have direct access to the corresponding manuals via NRW.BANK's intranet. Compliance with the manuals is mandatory.

The Finance business unit examines all new legislation for its potential relevance to the Bank's accounting process. Necessary

adjustments to processes and manuals are implemented in a timely manner. The management and monitoring of new products are coordinated by the Risk Control business unit in a standardised process. In this context, an accounting-related analysis of the products and the associated risks is carried out with a view to ensuring accurate accounting.

The front-office business units are functionally and organisationally separated from the business units responsible for settlement, monitoring and control as well as accounting. This separation is also reflected in the responsibilities of the individual Managing Board members. The authorities and responsibilities are laid down in detail in the individual specialist units. Employees involved in accounting-relevant processes have the knowledge and experience required for their respective tasks. Where required, external experts are called in for certain calculations, e.g. the measurement of pension obligations.

Besides the minimum requirements of the four-eye principle, the use of standard software is a key element of the accounting-related internal control system. The software is protected against unauthorised access by means of authorisations reflecting users' competence levels. In addition, system-immanent plausibility checks, standardised coordination routines and target/actual comparisons serve to check completeness and avoid and identify errors. For instance, the figures determined in the accounting process are additionally checked for plausibility on a monthly basis by means of comparisons with prior-year figures and planning figures and on the basis of the actual business trend. Inconsistencies are addressed jointly by the external and internal accounting departments.

In the context of its ongoing audits carried out in the course of the year, Internal Audit regularly audits the functionality of the accounting-related ICS in a process-independent manner and provides the Managing Board and the Supervisory Board's Audit Committee with adequate information about the results of the audit.

The Supervisory Board establishes an Audit Committee from among its members. In accordance with the Statutes and the Public Corporate Governance Code of NRW.BANK, the Audit Committee addresses matters such as accounting-related issues, the selection of the auditors and the verification of their independence, the commissioning of the auditors to carry out the audit, the definition of focal points for the audit, the auditor's fee and the approval of the permissible non-audit services of the auditor.

The auditor is appointed by the Board of Guarantors at the recommendation of the Supervisory Board/Audit Committee.

The auditor participates in the Supervisory Board's and the Board of Guarantors' consultations regarding the annual financial statements and reports on the key results of the audit.

Balance Sheet

of NRW.BANK at December 31, 2024

Assets

see Notes No.

Dec. 31, 2023

	€	€	€ thousands
1. Cash			
a) cash on hand	3,837.58		3
b) balances with central banks	130,241,698.53		198,747
thereof: with Deutsche Bundesbank € 130,241,698.53			(198,747)
		130,245,536.11	198,750
2. Receivables from banks	1, 9, 10, 21, 24, 25		
a) payable on demand	7,595,242,461.89		10,788,633
b) other receivables	45,013,261,986.42		45,430,810
		52,608,504,448.31	56,219,443
3. Receivables from customers	2, 9, 21, 24, 25	59,367,494,115.93	58,912,515
thereof: secured by mortgages € 179,331.52			(223)
loans to public authorities and entities under public law € 43,223,531,729.25			(42,923,297)
4. Bonds and other interest-bearing securities	3, 6, 10, 21, 24, 25		
a) bonds and notes			
aa) of public institutions	24,785,763,780.62		21,909,173
thereof: eligible as collateral for Deutsche Bundesbank advances € 23,011,809,222.92			(20,077,339)
ab) of other issuers	17,917,326,735.63		18,080,812
thereof: eligible as collateral for Deutsche Bundesbank advances € 15,166,153,180.52			(15,254,033)
		42,703,090,516.25	39,989,985
	To be carried forward:	154,809,334,616.60	155,320,693

see Notes No.

Dec. 31, 2023

		€	€ thousands
		Carried forward:	154,809,334,616.60
			155,320,693
5. Equity investments in non-affiliated companies	4, 6	2,515,785,603.90	2,487,920
thereof: equity investments in banks € 2,242,294,419.58			(2,242,294)
6. Equity investments in affiliated companies	4, 6	25,004.22	25
7. Trust assets	5	1,612,321,716.79	1,828,713
thereof: trust loans € 1,599,336,200.36			(1,819,748)
8. Intangible assets	6		
a) concessions acquired against payment, commercial trademark rights and similar rights and assets as well as licenses to such rights and assets		3,014,852.24	3,093
9. Tangible assets	6	267,314,554.60	253,690
10. Other assets	7, 17, 21, 32	2,146,889,812.84	916,992
11. Deferred items	8, 21, 32	428,899,731.14	440,514
Total assets		161,783,585,892.33	161,251,640

Liabilities

see Notes No.

Dec. 31, 2023

		€	€	€ thousands
1. Liabilities to banks	11, 21, 24, 25			
a) payable on demand		2,072,182,301.67		2,589,131
b) with agreed maturity or period of notice		36,011,753,048.13		35,833,275
			38,083,935,349.80	38,422,406
2. Liabilities to customers	12, 21, 25			
a) other liabilities				
aa) payable on demand		601,779,695.20		678,542
ab) with agreed maturity or period of notice		13,636,259,610.55		12,858,867
			14,238,039,305.75	13,537,409
3. Certificated liabilities	13, 21, 25			
a) bonds and notes issued by the bank			81,294,990,235.61	80,639,889
4. Trust liabilities	14		1,612,321,716.79	1,828,713
thereof: trust loans € 1,599,336,200.36				(1,819,748)
5. Other liabilities	15, 21, 32		1,599,052,774.90	1,763,383
6. Deferred items	16, 21, 32		555,594,053.89	600,203
7. Provisions	17			
a) provisions for pensions and similar obligations		2,523,814,025.00		2,500,043
b) tax reserves		3,454,640.84		4,511
c) provisions for interest rate reductions		322,407,318.88		212,590
d) other provisions		695,359,385.11		663,276
			3,545,035,369.83	3,380,420
		To be carried forward:	140,928,968,806.57	140,172,423

see Notes No.

Dec. 31, 2023

		€	€	€	€ thousands
			Carried forward:	140,928,968,806.57	140,172,423
8. Subordinated liabilities	18			1,004,293,232.04	1,157,855
9. Fund for general banking risks	19			2,144,318,041.50	1,960,118
thereof: special item pursuant to Section 340e Para. 4 HGB € 3,190,000.00					(3,190)
10. Equity capital	20				
a) subscribed capital		17,000,000,000.00			17,000,000
b) capital reserves		475,848,842.45			475,253
c) reserves from retained earnings					
ca) reserves required by NRW.BANK's Statutes		36,100,000.00			36,100
cb) other reserves		194,056,969.77			194,057
			230,156,969.77		230,157
d) profit for the year			0.00		255,834
				17,706,005,812.22	17,961,244
Total liabilities				161,783,585,892.33	161,251,640
1. Contingent liabilities	21, 22, 31				
a) liabilities from guarantees and indemnity agreements				14,097,539,050.58	13,953,889
2. Other commitments	21, 23				
a) irrevocable loan commitments				8,656,287,612.33	8,160,944
3. Administered funds				16,796,733.79	17,078

Income Statement

of NRW.BANK for the Period January 1 – December 31, 2024

see Notes No.

Jan. 1 – Dec. 31, 2023

	€	€	€	€ thousands
1. Interest income from				
a) lending and money market transactions	6,295,058,777.61			5,741,255
b) interest-bearing securities and book-entry securities	764,062,633.91			533,657
		7,059,121,411.52		6,274,912
thereof: from negative interest € 7,235,442.54				(9,514)
2. Interest expenses		6,399,467,674.22		5,477,844
thereof: from positive interest € 2,271,154.01				(2,284)
			659,653,737.30	797,068
3. Income from				
a) equity investments in non-affiliated companies			6,820,999.67	20,107
4. Commission income	26	77,537,033.74		83,991
5. Commission expenses		8,423,105.29		9,239
			69,113,928.45	74,752
6. Net profit from trading portfolio			61,400.78	–451
7. Other operating income	27		59,011,022.08	65,405
		To be carried forward:	794,661,088.28	956,881

see Notes No.

Jan. 1 – Dec. 31, 2023

		€	€	€	€ thousands
			Carried forward:	794,661,088.28	956,881
8. General administrative expenses					
a) personnel expenses	33				
aa) wages and salaries		140,960,642.10			131,788
ab) social security contributions and expenses for pensions and other employee benefits		87,218,122.34			56,240
			228,178,764.44		188,028
thereof: for pensions € 52,319,797.08					(30,674)
b) other administrative expenses	29, 34		122,429,178.21		110,042
				350,607,942.65	298,070
9. Depreciation and value adjustments on intangible and tangible assets	6			8,395,169.63	7,923
10. Other operating expenses	28			139,542,498.11	82,247
11. Write-downs and value adjustments on loans and certain securities as well as allocations to loan loss provisions				263,174,352.23	545,566
thereof: allocation to fund for general banking risks € 184,200,000.00					(821,928)
12. Depreciation and value adjustments on equity investments in non-affiliated companies, equity investments in affiliated companies and securities treated as tangible assets				27,470,833.37	13,784
14. Result from normal operations				5,470,292.29	9,291
15. Taxes on income and revenues			-239,542.22		4,416
16. Other taxes not recognised under item 10			998,525.16		284
				758,982.94	4,700
17. Net income				4,711,309.35	4,591
17. Designated payout due to legal requirements	35			4,711,309.35	4,591
18. Withdrawals from capital reserves	20			0.00	255,834
19. Profit for the year	20			0.00	255,834

Notes

of NRW.BANK for the Fiscal Year 2024

Information for the Identification of the Bank

The following information is provided to identify NRW.BANK in accordance with Section 264 Para. 1a of the German Commercial Code (Handelsgesetzbuch – HGB):

Company Name

NRW.BANK

Institution under public law

Head Offices

Düsseldorf	Münster
Kavalleriestraße 22	Friedrichstraße 1
40213 Düsseldorf	48145 Münster

Commercial Register

Commercial Register A 15277 District Court Düsseldorf
Commercial Register A 5300 District Court Münster

Preparation of NRW.BANK's Annual Financial Statements

The annual financial statements of NRW.BANK are prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch – HGB), the Ordinance Regarding Accounting for Banks, Financial Services Institutions and Securities Institutions (Kreditinstituts-Rechnungslegungsverordnung – RechKredV), the Act on NRW.BANK (Gesetz über

die NRW.BANK – NRW.BANK G) and NRW.BANK's Statutes. Information that may appear either on the balance sheet or in the notes is included in the notes. Amounts in the notes are generally given in € millions.

The annual financial statements are transmitted electronically to Bundesanzeiger Verlag GmbH, which maintains the company register, for entry in the company register in accordance with Sections 325 and 328 HGB.

The subsidiaries in the NRW.BANK Group are not of material importance either individually or collectively. Consolidated financial statements are not prepared.

Accounting and Valuation Principles

Assets, liabilities and open contracts are valued in accordance with Sections 340 et seq. HGB in conjunction with Sections 252 et seq. HGB.

1. General Information

Receivables are reported at their amortised cost less any discounts where appropriate. Premiums and discounts from notes and bonds are released by the end of the term. Liabilities are carried at their settlement amount with any related discounts reported under deferred items. Premiums on receivables and liabilities are reported under deferred items as an asset or liability,

respectively. These items are released on a straight-line basis. The proportionate amount of accrued interest on a receivable or liability at year-end is generally included with the receivable or liability to which it applies. Non-interest-bearing loans to employees are reported at their amortised cost in accordance with tax regulations. Zero-coupon bonds are carried as liabilities at their issue price plus interest accrued as of the reporting date.

In considering credit risk in the lending business, risk classification procedures are used for the balance sheet items receivables from banks and receivables from customers to distinguish between undisputed receivables, non-performing receivables and uncollectible receivables. Individual value adjustments and flat-rate individual value adjustments in an appropriate amount are recognised for non-performing receivables. The indicators used as criteria for this include a lack of sustainable debt servicing capacity, earnings and liquidity problems, payment default of more than 90 days, breach of contractual agreements, forbearance measures, insolvency of the property developer or impairment of the collateral furnished. The collateral value method is used to determine the required amount of individual value adjustments. If the documents required for this method are missing after the expiry of internally defined deadlines, with the exception of non-risk-relevant business, the amount of individual value adjustments is determined by means of probability-weighted scenarios, which are based on a base-case scenario, a best-case scenario and a worst-case scenario, if possible. In individual cases, additional methods are also used if they provide a more accurate measure of the potential loss on the receivable. In the Housing Promotion segment, flat-rate individual value adjustments are recognised for loan exposures at risk of default in

the area of home ownership promotion with similar and homogeneous default risks on the basis of the historical default rates of the last five years. For this purpose, an average default rate for the last five-year period is calculated from all default rates as the flat-rate individual value adjustment rate, which is then applied to the volume of loan exposures at risk of default to determine the amount of the flat-rate individual value adjustment as of the balance sheet date. Where acute default risks exist for contingent liabilities or other commitments, including irrevocable loan commitments, to be recognised in the balance sheet, provisions for contingent losses from pending transactions are established. Here, too, the determination is based on the same procedures as those used for individual and flat-rate individual value adjustments. Uncollectible receivables are written off. General value adjustments are recognised for undisputed receivables subject to latent default risks.

General value adjustments for latent default risks of receivables from banks and receivables from customers as well as contingent liabilities and other commitments, including irrevocable loan commitments, to be recognised below the balance sheet in accordance with Sections 26 and 27 of the Ordinance Regarding Accounting for Banks and Financial Services Institutions (RechKredV) are determined applying the IDW statement on accounting "Risk Provisioning for Foreseeable, Not Yet Individually Specified Credit Risks in the Lending Business of Credit Institutions ('general value adjustments')" ("Risikovorsorge für vorhersehbare, noch nicht individuell konkretisierte Adressenausfallrisiken im Kreditgeschäft von Kreditinstituten ('Pauschalwertberichtigungen') (IDW RS BFA 7)"). For this purpose, the Bank uses the simplified valuation procedure in accordance with IDW RS BFA 7 to deter-

mine the general value adjustments. According to this procedure, the twelve-month probability of default without consideration of creditworthiness premiums may be used for credit transactions if a balance between creditworthiness premiums and risk expectation can be assumed at the time the loan is granted and there is no significant increase in the credit risk on the reporting date. If the credit risk of the loan portfolio in question has increased noticeably over time, it must be assessed whether a higher amount should be recognised as an adequate risk provision. In this context, NRW.BANK's concept provides for certain downgrade constellations in the credit rating as an assessment criterion. In these cases, the general value adjustments are determined on the basis of the expected loss over the entire remaining term.

To take account of uncertainties that are not yet or not yet fully reflected in the statistical valuation parameters, NRW.BANK recognises, if necessary, a general value adjustment exceeding the general value adjustment in accordance with IDW RS BFA 7 (post-model adjustment). In the light of the geopolitical developments, the Bank therefore considered the scenario of an emerging global trade dispute in its annual review of the necessity and appropriateness of a post-model adjustment. The changes in economic parameters assumed for this model calculation resulted in a post-model adjustment of € 45.0 million. In contrast, the additional risk provision recognised in the previous year was no longer retained due to the fact that the assumptions of the respective scenario did not materialise, which significantly reduced the associated uncertainties.

In addition, the Bank has established a provision for general banking risks pursuant to Section 340f of the German Commercial Code (HGB) to cover the specific risks of the banking sector.

The value adjustments and the allowance reserves pursuant to Section 340f HGB were deducted from the respective receivables item on the assets side of the balance sheet in the longest residual maturity band. The off-balance sheet contingent liabilities and other commitments were reduced by the provisions for potential losses established for these items.

The principles of the IDW statement on accounting "On Uniform or Separate Accounting under Commercial Law for Structured Financial Instruments" ("Zur einheitlichen oder getrennten handelsrechtlichen Bilanzierung strukturierter Finanzinstrumente (IDW RS HFA 22)") are incorporated in the present annual financial statements. According to these principles, each structured financial instrument held in the banking book including securities issued is generally recognised as an integral asset or an integral liability. In those cases where the structured financial instrument has much higher or additional risks or opportunities than the basic instrument due to an embedded derivative, each individual component of the asset or liability is recognised separately as an underlying transaction and a derivative in accordance with the relevant HGB principles. In those cases where the recognition as an integral asset or an integral liability gives a fair view of the net assets, financial position and result of operations, such recognition is applied.

Repurchase agreements and (reverse) repurchase agreements are combinations of a spot purchase or sale of securities with a simultaneous forward sale or repurchase transaction entered into with the same counterparty. Securities purchased with an obligation to sell (reverse repurchase agreements), and securities sold with an obligation to repurchase (repurchase agreements), are generally regarded as collateralised financial transactions.

The securities pledged under repurchase agreements (spot sale) are still recognised as part of the securities portfolio. The cash deposit received as part of the repurchase agreement, including accrued interest, is recognised as a liability. In the case of reverse repurchase agreements, a corresponding receivable is recognised, including accrued interest. The underlying securities received in pledge (spot purchase) are not recognised on the balance sheet.

In securities lending transactions, the lender transfers securities held in its portfolio to the borrower for a certain period of time. The borrower undertakes to retransfer the same type and the same amount of securities at the end of the lending period. According to prevailing legal opinion, this is a non-cash loan. The lender is obliged to assign the securities to the borrower; the borrower assumes all rights associated with the securities. Regardless of this, the lender remains the beneficial owner of the lent securities according to prevailing legal opinion. Consequently, the securities are not recognised in the borrower's balance sheet but continue to be recognised in the lender's balance sheet, as the latter remains the beneficial owner.

Credit derivatives for which NRW.BANK is the protection seller are used for portfolio management of the creditworthiness risk. For the Bank, they meet the criteria of original credit transactions. Allocation is made in accordance with the provisions of the IDW statement on accounting "Treatment of Credit Derivatives in the Non-Trading Portfolio under Commercial Law" ("Handelsrechtliche Behandlung von Kreditderivaten im Nichthandelsbestand (IDW RS BFA 1)"), provided that there is an intention to hold them to maturity and no structures are included in the credit

derivative. Credit derivatives of the non-trading portfolio are recognised in sub-item a) liabilities from guarantees and indemnity agreements under contingent liabilities. They are included in the calculation of general value adjustments for latent default risks in accordance with IDW RS BFA 7; corresponding provisions for contingent losses have hence been recognised for these transactions. Acute default risks from credit derivatives in the non-trading portfolio are also taken into account by recognising provisions for contingent losses from pending transactions.

In the context of the determination of the fair value, NRW.BANK applies mark-to-market valuation provided that an active market exists for a given security. In this case, the valuation is based on the liquid prices provided by respected market data providers (such as LSEG or Bloomberg). In addition, the discounted cash flow method is used for mark-to-model valuation. Under the discounted cash flow method, the contractually agreed cash flows of an instrument (without options) are discounted using risk-adjusted interest rates (use of spread curves). To the extent possible, interest curves based on liquid curves quoted in the market are used. In exceptional cases, the spreads used for discounting are taken from research publications or, alternatively, provided by external market participants and verified independently by the Risk Control business unit.

Structured derivatives and other structured products are valued on the basis of generally accepted models (Normal-Black 76, Normal-Black 76 with extension for CMS spread instruments, One Factor Models of Interest Rates, Linear Swap Rate Model, Hazard Rate Model). Here, too, valuation parameters based on standard market data sources are used (such as LSEG or Markit).

When using models, standard model assumptions are made. Valuation uncertainties primarily result from uncertainties of the parameters used and the assumptions on which the models are based.

According to a meeting report of the Specialist Committee on Banking (Bankenfachausschuss – BFA) of the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer – IDW) on June 23, 2015, negative interest included in net interest income has to be shown separately in the income statement (P&L). The Specialist Committee on Banking justifies this by saying that negative interest is an unusual phenomenon in money and capital markets. NRW.BANK therefore discloses negative interest by open deduction as a sub-item of interest income (reduction in interest income on the assets side) and interest expenses (reduction in interest expenses on the liabilities side) in the income statement. Negative interest from swap transactions is netted and therefore not included in this item.

2. Promotional Loans of the Housing Promotion Business Unit

The Housing Promotion business unit's promotional loans to banks and customers, most of which are at no interest or below-market interest, are carried at their nominal value. This recognises the fact that these loans are funded at matching maturities from equity capital and takes into account the interest balance guarantee under which the State of North Rhine-Westphalia would compensate for any negative interest balance for all promotional loans granted by the Housing Promotion business unit up to December 31, 2009. No negative interest balance existed for these receivables as of the balance sheet date.

All loans granted by the Housing Promotion business unit after December 31, 2009 are not covered by the interest balance guarantee of the State of North Rhine-Westphalia. Up to the balance sheet date, the Bank exclusively used equity capital to finance these non-guaranteed loans.

3. Loss-Free Valuation of the Banking Book

According to the IDW statement on accounting "Individual Aspects of the Loss-Free Valuation of Interest-Related Transactions in the Banking Book (Interest Book) (Einzelfragen der verlustfreien Bewertung von zinsbezogenen Geschäften des Bankbuchs (Zinsbuchs) (IDW RS BFA 3 new version)", a provision for contingent losses must be established for a surplus of obligations resulting from the banking and interest book in an overall view of the transactions. NRW.BANK performed the corresponding calculations in the 2024 financial statements, for which a P&L-oriented (periodic or period-related) view was taken. The present value of the future interest result of the banking book was reduced by pro-rated risk and administrative costs for the total term. The calculation did not result in a surplus of obligations, which means that there was no need to establish a provision for contingent losses.

4. Securities and Derivatives in the Investment Portfolio

Securities treated as fixed assets (financial investment portfolio) are valued at amortised cost. If an impairment is expected to be permanent, they are written down to the lower fair value. Where securities in the financial investment portfolio are recognised at values which exceed the current market or stock exchange values in accordance with the mitigated lower of cost or market principle,

these differences are stated in the notes. This information is subject to change over time due to portfolio changes as well as interest rate-induced movements and/or risk-induced movements.

For securities held in the financial investment portfolio with a carrying value of € 24,388,017,191.13 a lower market value of € 22,604,444,405.25 was determined.

Because these securities have been funded and/or hedged at matching maturities and interest rates, and because none of the issuers' credit ratings indicated sustained weakening (no permanent impairment in value expected), it was not necessary to write the securities down to market or stock exchange value.

Revaluation adjustments relating to derivative transactions in the financial investment portfolio are not recognised. These derivatives are microhedges and/or macrohedges in the form of interest rate and currency derivatives, which serve to hedge individual risk positions or to manage the Bank's overall exposure to interest rate risk, as well as credit default swaps (CDS), which are used as credit substitute transactions.

5. Securities Held in the Liquidity Reserve

Securities held in the liquidity reserve are valued according to the strict lower of cost or market principle. If the carrying value exceeds the fair value, they are recognised at the lower fair value on the reporting date.

6. Financial Instruments of the Trading Portfolio

In accordance with Section 340e Para. 3 HGB, financial instruments in the trading portfolio are measured at fair value less a risk discount.

The risk discount was calculated on the basis of the value-at-risk (VaR) model, which the Risk Control business unit also uses for internal monitoring of the market price risks of the trading book. The regulatory requirements of a confidence level of 99% and a holding period of ten days were applied. The historical observation period for the determination of the statistical parameters is 250 days, with a greater weight placed on incidents in the more recent past.

The internally defined criteria for the inclusion of financial instruments in the trading portfolio remained unchanged in the past fiscal year.

According to Section 340e Para. 4 HGB, an amount of at least 10% of the net profits from the trading portfolio must be allocated to the fund for general banking risks pursuant to Section 340g HGB and be stated separately under this special item in each fiscal year. The amount of the allocation to the special item is limited and the allocation must be made until the special item amounts to 50% of the average of the last five annual net profits from the trading portfolio generated before the calculation date. With the accumulated amount allocated to the special item fund for general banking risks pursuant to Section 340g HGB amounting to € 3.2 million until December 31, 2021, NRW.BANK met the legal requirement and already exceeded the required minimum amount. Since the fiscal year 2022, the Bank has therefore refrained from making any further allocations to the special item pursuant to Section 340e Para. 4 HGB for the time being and will not allocate any further amounts to the special item fund for general banking risks pursuant to Section 340g HGB.

7. Equity Investments in Non-Affiliated and Affiliated Companies

Equity investments in non-affiliated and affiliated companies are carried at cost taking existing collateral into account; where a loss of value is expected to be permanent, they are written down to the lower fair value.

With regard to the equity investment in Portigon AG, the State of North Rhine-Westphalia has issued an indefinite value guarantee to NRW.BANK to hedge the equity investment risk. In the case of a sale, the difference between the proceeds and a value of € 2,200.0 million is guaranteed.

NRW.BANK treats the equity investment in Portigon AG and the value guarantee as a hedge relationship as defined in Section 254 HGB, which is accounted for using the net hedge presentation method. Accordingly, the equity investment in Portigon AG was recognised at an amount of € 2,190.8 million as of December 31, 2024.

8. Intangible and Tangible Assets

Purchased intangible assets and tangible assets with a limited useful life are depreciated in accordance with the applicable tax regulations. They are written down for impairment where such impairment is likely to be permanent.

9. Provisions

Provisions have been made for contingent liabilities and anticipated losses from open contracts in the amount of the settlement amount that will be required according to prudent commercial judgment.

Provisions for pension obligations with a remaining maturity of more than one year are discounted at the average market rate of the past ten fiscal years as appropriate for the respective remaining maturity in accordance with Section 253 Para. 2 Sentence 1 HGB. By contrast, other provisions with a remaining maturity of more than one year are discounted using the average market rate of the past seven years as appropriate for the respective remaining maturity.

In accordance with the option granted under Section 253 Para. 2 Sentence 2 HGB, NRW.BANK has discounted provisions for pension obligations or comparable long-term obligations using the average market rate for an assumed remaining maturity of 15 years. The interest rate of 1.90% (2023: 1.82%) used for discounting was stipulated by Deutsche Bundesbank.

The difference determined in accordance with Section 253 Para. 6 Sentence 1 HGB for the recognition of pension provisions using the average market rate of the past ten fiscal years and the recognition of pension provisions using the average market rate for the past seven years amounts to € –22.0 million (2023: € 30.0 million).

Pension, benefit and other personnel provisions are measured by using the internationally accepted projected unit credit method, taking the future development of wages and pensions into account. Based on the “Heubeck tables 2018 G” published by Heubeck-Richttafeln-GmbH in Cologne, a salary and career trend totalling 3.0% was applied for this purpose. In addition, a pension trend of 1.5% to 2.2%, depending on the pension, was taken into account.

The assessment of the provisions for benefit payments was calculated using an annual cost increase of 3.5% for healthcare benefits. The average rate of the benefit payments over the past three years was taken as the basis.

Interest rate effects from the valuation of pension, benefit and other personnel provisions are recognised in the other operating result in the income statement.

As in the previous years, NRW.BANK used reduced interest rates for certain promotional loans in order to fulfil its state promotional tasks. When the loan is extended, the interest rate reduction is provisioned for in the amount of the present value. Income resulting from the utilisation of provisions for interest rate reductions are recognised in interest income.

10. Currency Translation

Foreign currency amounts are translated in accordance with Section 256a HGB in conjunction with Section 340h HGB as well as the IDW statement on accounting "Special Aspects of Currency Translation at Institutions under Commercial Law" ("Besonderheiten der handelsrechtlichen Fremdwährungsrechnung bei Instituten (IDW RS BFA 4)"). Assets, liabilities and pending transactions denominated in foreign currencies are translated into euros using the spot exchange rate on the reporting date. In this context, NRW.BANK uses the reference rates of the European System of Central Banks (ESCB). In case of foreign exchange forwards, the forward rate is split into a spot rate and a swap rate.

For the translation of foreign currencies, NRW.BANK determines the foreign currency positions by offsetting the claims and obligations of all foreign currency assets, liabilities and pending transactions in the respective foreign currency. In accordance with Section 256a HGB in conjunction with Section 340h HGB, these transactions are classified and valued as being specifically covered in all currencies.

In deviation from this general procedure, non-monetary assets are converted into euros at the time of addition and carried in euros in accordance with Section 256a HGB.

Revaluation adjustments resulting from the currency translation of foreign exchange forwards as at December 31, 2024 are recognised as "Adjustment item from currency translation in accordance with Section 340h HGB" under other assets.

11. Deferred Tax Assets

Due to NRW.BANK's income tax exemption, deferred taxes are only recognised for taxable commercial enterprises. In accordance with Section 274 Para. 1 Sentence 2 HGB, no deferred taxes were recognised for the deductible temporary differences which result in a tax reduction.

Balance Sheet

Receivables from Banks (1)

Breakdown by maturity	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Payable on demand	7,595.2	10,788.6
Other receivables		
– up to 3 months	2,266.4	2,404.1
– between 3 months and 1 year	3,811.8	4,002.8
– between 1 and 5 years	16,640.8	17,034.3
– more than 5 years	22,294.3	21,989.6
Total receivables from banks	52,608.5	56,219.4

The receivables from companies in which equity investments are held totalled € 66.4 million (2023: € 148.2 million).

Receivables from Customers (2)

Breakdown by maturity	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
– up to 3 months	1,910.4	2,381.8
– between 3 months and 1 year	3,675.3	3,925.9
– between 1 and 5 years	18,161.4	17,662.0
– more than 5 years	35,620.4	34,942.8
Total receivables from customers	59,367.5	58,912.5

The receivables from companies in which equity investments are held totalled € 9.1 million (2023: € 7.1 million).

Bonds and Other Interest-bearing Securities (3)

Marketability	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Bonds and other interest-bearing securities		
– listed on a stock exchange	39,371.8	36,528.8
– not listed on a stock exchange	3,331.3	3,461.2
Total bonds and other interest-bearing securities	42,703.1	39,990.0

Of the bonds and other interest-bearing securities, an amount of € 3,776.0 million (2023: € 2,278.9 million) is due in the following year.

Bonds and other interest-bearing securities from companies in which equity investments are held totalled € 71.5 million (2023: € – million).

Of the total bonds and other interest-bearing securities, € 42,703.1 million (2023: € 39,990.0 million) are held in the financial investment portfolio.

Equity Investments in Non-Affiliated and Affiliated Companies (4)

NRW.BANK holds € 2,515.8 million (2023: € 2,487.9 million) in equity investments in non-affiliated companies and € 25.0 thousand (2023: € 25.0 thousand) in equity investments in affiliated companies. Of the equity investments in non-affiliated companies, € 2,190.9 million (2023: 2,190.9 million) are securitised by marketable securities. However, none are listed on a stock exchange.

An itemised list of NRW.BANK's investments pursuant to Section 285 No. 11 HGB is shown separately in the "Miscellaneous" paragraph.

NRW.BANK holds more than 5% of the voting rights in the following major corporations:

- Investitionsbank des Landes Brandenburg (ILB), Potsdam
- Portigon AG, Düsseldorf

Trust Assets (5)

Breakdown by asset type	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Receivables from banks	652.0	817.3
Receivables from customers	947.3	1,002.4
Equity investments in non-affiliated companies	13.0	9.0
Total trust assets	1,612.3	1,828.7

Changes in Fixed Assets (6)

Schedule of fixed assets	Bonds and other interest-bearing securities forming part of fixed assets € millions	Equity investments in non-affiliated companies € millions	Equity investments in affiliated companies € millions	Intangible assets € millions	Land and buildings € millions	Office equipment € millions
Acquisition cost/ production cost						
As of Jan. 1, 2024	39,707.2	4,102.0	0.0	75.6	269.5	32.4
Additions				1.0	16.6	4.4
Disposals				-43.4	-	-1.4
Reclassifications				-1.0	-	-
As of Dec. 31, 2024				33.2	286.1	35.4
Write-downs						
As of Jan. 1, 2024				-72.5	-31.8	-16.4
Write-downs				-1.1	-5.5	-1.9
Change in total write-downs from disposals				43.4	-	1.4
As of Dec. 31, 2024				-30.2	-37.3	-16.9
Remaining carrying amounts						
As of Dec. 31, 2024	42,316.6	2,515.8	0.0	3.0	248.8	18.5
As of Dec. 31, 2023	39,707.2	2,487.9	0.0	3.1	237.7	16.0

Of the land and buildings, € 248.8 million (2023: € 237.7 million) is used for business purposes.

Other Assets (7)

Breakdown by individual items	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Adjustment item from currency translation pursuant to Section 340h HGB	1,202.4	–
Interest receivables from the State of North Rhine-Westphalia under the value guarantee for the equity investment in Portigon AG	575.2	575.2
Option premiums not yet received	156.8	147.3
Option premiums paid	141.5	123.4
Compensation claims to Helaba Landesbank Hessen-Thüringen relating to pension provisions for “dual contract holders”	45.9	46.2
Cash collateral furnished in the context of the EU bank levy	12.3	12.3
Tax prepayments	1.4	1.7
Compensation claims from Portigon AG relating to service cost of “dual contract holders”	0.5	0.7
Other	10.9	10.2
Total other assets	2,146.9	917.0

Deferred Items (Assets) (8)

Breakdown of deferred items (assets)	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Discounts from underwriting business	165.3	169.2
Prepaid swap fees	142.8	150.4
Prepaid CDS fees	105.1	105.8
Premiums from lending business	10.1	11.3
Other	5.6	3.8
Total deferred items	428.9	440.5

Subordinated Assets (9)

Subordinated assets are included in:

Breakdown by asset type	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Receivables from banks	0.8	0.8
Receivables from customers	73.5	71.9
Total subordinated assets	74.3	72.7

Pledged Assets (10)

Of the assets reported, assets in the amount of € 4,700.7 million (2023: € 8,005.8 million) were pledged under repurchase agreements.

Liabilities to Banks (11)

Breakdown by maturity	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Payable on demand	2,072.2	2,589.1
Other liabilities		
– up to 3 months	10,445.6	9,747.4
– between 3 months and 1 year	2,858.5	3,074.2
– between 1 and 5 years	8,927.3	9,169.9
– more than 5 years	13,780.3	13,841.8
Total liabilities to banks	38,083.9	38,422.4

The liabilities to companies in which equity investments are held totalled € 34.1 thousand (2023: € 66.6 thousand).

Liabilities to Customers (12)

Breakdown by maturity	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Payable on demand	601.8	678.5
Other liabilities		
– up to 3 months	5,161.5	3,995.9
– between 3 months and 1 year	649.0	744.5
– between 1 and 5 years	2,935.6	2,888.1
– more than 5 years	4,890.1	5,230.4
Total liabilities to customers	14,238.0	13,537.4

No liabilities to companies in which equity investments are held are recognised (2023: € 2.8 thousand).

Certificated Liabilities (13)

Breakdown of certificated liabilities	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Notes issued		
– mortgage bonds	0.6	0.6
– municipal bonds	369.0	356.0
– other bonds	80,925.4	80,283.3
Total certificated liabilities	81,295.0	80,639.9

Of the notes issued, € 34,565.1 million (2023: € 34,280.6 million) are due in the following year.

Trust Liabilities (14)

Breakdown by liability type	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Liabilities to banks	625.6	809.7
Liabilities to customers	986.7	1,019.0
Total trust liabilities	1,612.3	1,828.7

Other Liabilities (15)

Breakdown by individual items	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Liabilities owed to the State of North Rhine-Westphalia from repayment discounts granted for housing promotional programmes	1,259.9	1,106.0
Option premiums received	156.8	123.4
Option premiums not yet paid	141.5	147.3
Liabilities owed to employees of NRW.BANK from the fixed bonus	14.0	13.2
Liabilities owed to the State of North Rhine-Westphalia	4.7	4.6
Other	22.2	24.3
Adjustment item from currency translation pursuant to Section 340h HGB	–	344.6
Total other liabilities	1,599.1	1,763.4

Deferred Items (Liabilities) (16)

Breakdown of deferred items (liabilities)	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Premiums from underwriting business	265.1	301.0
Swap fees received in advance	262.8	263.4
Transfer of salaries for employees of Portigon AG under "dual contracts"	15.6	21.2
CDS fees received in advance	12.1	14.6
Other	0.0	0.0
Total deferred items	555.6	600.2

Provisions (17)

The provisions for pensions and similar obligations reported in the amount of € 2,523.8 million (2023: € 2,500.0 million) include € 1,472.6 million (2023: € 1,486.2 million) in pension obligations to employees of Portigon AG who have claims for or are entitled to a pension under the laws relating to civil servants. Pursuant to Article 1 Section 4 Para. 1 Sentence 4 of the Bank Redefining Act

(Neuregelungsgesetz) of July 2, 2002, these obligations passed from the former Westdeutsche Landesbank Girozentrale to NRW.BANK. Pursuant to the regulations of the assessment dated August 1, 2002, Portigon AG and NRW.BANK agreed in the fiscal year 2013 to settle NRW.BANK's claims resulting from the compensation entitlement for good, with the exception of the future service cost, by means of a one-time payment. With this one-time payment, responsibility for managing and handling the pension payments has passed to NRW.BANK. The provisions for pensions and similar obligations additionally include further pension obligations in the amount of € 45.9 million (2023: € 46.2 million) towards employees of Helaba Landesbank Hessen-Thüringen who also have contractual claims or are entitled to a pension under the laws relating to civil servants. NRW.BANK is entitled to reimbursement from Helaba Landesbank Hessen-Thüringen in the same amount, which is shown in other assets. An additional € 1,005.3 million (2023: € 967.6 million) has been set aside for pension claims that employees of NRW.BANK have for their retirement.

The provisions for interest rate reductions totalling € 322.4 million (2023: € 212.6 million) include the interest rate reduction from own funds applied over the entire term when promotional loans are granted.

Other provisions in the amount of € 695.4 million (2023: € 663.3 million) mainly consist of benefit provisions amounting to € 499.9 million (2023: € 474.5 million). This amount includes € 380.7 million (2023: € 363.4 million) in obligations to persons covered under the former pension agreement of the former Westdeutsche Landesbank Girozentrale, for which NRW.BANK has assumed the additional benefit payments since the spin-off from the former Westdeutsche Landesbank Girozentrale. An additional € 119.2 million (2023: € 111.1 million) has been set aside for claims to additional benefits that employees of NRW.BANK have for their retirement.

Other provisions for potential compensation claims under the value guarantee remained unchanged at € 76.7 million.

In addition, other provisions include provision of € 12.3 million recognised in the 2024 financial statements for reasons of prudence due to the uncertainties regarding the legal opinion of the European General Court (EGC) with regard to the irrevocable payment commitment arising from the EU bank levy.

Subordinated Liabilities (18)

The subordinated liability as described below exceeds ten percent of the total subordinated liabilities of € 1,004.3 million (2023: € 1,157.9 million).

The State of North Rhine-Westphalia has to make repayments towards the Federal Government in conjunction with the use of housing promotional loans granted by the Federal Government. Under applicable federal state law, NRW.BANK has to transfer the required funds from the repayment of housing promotional loans to the state budget. This transfer duty took the form of a non-interest-bearing subordinated loan in an amount of € 2,413.9 million granted by the State of North Rhine-Westphalia to NRW.BANK, which should have been repaid by the year 2044 in accordance with a defined repayment plan. At the end of the fiscal year 2023, the State of North Rhine-Westphalia and NRW.BANK agreed to give up the scheduled repayments and instead pass on the underlying loan repayments in the future. This change resulted in a compensation repayment to the State of North Rhine-Westphalia, which led to the repayments between the Bank, the Federal State and the Federal Government being matched until full repayment. Based on the total repayments made to date, the subordinated loan is stated in an amount of € 736.2 million as of December 31, 2024.

The other subordinated liabilities of € 268.1 million have original maturities between 30 and 40 years and carry interest rates of between 3.019% and 6.140%. These subordinated liabilities carry an average interest rate of 4.0% (2023: 4.5%). There is no early redemption obligation. The other subordinated liabilities

carried by NRW.BANK comply with the requirements of Article 63 of the Capital Requirements Regulation (CRR).

There are no existing agreements or plans to convert these funds into capital or into another form of debt.

Interest expenses of € 11.1 million (2023: € 9.0 million) were incurred for subordinated liabilities.

Fund for General Banking Risks (19)

In the 2024 financial statements, the Bank allocated another € 184.2 million to the fund for general banking risks pursuant to Section 340g HGB. To this end, an amount of € 59.2 million was reclassified from the existing contingency reserves pursuant to Section 340f HGB and an amount of € 30.0 million was transferred to the fund from the current result for 2024. Moreover, an amount of € 95.0 million was allocated to the promotional fund established by NRW.BANK for the first time in the previous year within the contingency reserves pursuant to Section 340g HGB. The total promotional fund available for the fiscal year 2025 therefore amounts to € 245.0 million. This fund, which does not count towards the regulatory core capital, is intended to provide funds for self-financed repayment discounts and grants for initial or ancillary costs.

Equity Capital (20)

As of December 31, 2024, NRW.BANK's subscribed capital remained unchanged at € 17,000.0 million. The reserves totalled € 706.0 million (2023: € 705.4 million).

NRW.BANK's capital and reserves as reported on the balance sheet are made up of the following:

Equity capital pursuant to the German Commercial Code (HGB)	Dec. 31, 2024 € millions	Dec. 31, 2023 € millions
Subscribed capital	17,000.0	17,000.0
Capital reserves	475.9	475.3
Reserves from retained earnings		
– reserves required by NRW.BANK's Statutes	36.1	36.1
– other reserves	194.0	194.0
Profit for the year	–	255.8
Total equity capital	17,706.0	17,961.2

The profit for the year of € 255.8 million reported in the previous year, which resulted from the release of a support payment granted by the State of North Rhine-Westphalia during NRW.BANK's seed/early phase ("State NRW special reserve") recognised in the capital reserve, was repaid to the Federal State as planned.

Following the adoption of the annual financial statements, the capital of NRW.BANK required for regulatory purposes under Section 10 of the German Banking Act (Kreditwesengesetz – KWG) amounts to € 19,293.2 million (2023: € 19,216.4 million).

Foreign Currency Assets and Foreign Currency Liabilities (21)

At the reporting date, NRW.BANK had foreign currency assets valued at € 3,994.5 million (2023: € 4,562.2 million) and foreign currency liabilities valued at € 30,507.9 million (2023: € 32,450.9 million). Contingent liabilities and other commitments denominated in foreign currencies totalled € 10,051.4 million (2023: € 9,831.8 million).

Contingent Liabilities (22)

Contingent liabilities totalled € 14,097.5 million (2023: € 13,953.9 million) and incorporate € 12,931.8 million (2023: € 12,681.5 million) for credit derivatives and € 1,165.7 million (2023: € 1,272.4 million) for other guarantees and indemnity agreements.

The credit derivatives are credit default swaps, in which NRW.BANK acts as protection seller. Against receipt of a premium from the protection buyer, NRW.BANK has taken the risk that a credit event agreed between the two parties with regard to the

reference debtor occurs. The credit default swaps of NRW.BANK are primarily referenced to countries and are almost exclusively of very good and good investment grade quality. No claims are expected to be raised at present.

The other guarantees and indemnity agreements primarily comprise liability releases in favour of house banks for loans granted in the context of various promotional programmes as well as working capital loans with changing utilisation as well as risk sub-participations held to reduce the risk of SME financing. Claims under these guarantees would potentially be raised in the event of the non-fulfilment of contractual obligations of the main borrower towards the beneficiary. This would arise, for instance, in the event of the delayed (or non-)repayment of loans or the improper completion of promised services. NRW.BANK considers the overall risk of future claims being raised because of such non-fulfilment by the main borrower to be low. In those cases where claims are likely to be raised, adequate provisions have been established.

Other Commitments (23)

Other commitments comprise irrevocable loan commitments in an amount of € 8,656.3 million (2023: € 8,160.9 million) and mainly relate to the promotional business.

The irrevocable loan commitments result from transactions in which NRW.BANK has made a binding commitment towards its customers and is therefore exposed to a future credit risk from loans. Based on historical experience from the previous years, it is expected that the irrevocable loan commitments will be utilised with a probability of almost 100%. In individual cases where a loss is likely to arise from anticipated claims, adequate provisions have been established for the risk arising from these claims.

Assets Used as Collateral (24)

Receivables in the nominal amount of € 9,320.3 million (2023: € 8,661.5 million) were assigned as collateral for liabilities to banks.

Bonds and notes with a nominal amount of € 100.0 million (2023: € 4,237.5 million) were pledged to Deutsche Bundesbank as collateral for refinancing facilities. In addition, credit receivables and note loans with a nominal amount of € 19,590.5 million (2023: € 19,231.6 million) were submitted to Deutsche Bundesbank via the "Mobilisation and Administration of Credit Claims" (MACCs) procedure. The nominal amount of the transactions submitted via the MACCs procedure in the previous year has been adjusted to the correct value due to double inclusion last year.

Securities in a nominal amount of € 46.4 million (2023: € 60.8 million) were deposited for the Eurex (electronic futures and options exchange) as collateral for forward transactions. In addition, securities in a nominal amount of € 74.8 million (2023: € 79.4 million) were submitted as collateral to compensate for exchange rate fluctuations in Eurex repurchase agreements.

The cover calculation only includes the cover register for municipal bonds (cover register II), as NRW.BANK currently holds no mortgage bonds (cover register I) and currently does not issue new mortgage bonds.

Cover Calculation (25)

All issues of NRW.BANK requiring cover were covered in accordance with the statutory provisions and in accordance with the Bank's Statutes.

On December 31, 2024, the nominal amounts of the cover calculation are as follows:

Cover calculation	Dec. 31, 2024 Municipal bonds (cover register II) € millions	Dec. 31, 2023 Municipal bonds (cover register II) € millions
Municipal bonds issued	1,473.1	1,522.4
Liabilities requiring cover	1,473.1	1,522.4
Municipal loans	2,013.0	2,009.6
Securing excess cover	49.6	49.6
Capital cover	2,062.6	2,059.2
Excess cover	589.5	536.8

Income Statement

Services Rendered for Third Parties (26)

The net commission income includes € 10.0 million (2023: € 11.8 million) from the trust and administered activities.

Other Operating Income (27)

The principal contributions towards other operating income are composed of € 43.9 million (2023: € 34.8 million) in interest rate effects from the valuation of pension, benefit and other personnel provisions, € 8.3 million (2023: € 23.6 million) in income from the writeback of provisions, € 1.4 million (2023: € 1.4 million) in income from compensation payments and cash payments relating to the improper use of publicly subsidised housing as well as € 0.5 million (2023: € 0.7 million) in income from the reimbursement of the service cost of Portigon AG.

Other Operating Expenses (28)

The principal contributions towards other operating expenses are composed of € 85.1 million (2023: € 30.6 million) for non-interest allocations to pension and benefit provisions for employees of Portigon AG who have claims for or are entitled to a pension under the laws relating to civil servants as well as € 53.7 million (2023: € 50.3 million) in interest effects from the valuation of pension, benefit and other personnel provisions.

Fee Paid to the Auditor of the Annual Financial Statements (29)

For the fiscal year 2024, the auditor charged a total fee of € 1.9 million (2023: € 1.6 million). Of this amount, € 1.5 million (2023: € 1.4 million) accounted for the auditing of the annual financial statements and € 0.4 million (2023: € 0.1 million) for other auditing services. In the previous year, an additional € 0.1 million was attributable to other services.

Geographical Markets

As NRW.BANK has no foreign branches, the total amounts of certain income statement items are not broken down by geographical markets in accordance with Section 34 Para. 2 No. 1 RechKredV.

Services Provided to NRW.BANK by the Auditor in Addition to the Audit

The auditor provides permitted non-audit services within the meaning of the EU Audit Regulation for the fiscal year 2024 to NRW.BANK. These services comprise the auditing of the legally dependent NRW.BANK.Fonds, the issue of a Comfort Letter, the preparation of audit reports and audit procedures according to ISAE 3000 as well as the execution of an audit to obtain limited assurance regarding the non-financial statement under voluntary application of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as a framework with the exception of the disclosures pursuant to Regulation (EU) No. 2020/852 ("EU Taxonomy Regulation").

Miscellaneous

Other Financial Obligations (30)

NRW.BANK has long-term obligations in the amount of € 312.4 million (2023: € 269.1 million) up to the end of the contractual term. Thereof obligations in the amount of € 99.5 million relate to the fiscal year 2025. The remaining other financial obligations in the amount of € 212.9 million relate to the fiscal years 2026 to 2037. In addition, there are other annual financial obligations with an indefinite remaining term after the balance sheet date in the amount of € 5.0 million (2023: € 4.9 million). Other financial obligations primarily result from building leases, software maintenance agreements, maintenance and IT service agreements, facility management contracts as well as other service agreements.

In the equity investment business, NRW.BANK additionally has other financial obligations from outstanding payment obligations and subscription commitments towards equity investments and funds in the amount of € 167.4 million (2023: € 164.9 million).

In the previous year, there was another financial obligation in the amount of the irrevocable payment commitment of € 12.3 million in the context of the EU bank levy.

Other Obligations (31)

NRW.BANK has other obligations pursuant to Article 1 Section 3 Sentence 1 of the Bank Redefining Act (Neuregelungsgesetz) of July 2, 2002.

In addition to its capital contribution of € 55.0 million, NRW.BANK remains liable for Investitionsbank des Landes Brandenburg (ILB) in the amount of an additional € 110.0 million.

As in the previous year, there is an obligation to make additional contributions in the amount of € 16.0 million to the European Investment Fund (EIF).

Both the liability assumed for Investitionsbank des Landes Brandenburg (ILB) and the obligation to make additional contributions to the European Investment Fund (EIF) are included in other guarantees and indemnity agreements shown under the item contingent liabilities.

Derivative Transactions (32)

As of December 31, 2024, the total nominal value of the derivative transactions is € 279,337 million (2023: € 216,721 million).

Derivative transactions are mostly used as hedges against fluctuations in interest rates, exchange rates and market prices and entirely relate to the banking book.

Banking book	Nominal values Dec. 31, 2024 € millions	Nominal values Dec. 31, 2023 € millions	Market values positive Dec. 31, 2024 € millions	Market values negative Dec. 31, 2024 € millions
Interest rate derivatives				
Interest rate swaps	238,201	177,555	6,223	-6,721
Interest rate options				
– bought (long)	2,682	2,307	300	–
– written (short)	2,724	2,349	–	-123
Other interest rate forwards	50	–	–	-1
Total interest rate derivatives	243,657	182,211	6,523	-6,845
Currency derivatives				
Foreign exchange forwards, swaps	21,482	18,595	782	-8
Currency swaps/interest rate currency swaps	14,198	15,915	853	-435
Total currency derivatives	35,680	34,510	1,635	-443
Total banking book	279,337	216,721	8,158	-7,288

Banking book	Nominal values Dec. 31, 2024 € millions	Nominal values Dec. 31, 2023 € millions	Market values positive Dec. 31, 2024 € millions	Market values negative Dec. 31, 2024 € millions
Total interest rate derivatives	243,657	182,211	6,523	-6,845
Total currency derivatives	35,680	34,510	1,635	-443
Total banking book	279,337	216,721	8,158	-7,288

The presentation of derivative transactions also reflects embedded derivative instruments that have to be separated with a nominal volume of € 3,088.4 million (2023: € 2,709.3 million). In addition, there are embedded equity risk-based derivatives from convertible loans with a nominal value of € 0.7 million (2023: € 3.2 million) and a positive market value of € 0.1 million (2023: € 1.0 million) in the promotional business unit Equity Finance.

The average nominal value of the derivative transactions and other forward transactions entered into by NRW.BANK for the period from January 1 to December 31, 2024 amounted to € 260,872 million (2023: € 215,243 million).

The market values of the derivative transactions are shown without accrued interest.

To the extent available, stock exchange or market prices are used for valuing the derivative financial instruments. If stock exchange or market values are not available or cannot be reliably determined, the fair value is determined on the basis of standard pricing models or discounted cash flows.

Option premiums paid/received are reported under the balance sheet items other assets and other liabilities; prepaid swap fees and swap fees received in advance are included in the respective deferred item.

The breakdown of derivative transactions by counterparty is as follows:

Banking book	Nominal values Dec. 31, 2024 € millions	Nominal values Dec. 31, 2023 € millions	Market values positive Dec. 31, 2024 € millions	Market values negative Dec. 31, 2024 € millions
OECD banks	276,493	212,853	7,965	-7,267
OECD public-sector entities	100	54	2	-1
Other counterparties	2,744	3,814	191	-20
Total banking book	279,337	216,721	8,158	-7,288

The interest rate derivatives in the banking book are used as microhedges for specific transactions or as macrohedges for overall exposure, exclusively in the Bank's proprietary business. Their result is recognised in net interest income.

The interest rate contracts are spread across the entire spectrum of maturities, with approx. 37% (2023: 48%) of the interest rate contracts having a remaining time to maturity of more than five years.

Banking book	Interest rate derivatives Dec. 31, 2024 € millions	Interest rate derivatives Dec. 31, 2023 € millions	Currency derivatives Dec. 31, 2024 € millions	Currency derivatives Dec. 31, 2023 € millions
Nominal values				
Residual maturity				
– up to 3 months	48,817	15,889	12,489	13,067
– between 3 months and 1 year	42,353	21,806	14,574	9,686
– between 1 and 5 years	62,280	57,121	7,385	10,178
– more than 5 years	90,207	87,395	1,232	1,579
Total banking book	243,657	182,211	35,680	34,510

Number of Employees

Employees on an annual average ¹⁾	2024 Women	2024 Men	2024 Total	2023 Women	2023 Men	2023 Total
Full-time employees	365	632	997	357	612	969
Part-time employees	440	182	622	423	167	590
Total employees on an annual average	805	814	1,619	780	779	1,559

¹⁾ Excl. Managing Board, trainees, dual students, interns and employees on parental leave and similar leave.

Active employees as at Dec. 31	2024 Women	2024 Men	2024 Total	2023 Women	2023 Men	2023 Total
Full-time employees	368	646	1,014	359	624	983
thereof employees under limited employment contracts	5	12	17	7	16	23
Part-time employees	443	185	628	429	174	603
thereof employees under limited employment contracts	14	18	32	11	18	29
Total active employees as at Dec. 31	811	831	1,642	788	798	1,586
In addition as at Dec. 31						
Managing Board	3	2	5	2	2	4
Trainees and dual students	19	42	61	20	36	56
Employees employed outside of NRW.BANK (leave, secondments, employee assignments)	8	15	23	9	16	25

Managing Board Remuneration (33)

Components of the Managing Board remuneration as well as the remuneration for mandates received by the Managing Board members in 2024 and 2023:

	Fixed remuneration ¹⁾		Other remuneration ²⁾		Company pension scheme ³⁾		Total remuneration		Remuneration for mandates ⁴⁾	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	€	€	€	€	€	€	€	€	€	€
Eckhard Forst	776,049	774,789	16,190	15,449	156,397	178,683	948,636	968,921	48,500	41,752
Claudia Hillenherms	592,873	549,584	14,369	14,061	121,395	133,400	728,637	697,045	8,000	0
Gabriela Pantring	607,706	609,607	15,479	15,089	122,534	127,752	745,719	752,448	0	0
Dr. Peter Stemper ⁵⁾	231,994	0	8,011	0	76,657	0	316,662	0	16,500	0
Michael Stölting ⁶⁾	443,974	680,697	4,096	5,891	204	45,702	448,274	732,290	8,000	9,218
Johanna Antonie Tjaden-Schulte ⁷⁾	116,576	0	4,057	0	71,077	0	191,710	0	0	0
Total	2,769,172	2,614,677	62,202	50,490	548,264	485,537	3,379,638	3,150,704	81,000	50,970

¹⁾ Including benefits in money's worth and benefits in kind.

²⁾ Employer's statutory social security contributions and benefit payments.

³⁾ Direct commitment, shown is the allocation to provisions including interest expenses.

⁴⁾ Amounts incl. VAT, where applicable.

⁵⁾ Pro-rata consideration as of the appointment to the Managing Board on July 1, 2024. Remuneration for mandates is recognised in full for the full year 2024.

⁶⁾ In 2024, pro-rata consideration until departure on June 30, 2024.

⁷⁾ Pro-rata consideration as of the entry on October 1, 2024.

Commitments in case of premature or regular termination of the activity:

In case of a premature resignation not attributable to an extraordinary termination for serious cause, the members of the Managing Board will receive the agreed remuneration until the

end of their contractual term, which is limited to an amount equivalent to the remuneration for a maximum of two years (severance payment cap).

The members of the Managing Board are entitled to pension benefits as they reach the age of retirement or in case of invalidity.

In the event of their death their dependants are also entitled to benefits. All commitments are contractually unforfeitable or unforfeitable by law because of the number of years served. The members of the Managing Board benefit from a contribution-linked pension commitment.

In the fiscal year 2024, there were no changes in the commitments for old-age/invalidity and dependants' pension for any Managing Board member.

Expenses and present values of the benefits promised to the members of the Managing Board in case of regular termination of their activity:

	Expenses ¹⁾ 2024 €	Expenses ¹⁾ 2023 €	Present value of the obligation 2024 €	Present value of the obligation 2023 €
Eckhard Forst	156,397	178,683	1,372,119	1,215,722
Claudia Hillenherms	121,395	133,400	356,636	235,241
Gabriela Pantring	122,534	127,752	1,151,793	1,029,259
Dr. Peter Stemper	76,657	0	76,657	0
Johanna Antonie Tjaden-Schulte	71,077	0	71,077	0
Total Managing Board	548,060	439,835	3,028,282	2,480,222

¹⁾ The expenses shown here comprise personnel and interest expenses.

Payments to retired and resigned Managing Board members and their surviving dependents as well as present values of their retirement benefits:

	Payments from active employment 2024 €	Payments from active employment 2023 €	Payments from pension claims 2024 €	Payments from pension claims 2023 €	Present value of the obligation 2024 €	Present value of the obligation 2023 €
Former Managing Board members	0	0	1,896,216	1,775,752	39,691,477	34,583,513

Remuneration of the Members of the Board of Guarantors, the Supervisory Board and Its Committees as Well as the Advisory Board (34)

On the basis of the rules adopted by the Board of Guarantors, the remuneration of the members of the Board of Guarantors, the Supervisory Board and its Committees as well as the Advisory Board consists of an annual fixed remuneration. The total annual remuneration of a Committee or Advisory Board member is thus the sum total of the annual fixed remuneration for membership in the individual Committees or Advisory Board of the Bank.

The total annual remuneration for members of the Board of Guarantors, the Supervisory Board and its Committees who are members of the state government is limited to the maximum amount of € 11,126.27 pursuant to Section 13 Para. 1 Sentence 1 of the Secondary Employment Ordinance. In accordance with Section 6 Para. 3 Sentence 2 and Section 8 Para. 4 Sentence 3 NRW.BANK G, the portion of the total remuneration of a Committee member that exceeds this maximum limit is used by NRW.BANK for promotional purposes.

The tables below show the total remuneration of the members of the Board of Guarantors, the Supervisory Board and its Committees as well as the Advisory Board in itemised form. The total remuneration of the members of the Supervisory Board varies depending on their Committee membership.

Disclosure of the Remuneration Paid to Members of the Board of Guarantors

	Total remuneration €
Members Pursuant to Section 8 Para. 1 Letters a to c of the Statutes	
Mona Neubaur, MdL Chairwoman Minister of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia	0 ¹⁾
Dr. Marcus Optendrenk, MdL Deputy Chairman Minister of Finance of the State of North Rhine-Westphalia	0 ¹⁾
Ina Scharrenbach, MdL Deputy Chairwoman Minister for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia	0 ¹⁾

	Total remuneration €
Members Pursuant to Section 8 Para. 1 Letter d of the Statutes	
Dr. Daniela Brückner State Secretary Ministry of Justice of the State of North Rhine-Westphalia	5,600
Nathanael Liminski Minister for Federal and European Affairs, International Affairs and Media and Head of the State Chancellery of the State of North Rhine-Westphalia	5,600
Permanent Guests	
Matthias Elzinga Staff representative NRW.BANK	0 ²⁾
Frank Lill Staff representative NRW.BANK	0 ²⁾

On the basis of the rules adopted by the Board of Guarantors, travel expenses are refunded by the Bank upon request.

Potential duties of payment of the mandate holders and/or payments made are not taken into account.

¹⁾ Remuneration pursuant to Section 13 Para. 1 Sentence 1 of the Secondary Employment Ordinance only up to a maximum of € 11,126.27.

²⁾ No remuneration due to guest status.

Disclosure of the Remuneration Paid to Members of the Supervisory Board and Its Committees

	Total remuneration €
Members Pursuant to Section 12 Para. 1 Letters a to c of the Statutes	
Mona Neubaur, MdL Chairwoman Minister of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia	11,126 ¹⁾
Dr. Marcus Optendrenk, MdL Deputy Chairman Minister of Finance of the State of North Rhine-Westphalia	11,126 ¹⁾
Ina Scharrenbach, MdL Deputy Chairwoman Minister for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia	11,126 ¹⁾

	Total remuneration €
Permanent Representatives Pursuant to Section 12 Para. 2 of the Statutes	
Dr. Johannes Velling (until March 31, 2024) Assistant Secretary Ministry of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia	6,775 ²⁾
Susanne Hagenkort-Rieger (since April 1, 2024) Assistant Secretary Ministry of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia	20,325 ²⁾
Günther Bongartz Assistant Secretary Ministry of Finance of the State of North Rhine-Westphalia	32,700
Dr. Christian von Kraack Assistant Secretary Ministry for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia	20,900

	Total remuneration €
Members Pursuant to Section 12 Para. 1 Letter d of the Statutes	
Ina Brandes, MdL Minister for Culture and Science of the State of North Rhine-Westphalia	11,126 ¹⁾
Ute Gerbaulet CFO/General Partner Dr. August Oetker KG	18,000
Silke Gorißen Minister for Agriculture and Consumer Affairs of the State of North Rhine-Westphalia	11,126 ¹⁾
Oliver Krischer Minister for Environment, Conservation and Transport of the State of North Rhine-Westphalia	11,126 ¹⁾
Bernd Krückel, MdL Member of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	18,000
Thomas Kutschaty, MdL Member of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	18,000
Dr. Birgit Roos Retired Savings Bank Director	20,300

	Total remuneration €
Members Pursuant to Section 12 Para. 1 Letter e of the Statutes	
Matthias Elzinga Staff representative NRW.BANK	20,300
Tanja Gossens Staff representative NRW.BANK	24,200
Frank Lill Staff representative NRW.BANK	24,100
Yvonne Rohde Authorised officer NRW.BANK	18,000
Torben Wittenberg Staff representative NRW.BANK	18,600

On the basis of the rules adopted by the Board of Guarantors, travel expenses are refunded by the Bank upon request.

Potential duties of payment of the mandate holders and/or payments made are not taken into account.

¹⁾ Remuneration pursuant to Section 13 Para. 1 Sentence 1 of the Secondary Employment Ordinance only up to a maximum of € 11,126.27.

²⁾ The remuneration for members who join or leave during the year is paid on a pro-rata temporis basis for each calendar month.

Disclosure of the Remuneration Paid to Members of the Advisory Board for Housing Promotion of NRW.BANK

	Total remuneration €
Member Pursuant to Section 23 Para. 1 Letter a of the Statutes	
Ina Scharrenbach, MdL Chairwoman Minister for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia	0 ¹⁾
Members Pursuant to Section 23 Para. 1 Letter b of the Statutes	
Sebastian Kahler Senior Principal Ministry of Finance of the State of North Rhine-Westphalia	3,600
Prof. Dr. Michael Henze Assistant Secretary Ministry of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia	3,600
Sven-Axel Köster Senior Principal Ministry of Work, Welfare and Social Integration of the State of North Rhine-Westphalia	3,600
Members Pursuant to Section 23 Para. 1 Letter c of the Statutes	
Christian Dahm, MdL Deputy Chairman of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Angela Freimuth, MdL Deputy Chairwoman of the FDP Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600

	Total remuneration €
Members Pursuant to Section 23 Para. 1 Letter c of the Statutes	
Arndt Klocke, MdL Member of the Bündnis 90/Die Grünen Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Sarah Philipp, MdL Member of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Jochen Ritter, MdL Member of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Fabian Schrupf, MdL Deputy Chairman of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Hedwig Tärner, MdL Member of the Bündnis 90/Die Grünen Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Klaus Vossemer, MdL Deputy Chairman of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600
Sebastian Watermeier, MdL Member of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	3,600

	Total remuneration €
Members Pursuant to Section 23 Para. 1 Letter d of the Statutes	
Ass. jur. Erik Amaya (until December 31, 2024) Association Director Haus & Grund RHEINLANDWESTFALEN	3,600
Elisabeth Gendziorra, lawyer Managing Director BFW Landesverband Nordrhein-Westfalen e. V.	3,600
Alexander Rychter Association Director Verband der Wohnungs- und Immobilienwirtschaft Rheinland Westfalen e. V.	3,600
Members Pursuant to Section 23 Para. 1 Letter e of the Statutes	
Dr. Olaf Gericke President Landkreistag Nordrhein-Westfalen e. V.	3,600
Rudolf Graaff Deputy Mayor Städte- und Gemeindebund Nordrhein-Westfalen e. V.	3,600
Hilmar von Lojewski Deputy Mayor for Urban Development, Construction, Housing and Transport Städtetag Nordrhein-Westfalen	3,600
Burkhard Schwuchow Mayor City of Büren	3,600

	Total remuneration €
Member Pursuant to Section 23 Para. 1 Letter f of the Statutes	
Hans-Jochem Witzke 1st Chairman of the Managing Board Deutscher Mieterbund Nordrhein-Westfalen e. V.	3,600
Member Pursuant to Section 23 Para. 1 Letter g of the Statutes	
Dipl.-Ing. Ernst Uhing President Chamber of Architects in North Rhine-Westphalia	3,600
Permanent Representative of the Chairing Member Pursuant to Section 23 Para. 2 of the Statutes	
Bianca Cristal (since January 1, 2024) Senior civil servant Ministry for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia	3,600

On the basis of the rules adopted by the Board of Guarantors, travel expenses are refunded by the Bank upon request.

Potential duties of payment of the mandate holders and/or payments made are not taken into account.

¹⁾ Remuneration pursuant to Section 13 Para. 1 Sentence 1 of the Secondary Employment Ordinance only up to a maximum of € 11,126.27.

Disclosure of the Remuneration Paid to Members of the Advisory Board of NRW.BANK

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Mona Neubaur, MdL Chairwoman Minister of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia	0 ¹⁾
Kai Abruszat Mayor Municipality of Stemwede	2,600
Klaus Baumann Chairman Regional Assembly of Westphalia-Lippe	2,600
Uwe Berghaus Member of the Managing Board DZ BANK AG Deutsche Zentral-Genossenschaftsbank	2,600
Heinrich Böckelühr District President Arnsberg Regional Government	2,600
Dr.-Ing. Heinrich Bökamp President and Board member Chamber of Engineers in North Rhine-Westphalia	2,600
Anna Katharina Bölling District President Detmold Regional Government	2,600

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Andreas Bothe District President Münster Regional Government	2,600
Michael Breuer President Savings Banks and Giro Association of the Rhineland	2,600
Prof. Dr. Liane Buchholz President and Chairwoman of the Managing Board Savings Banks and Giro Association of Westphalia-Lippe	2,600
Thomas Buschmann Chairman of the Managing Board Bankenverband Nordrhein-Westfalen e. V.	2,600
Isabelle Chevelard Chairwoman of the Managing Board TARGOBANK AG	0 ³⁾
Paolo Dell'Antonio (until May 31, 2024) Chairman of the Managing Board (until December 31, 2023) Wilh. Werhahn KG	1,083 ²⁾
Andreas Ehlert President Chamber of Handicrafts Düsseldorf	2,600
Thomas Eiskirch Lord Mayor City of Bochum	2,600

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Senior Church Counsel Martin Engels (since July 1, 2024) Representative of the Evangelical Churches to the State Assembly and State Government of North Rhine-Westphalia – Ev. Büro NRW –	1,300 ²⁾
Fabiola Fernandez Chief Financial Officer SMS Group	2,600
Prof. Dr.-Ing. Manfred Fishedick Academic Managing Director Wuppertal Institut für Klima, Umwelt, Energie gGmbH	2,600
Prof. Dr. Ursula Gather Chairwoman of the Board of Trustees Alfried Krupp von Bohlen und Halbach-Stiftung	2,600
Alexandra Gauß Mayoress Municipality of Windeck	2,600
Dr. Olaf Gericke President Landkreistag Nordrhein-Westfalen e. V.	2,600
Canon Dr. iur. Antonius Hamers Director Catholic Office North Rhine-Westphalia	2,600
Anne Henk-Hollstein Chairwoman Regional Assembly of the Rhineland	2,600

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Dr. Marie Jaroni Member of the Managing Board (CTO) thyssenkrupp Steel Europe AG	2,600
Sibylle Keupen Lord Mayoress City of Aachen	2,600
Dipl.-Wirtsch.-Ing. Arndt G. Kirchhoff Chairman of the Supervisory Board of the KIRCHHOFF Group	2,600
Lauren Kjeldsen Member of the Management Board Evonik Operations GmbH	2,600
Monika Kocks 1st Chairwoman of the Managing Board automotiveland.nrw e. V.	2,600
Thomas Kufen Chairman of the Managing Board Städtetag Nordrhein-Westfalen	2,600
Dr. Arne Kupke (until February 29, 2024) Legal Vice President Evangelical Church of Westphalia	433 ²⁾
Prof. Dr. Astrid Lambrecht Chairwoman of the Board of Directors Forschungszentrum Jülich GmbH	2,600
Dr. med. Estefania Lang (since July 1, 2024) dermanostic dermatological practice Solingen	1,300 ²⁾

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Katja Lewalter-Düssel Member of the Managing Board Genoverband e. V.	2,600
Markus Lewe Lord Mayor City of Münster	2,600
Carsten Liedtke (since July 1, 2024) Chairman of the Managing Board Stadtwerke Krefeld AG	1,300 ²⁾
Ulrike Lubek Director of LVR Regional Association of the Rhineland	2,600
Wolfgang Lubert Managing Director EnjoyVenture Management GmbH	2,600
Dr. Georg Lunemann State Director Regional Association of Westphalia-Lippe	2,600
Aleksandra Meissner Managing Director Ecolab Deutschland GmbH	2,600
Astrid Messmer Senior Director Infrastructure Strategy & Analytics Deutsche Lufthansa AG	2,600
Julia Niederdrenk Managing Director Jul. Niederdrenk GmbH & Co. KG	2,600

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Roland Oetker Managing Partner ROI Verwaltungsgesellschaft mbH	2,600
Prof. Dr. Uli Paetzel Chairman of the Managing Board EMSCHERGENOSSENSCHAFT und LIPPEVERBAND	2,600
Dr. Paul-Josef Patt Chairman of the Managing Board eCAPITAL entrepreneurial Partners AG	2,600
Guntram Pehlke (until June 30, 2024) Chairman of the Managing Board Verband kommunaler Unternehmen e. V. – Regional Group North Rhine-Westphalia –	1,300 ²⁾
Katherina Reiche Chairwoman of the Managing Board Westenergie AG	2,600
Henriette Reker Lord Mayoress City of Cologne	2,600
Dr. Eckhard Ruthemeyer 1st Vice President Städte- und Gemeindebund Nordrhein-Westfalen e. V.	2,600
Prof. Dr. Christoph M. Schmidt President RWI – Leibniz-Institut für Wirtschaftsforschung	2,600
Prof. Dr. Uwe Schneidewind Lord Mayor City of Wuppertal	0 ⁴⁾

	Total remuneration €
Members Pursuant to Section 25 of the Statutes	
Thomas Schürmann District President Düsseldorf Regional Government	2,600
Ralf Stoffels President IHK NRW – Die Industrie- und Handelskammern in Nordrhein-Westfalen e. V.	2,600
Anja Weber District Chairwoman Deutscher Gewerkschaftsbund NRW	2,600
Prof. Dr. Johannes Wessels Chairman of the Rectors' Conference of the Universities in North Rhine-Westphalia and Rector of the University of Münster	2,600
Dr. Thomas Wilk District President Cologne Regional Government	2,600
Bernd Zimmer Chairman of the Managing Board Verband Freier Berufe im Lande Nordrhein-Westfalen e. V.	2,600

On the basis of the rules adopted by the Board of Guarantors, travel expenses are refunded by the Bank upon request.

Potential duties of payment of the mandate holders and/or payments made are not taken into account.

¹⁾ Remuneration pursuant to Section 13 Para. 1 Sentence 1 of the Secondary Employment Ordinance only up to a maximum of € 11,126.27.

²⁾ The remuneration for members who join or leave during the year is paid on a pro-rata temporis basis for each calendar month.

³⁾ Waiver of remuneration in accordance with the Group guidelines applicable to TARGOBANK AG.

⁴⁾ Waiver of remuneration

Disclosure of the Remuneration Paid to Members of the Parliamentary Advisory Board of NRW.BANK

	Total remuneration €
Members Pursuant to Section 26 of the Statutes	
Olaf Lehne, MdL Chairman Member of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Simon Rock, MdL Deputy Chairman Member of the Bündnis 90/Die Grünen Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Alexander Baer, MdL Member of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Christian Dahm, MdL Deputy Chairman of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Christian Loose, MdL Member of the AfD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Dr. Patricia Peill, MdL Member of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
André Stinka, MdL Member of the SPD Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400

	Total remuneration €
Members Pursuant to Section 26 of the Statutes	
Raphael Tigges, MdL Member of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Klaus Vossemer, MdL Deputy Chairman of the CDU Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Jule Wenzel, MdL Member of the Bündnis 90/Die Grünen Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400
Ralf Witzel, MdL Deputy Chairman of the FDP Parliamentary Group NRW State Assembly of North Rhine-Westphalia	400

On the basis of the rules adopted by the Board of Guarantors, travel expenses are refunded by the Bank upon request.

Potential duties of payment of the mandate holders and/or payments made are not taken into account.

Itemised List of NRW.BANK's Investments Pursuant to Section 285 No. 11 HGB

Name and head office of the company	Capital share in %	Equity in thousands	Net income/ loss for the year in thousands	Currency	As at
Equity investments in affiliated companies					
NRW.BANK.Fonds Beteiligungs-GmbH i. L., Düsseldorf ¹⁾	100.00				
Westdeutsche Spielcasino Service GmbH i. L., Duisburg ¹⁾	100.00				
Equity investments in non-affiliated companies					
4TEEN4 Pharmaceuticals GmbH, Hennigsdorf	11.06	417	–9,194	EUR	Dec. 31, 2023
ABALOS THERAPEUTICS GmbH, Düsseldorf	19.10	1,255	–8,636	EUR	Dec. 31, 2023
Algiax Pharmaceuticals GmbH, Erkrath	8.89	–6,666	–2,025	EUR	Dec. 31, 2023
Ananda Impact Fund IV GmbH & Co. KG, Munich	4.56	24,362	–3,087	EUR	Dec. 31, 2023
BE Beteiligungen Fonds GmbH & Co. geschlossene Investmentkommanditgesellschaft, Cologne	4.08	30,496	–4,874	EUR	Dec. 31, 2023
Below One Fund I GmbH & Co. KG, Berlin	0.46	44,910	–5,077	EUR	Dec. 31, 2023
BGB Ges. Bankenconsortium ZENIT GmbH, Mülheim an der Ruhr	33.40	2,501	–193	EUR	Dec. 31, 2023
Black Semiconductor GmbH, Aachen	6.85	1,960	–2,930	EUR	Dec. 31, 2023
BLSW Seedfonds GmbH & Co. KG, Wuppertal	48.20	3,710	1,965	EUR	Dec. 31, 2023
Bomedus GmbH i. L., Bonn ¹⁾	22.80				
Bright Capital Credit Fund III SCSp, Luxembourg	3.94	48,547	–329	EUR	Dec. 31, 2023
Bright Capital SME Debt Fund I GmbH & Co. KG, Frankfurt am Main	3.86	42,804	–3,650	EUR	Dec. 31, 2023
btov Industrial Technologies SCS, SICAR, Munsbach	5.19	85,588	1,137	EUR	Dec. 31, 2023
Bürgschaftsbank Brandenburg GmbH, Potsdam	19.85	40,663	3,894	EUR	Dec. 31, 2023
Bürgschaftsbank NRW GmbH – Kreditgarantiegemeinschaft, Neuss	15.75	42,915	1,425	EUR	Dec. 31, 2023
Capnamic United Venture Fund I GmbH & Co. KG, Cologne	7.69	5,693	128,877	EUR	Dec. 31, 2023
Capnamic Ventures Fund II GmbH & Co. KG, Cologne	4.35	70,569	–8,289	EUR	Dec. 31, 2023
Capnamic Ventures Fund III GmbH & Co. KG, Cologne	5.26	59,906	–9,499	EUR	Dec. 31, 2023

Name and head office of the company	Capital share in %	Equity in thousands	Net income/loss for the year in thousands	Currency	As at
Equity investments in non-affiliated companies					
Capza 5 Private Debt SCSp-RAIF, Luxembourg	0.27	778,260	68,194	EUR	Dec. 31, 2023
CATCH GmbH, Cologne	5.72	25	-1,534	EUR	Dec. 31, 2023
Cavalry Ventures III GmbH & Co. KG, Berlin	2.99	18,484	-2,534	EUR	Dec. 31, 2023
CellAct Pharma GmbH, Dortmund	38.71	77	-698	EUR	Dec. 31, 2022
Cellbox Solutions GmbH, Norderstedt	10.90	2,205	-3,751	EUR	Dec. 31, 2023
Cherry Ventures Fund III GmbH & Co. KG, Berlin	2.80	152,832	-8,564	EUR	Dec. 31, 2023
citadelle systems AG, Essen	7.03	4,380	-350	EUR	Dec. 31, 2023
Claret European Growth Capital Fund III, Luxembourg	1.41	196,558	13,276	EUR	Dec. 31, 2023
clockin GmbH, Münster	2.67	771	-480	EUR	Dec. 31, 2023
CMP German Opportunity Fund II (SCA) SICAR, Luxembourg	1.71	137,141	126,231	EUR	Dec. 31, 2023
CMP German Opportunity Investors Fund II (SCS) SICAR, Luxembourg	1.68	165,283	126,830	EUR	Dec. 31, 2023
CMP German Opportunity Investors Fund III, Luxembourg	2.00	199,288	57,694	EUR	Dec. 31, 2023
CMR CureDiab Metabolic Research GmbH, Düsseldorf	3.60	623	-466	EUR	Dec. 31, 2023
Companyon Analytics GmbH, Düsseldorf	4.93	0	-346	EUR	Dec. 31, 2022
consalio GmbH, Düsseldorf	3.76	677	-581	EUR	Dec. 31, 2023
Creathor Venture Fund IV (SCSp) SICAR, Luxembourg	13.85	14,305	-6,400	EUR	Dec. 31, 2023
CryoTherapeutics SA, Ans	11.58	205	4	EUR	Dec. 31, 2023
Cusp Capital Fund 2021 GmbH & Co. KG, Essen	2.76	51,341	-6,284	EUR	Dec. 31, 2023
cylib GmbH, Aachen	2.91	3,404	-3,441	EUR	Dec. 31, 2023
DBAG Expansion Capital Fund GmbH & Co. KG, Frankfurt am Main	9.79	24,913	6,192	EUR	Dec. 31, 2023
DBAG Expansion Capital Fund IV, SCSp, Sennigerberg	7.18	46,665	-1,386	EUR	Dec. 31, 2023
DEINZER Holding GmbH, Munich	35.56	9,363	1,765	EUR	Mar. 31, 2024

Name and head office of the company	Capital share in %	Equity in thousands	Net income/ loss for the year in thousands	Currency	As at
Equity investments in non-affiliated companies					
Deutsche Arzt AG, Essen	11.32	6,324	-93	EUR	Dec. 31, 2023
Digital Growth Fund II GmbH & Co. KG, Munich	1.99	192,667	45,081	EUR	Dec. 31, 2023
DIMATE GmbH, Bochum	8.30	1,117	56	EUR	Dec. 31, 2023
Earlybird GmbH & Co. Beteiligungs KG 2012, Munich	3.33	31,217	-445	EUR	Dec. 31, 2023
Earlybird Health GmbH & Co. Beteiligungs KG, Cologne	8.54	43,768	-7,618	EUR	Dec. 31, 2023
eCAPITAL Cybersecurity Fonds GmbH & Co. KG, Münster	10.00	19,046	-65	EUR	Dec. 31, 2023
eCAPITAL V Technologies Fonds GmbH & Co. KG, Münster	4.64	33,575	-8,871	EUR	Dec. 31, 2023
ECBF I SCSp, Munsbach	2.50	70,981	-3,654	EUR	Dec. 31, 2023
ECO2GROW GmbH, Bonn	10.74	-347	-361	EUR	Dec. 31, 2023
EmmySoft GmbH, Düsseldorf	1.29	914	-331	EUR	Dec. 31, 2022
Enerthing GmbH, Cologne	22.36	-285	-1,431	EUR	Dec. 31, 2023
ENLYZE GmbH, Cologne	9.09	1,818	-883	EUR	Dec. 31, 2023
EOS Beteiligungs GmbH & Co. KG, Munich	2.50	121,931	-3,766	EUR	Dec. 31, 2023
EOS Beteiligungs II GmbH & Co. KG, Munich	1.82	1,858	-3,742	EUR	Dec. 31, 2023
Europäischer Investitionsfonds (EIF), Luxembourg	0.44	4,595,206	233,743	EUR	Dec. 31, 2023
everwave GmbH, Aachen	3.57	709	-444	EUR	Dec. 31, 2023
Evoco TSE III SCSp, SICAV-RAIF, Luxembourg	3.09	68,289	5,128	EUR	Dec. 31, 2023
FIMO Health GmbH, Bonn	11.19	295	-644	EUR	Dec. 31, 2023
FLEX Capital Fund II GmbH & Co. KG, Berlin	2.38	119,362	-17,788	EUR	Dec. 31, 2023
FLEX Capital Fund III Co-Investments I GmbH & Co. KG, Berlin	20.00	24,097	-139	EUR	Dec. 31, 2023
FLEX Capital Fund III GmbH & Co. KG, Berlin	1.09	65,299	-6,474	EUR	Dec. 31, 2023
Gardeur Beteiligungs GmbH, Mönchengladbach ¹⁾	49.00				

Name and head office of the company	Capital share in %	Equity in thousands	Net income/ loss for the year in thousands	Currency	As at
Equity investments in non-affiliated companies					
GEMESYS GmbH, Bochum	6.17	23	11	EUR	Dec. 31, 2023
GENUI I GmbH & Co. geschl. InvKG, Hamburg	1.72	192,649	2,899	EUR	Dec. 31, 2023
GENUI II GmbH & Co. geschl. InvKG, Hamburg	1.69	787,035	126,458	EUR	Dec. 31, 2023
GENUI III GmbH & Co. geschl. InvKG, Hamburg	3.70	8	-8	EUR	Dec. 31, 2023
Gründerfonds Ruhr GmbH & Co. KG, Essen	43.48	16,449	11,130	EUR	Dec. 31, 2023
Gründerfonds Ruhr II GmbH & Co. KG, Essen ²⁾	48.39				
Harbert European Growth Capital Fund I L.P., London	1.67	10,673	22	EUR	Dec. 31, 2023
Harbert European Growth Capital Fund II SCSp, Luxembourg	1.55	153,810	5,592	EUR	Dec. 31, 2023
Hess Plastics Holding GmbH, Burbach ²⁾	49.00				
HF Private Debt Fonds II SCSp, Senningerberg	2.86	89,356	3,210	EUR	Dec. 31, 2023
HF Private Debt Fonds SCSp, Senningerberg	3.05	81,787	8,979	EUR	Dec. 31, 2023
Homelike Internet GmbH, Cologne	0.93	5,762	-3,812	EUR	Dec. 31, 2023
icho systems gmbh, Duisburg	2.74	140	-658	EUR	Dec. 31, 2023
Investitionsbank des Landes Brandenburg (ILB), Potsdam	50.00	238,841	6,360	EUR	Dec. 31, 2023
IPF Fund I SCA, SICAV-FIS, Luxembourg	1.19	1,884	-3,919	EUR	Dec. 31, 2023
JADO Technologies GmbH, Dresden ¹⁾	18.02				
Kapitalbeteiligungsgesellschaft für die mittelständische Wirtschaft in NRW mbH, Neuss	49.39	6,735	782	EUR	Dec. 31, 2023
KKA Value Fund II GmbH & Co. KG, Berlin	3.33	55,309	-13,230	EUR	Dec. 31, 2023
Kreos Capital VI (Expert Fund) LP, St. Helier	0.59	678,722	63,532	EUR	Dec. 31, 2023
Kurma Biofund III FPCI, Paris	3.92	86,897	-2,389	EUR	Dec. 31, 2023
Kurma Biofund IV FPCI, Paris ²⁾	3.48				
LSI Pre-Seed-Fonds GmbH, Bonn	35.13	2,405	-658	EUR	Dec. 31, 2023

Name and head office of the company	Capital share in %	Equity in thousands	Net income/loss for the year in thousands	Currency	As at
Equity investments in non-affiliated companies					
Lumoview Building Analytics GmbH, Cologne	4.18	4	-291	EUR	Dec. 31, 2023
Marondo Small-Cap Growth Fund I GmbH & Co. KG, Munich	5.88	37,587	-4,064	EUR	Dec. 31, 2023
Masterplan com GmbH, Bochum	3.66	-4,025	-3,923	EUR	Dec. 31, 2023
Matterwave Industrial Technologies II GmbH & Co. KG, Munich	2.22	4,804	-1,652	EUR	Dec. 31, 2023
neoteq ventures Rheinland One GmbH & Co. KG, Cologne	48.67	8,388	-1,744	EUR	Dec. 31, 2023
nerou GmbH, Cologne	6.67	0	-177	EUR	Dec. 31, 2022
Novihum Technologies GmbH, Dortmund ¹⁾	16.70				
Occlutech Holding AG, Schaffhausen	0.09	60,887	42,406	EUR	Dec. 31, 2023
Odewald KMU GmbH & Co. Beteiligungsgesellschaft für Vermögensanlagen KG, Berlin	7.32	3,489	-1,488	EUR	Dec. 31, 2023
Odewald KMU II GmbH & Co. Beteiligungsgesellschaft für Vermögensanlagen KG, Berlin	5.87	82,884	20,695	EUR	Dec. 31, 2023
OneFID GmbH, Cologne	12.18	0	863	EUR	Dec. 31, 2022
operaize GmbH, Cologne ¹⁾	5.26				
Peppermint CBF 1 GmbH & Co. KG, Berlin	14.66	14,969	-261	EUR	Dec. 31, 2023
Personal MedSystems GmbH, Frankfurt am Main	5.68	1,525	728	EUR	Dec. 31, 2023
PINOVA Fund 3 GmbH & Co. KG, Munich	6.13	73,512	-3,876	EUR	Dec. 31, 2023
Pinova GmbH & Co. Beteiligungs 2 KG, Munich	5.56	95,024	108	EUR	Dec. 31, 2023
Pinova GmbH & Co. Erste Beteiligungs KG, Munich	10.26	212	507	EUR	Dec. 31, 2023
Portigon AG, Düsseldorf	23.10	175,877	-102,565	EUR	Dec. 31, 2023
Pride Capital II Feeder C.V., Amsterdam	1.57	67,868	-1,062	EUR	Dec. 31, 2023
Pride Mezzanine Capital I FGR, Amsterdam	1.67	53,446	-6,367	EUR	Dec. 31, 2023
Project A Ventures III GmbH & Co. KG, Berlin	2.42	150,989	-9,213	EUR	Dec. 31, 2023
Prothea Technologies Limited, Edinburgh	15.06	374	375	GBP	Feb. 29, 2024

Name and head office of the company	Capital share in %	Equity in thousands	Net income/ loss for the year in thousands	Currency	As at
Equity investments in non-affiliated companies					
Refined Laser Systems GmbH, Münster	2.99	609	–453	EUR	Dec. 31, 2022
Refoxy Pharmaceuticals GmbH, Berlin	11.91	–533	–1,567	EUR	Dec. 31, 2023
Rehappy GmbH, Aachen ¹⁾	4.41				
Resolve BioSciences B. V., LE Roermond ²⁾	5.42				
Revent Ventures I GmbH & Co. KG, Berlin	5.00	25,062	–1,732	EUR	Dec. 31, 2023
Riepe Holding GmbH, Bünde	18.48	38,594	1,885	EUR	Dec. 31, 2023
RiverRock European Opportunities Feeder Fund II, Dublin	1.07	1	0	EUR	Dec. 31, 2023
RiverRock European Opportunities Fund, London	1.49	1	0	EUR	Dec. 31, 2023
roatel GmbH, Düsseldorf	2.01	0	–1,285	EUR	Dec. 31, 2022
Round2 Capital Partners II SCSp RAIF, Howald	1.53	39,036	6,713	EUR	Dec. 31, 2023
saperatec GmbH, Dessau-Roßlau	6.83	18,047	–3,587	EUR	Dec. 31, 2023
Scobees GmbH, Cologne	7.37	0	–302	EUR	Dec. 31, 2022
SeedCapital Dortmund GmbH & Co. KG i. L., Dortmund	46.51	5,516	–248	EUR	Dec. 31, 2023
SeedCapital Dortmund II GmbH & Co. KG, Dortmund	47.62	4,279	0	EUR	Dec. 31, 2023
SeedCapital Dortmund III GmbH & Co. KG, Dortmund	47.62	2,950	–295	EUR	Dec. 31, 2023
Semalytix GmbH, Bielefeld	1.95	4,762	–2,150	EUR	Dec. 31, 2023
SET Fund III C.V., Amsterdam	5.00	102,652	21,333	EUR	Dec. 31, 2023
SphingoTec GmbH, Henningsdorf	15.30	–357	–6,663	EUR	Dec. 31, 2023
talpasolutions GmbH, Essen	9.12	4,307	–6,182	EUR	Dec. 31, 2023
Technologiefonds OWL GmbH & Co. KG, Paderborn	42.87	6,786	–318	EUR	Dec. 31, 2023
TechVision Fonds I für die Regionen Aachen, Krefeld und Mönchengladbach GmbH & Co. KG, Aachen	31.36	25,382	–536	EUR	Dec. 31, 2023
TechVision Fonds II GmbH & Co. KG, Aachen	31.96	1,620	–624	EUR	Dec. 31, 2023

Name and head office of the company	Capital share in %	Equity in thousands	Net income/ loss for the year in thousands	Currency	As at
Equity investments in non-affiliated companies					
ubirch GmbH, Cologne	7.97	-2,227	-537	EUR	Dec. 31, 2023
Unternehmertum VC Fonds III GmbH & Co. KG, Garching	2.35	79,882	-5,970	EUR	Dec. 31, 2023
Valuedesk GmbH, Bielefeld	12.44	-1,198	-1,279	EUR	Dec. 31, 2023
VMRay GmbH, Bochum	3.50	2,098	-5,333	EUR	Dec. 31, 2023
Volateq GmbH, Hilden	3.78	63	-390	EUR	Sep. 30, 2023
VTI Holding GmbH, Menden	34.80	21,994	-1,267	EUR	Dec. 31, 2023
VYTAL Global GmbH, Cologne	6.31	568	-4,514	EUR	Dec. 31, 2023
WF World Fund I GmbH & Co. KG, Berlin	2.68	95,068	-5,739	EUR	Dec. 31, 2023
windtest grevenbroich gmbh, Grevenbroich	25.00	1,252	24	EUR	Dec. 31, 2023
World of sonoro Holding GmbH, Neuss	23.66	3,945	65	EUR	Jul. 31, 2023

¹⁾ The company did not prepare annual financial statements due to insolvency or liquidation.

²⁾ No relevant information is available due to new incorporations/exposures.

**Disclosure of Seats Held Pursuant to Section 340a Para. 4
No. 1 HGB**

Seats Held by Members of the Managing Board

Eckhard Forst

Portigon AG, Düsseldorf
Chairman of the Supervisory Board

Société de Financement Local (SFIL), Issy-Les-Moulineaux
Administrateur indépendant, membre du Conseil d'administration
de SFIL (until May 30, 2024)

Claudia Hillenherms

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Deputy Chairwoman of the Supervisory Board
(since May 22, 2024)

Dr. Peter Stemper (since July 1, 2024)

Portigon AG, Düsseldorf
Deputy Chairman of the Supervisory Board

Michael Stölting (until June 30, 2024)

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Deputy Chairman of the Supervisory Board
(until May 22, 2024)

Seats Held by Employees

Felix Könsgen

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Member of the Supervisory Board (since December 13, 2024)

Simone Merk

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Member of the Supervisory Board (until December 12, 2024)

Florian Merkel

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Member of the Supervisory Board (since May 23, 2024)

Werner Schulte

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Member of the Supervisory Board (since December 13, 2024)

Carolin Woltermann

Investitionsbank des Landes Brandenburg (ILB), Potsdam
Member of the Supervisory Board (until December 12, 2024)

Report on Post-Balance Sheet Date Events

There were no events of special importance after the end of the fiscal year that are considered neither in the income statement nor in the balance sheet.

Resolution on the Appropriation of Profits (35)

The Board of Guarantors of NRW.BANK has passed the following resolution on the appropriation of profits:

In accordance with Section 30 of the Statutes and to meet the statutory distribution requirements under Section 14 Para. 1 NRW.BANK G, an amount of € 4,711,309.35 will be paid to the Federal Government for interest amounts that become due after December 31, 2024 and are to be paid by the State of North Rhine-Westphalia due to the utilisation of loans from the Federal Government for the promotion of housing construction and modernisation (subsidies pursuant to Article 104a Para. 4 of the German Constitution [Grundgesetz – GG] in the version effective until August 31, 2006).

Executive Bodies of the Bank

Board of Guarantors

Members Pursuant to Section 8 Para. 1 Letters a to c of the Statutes

Mona Neubaur, MdL

Chairwoman

Minister of Economic Affairs, Industry, Climate Action and Energy of the State of North Rhine-Westphalia

Dr. Marcus Optendrenk, MdL

Deputy Chairman

Minister of Finance of the State of North Rhine-Westphalia

Ina Scharrenbach, MdL

Deputy Chairwoman

Minister for Regional Identity, Local Government, Building and Digitalization of the State of North Rhine-Westphalia

Members Pursuant to Section 8 Para. 1 Letter d of the Statutes

Dr. Daniela Brückner

State Secretary

Ministry of Justice

of the State of North Rhine-Westphalia

Nathanael Liminski

Minister for Federal and European Affairs, International Affairs and Media and

Head of the State Chancellery

of the State of North Rhine-Westphalia

Permanent Guests

Matthias Elzinga

Staff representative

NRW.BANK

Frank Lill

Staff representative

NRW.BANK

Supervisory Board

**Members Pursuant to Section 12 Para. 1 Letters a to c
of the Statutes**

Mona Neubaur, MdL

Chairwoman

Minister of Economic Affairs, Industry, Climate Action and Energy
of the State of North Rhine-Westphalia

Dr. Marcus Optendrenk, MdL

Deputy Chairman

Minister of Finance
of the State of North Rhine-Westphalia

Ina Scharrenbach, MdL

Deputy Chairwoman

Minister for Regional Identity, Local Government, Building and
Digitalization
of the State of North Rhine-Westphalia

**Members Pursuant to Section 12 Para. 1 Letter d
of the Statutes**

Ina Brandes

Minister for Culture and Science
of the State of North Rhine-Westphalia

Ute Gerbaulet

CFO/General Partner

Dr. August Oetker KG

Silke Gorißen

Minister for Agriculture and Consumer Affairs
of the State of North Rhine-Westphalia

Oliver Krischer

Minister for Environment, Conservation and Transport
of the State of North Rhine-Westphalia

Bernd Krüchel, MdL

Member of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Thomas Kutschaty, MdL

Member of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Dr. Birgit Roos

Retired Savings Bank Director

**Members Pursuant to Section 12 Para. 1 Letter e
of the Statutes**

Matthias Elzinga

Staff representative
NRW.BANK

Tanja Gossens

Staff representative
NRW.BANK

Frank Lill

Staff representative
NRW.BANK

Yvonne Rohde

Authorised officer
NRW.BANK

Torben Wittenberg

Staff representative
NRW.BANK

**Permanent Representatives Pursuant to Section 12 Para. 2
of the Statutes**

Dr. Johannes Velling (until March 31, 2024)

Assistant Secretary
Ministry of Economic Affairs, Industry, Climate Action and Energy
of the State of North Rhine-Westphalia

Susanne Hagenkort-Rieger (since April 1, 2024)

Assistant Secretary
Ministry of Economic Affairs, Industry, Climate Action and Energy
of the State of North Rhine-Westphalia

Günther Bongartz

Assistant Secretary
Ministry of Finance
of the State of North Rhine-Westphalia

Dr. Christian von Kraack

Assistant Secretary
Ministry for Regional Identity, Local Government, Building and
Digitalization
of the State of North Rhine-Westphalia

Managing Board

Eckhard Forst

Chairman of the Managing Board

Gabriela Pantring

Deputy Chairwoman of the Managing Board

Claudia Hillenherms

Member of the Managing Board

Dr. Peter Stemper (since July 1, 2024)

Member of the Managing Board

Michael Stölting (until June 30, 2024)

Member of the Managing Board

Johanna Antonie Tjaden-Schulte (since October 1, 2024)

Member of the Managing Board

The members of the Managing Board perform their duties on a primary employment basis.

Düsseldorf/Münster, March 11, 2025

NRW.BANK

The Managing Board

Eckhard Forst

Gabriela Pantring

Claudia Hillenherms

Dr. Peter Stemper

Johanna Antonie Tjaden-Schulte

Cash Flow Statement

of NRW.BANK as of December 31, 2024

The cash flow statement shows the changes in cash and cash equivalents and the cash flows of NRW.BANK, divided into operating activities, investing activities and financing activities. The cash and cash equivalents shown include the balance sheet items cash and debt instruments issued by public institutions and bills of exchange eligible for refinancing with central banks. Cash flows are allocated to operating activities as operating income accrues. The cash flow from investing activities results primarily from cash received and cash used in connection with selling or acquiring financial and tangible assets. The change in cash from financing activities captures the relationships to equity capital providers. The statement was prepared in accordance with German Accounting Standard No. 21 (Deutscher Rechnungslegungsstandard Nr. 21 – DRS 21).

	€ millions
1. Net income	4.7
2. Depreciation, write-downs/write-ups of receivables and tangible assets	41.9
3. Increase/decrease in provisions	362.7
4. Other non-cash items	59.1
5. Gain/loss on the sale of tangible assets	13.6
6. Other adjustments (balance)	0.0
7. Increase/decrease in receivables from banks	3,504.4
8. Increase/decrease in receivables from customers	-683.2
9. Increase/decrease in securities (with the exception of financial assets)	-0.7
10. Increase/decrease in other assets from operating activities	78.4
11. Increase/decrease in liabilities to banks	-312.9
12. Increase/decrease in liabilities to customers	664.5
13. Increase/decrease in certificated liabilities	-581.1
14. Increase/decrease in other liabilities from operating activities	-1,666.4
15. Interest expenses/income	-666.5
16. Expenses for/income from extraordinary items	-
17. Income tax expenses/income	-0.2
18. Interest and dividends received	7,101.1
19. Interest paid	-5,030.0

	€ millions
20. Extraordinary cash received	-
21. Extraordinary cash disbursed	-
22. Income tax payments	0.8
23. Cash flow from operating activities	2,890.2
24. Cash from the disposal of financial assets	-2,610.8
25. Disbursements for investments in financial assets	-66.1
26. Cash from the disposal of tangible assets	0.0
27. Disbursements for investments in tangible assets	-21.0
28. Cash from the disposal of intangible assets	0.0
29. Disbursements for investments in intangible assets	-1.0
30. Changes in cash from other investing activities (balance)	-
31. Cash flow from investing activities	-2,698.9
32. Cash from allocations to equity capital	0.6
33. Disbursements from equity reductions	-255.8
34. Dividends paid to shareholders	-4.6
35. Cash changes from other capital (balance)	-
36. Cash flow from financing activities	-259.8
37. Net change in cash and cash equivalents	-68.5
38. Other changes in cash and cash equivalents	-
39. Cash and cash equivalents at the beginning of the period	198.7
40. Cash and cash equivalents at the end of the period	130.2

Statement of Changes in Equity

of NRW.BANK as of December 31, 2024

	Subscribed capital	Capital reserves	Reserves from retained earnings		Profit for the year	Total
			Reserves required by NRW.BANK's Statutes	Other reserves from retained earnings		
	€ millions	€ millions	€ millions	€ millions	€ millions	€ millions
As of Dec. 31, 2022	17,000.0	730.5	36.1	219.6	–	17,986.2
Allocations	–	0.6	–	–	–	0.6
Net income	–	–	–	–	4.6	4.6
Designated payout due to legal requirements	–	–	–	–	–4.6	–4.6
Withdrawals from capital reserves	–	–255.8	–	–	255.8	–
Spin-off and transfer of the WestLotto Group to Beteiligungsverwaltungsgesellschaft des Landes Nordrhein-Westfalen mbH	–	–	–	–25.6	–	–25.6
As of Dec. 31, 2023	17,000.0	475.3	36.1	194.0	255.8	17,961.2
Payment to the State of North Rhine-Westphalia	–	–	–	–	–255.8	–255.8
Allocations	–	0.6	–	–	–	0.6
Net income	–	–	–	–	4.7	4.7
Designated payout due to legal requirements	–	–	–	–	–4.7	–4.7
As of Dec. 31, 2024	17,000.0	475.9	36.1	194.0	0.0	17,706.0

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of NRW.BANK, and the management report includes a fair review of the development and performance of the business and the position of NRW.BANK, together with a description of the principal opportunities and risks associated with the expected development of NRW.BANK.

Düsseldorf/Münster, March 11, 2025

NRW.BANK
The Managing Board



Eckhard Forst
Chairman of the
Managing Board



Gabriela Pantring
Deputy Chairwoman of the
Managing Board



Claudia Hillenherms
Member of the
Managing Board



Dr. Peter Stemper
Member of the
Managing Board



Johanna Antonie Tjaden-Schulte
Member of the
Managing Board

Independent Auditor's Report

To NRW.BANK institution under public law, Düsseldorf/Germany and Münster/Germany

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of NRW.BANK institution under public law, Düsseldorf/Germany and Münster/Germany, which comprise the balance sheet as at 31 December 2024, and the income statement, the cash flow statement and the statement of changes in equity for the financial year from 1 January to 31 December 2024, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of NRW.BANK institution under public law, Düsseldorf/Germany and Münster/Germany, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the non-financial report pursuant to Section 340a (1a) German Commercial Code (HGB) in conjunction with Section 289b HGB of NRW.BANK institution under public law, Düsseldorf/Germany and Münster/Germany, which is referenced in section 1.2 of the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of NRW.BANK as at 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of NRW.BANK's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the non-financial report referred to above.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report” section of our auditor’s report. We are independent of NRW.BANK in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole and in

forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the valuation of receivables from customers and determination of risk provisions in the lending business, which we have determined to be a key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

- a) description (including reference to corresponding information in the annual financial statements and the management report)
- b) auditor’s response

Valuation of receivables from customers and determination of risk provisions in the lending business

- a) In the annual financial statements for the financial year ended 31 December 2024, NRW.BANK reports receivables from customers of bEUR 59.4 from the lending business as well as contingent liabilities of bEUR 14.1 and irrevocable loan commitments of bEUR 8.7. Risk provisions in the lending business as at 31 December 2024 were as follows:

NRW.BANK recognised specific allowances, including lump-sum specific allowances, of mEUR 125.8 and general allowances of mEUR 129.2 as risk provisions for inherent and acute

default risks in the lending business for the above-mentioned balance sheet items.

To determine potential specific allowances for acute default risks, the executive directors identify receivables for which debt servicing capacity is expected not to be sustainable. Specific allowances are then determined individually based on estimated future cash flows, taking cash flows from the realisation of collateral into account where applicable.

For inherent counterparty default risks from receivables, NRW.BANK recognises a general allowance in accordance with the Accounting Statement of the Banking Committee of the Institute of Public Auditors in Germany IDW RS BFA 7. In doing so, NRW.BANK uses the simplified valuation method pursuant to section 4.2 of IDW RS BFA 7, taking into account the twelve-month default probability without considering creditworthiness premiums; in the event of a noticeable increase in the default risk, the expected loss is taken as the basis over the full remaining term.

As part of the valuation of receivables from customers – especially in the area of promotional programme loans and special finance – the executive directors of NRW.BANK need to make material discretionary decisions. The identification of impaired exposures as well as the determination of any necessary specific allowances on these receivables are subject to uncertainty and involve various assumptions, in particular regarding the financial situation of the customers, expectations of future cash flows

and the realisation of collateral. As the direct and indirect consequences of the negative macroeconomic prospects cannot be conclusively assessed, this uncertainty was higher in the financial year 2024. Even minor changes in assumptions and estimation parameters may lead to major valuation differences. For the above reasons and also due to the material importance of the lending business for NRW.BANK, this matter was of particular significance for our audit.

For an explanation of the risk provisioning system, please refer to section “1. General Information” of the notes to the annual financial statements of NRW.BANK as well as to section “5.5.6 Risk Provisions” of the management report.

- b) In our audit, we first obtained an understanding of the processes established for the valuation of receivables from customers and for the determination of individual risk provisions in the lending business, especially the processes for evaluating borrowers’ financial situation, for applying NRW.BANK’s risk classification processes and for monitoring the occurrence of early warning indicators as well as for the valuation of collateral. We assessed the design of internal controls relevant to the audit and verified that these had been implemented.

Taking into account the changes in and the composition of the loan portfolio and the related counterparty default risks, we made a risk-oriented sample selection, in particular using criteria such as the size of the exposure, the listing of loans

on monitoring lists for increased default risks, the rating class or already recognised specific allowances.

We performed substantive procedures for this sample and, in doing so, assessed the need for specific allowances as well as the determination of specific allowances on receivables from customers. For the sample elements, we also assessed whether key assumptions and estimation parameters regarding the expected future cash flows, including cash flows from the realisation of collateral held, were consistent with the borrower's economic situation and the market expectations for the sectors mentioned. In case there were acute default risks, we additionally verified the mathematical accuracy of the specific allowances determined in each case.

With regard to the recognition of general allowances, we complementarily examined the differentiation between relevant portfolios, the balance assumptions as well as the criteria for a considerable increase in the default risk. In addition, we performed analytical procedures regarding the determination of the general allowances as well as substantive procedures for the correct allocation on a sample basis.

In the case of estimates, we assessed the methods used, the assumptions made and the data used in terms of their reasonableness.

Other Information

The executive directors and/or the Supervisory Board are responsible for the other information. The other information comprises

- the report of the Supervisory Board,
- the separate non-financial report,
- the report on public corporate governance,
- the executive directors' confirmations pursuant to Sections 264 (2) sentence 3 and 289 (1) sentence 5 HGB, and
- all other parts of the financial report of NRW.BANK,
- but not the annual financial statements, not the audited content of the disclosures in the management report and not our auditor's report thereon.

The Supervisory Board is responsible for the Report of the Supervisory Board. Pursuant to Section 29 (8) of the Statutes of NRW.BANK, the executive directors and the Supervisory Board are obliged to declare annually that the recommendations of the Public Corporate Governance Code of NRW.BANK, as last amended, have been and will be complied with. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the disclosures in the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of NRW.BANK in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing NRW.BANK's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of NRW.BANK's position and is, in all material respects, consistent with the annual financial statements,

complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing NRW.BANK's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of NRW.BANK's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of NRW.BANK.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NRW.BANK's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause NRW.BANK to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of NRW.BANK in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of NRW.BANK's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 330a19190b4e9373fa2567ed0f1723407676fda6889cd1660248e773df5086f2, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying management report for the

financial year from 1 January to 31 December 2024 contained in the “Report on the Audit of the Annual Financial Statements and of the Management Report” above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the annual financial statements and of the management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the “Auditor’s Responsibilities for the Audit of the ESEF Documents” section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of NRW.BANK are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of NRW.BANK are responsible for such internal control that they have considered necessary to

enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor’s Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the

- requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and to the audited management report.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were appointed as auditor based on the resolution of the meeting of the Board of Guarantors of NRW.BANK held on 11 March 2024. Based on this resolution, the chairwoman of NRW.BANK's Supervisory Board engaged us on 18 March 2024 to conduct the audit of the annual financial statements for the financial year ended 31 December 2024 in accordance with Section 340k HGB in conjunction with Section 317 HGB and Regulation (EU) No 537/2014 (EU Audit Regulation). We have been the auditor of NRW.BANK institution under public law, Düsseldorf/Germany and Münster/Germany, since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as with the audited ESEF documents. The annual

financial statements and the management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Wilhelm Wolfgarten.

Düsseldorf/Germany, 12 March 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
Wilhelm Wolfgarten
Wirtschaftsprüfer
(German Public Auditor)

Signed:
Martina Mietzner
Wirtschaftsprüferin
(German Public Auditor)

Non-financial Report

with application of the European Sustainability Reporting Standards (ESRS)

1. General Information

1.1 Basis for Preparation [BP1]

1.1.1 General Basis for Preparation [BP-1]

NRW.BANK complies with its reporting duty pursuant to Section 340a Para. 1a of the German Commercial Code (HGB) in the form of a non-financial report (Section 289b Para. 3 HGB) published separately from the management report.

In the reporting year 2024, the information is based on voluntary application of the Corporate Sustainability Reporting Directive (CSRD) (EU) No. 2022/2464 and the European Sustainability Reporting Standards (ESRS) as the framework, except for the disclosures from Regulation (EU) No. 2020/852 ("EU Taxonomy Regulation").

The non-financial report is prepared on the basis of the separate financial statements of NRW.BANK. The Bank does not prepare consolidated financial statements, as the subsidiaries in the NRW.BANK Group are of minor importance both individually and collectively.

The non-financial report contains information that has not been audited by NRW.BANK's auditor. Such information is marked with *.

The upstream and downstream value chains (see [Chapter 1.3.1](#)) are generally reported up/down to the Bank's direct business partner and on the basis of internally available information. Where information for disclosure is missing, an explanation is provided as to which efforts were made to obtain the information, why the information could not be obtained and what plans exist to obtain such information in the future. A deeper analysis of the value chains is carried out for the workers in the value chain and the communities affected to determine and describe the indirect material impacts of the Bank and how it addresses them. Where the house bank principle is concerned, the first level of the value chain is analysed in spite of the materiality of the second level. This is due to the fact that obtaining business data that are not available would represent an unreasonable effort.

No use was made of the option to omit information based on intellectual property, know-how or results of innovations.

1.1.2 Disclosures in Relation to Specific Circumstances [BP-2]

To improve the data quality and the coverage rate for the calculation of greenhouse gas (GHG) emissions pursuant to the Partnership for Carbon Accounting Financials (PCAF), NRW.BANK is currently working on solutions for the building finance segment. A tender for the AI-based collection of building efficiency data is

already underway. Further optimisations are to be developed in the context of follow-up projects, which have time dependencies with other current projects.

In the product development process, the PCAF requirements will be taken into account from 2025. To calculate the GHG emissions pursuant to PCAF, indirect data were used, some of which are subject to measurement and result uncertainties. These result from the use of average values such as industry averages or the physical or financial intensities for the calculation of absolute GHG emissions per business case. Missing business data that cannot be complemented by approximations cannot be used in the calculation. Approximations allow the business cases to be included subject to measurement uncertainty. The accuracy of the data is measured using the Data Quality Score (DQS). For details, refer to [Chapter 2.1.5](#).

In this report, the description of time horizons is based on the definition from ESRS 1 (6.4), with the short-term time horizon corresponding to the reporting year, the medium-term time horizon being up to five years and the long-term time horizon over five years.

Due to first-time application, there are no changes compared to previous reporting periods or corrections.

1.2 Governance [GOV]

1.2.1 Role of the Managing Board and the Supervisory Board [GOV-1]

In accordance with the Act on NRW.BANK, NRW.BANK's corporate governance is based on the dualistic system, which means that the managing and supervisory functions are performed by two separate bodies, i.e. the Managing Board (managing body) and the Supervisory Board (supervisory body). There is no administrative body in the dualistic system.

The Supervisory Board is composed of 15 members. Those members of the Supervisory Board who do not represent the employees of NRW.BANK are independent (66%). Pursuant to the Statutes of NRW.BANK, the Supervisory Board has five members who represent the employees. 53% of the Supervisory Board members are women, while 47% are men. No Supervisory Board member is a managing director (0%).

All five members of the Managing Board are managing directors (100%). 60% of the Managing Board members are women, while 40% are men.

The information on the number and composition of the Managing Board and the Supervisory Board was collected as of the reporting date on December 31, 2024 and stated in numbers of persons.

The State of North Rhine-Westphalia exercises its rights in line with its legal powers on the Board of Guarantors, where it exercises its voting right.

Experience that is relevant for the members of the Managing Board and the Supervisory Board is defined in the Suitability Assessment Guideline of NRW.BANK (Richtlinie zur Eignungsbewertung der NRW.BANK) adopted by the Managing Board and the Supervisory Board. Members are appointed to the Managing Board and the Supervisory Board of NRW.BANK considering the requirements of the "Suitability Assessment Guideline of NRW.BANK" (Richtlinie zur Eignungsbewertung der NRW.BANK) (see [Chapter 4.1](#)). As they are responsible for managing and supervising the Bank, specific requirements apply with regard to the professional and personal suitability of the members of the Managing Board and the Supervisory Board. They meet the regulatory requirements regarding their knowledge and experience. Experience that is relevant for the sectors, products and geographic locations of the company includes:

- Knowledge of the banking business, of economic promotion as well as of the legal and regulatory requirements (including promotional bank regulations)
- Experience in the promotional banking landscape, especially the market environment, the individual business fields and the customer requirements
- ESG (Environment, Social, Governance) contribution of promotional banks

The members of the Managing Board must ensure that the required knowledge and skills are up to date. To this end, financial resources for further education are made available to them. Regular professional further education is complemented by participation in internal and external events and appointments in a professional capacity as well as by mandates on supervisory bodies.

For the ongoing further training of the members of the Supervisory Board, NRW.BANK regularly arranges seminars and training on current regulatory, banking or NRW.BANK-specific topics. In the reporting year, the Managing Board and the Supervisory Board were trained, among other things, on the new requirements of the CSRD and the significance and the impact of sustainability for NRW.BANK.

Above and beyond the legal and statutory requirements, NRW.BANK's Public Corporate Governance Code (PCGC) adopted by the Board of Guarantors makes recommendations to the bodies of the Bank to ensure transparent and responsible corporate governance (see [Chapter 4.1](#)).

In view of the strategic importance of sustainability, NRW.BANK has established a Sustainability Committee. It monitors the regulatory and market-induced developments in the area of sustainability and ensures their reconciliation with the requirements of the stakeholders and the Bank's objectives. Sustainability is thus firmly anchored in the Bank's organisation. The

Committee meets every two months in the form of an extended Board meeting. The Committee includes all members of the Managing Board, who have voting rights, as well as the advisory, non-voting heads of Finance, Promotion Programmes, Capital Markets, Risk Control, Transformation and Innovation as well as Corporate Development.

Led by the Chairman of the Managing Board, the Committee is the highest body for sustainability topics and responsible for NRW.BANK's strategic and overarching business policy decisions with regard to sustainability. This means that binding decisions can be taken directly by the Sustainability Committee with participation of NRW.BANK's Managing Board. The Sustainability Committee is responsible for the impacts, risks and opportunities identified in the materiality analysis.

The defined annual process for preparing and updating the materiality analysis is used to identify impacts, risks and opportunities in the relevant business units of the Bank.

Thanks to their active role in the materiality analysis processes and the preparation and discussion of the Sustainability Strategy, the members of the Managing Board and the Supervisory Board are informed about the material impacts and can access the knowledge and experience of employees or external training programmes to expand their skills and expertise as required.

The Managing Board and the Supervisory Board contribute the knowledge and experience thus gained to the process of preparing and discussing the Bank's overall strategy. This process addresses the material impacts, risks and opportunities identified for the Sustainability Strategy and defines objectives and actions for them if required. These are part of the sustainability programme, to which reference is made in the Bank's overall strategy. The Bank's overall strategy, which consists of the business, promotional, risk and sustainability strategies including the quantitative business planning and the principles of the business, promotional and risk policies, is discussed at the meeting of the Supervisory Board. In accordance with regulatory requirements, the Managing Board is the managing body responsible for passing resolutions on the business, promotional, risk and sustainability strategy and the quantitative business planning. The resolution on the principles of the business, promotional and risk policies to be adopted by the Board of Guarantors at the recommendation of the Supervisory Board formally concludes the strategy process.

Managing the material impacts, risks and opportunities at the operational level is the responsibility of the Bank's business units in their regular processes including integration into the internal control system, where necessary. There are no controls or reporting duties above and beyond those mentioned.

1.2.2 Information Provided to and Sustainability Matters Addressed by the Managing Board and Supervisory Board (Related to Material Impacts, Opportunities and Risks) [GOV-2]

The integration of these topics into the process for preparing and discussing the sustainability strategy ensures that the material impacts, risks and opportunities are addressed (see [Chapter 1.3.3](#)). The results presented to the Managing Board and the Supervisory Board already take into account the material impacts, risks and opportunities identified. Where the consideration of the impacts, risks and opportunities has resulted in compromises and/or decisions, these are documented separately. This was not the case in the reporting year. Compromises or decisions on important matters therefore did not have to be taken into account. With regard to the integration of the impacts into the risk management process, decentralised controls were carried out and documented by the business units as required when implementing measures. In the reporting year, the materiality analysis did not result in any material risks and opportunities that had to be taken into account.

As part of establishing the reporting capability, all impacts identified were addressed by the relevant committees in the first reporting year through a detailed review of the materiality analysis and the sustainability topics (see [Chapter 1.4.2](#)).

The Managing Board and the Supervisory Board are informed of the results and effectiveness of the concepts, measures, performance indicators and objectives adopted in the context of the annual preparation of the non-financial report.

1.2.3 Integration of Sustainability-related Performance in Incentive Schemes [GOV-3]

All elements of NRW.BANK's remuneration system must meet the requirements of the remuneration policy of a competition-neutral promotional bank whose primary objective is not the generation of profits. It therefore provides only fixed remuneration for the members of the Managing Board.

The remuneration of the members of the Supervisory Board and its committees is also fixed. The total annual remuneration of the members of the Supervisory Board and its committees differs only with regard to committee membership.

As a general rule, the Supervisory Board, with support from the Executive and Nomination Committee, assesses the structure, size, composition and performance of the management at least once a year in accordance with the German Banking Act (Kreditwesengesetz – KWG). The topic of sustainability is considered primarily in the context of experience and knowledge.

There are no performance-linked remuneration components that reward the achievement of objectives or penalise the failure to achieve them. The remuneration paid to the members of the Supervisory Board is based on a general resolution by the Board of Guarantors and is paid regardless of the business performance. The Supervisory Board of NRW.BANK is the responsible controlling body with regard to the remuneration systems. It decides on the contents and the appropriateness of the remuneration systems for the members of the Managing Board based on a

review and recommendation by the Remuneration Committee, which is a committee of the Supervisory Board. The appropriateness of the Managing Board remuneration is reviewed regularly and is based on requirements defined by NRW.BANK's guarantor. When preparing the annual audit report, Compliance carries out a vertical comparison of the Managing Board remuneration (Managing Board Chairman, other Managing Board members, business unit heads, all employees) in accordance with the Remuneration Ordinance for Institutions (Institutsvergütungsverordnung – InstitutsVergV), which is additionally complemented by comparative data from other banks provided by an external service provider. In addition, the remuneration of NRW.BANK's Managing Board members is compared with the remuneration of the Board members of other promotional banks. The remuneration figures used have been taken from the annual reports of the promotional banks*. Moreover, the salaries of the Managing

Board Chairman, of the ordinary Managing Board members and of the business unit heads are subjected to a market comparison. All comparisons are submitted to the Remuneration Committee (a committee of the Supervisory Board) for information once a year.

1.2.4 Statement on Due Diligence [GOV-4]

The information presented in the non-financial report is identified, assessed and prioritised in the context of the materiality analysis using both internal stakeholders as well as credible representatives of external stakeholders (see [Chapter 1.4.1](#)).

The management of the impacts in the organisation also follows a structured process. These impacts are analysed and addressed accordingly in the context of the annual sustainability strategy process (see [Chapter 1.2.1](#)).

Table 1: Core elements of due diligence [GOV-4]

Core elements of due diligence	Chapter in the non-financial report
Embedding due diligence in governance, strategy and business model	1.2.2, 1.2.3, 1.3.3
Engaging with affected stakeholders in all key steps of the due diligence	1.2.2, 1.3.2, 1.4.1
Identifying and assessing adverse impacts	1.4.1, 1.3.3
Taking actions to address those adverse impacts	2.1.3, 2.2.2, 2.3.2, 2.4.3, 2.5.2, 3.1.4, 3.2.4, 3.3.4
Tracking the effectiveness of these efforts and communication	2.1.4, 2.2.3, 2.3.3, 2.4.4, 2.5.3, 3.1.5, 3.2.5, 3.3.5

1.2.5 Risk Management and Internal Controls Over Non-financial Reporting [GOV-5]

Risk management and the internal controls over sustainability reporting are designed to ensure that all information and processes comply with legal requirements. The design and effective operation of an appropriate risk management system and adequate internal controls as part of sustainability reporting are the responsibility of NRW.BANK's Managing Board. Responsibility for sustainability reporting rests with the Finance business unit in cooperation with the Risk Control business unit's Sustainability and Impact Management Department.

The non-financial report is prepared by the Managing Board. After assessing the results of a voluntary limited assurance audit by the auditor, the Supervisory Board declares the non-financial report to be lawful and appropriate.

Access by unauthorised third parties, incorrect entries, data loss and incomplete data have been identified as the key risks to the preparation of the non-financial report. All risks mentioned were identified in connection with ensuring compliance with legal requirements, are to be given the same weight and are equally taken into account in the mitigation strategies.

In addition to the "four-eye principle," the use of standard software is a key element in the strategy to mitigate the aforementioned risks and in the internal controls related to the preparation of the non-financial report. The software is protected against unautho-

rised access through permissions that reflect users' levels of competence. Furthermore, inherent system plausibility checks, standardised coordination routines and target/actual comparisons are employed to ensure completeness and to prevent and identify errors. The specifics of this system-based process, including all responsibilities and controls, have been documented in NRW.BANK's written instructions and form the basis for the controls implemented annually.

In the context of its ongoing audits carried out in the course of the year, Internal Audit regularly audits the functionality of the internal control system for sustainability reporting in a process-independent manner and provides the Managing Board and the Supervisory Board's Audit Committee with adequate information about the results of the audit.

1.3 Strategy [SBM]

1.3.1 Overall Strategy, Business Model and Value Chain [SBM-1]

NRW.BANK is the promotional bank of North Rhine-Westphalia (NRW). It has the public mission to support its owner and guarantor, the State of North Rhine-Westphalia, in the completion of its tasks, especially in the fields of structural, economic, social and housing policy. The promotion provided by NRW.BANK is governed by the principles adopted by its Board of Guarantors as well as by the promotional strategy, which is based thereon. The promotional business is theme-oriented. This is reflected in the subdivision into the promotional fields "Economy", "Housing"

and “Infrastructure/Municipalities”. To fulfil its promotional mission, NRW.BANK draws on a wide range of promotional instruments and contributes its lending expertise to the promotional process. The promotional instruments used for the banking business include, in particular, loans with below-market interest rates, long-term fixed-interest options and/or redemption discounts as well as risk sharing with house banks and the provision of equity and mezzanine capital. The term “house bank principle” used in this context means that the house bank is the direct contact and contractual partner of the respective end borrower. In the downstream value chain, the contractual partner of NRW.BANK is the house bank. This means that there is no direct contact between the end borrower and the promotional bank. Above and beyond the traditional banking business, NRW.BANK provides advisory services and grants for initial or ancillary costs; as a partner of the federal state, the Bank also assumes service functions in the area of grant-based promotion. In its capacity as promotional bank for North Rhine-Westphalia, NRW.BANK primarily supports business start-ups, companies, private individuals and public-sector clients in North Rhine-Westphalia.

To provide the services and products offered, NRW.BANK must source other services, including financial and advisory services, in the upstream value chain. The procurement of these services is governed by central framework conditions and agreements

that ensure sustainable working conditions are also maintained for workers in the value chain.

NRW.BANK uses the international capital market to fund its promotional activities. Other funding options include funds made available to the Bank by KfW Bankengruppe, Landwirtschaftliche Rentenbank, the European Investment Bank (EIB) as well as the Council of Europe Development Bank (CEB).

All employees of NRW.BANK are employed in North Rhine-Westphalia. In the reporting year, 1,139 people worked in Düsseldorf and 503 people worked in Münster.

NRW.BANK attaches great importance to creating a working environment in which all employees are given the same opportunities and are promoted and encouraged. The further improvement of equal opportunities for women in advancing to senior positions is an objective defined in the field of action “Promoting Development” as part of the human resources planning and development strategy. The 2024–2028 Equality Plan defines various measures for this which help reduce the underrepresentation of women in clearly defined peer groups (see [Chapter 3.1.5](#)).

The strategic sustainability objectives influence the way in which NRW.BANK does business and are thus intended to ensure that the sustainability issue is further developed on an ongoing basis.

In the non-financial report, NRW.BANK's business units are divided into three pillars: promotional business, capital market business and own banking operations. It is a strategic objective of NRW.BANK to strengthen and expand the sustainable capital market business. This is described in the ESG Investment Framework (see [Chapter 2.1.2](#)) and pursued, for instance, by the objective defined therein to reduce the implied temperature rise (ITR) in the corporate portfolio (see [Chapter 2.1.4](#)). The strategic objectives of the sustainability programme are included in the Bank's overall strategy as part of the sustainability strategy.

1.3.2 Interests and Views of Stakeholders [SBM-2]

In accordance with the requirements of the sustainability strategy, talks are held with the main stakeholders relevant for the topic of sustainability as well as their representatives, in which the material sustainability issues are discussed. For this purpose, NRW.BANK has established a transparent annual Stakeholder Dialogue on Sustainability. The latter is specifically aimed at customers and employees of the Bank as well as at society in general. The ongoing exchange with NRW.BANK's guarantor, the State of North Rhine-Westphalia, especially with respect to the NRW sustainability strategy, is an important component of the Bank's sustainability efforts.

The Bank has identified the following stakeholder groups in a regular stakeholder analysis:

- guarantor/State of North Rhine-Westphalia,
- house banks,
- NGOs and non-profit organisations,
- employees,
- public sector clients.

The concerns of employees are taken into account directly and through their representatives, while those of the communities affected are taken into account through an exchange with their representatives (NGOs, non-profit organisations). The results are also used to validate the results of the materiality analysis. In this way, the views of the stakeholders with regard to the specific impacts are taken up and documented and used as input for the subsequent sustainability strategy process. In addition, the findings and information from the stakeholder dialogues are discussed by the Sustainability Committee. For this purpose, a collective assessment of the results of all dialogues is prepared and presented to the Managing Board. In this context, the latter also makes decisions on potential changes initiated by information from the stakeholder dialogues. These changes may relate to operational aspects but also include changes that are reflected in the Sustainability Strategy. Decentralised responsibilities have been defined for the exchange with the relevant stakeholders. The coordination and professional hosting of the stakeholder dialogue as well as the definition of measures and the presentation of the results are the responsibility of the Risk Control business

unit's Sustainability and Impact Management Department. The Supervisory Board is involved via the process for adjustments relating to the Sustainability Strategy.

Besides the Stakeholder Dialogue on Sustainability, the Bank also maintains an exchange on sustainability with other important stakeholders, including:

- investors, analysts and the financial rating agencies commissioned and selected sustainability rating agencies selected by them,
- business partners and suppliers and
- associations and network partners.

The exchange with business partners and suppliers ensures that the interests of workers in the value chain are also taken into account.

The insight gained from these regular exchanges are incorporated into strategic considerations on the topic of sustainability and provide valuable input for external sustainability communication.

1.3.3 Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model [SBM-3]

The material impacts, risks and opportunities for NRW.BANK were identified on the basis of the materiality analysis. The details of the impacts, risks and opportunities identified, including their time horizons, position in the value chain and consequences, are described in [Chapter 1.4.1](#). When conducting the materiality

analysis, all employees of NRW.BANK as well as workers in the value chain and affected communities were analysed and the impact on them was examined. The cross-locational analysis covered all buildings used by NRW.BANK. They are located in North Rhine-Westphalia, namely in Düsseldorf and Münster. The material impacts identified in this context are discussed in detail in the corresponding chapters in this report (see [Chapter 3.1](#) for information on own employees, [Chapter 3.2](#) for information on workers in the value chain and [Chapter 3.3](#) for information on affected communities. No material risks or opportunities within the meaning of the CSRD were identified for NRW.BANK in the materiality analysis, which is why the financial aspects are not analysed in this report.

The impacts from the materiality analysis are reflected in the Sustainability Strategy and, consequently, in the Bank's overall strategy.

NRW.BANK carries out a strategic analysis as part of the annual and event-driven further development of the Bank's overall strategy. This covers both external (e.g. market developments, competitive situation, changed environmental conditions) and internal influencing factors.

Besides this, an opinion is formed on the economic, structural and promotional policy issues that are relevant for NRW.BANK on the basis of a needs assessment in the ministries and the State Chancellery.

In addition, the Bank annually analyses its own product portfolio for optimisation potential and carries out promotional strategy-related market analyses as required. Selected results are discussed in the context of the strategy meeting. Taking this into account, the strategic orientation and the further development of the strategic positioning of the Bank are discussed.

In the context of its sustainability strategy, NRW.BANK has set itself the overarching strategic objective to make the promotional business and the capital market business carbon-neutral in the future so as to support the State of North Rhine-Westphalia in achieving the climate neutrality goal by 2045. NRW.BANK has not yet defined specific GHG emission reduction targets in this regard. The Bank calculated the financed emissions to PCAF for the first time in 2024 and intends to develop reduction targets in 2025 as part of the development of a transition plan.

All impacts that are material for NRW.BANK fall under the ESRS disclosure obligations. The material sustainability topics are listed in [Chapter 1.4.2](#). An explanation of the material impacts is provided in the chapters listed in Table 3 "Disclosure requirements covered by the Non-financial Report". Company-specific disclosures are not analysed.

When analysing sustainability topics and their impacts on NRW.BANK, the Bank currently does not employ specific methods for individual sustainability topics. In the reporting year, no scenario analyses in the meaning of the CSRD were carried out to analyse risks arising from climate or biodiversity changes. No quantitative analysis of physical or transitory risks in the meaning of the CSRD is carried out.

NRW.BANK has no sites in the vicinity of biodiversity-sensitive areas. Therefore, no further analysis of the impacts pursuant to ESRS E4 in conjunction with ESRS SBM-3 is carried out.

The table below shows the material impacts of NRW.BANK on humans and the environment resulting from the materiality analysis for each sustainability topic. It also shows in which business segment and in what way the impacts occur.

Table 2: Material impacts [SBM-3]

ESRS	Sustainability subtopic	Explanation of impact	Business segment	Mapping on the value chain	Type or condition of impact	Time of impact
E1	Climate change mitigation	By financing funding recipients or projects that cause GHG emissions that are in line with the goals of the Paris Climate Agreement, GHG emissions can be avoided and potential positive impacts on the environment can arise.	Promotional business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change mitigation	By financing funding recipients or projects that cause carbon emission reductions, GHG emissions can be avoided and potential positive impacts on the environment can arise.	Promotional business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change mitigation	By financing funding recipients or projects that support the transformation (e.g. manufacturers of wind power turbines) or that are on an appropriate GHG transformation path, GHG emissions can be avoided and potential positive impacts on the environment can arise.	Promotional business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change mitigation	By financing funding recipients or projects whose GHG emissions are not in line with the goals of the Paris Climate Agreement and/or that show no transformation efforts, GHG emissions may increase and potential negative impacts on the environment can arise.	Promotional business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change mitigation	By investing in issuers/sectors or countries that cause GHG emissions that are in line with the goals of the Paris Climate Agreement, GHG emissions can be avoided and potential positive impacts on the environment can arise. In addition, positive impacts can arise from the consideration of the following ESG topics: best and worst-in-class screening: ban on new corporate investments for laggards as defined in MSCI ESG Rating Letter (B & CCC) as well as thematic investing in accordance with EU GBS/ICMA Principles + SPO/CBI Certificate.	CapM business	downstream indirect	potential	medium term (in 1–5 years)

ESRS	Sustainability subtopic	Explanation of impact	Business segment	Mapping on the value chain	Type or condition of impact	Time of impact
E1	Climate change mitigation	By investing in issuers/sectors that reduce/prevent carbon emissions (e.g. green bonds as part of thematic investing in accordance with EU GBS/ICMA Principles + SPO/CBI Certificate), GHG emissions can be avoided and potential positive impacts on the environment can arise.	CapM business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change mitigation	By investing in issuers/sectors that support the transformation (e.g. producers of renewable energy) or that are on an appropriate GHG transformation path, GHG emissions can be avoided and potential positive impacts on the environment can arise.	CapM business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change mitigation	By investing in issuers/sectors or countries whose GHG emissions are not in line with the goals of the Paris Climate Agreement and/or that show no transformation efforts, GHG emissions may increase and potential negative impacts on the environment can arise.	CapM business	downstream indirect	potential	medium term (in 1–5 years)
E1	Climate change adaptation	By investing in issuers/sectors whose business models support climate change adaptation, potential positive impacts on the environment can arise. In addition, positive impacts can arise from the consideration of the following ESG topics: best and worst-in-class screening: ban on new corporate investments for laggards as defined in MSCI ESG Rating Letter (B & CCC) as well as thematic investing in accordance with EU GBS/ICMA Principles + SPO/CBI Certificate.	CapM business	downstream indirect	potential	medium term (in 1–5 years)
E1	Energy	By investing in issuers/sectors (e.g. “Green Curve”, municipal finance) or countries that give more weight to and promote GHG-neutral energy generation in accordance with the goals of the Paris Climate Agreement, potential positive impacts on the environment may arise.	CapM business	downstream indirect	potential	medium term (in 1–5 years)

ESRS	Sustainability subtopic	Explanation of impact	Business segment	Mapping on the value chain	Type or condition of impact	Time of impact
E2	Air pollution	Investments in sectors/issuers and countries that may cause air pollution may result in potential negative impacts on the environment.	CapM business	downstream direct	potential	medium term (in 1–5 years)
E2	Water pollution	CapM business activities (e.g. investments in the chemical or textile industry) may result in potential negative impacts on the environment.	CapM business	downstream direct	potential	medium term (in 1–5 years)
E3	Water	Investments in water-intensive sectors may result in potential negative impacts on the environment.	CapM business	upstream direct	potential	medium term (in 1–5 years)
E4	Impacts on the extent and condition of ecosystems	Positive influence, especially through the lighthouse project “Renaturation of the Emscher and Lippe”, and, on a smaller scale, via promotional conditions in other programmes, has resulted in actual positive impacts on the environment.	Promotional business	downstream indirect	actual	
E4	Impacts on the extent and condition of ecosystems	The focus on NRW.BANK’s biodiversity bonds (as part of thematic investing) may result in potential positive impacts on the environment.	CapM business	downstream indirect	potential	medium term (in 1–5 years)
E4	Impacts on the extent and condition of ecosystems	(Green) financing (e.g. renaturation of the Emscher) results in positive impacts on the environment.	CapM business	downstream indirect	actual	
E4	Impacts on the state of species	Positive influence, especially through the lighthouse project “Renaturation of the Emscher and Lippe”, and, on a smaller scale, via promotional conditions in other programmes, has resulted in actual positive impacts on the environment.	Promotional business	downstream indirect	actual	
E4	Impacts on the state of species	The sealing of land resulting from real estate financing and infrastructure promotion (roads, etc.) results in actual negative impacts on the environment.	Promotional business	downstream indirect	actual	
E4	Impacts on the state of species	(Green) financing (e.g. renaturation of the Emscher) and the thematic bonds on biodiversity result in actual positive impacts on the environment.	CapM business	downstream indirect	actual	

ESRS	Sustainability subtopic	Explanation of impact	Business segment	Mapping on the value chain	Type or condition of impact	Time of impact
E4	Direct causes of biodiversity loss	Positive influence, especially through the lighthouse project "Renaturation of the Emscher and Lippe", and, on a smaller scale, via promotional conditions in other programmes, has resulted in actual positive impacts on the environment.	Promotional business	downstream indirect	actual	
E4	Direct causes of biodiversity loss	The sealing of land resulting from real estate financing and infrastructure promotion (roads, etc.) results in actual negative impacts on the environment.	Promotional business	downstream indirect	actual	
E5	Resource inflows, including resource use	The stronger focus on the circular economy in the promotional business – also against the background of increased political promotion of the circular economy – not only results in actual impacts today but will also result in potentially increased positive impacts on resource efficiency and the environment in the future.	Promotional business	downstream indirect	potential	medium term (in 1–5 years)
E5	Waste	The promotion of projects that produce waste (especially construction waste from housing and commercial construction as well as infrastructure) may result in potential negative impacts on the environment (modern/improved waste management as positive disposal is a niche).	Promotional business	downstream indirect	potential	medium term (in 1–5 years)
S1	Working conditions	The application of the collective agreement and of applicable labour law and the option of flexible working result in actual positive impacts on own employees.	Own operations	internal	actual	
S1	Working conditions	The voluntary additional benefits offered result in actual positive impacts on own employees.	Own operations	internal	actual	
S1	Working conditions	The voluntary additional benefits offered to own employees result in actual positive impacts as they help attract new/qualified people.	Own operations	internal	actual	
S1	Equal treatment and opportunities for all	The commitment to equal opportunities and equal rights results in actual positive impacts on own employees.	Own operations	internal	actual	

ESRS	Sustainability subtopic	Explanation of impact	Business segment	Mapping on the value chain	Type or condition of impact	Time of impact
S1	Equal treatment and opportunities for all	The commitment to equal opportunities and equal rights results in actual positive impacts as it helps attract new/qualified people.	Own operations	internal	actual	
S2	Working conditions	The extensive promotional activities – e.g. strengthening the resilience, innovative capacity, start-ups and growth of North Rhine-Westphalian companies as well as strengthening NRW as a place for business as a whole (especially promotional field “Economy” and business-related public infrastructure) – have actual positive impacts on the working conditions of employees in the value chain.	Promotional business	downstream indirect	actual	
S3	Communities’ economic, social and cultural rights	Strong promotional incentives in the context of educational infrastructure (e.g. NRW.BANK.Moderne Schule), public housing construction for low-income households, refugee accommodation and housing for refugees (both right to housing) or the financing of businesses set up by unemployed using NRW.Mikrodarlehen loans (right to work) result in actual positive impacts on the people in NRW.	Promotional business	downstream indirect	actual	
S3	Communities’ economic, social and cultural rights	Investments in companies that have negative impacts may result in potential negative impacts on the economic, social and cultural rights of communities.	CapM business	downstream direct	potential	medium term (in 1–5 years)
S3	Communities’ civil and political rights	Uncontrollable indirect suppliers in politically/legally critical countries (e.g. raw materials and upstream producers of hardware, building materials, food) may result in potential negative impacts on the civil and political rights of communities.	Own operations	downstream indirect	potential	medium term (in 1–5 years)
S3	Communities’ civil and political rights	Investments in companies that have negative impacts may result in potential negative impacts on the civil and political rights of communities.	CapM business	downstream direct	potential	medium term (in 1–5 years)

ESRS	Sustainability subtopic	Explanation of impact	Business segment	Mapping on the value chain	Type or condition of impact	Time of impact
G1	Corporate culture	NRW.BANK places great importance on public trust in its integrity. Especially the acceptance of benefits of any kind may permanently impair the objectivity and the freedom from conflicts of interest in decision-making and cause considerable damage to the reputation of the Bank. A distinctive feature of NRW.BANK is that it acts as a public law institution backed by the State of North Rhine-Westphalia and has a statutory promotional mission. Employees and customers of the Bank must be able to classify the latter's behaviour correctly at all times and therefore need transparent and comprehensible rules.	Own operations	internal	actual	
G1	Protection of whistleblowers	NRW.BANK has potential positive impacts on whistleblowers, as it has established a confidential whistleblowing system that enables the reporting and receipt of suspected compliance-related violations. Employees may also contact the Compliance Officer directly.	Own operations	internal	potential	medium term (in 1–5 years)
G1	Corruption and bribery	NRW.BANK has comprehensive guidelines on the avoidance of conflicts of interest and the handling of gifts and is subject to public procurement law. Their effectiveness is reflected in the fact that there have been no violations to date. Due to the Bank's exposed situation as an institution under public law and its ability to exert influence as a financial institution, high potential negative impacts may nevertheless be caused.	Own operations	internal	potential	medium term (in 1–5 years)

1.4 Management of Impacts, Risks and Opportunities [IRO]

1.4.1 Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities [IRO-1]

NRW.BANK has conducted the materiality assessment in accordance with the ESRS and applied the principle of double materiality. A distinction is made between non-financial materiality (inside-out perspective) and financial materiality (outside-in perspective). Non-financial materiality pertains to the impacts that are directly caused or contributed to by the business activities of NRW.BANK. Financial materiality pertains to risks and opportunities that may have financial effects on NRW.BANK. As a general rule, impacts, risks and opportunities are analysed at net level.

The sustainability topics pursuant to the ESRS form the basis for the materiality assessment. The materiality assessment is carried out on the basis of the ESRS subtopics. Company-specific sustainability topics are added as required.

To define the material impacts, risks and opportunities, it is necessary to take a look at the value chain as a whole, whereby NRW.BANK focuses on aspects where material impacts, risks and opportunities are considered likely due to the nature of the respective activities, business relationships, geographical circumstances or other factors.

To define the basic framework for stakeholders, the internal and external stakeholders affected were narrowed down. For the materiality assessment, a distinction is made between those users of sustainability information that are relevant for all standards in the assessment of financial materiality and other affected stakeholders. The inclusion of these two groups is an essential component of NRW.BANK's materiality assessment. In a first step, internal employees act as representatives of the external stakeholders and integrate their knowledge in the context of the materiality assessment. These representatives maintain a regular exchange with the external stakeholders, which allows them to reflect their perspective.

The materiality assessment itself is made up of five sub-processes. They are defined as understanding, identifying, assessing, determining materiality and validating results.

The first sub-process aims to create an understanding of how the activities, business relationships and stakeholders are connected across all banking locations and in the value chain and which of them should be considered in the materiality assessment.

The second sub-process serves to identify the impacts, risks and opportunities. In the identification, a distinction is made between banking operations and banking business. In the banking business, a distinction is made between the capital market business

and the promotional business. This distinction is necessary to allow the impacts on as well as the risks and opportunities for the individual business units to be clearly identified. In keeping with the principle of double materiality, identification is made from the inside-out perspective and the outside-in perspective. Identification is performed by the stakeholders and on the basis of their knowledge and experience and taking into account the necessary data.

An analysis of NRW.BANK's location with regard to their vicinity to biodiversity-sensitive areas using the WWF Risk Filter classifies all four building locations as "low risk". Based on this result, no further scenario analyses, investigations or consultations were carried out.

Nor were any specific methods in the meaning of ESRS E2, E3, E5 and G1, each in conjunction with ESRS IRO-1, applied for the other sustainability topics. Where assumptions were made, these are stated in the description of the impacts. The risks and opportunities identified by the stakeholders are agreed with the Risk Control business unit. In compliance with the extensive requirements arising from MaRisk, the sustainability topic is examined as a risk driver for the market risk, the liquidity risk

and the operational risk as part of NRW.BANK's risk control. No material impacts on these risk types were identified in the reporting year.

In a third step, the sub-process assesses the impacts, risks and opportunities. In line with the regulatory requirements, the categories "Scope", "Scale", "Remediability" and "Likelihood" were used to assess the positive and negative impacts. All categories were assessed on a scale from 1 to 4. "Scope" and "Likelihood" are the categories to be used to assess the risks and opportunities. The scope and the likelihood were assessed on a scale from 1 to 4.

To assess the impacts on climate changes, the Scope 3 GHG emissions under PCAF will be calculated for the first time this year. In subsequent years, these may be used to examine the Bank's impacts on climate change, for transitory risks and the implementation of climate scenario analyses. An analysis of physical climate risks will also be examined in subsequent years. No climate scenario analysis in accordance with the CSRD were carried out for this reporting year.

The fourth step of the sub-process is about determining materiality. If one of the categories is rated 4 or several categories are rated 3 (second highest rating) in the central assessment, the impact and, consequently, the sustainability topic are classified as material. NRW.BANK considers a risk or an opportunity to be material if one of the two categories receives the highest rating or 4 or one category is rated 3 while the other category is rated at least 2. For all other impacts, risks and opportunities, the mean value of the corresponding assessment categories is calculated. If the mean value exceeds 2.5, the corresponding impact, risk or opportunity as well as the related sustainability topic are classified as material.

In the fifth step of the sub-process, the results are validated. For this purpose, data from NRW.BANK's promotional and capital market business are used. Subsequently, the results of the materiality assessment are presented to the stakeholders in the context of the existing Stakeholder Dialogue (see [Chapter 1.3.2](#)). In addition, a benchmark comparison with the results of the materiality assessment of a peer group was made.

When preparing the materiality assessment, various internal control procedures are applied in each process step. For instance,

to gain an understanding of how impacts of the business relationships and the stakeholders in the value chain are connected and which topics should be analysed in the materiality assessment, internal and external stakeholders are included in the process.

The impacts under the inside-out perspective and the risks and opportunities under the outside-in perspective are identified by the internal and external stakeholders.

To assess and validate the impacts, risks and opportunities, existing internal and external data and analyses are used in which the sustainability topic is included. To make the assessment and quantification of risks and opportunities as objective and factual as possible, an analysis of internal and external information is conducted. The results are validated by relevant experts from various business units of the Bank. Especially when it comes to identifying impacts, risks and opportunities, existing internal data must be used. To this end, the sustainability topics are examined in terms of their strategic relevance, while considering existing internal requirements and guidelines. This includes, for instance, objectives defined by NRW.BANK's Sustainability Committee, the Sustainability Strategy or the ESG Promotion Requirements and the ESG Investment Framework of

NRW.BANK. In addition, portfolio data from the capital market and promotional business are used, e.g. to analyse the portfolios by sectors.

The Risk Control and Finance business units are responsible for monitoring and managing the risks and opportunities. The involvement of Risk Control also ensures the reconciliation between the non-financial report and the risk report.

The results of the materiality assessments are approved by the Managing Board in the Sustainability Committee.

The materiality assessment was carried out for the first time in the fiscal year 2024 on the basis of the CSRD requirements and the related ESRS. The next review of the materiality assessment will take place in the fiscal year 2025.

1.4.2 Disclosure Requirements in ESRS Covered by the Non-financial Report of NRW.BANK [IRO-2]

NRW.BANK determines the material information as part of the materiality assessment outlined in [Chapter 1.4.1](#).

To this end, it conducts an evaluation based on the quantitative factors of the identified impacts, risks and opportunities. Defined thresholds are employed to determine materiality. The mandatory disclosure requirements are determined based on the material impacts, risks and opportunities.

NRW.BANK has not identified any additional company-specific topics above and beyond the sustainability topics below.

Table 3: Disclosure requirements covered by the non-financial report [IRO-2]

Sustainability topic and subtopic	Materiality classification by pillar			Section in the report
	Own operations	Promotional business	CapM business	
E1 Climate change				
Climate change mitigation	not material	material	material	2.1.2
Climate change adaptation	not material	not material	material	2.1.2
Energy	not material	not material	material	2.1.2
E2 Environmental pollution				
Air pollution	not material	not material	material	2.2.1
Water pollution	not material	not material	material	2.2.1
Soil pollution	not material	not material	not material	–
Pollution of living organisms and food resources	not material	not material	not material	–
Microplastics	not material	not material	not material	–
Substances of concern	not material	not material	not material	–
Substances of very high concern	not material	not material	not material	–
E3 Water and marine resources				
Water	not material	not material	material	2.3.1
Marine resources	not material	not material	not material	–
E4 Biodiversity and ecosystems				
Impacts on the extent and condition of ecosystems	not material	material	material	2.4.2
Impacts on the state of species	not material	material	material	2.4.2
Direct causes of biodiversity loss	not material	not material	material	2.4.2
Impacts and dependencies on biodiversity and ecosystem services	not material	not material	not material	–
E5 Resource use and circular economy				
Resource inflows, including resource use	not material	material	not material	2.5.1
Resource outflows related to products and services	not material	not material	not material	–
Waste	not material	material	not material	2.5.1

Sustainability topic and subtopic	Materiality classification by pillar			Section in the report
	Own operations	Promotional business	CapM business	
S1 Own workforce				
Working conditions	material	not material	not material	3.1.1
Equal treatment and opportunities for all	material	not material	not material	3.1.1
Other work-related rights	not material	not material	not material	–
S2 Workers in the value chain				
Working conditions	not material	material	not material	3.2.1
Equal treatment and opportunities for all	not material	not material	not material	–
Other work-related rights	not material	not material	not material	–
S3 Affected communities				
Communities' economic, social and cultural rights	not material	material	material	3.3.1
Communities' civil and political rights	not material	material	material	3.3.1
Rights of indigenous communities	not material	not material	not material	–
S4 Consumers and end users				
Information-related impacts on consumers and/or end-users	not material	not material	not material	–
Personal safety of consumers and/or end-users	not material	not material	not material	–
Social inclusion of consumers and/or end-users	not material	not material	not material	–
G1 Business conduct				
Corporate culture	material	not material	not material	4.1
Protection of whistleblowers	material	not material	not material	4.2
Animal welfare	not material	not material	not material	–
Political engagement	not material	not material	not material	–
Management of relationships with suppliers, including payment practices	not material	not material	not material	–
Corruption and bribery	material	not material	not material	4.2

The table below shows the data points that result from other European legislation and their location in the report.

Table 4: List of data points in cross-cutting and topical standards that derive from other EU legislation [ESRS 2, Appendix B]

Disclosure obligation	Related data point	Section in the report
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	53% of the Supervisory Board members are women, while 47% are men. 60% of the Managing Board members are women, while 40% are men.	1.2.1
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)	All five members of the Managing Board are managing directors (100%).	1.2.1
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	The information presented in the non-financial report is identified, assessed and prioritised in the context of the materiality analysis. Both internal stakeholders and credible representatives of external stakeholders are involved here (see Chapter 1.4.1). The management of the impacts in the organisation also follows a structured process. These processes are analysed and addressed accordingly in the context of the annual sustainability strategy process.	1.2.4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	not material	–
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	not material	–
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	not material	–
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv	not material	–

Disclosure obligation	Related data point	Section in the report
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	not available	–
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)	not material	–
ESRS E1-4 GHG emission reduction targets, paragraph 34	not available	–
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	not material	–
ESRS E1-5 Energy consumption and mix, paragraph 37	not material	–
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	not material	–
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	19,838,941 tCO ₂ e	2.1.5
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	0.0028 tCO ₂ e/EUR	2.1.5
ESRS E1-7 GHG removals and carbon credits paragraph 56	not material	–
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	not material	–
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a)	not material	–
ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)	not material	–

Disclosure obligation	Related data point	Section in the report
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)	not material	–
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	not material	–
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	not material	–
ESRS E3-1 Water and marine resources, paragraph 9	The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework (see Chapter 2.1.2). With respect to ESRS E3 “Water and marine resources”, the Controversies Framework* covers some sustainability issues under the “Water stress” aspect. This approach avoids potential negative impacts on the sustainability topic of “water”.	2.3.1
ESRS E3-1 Dedicated policy, paragraph 13	not material	–
ESRS E3-1 Sustainable oceans and seas, paragraph 14	not material	–
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	not material	–
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations, paragraph 29	not material	–
ESRS 2- SBM 3 – E4 paragraph 16 (a) i	NRW.BANK has no sites in the vicinity of biodiversity-sensitive areas. An analysis of NRW.BANK’s location using the WWF Risk Filter classifies all four building locations as “low risk”. Therefore, no further analysis of the impacts pursuant to ESRS E4 in conjunction with SBM-3 is carried out.	1.3.3
ESRS 2- SBM 3 – E4 Land degradation, desertification or soil sealing, paragraph 16 (b)	not applicable	–
SRS 2- SBM 3 – E4 Threatened species, paragraph 16 (c)	not applicable	–

Disclosure obligation	Related data point	Section in the report
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	not material	–
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	not material	–
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	not material	–
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	not material	–
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	not material	–
ESRS 2- SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	not applicable	1.3.3, 3.1.1
ESRS 2- SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)	not applicable	1.3.3, 3.1.1
ESRS S1-1 Human rights policy commitments, paragraph 20	NRW.BANK has also committed itself to complying with the UN Global Compact, which it signed in 2009. As an active participant, NRW.BANK publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced and child labour and the elimination of discrimination. Strict adherence to relevant national and European laws, the observance of international standards – such as the UN Convention on the Rights of the Child – and the rejection of child and forced labour, as well as human trafficking, are fundamental principles for NRW.BANK. These commitments are embedded, among other things, in its Sustainability Strategy and Declaration of Human Rights.	3.1.1
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21	Strict adherence to relevant national and European laws, the observance of international standards – such as the UN Convention on the Rights of the Child – and the rejection of child and forced labour, as well as human trafficking, are fundamental principles for NRW.BANK. These commitments are embedded, among other things, in its Sustainability Strategy and Declaration of Human Rights.	3.1.1

Disclosure obligation	Related data point	Section in the report
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Strict adherence to relevant national and European laws, the observance of international standards – such as the UN Convention on the Rights of the Child – and the rejection of child and forced labour, as well as human trafficking, are fundamental principles for NRW.BANK. These commitments are embedded, among other things, in its Sustainability Strategy and Declaration of Human Rights.	3.1.1
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	<p>As an employer, NRW.BANK is directly legally responsible for implementing occupational safety measures to prevent workplace accidents and work-related health hazards, including the humane organisation of work. The Bank therefore has fundamental legal obligations essentially under five legal regulations:</p> <ol style="list-style-type: none"> 1. Occupational Health and Safety Act (Arbeitsschutzgesetz – ArbSchG); 2. Seventh Book the German Social Code – Statutory Accident Insurance (Siebtes Buch Sozialgesetzbuch – Gesetzliche Unfallversicherung – SGB VII); 3. Accident Prevention Regulation “Principles of Prevention” (Unfallverhütungsvorschrift „Grundsätze der Prävention“ – DGUV Regulation 1); 4. German Civil Code (Bürgerliches Gesetzbuch – BGB); 5. Occupational Safety Act (Arbeitssicherheitsgesetz – ASiG). <p>NRW.BANK receives guidance on implementation from the Occupational Safety Officer and the Occupational Medical Service in accordance with DGUV Regulation 2. The organisation of occupational safety and accident prevention, including the responsibilities and processes for implementing the basic obligations, is governed by NRW.BANK’s written instructions.</p>	3.1.1
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Besides the Complaints Office for the protection of employees against discrimination in accordance with the German General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz – AGG), all other concerns and needs of NRW.BANK employees can be raised at any time, also anonymously, via the centrally installed complaints management system. NRW.BANK implements the complaints management requirements defined by BaFin circular 06/2018.	3.1.3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Since the Bank’s foundation in 2002, there have been no known fatalities due to work-related injuries or work-related illnesses. Five reportable work accidents occurred in the reporting year 2024. The rate is 2.2.	3.1.14
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	In the reporting year, the number of days lost to work-related injuries resulting from work accidents totalled 350.	3.1.14

Disclosure obligation	Related data point	Section in the report
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	As of the reporting date of December 31, 2024, NRW.BANK had a gender pay gap of 14.1% across all employees.	3.1.16
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	As of the reporting date of December 31, 2024, the ratio between the total pay of the highest-paid individual to the median total pay of all employees was 9.1.	3.1.16
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	As in the previous years, no incident was reported to the Complaints Office in 2024.	3.1.17
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	As in the previous years, no incident was reported to the Complaints Office in 2024.	3.1.17
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	not applicable	1.3.3, 3.2.1
ESRS S2-1 Human rights policy commitments; paragraph 17	The ESG Promotion Requirements specify that NRW.BANK not only adheres to German and European protection laws but also complies with the Core Standards of the International Labour Organization (ILO Core Labour Standards, ILO Core Labour Convention) which set social and labour standards as well as humane working conditions, serving as a code of conduct against systematic violations of labour law. In addition to the standards mentioned, NRW.BANK also committed itself to complying with the UN Global Compact, which it signed in 2009. As an active participant, the Bank publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced, compulsory and child labour. NRW.BANK bases its definition of child labour on the internationally accepted definition of the United Nations Convention on the Rights of Children (CRC) of the years 1989/1990. Transactions that are associated with child or forced labour are therefore excluded. Violations of labour law, including the German and European protective laws and standards such as the ILO Core Labour Standards, result in exclusion from business activities.	3.2.1

Disclosure obligation	Related data point	Section in the report
ESRS S2-1 Policies related to value chain workers, paragraph 18	According to the ESG Promotion Requirements, transactions that are associated with child or forced labour are excluded. There is no code of conduct for suppliers since the expectations regarding workers in the value chain are outlined in explicit contractual terms. A supplier agreement is currently being prepared.	3.2.1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards or the OECD Guidelines for Multinational Enterprises concerning workers in the value chain were reported in our own operations or in upstream or downstream value chains during the reporting period.	3.2.1
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19	In connection with labour law violations, NRW.BANK complies not only with German and European protection laws but also with the ILO Core Labour Standards, which define social and labour standards as well as humane working conditions, as a code of conduct against systematic labour law violations. Violations of these protection laws and standards such as forced labour, discrimination or unequal pay will result in a ban on business activities.	3.2.1
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	In the reporting year, no severe human rights issues and incidents connected to the upstream and downstream value chain were reported.	3.2.4
ESRS S3-1 Human rights policy commitments, paragraph 16	Above and beyond its direct obligation to respect human rights in accordance with the Basic Law of the Federal Republic of Germany and the Constitution of the State of North Rhine-Westphalia, NRW.BANK's actions are based on the Universal Declaration of Human Rights adopted by the UN General Assembly. Consequently, the Bank excludes transactions that are related to acts that violate human rights and/or that are connected to illegal activities (e.g. human or organ trafficking, human smuggling, slavery). In addition, NRW.BANK bases its actions on the UN Guiding Principles and the OECD Guidelines and expects the beneficiaries of its promotional programmes to do the same.	3.3.1
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines. paragraph 17	No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards or the OECD Guidelines for Multinational Enterprises concerning affected communities were reported in our own operations or in upstream or downstream value chains to date.	3.3.1

Disclosure obligation	Related data point	Section in the report
ESRS S3-4 Human rights issues and incidents, paragraph 36	In the reporting year, no severe human rights issues and incidents connected to the upstream and downstream value chain were reported.	3.3.4
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	not material	–
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	not material	–
ESRS S4-4 Human rights issues and incidents, paragraph 35	not material	–
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	not applicable	–
ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	not applicable	–
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	In the fiscal year 2024, there were no convictions or fines resulting from the violation of anti-corruption and anti-bribery laws that affected NRW.BANK or its employees directly, which means that no action was required.	4.3
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	In the fiscal year 2024, there were no convictions or fines resulting from the violation of anti-corruption and anti-bribery laws that affected NRW.BANK or its employees directly, which means that no action was required.	4.3

2. Environment-related Information

2.1 Climate Change [E1]

2.1.1 Transition Plan for Climate Change Mitigation [E1-1]

NRW.BANK currently does not have any transition plan for climate change mitigation. In view of the transformation challenges in North Rhine-Westphalia, NRW.BANK is committed to the goals of the Paris Climate Agreement. The Bank plans to draw up a transition plan for climate change mitigation, Climate Transition Plan, in 2025. The basis will be provided by the "NRW.BANK Climate Vision" ("Zielbild Klima der NRW.BANK") defined in 2023 and integrated into the Bank's sustainability strategy and the first-time reporting on the GHG emissions financed by NRW.BANK pursuant to the PCAF for the fiscal year 2024 (see [Chapter 2.1.5](#)).

Via the PCAF, the emissions financed by NRW.BANK are recorded for the first time as part of an initial "zero measurement". In connection with the Climate Transition Plan, the gap between the currently financed GHG emissions and the staggered target values as well as further ongoing and planned projects and initiatives at the Bank such as the introduction of sector guidelines are to be taken into account.

2.1.2 Policies Related to Climate Change Mitigation and Adaptation [E1-2]

In its capacity as the promotional bank for North Rhine-Westphalia, NRW.BANK supports the sustainable transformation

of the federal state. NRW.BANK attaches particular importance to taking measures that support climate change mitigation and adaptation.

In the promotional and capital market business, lending and investments in companies can have both positive and negative impacts on climate protection.

The emissions financed and thus NRW.BANK's emission intensity could, for example, increase if the Bank were to finance recipients in the promotional business or investments in industries/issuers in the capital market business whose GHG emissions are not in line with the Paris Climate Agreement or which do not show any transformation efforts.

However, if the Bank finances recipients or issuers whose GHG emissions are in line with the Paris Climate Agreement or which show transformation efforts, NRW.BANK's emission intensity could decrease.

Potential positive impacts may also arise from the financing of projects that reduce CO₂ emissions or from investments in issuers that support the transformation to a climate-friendly economy.

With the 2024–2027 Strategy, the strategically relevant aspects of sustainability were integrated as a cross-sectional, overarching sustainability strategy into the Bank's overall strategy, which also

includes NRW.BANK's promotional, risk and business strategy. The Sustainability Strategy ensures the balanced management of material impacts, risks and opportunities. The publicly available explanations of the Sustainability Strategy* describe the strategic focus, the importance for the business activity, sustainability management as well as sustainability communication.

The Sustainability Strategy is closely interlinked with the other sub-strategies of the Bank's overall strategy. On the basis of the Bank's generally decentralised organisation, responsibility for specific operational sustainability aspects lies with the relevant business units. As part of a central coordination function, the Sustainability and Impact Management Department of the Risk Control business unit ensures that the necessary framework conditions and regulations are in place and transfers current market developments into the Bank.

As part of its Sustainability Strategy, NRW.BANK pursues the sustainability goals it has identified also outside its own business activity. NRW.BANK's membership of various initiatives and associations for sustainable corporate action underlines the Bank's commitment to sustainability externally, while its participation in voluntary endorsements increases the traceability and comparability of its activities. The Bank is a signatory/member of the following initiatives, among others, and has undertaken to consider their principles when developing its strategy:

- Germany's "Diversity Charter" (Charta der Vielfalt),
- United Nations Environment Programme Finance Initiative (UNEP-FI),

- UN Global Compact,
- UN Principles for Responsible Investments,
- Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (VfU).

As an active participant in the EU Global Compact, NRW.BANK publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. The Principles 7 to 9 address a better handling of environmental issues (Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility; Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies).

In connection with the further development of sustainability issues – here: climate change mitigation and adaptation – external input from sustainability stakeholder dialogues (see [Chapter 1.2.3](#)) can be incorporated into the Bank's Sustainability Strategy.

NRW.BANK takes into account the issues of climate change mitigation and adaptation, energy efficiency and renewable energies in its Sustainability Strategy and puts these into more concrete terms in the ESG Promotion Requirements for the promotional business and in the ESG Investment Framework for the capital market business.

NRW.BANK aims to promote and finance projects with potential positive impacts on environmental and climate protection as

well as on the adaptation to climate change and has anchored relevant criteria in the ESG Promotion Requirements. In addition, the Bank's Sustainability Strategy defines allocation and knock-out criteria for the promotional business in the ESG Promotional Requirements, which refer in particular to climate change mitigation and adaptation. The ESG Investment Framework governs the ESG integration in the capital market business.

Aligning the promotional offerings more closely with the challenges of the ecological transformation (especially reduction of GHG emissions and adverse environmental impacts, strengthening of climate resilience and protection of biodiversity) is a key component of the more concrete requirements for the promotional business. Positive sustainability impacts are supported by extending promotional loans for specific purposes. In addition, NRW.BANK's promotion agenda (as part of the Bank's overall strategy) supports, among others, the further development of promotion in favour of climate protection investments by individual companies as a strategic measure.

In the ESG Promotion Requirements, the Bank undertakes to adopt a precautionary approach in order to reduce or exclude business activities that pollute the environment and disrespect the dignity of human beings and/or animals. As a matter of principle, NRW.BANK considers controversial environmental behaviour outside the legally permitted framework to be unacceptable. In particular, violations of the Federal Law on Conservation and Environmental Care (Bundesnaturschutzgesetz – BNatSchG) and/or the German Law on Environmental Harms

(Umweltschadengesetz – USchadG) as well as similar legal regulations are considered controversial environmental behaviour by NRW.BANK. The defined grant conditions or the regulations of the respective institutions apply here.

For promotion under the house bank principle, the house bank and NRW.BANK assess whether the ESG Promotion Requirements are met during the eligibility check. The entire promotional business of NRW.BANK, whose organisation is at its own discretion, falls within the scope of the knock-out criteria defined in the ESG Promotion Requirements. The latter do not include on-lending to other promotional banks, state programmes, housing promotion to private customers as well as housing promotion and transactions on behalf of the federal state (Zuweisungsgeschäft). The ESG Promotion Requirements are published on NRW.BANK's website and are thus accessible to all stakeholders. In addition, they are communicated to the house banks. The Sustainability and Impact Management Department of the Risk Control business unit is responsible for developing and implementing the ESG Promotion Requirements. Moreover, NRW.BANK maintains an ongoing dialogue with the house banks on the consideration of sustainability aspects and the handling of controversial business practices, business activities and business fields. In direct business, the ESG Promotion Requirements are considered during NRW.BANK's standard eligibility check of the lending process and included in the overall assessment of the transaction. Just like other risks, potential sustainability risks are assessed as part of the regulated lending approval process. The available information is used as the basis to check whether the financing and the business partners

comply with the Bank's values and its Sustainability Strategy in terms of social, environmental and ethical aspects.

The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework. The Capital Markets business unit is responsible for developing and implementing the ESG Investment Framework.

NRW.BANK is committed to international standards and supports the 10 Principles of the UN Global Compact as a signatory. To avoid investments in issuers with serious violations of international standards, NRW.BANK considers MSCI ESG Controversies research. The latter indicates corresponding violations in the form of controversy flags. The set of values comprises some 50 generally applicable global standards, such as the UN Global Compact, the Core Labour Standards of the International Labour Organization (ILO), the UN Guiding Principles and the OECD Guidelines. The explicit designation of the last two frameworks was supplemented during the reporting period and published on January 1, 2025. The analysis covers, for example, the violation of international agreements and company policies with respect to the handling of controversies. The severity of the violations is indicated by flags ranging from green to red. Very serious violations are indicated by red flags. To exclude securities with substantial controversies, new investments in securities with a red MSCI ESG controversy flag are prohibited. With respect to

climate protection, the Controversies Framework* covers some sustainability issues under the "Energy and climate change" aspect.

To integrate ESG criteria into the selection of the investments and the management of the portfolio, NRW.BANK has developed its own sustainability traffic light system. This is monitored via a daily report and ensures ESG integration of well over 95% of the total portfolio. The rating system is based on the MSCI ESG rating for companies and countries and can be categorised as positive (best-in-class) screening. The MSCI ESG rating is based on benchmarking within individual industries. Criteria in the areas of "environment", "social affairs and society" and "governance" are assessed according to industry relevance and subjected to a "best-in-class" analysis within a sector or peer group defined by MSCI ESG Research. For country risks, the risk sensitivity and risk management with respect to environmental, social and governance issues are assessed. The comparison is made on a global level. NRW.BANK's sustainability portfolio (as a part of the total portfolio) consists of investments with an MSCI ESG Research investment rating of AAA to BBB (and/or equivalent ratings). The sustainability traffic light indicates the share of the portfolio in the total portfolio by means of the colours red, yellow and green and defines any necessary responses. The latter include, in a first step, information from the Managing Board's Asset Liability Committee (ALCO) and, if necessary, the

adjustment of the total portfolio in subsequent steps. New corporate portfolio investments in “laggards” (companies with a high ESG risk compared to the sector as a whole) as defined by the MSCI ESG Rating (B and CCC) are also prohibited. This approach avoids potential negative impacts on climate change.

The proportion of countries or sectors that are increasingly exposed to environmental, social or governance risks is analysed regularly and reported in the monthly risk report and quarterly in the Risk Committee. Sustainability criteria (in addition to the internal credit rating) are taken into account in the investment portfolio for the corporate concentration limits anchored in the risk strategy.

Table 5: Minimum disclosures on the Sustainability Strategy [E1-2, MDR-P]

Sustainability Strategy (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>In its capacity as the promotional bank of the State of North Rhine-Westphalia, NRW.BANK pursues a sustainable business model and is a future-oriented public-law employer acting in an ecologically responsible manner. The Sustainability Strategy provides a framework for creating potential positive impacts or avoiding/combating potential negative impacts. This can be achieved by means of promotional loans or capital market activities aimed at avoiding or reducing GHG emissions.</p> <p>The Sustainability Strategy is a cross-sectional, overarching sub-strategy that is closely interlinked with the other sub-strategies of the Bank’s overall strategy. NRW.BANK considers issues such as climate change mitigation and adaptation, energy efficiency and renewable energies in its Sustainability Strategy. These are further detailed or operationalised in the ESG Promotion Requirements for its promotional business and in the ESG Investment Framework for its capital market business. As part of its promotional business, NRW.BANK primarily supports the development of sustainable and future-proof living conditions in North Rhine-Westphalia. This is why NRW.BANK specifically promotes and finances projects that support environmental and climate protection, social cohesion and the improvement of economic structures.</p> <p>The Sustainability Strategy is presented as part of the Bank’s overall strategy at various committee meetings, where the annual adjustments are discussed. In this context, internal coordination sessions ensure that it is interlinked with the other sub-strategies of the Bank.</p>

Sustainability Strategy (MDR-P)

ESRS 2.65 b) Scope of application	NRW.BANK considers issues such as climate change mitigation and adaptation, energy efficiency and renewable energies in its Sustainability Strategy. These are further detailed or operationalised in the ESG Promotion Requirements for its promotional business and in the ESG Investment Framework for its capital market business. The Sustainability Strategy is applied in (risk) strategic and business policy decisions, in the shaping of the Bank's range of products and services down to the implementation of specific financings, in its capital market activities and in the advisory services it provides.
ESRS 2.65 c) Responsibility	On the basis of the Bank's generally decentralised organisation, responsibility for specific operational sustainability aspects lies with the relevant business units. As part of a central coordination function, the Sustainability and Impact Management Department ensures that the necessary framework conditions and regulations are in place and transfers current market developments into the Bank. The Managing Board serves as the highest supervisory level and is ultimately responsible for defining and approving the Sustainability Strategy.
ESRS 2.65 d) Third-party standards and initiatives	<p>As part of its Sustainability Strategy, NRW.BANK pursues the sustainability goals it has identified also outside its own business activity. NRW.BANK's membership of various initiatives and associations for sustainable corporate action underlines the Bank's commitment to sustainability externally, while its participation in voluntary endorsements increases the traceability and comparability of its activities. The Bank is a signatory/member of the following initiatives, among others, and has undertaken to consider their principles when developing its strategy:</p> <ul style="list-style-type: none">— Germany's "Diversity Charter" (Charta der Vielfalt),— United Nations Environment Programme Finance Initiative (UNEP-FI),— UN Global Compact,— UN Principles for Responsible Investments,— Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (VfU).
ESRS 2.65 e) Consideration of stakeholders	In connection with the further development of sustainability issues – here: climate change mitigation and adaptation – external input from sustainability stakeholder dialogues (see Chapter 1.2.3) can be incorporated into the Bank's Sustainability Strategy. With the exception of informing and discussing with the guarantor, stakeholders are not further involved in the adoption of the Sustainability Strategy.

Table 6: Minimum disclosures on the ESG Promotion Requirements [E1-2, MDR-P]

ESG Promotion Requirements (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>In its capacity as the promotional bank of the State of North Rhine-Westphalia, NRW.BANK pursues a sustainable business model and is a future-oriented public-law employer acting in an ecologically responsible manner. The ESG Promotion Requirements put the Sustainability Strategy into more concrete terms. The financing of recipients or projects that reduce CO₂ emissions can result in potential positive impacts on the environment. The ESG Promotion Requirements also avoid or combat potential negative impacts that could result from the financing of recipients or projects whose GHG emissions are not in line with the goals of the Paris Climate Agreement or that show no transformation efforts.</p> <p>As part of the Bank's Sustainability Strategy, promotional conditions and promotional requirements with regard to sustainability are defined for the promotional business in the ESG Promotion Requirements. Aligning the promotional offerings more closely with the challenges of the ecological transformation (especially reduction of GHG emissions and adverse environmental impacts, strengthening of climate resilience and protection of biodiversity) is a key component of the more concrete requirements for the promotional business. Positive overall sustainability effects are supported by extending promotional loans for a specific purpose (e.g. financing of recipients or projects that reduce CO₂ emissions). In the ESG Promotion Requirements, the Bank undertakes to adopt a precautionary approach in order to reduce or exclude business activities that pollute the environment and disrespect the dignity of human beings and/or animals. As a matter of principle, NRW.BANK considers controversial environmental behaviour outside the legally permitted framework to be unacceptable. In particular, violations of the Federal Law on Conservation and Environmental Care (Bundesnaturschutzgesetz – BNatSchG) or the German Law on Environmental Harms (Umweltschadensgesetz – USchadG) as well as similar legal regulations are considered controversial environmental behaviour by NRW.BANK. In direct business, the ESG Promotion Requirements are considered during NRW.BANK's standard eligibility check of the lending process and included in the overall assessment of the transaction. Just like other risks, potential sustainability risks are assessed as part of the regulated lending approval process. The available information is used as the basis to check whether the financing and the business partners comply with the Bank's values and its Sustainability Strategy in terms of social, environmental and ethical aspects.</p>
ESRS 2.65 b) Scope of application	<p>The promotional business applies to private and corporate customers based in NRW. NRW.BANK's new promotional business, whose organisation is at its own discretion, falls within the scope of the knock-out criteria defined in the ESG Promotion Requirements. The latter do not include on-lending to other promotional banks, state programmes, housing promotion to private customers as well as housing promotion and transactions on behalf of the federal state (Zuweisungsgeschäfte). The defined grant conditions or the regulations of the respective institutions apply here.</p>

ESG Promotion Requirements (MDR-P)	
ESRS 2.65 c) Responsibility	The Sustainability and Impact Management Department is responsible for developing the ESG Promotion Requirements. On the basis of the Bank's generally decentralised organisation, responsibility for the operational implementation of the ESG Promotion Requirements lies with the relevant business units. The Managing Board serves as the highest supervisory level and is ultimately responsible for defining and approving the ESG Promotion Requirements.
ESRS 2.65 e) Consideration of stakeholders	NRW.BANK maintains an ongoing dialogue with the house banks on the consideration of sustainability aspects and the handling of controversial business practices, business activities and business fields.

Table 7: Minimum disclosures on the ESG Investment Framework [E1-2, MDR-P]

ESG Investment Framework (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>In its capacity as the promotional bank of the State of North Rhine-Westphalia, NRW.BANK pursues a sustainable business model and is a future-oriented public-law employer acting in an ecologically responsible manner. The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework. Potential positive impacts may thus arise from investing in issuers/sectors or countries whose GHG emissions are in line with the goals of the Paris Climate Agreement. The ESG Investment Framework also aims to combat potential negative impacts on the environment and people that arise from investing in issuers/sectors or countries whose GHG emissions are not in line with the goals of the Paris Climate Agreement or that show no transformation efforts.</p> <p>To avoid investments in issuers with serious violations of international standards, NRW.BANK considers MSCI ESG Controversies research. The latter indicates corresponding violations in the form of controversy flags. The analysis covers, for example, the violation of international agreements and company policies with respect to the handling of controversies. The severity of the violations is indicated by flags ranging from green to red. To exclude securities with substantial controversies, new investments in securities with a red MSCI ESG controversy flag are prohibited. With respect to climate protection, the Controversies Framework* "Energy and Climate Change" covers some sustainability issues. To integrate ESG criteria into the selection of the investments and the management of the portfolio, NRW.BANK has developed its own sustainability traffic light system. This is monitored via a daily report and ensures ESG integration of well over 95% of the total portfolio. The rating system is based on the MSCI ESG rating for companies and countries and can be categorised as positive (best-in-class) screening. The MSCI ESG rating is based on benchmarking within individual industries. Criteria in the areas of "environment", "social affairs and society" and "governance" are assessed according to industry relevance and subjected to a "best-in-class"</p>

ESG Investment Framework (MDR-P)

analysis within a sector or peer group defined by MSCI ESG Research. For country risks, the risk sensitivity and risk management with respect to environmental, social and governance issues are assessed. The comparison is made on a global level. NRW.BANK's sustainability portfolio (as a part of the total portfolio) consists of investments with an MSCI ESG Research investment rating of AAA to BBB (and/or equivalent ratings). The sustainability traffic light indicates the share of the portfolio in the total portfolio by means of the colours red, yellow and green and defines any necessary responses. The latter include, in a first step, the information of the Managing Board's Asset Liability Committee (ALCO) and, if necessary, the adjustment of the total portfolio in subsequent steps. New corporate portfolio investments in "laggards" as defined by the MSCI ESG Rating (B and CCC) and MSCI's Implied Temperature Rise are also prohibited. This approach avoids potential negative impacts on climate change.

ESRS 2.65 b) Scope of application

To exclude material ESG risks of the total portfolio and to ensure that the share of the portfolio that has a positive sustainability impact is as high as possible, NRW.BANK incorporates ESG issues into the analysis and decision-making processes for its investment portfolio. The reference values of the total portfolio are the securities business and the surrogate loan business in connection with public, corporate and financial investments as well as municipal financing.

ESRS 2.65 c) Responsibility

The Capital Markets business unit is responsible for developing and implementing the ESG Investment Framework. The Managing Board serves as the highest supervisory level and is ultimately responsible for defining and approving the ESG Promotion Requirements.

ESRS 2.65 d) Third-party initiatives

NRW.BANK is committed to international standards and supports the 10 Principles of the UN Global Compact as a signatory. To avoid investments in issuers with serious violations of international standards, NRW.BANK considers MSCI ESG Controversies research. The set of values comprises some 50 generally applicable global standards, such as the UN Global Compact, the ILO Core Labour Standards, the UN Guiding Principles and the OECD Guidelines. In addition, NRW.BANK signed the UN Principles for Responsible Investments (UN PRI) in 2020.

2.1.3 Actions and Resources in Relation to Climate Change Policies [E1-3]

In pursuing the actions derived from its overall strategy, NRW.BANK is guided by the following overall principle: “The Bank’s activities are geared towards sustainability. The strategic approach to sustainability issues and the strategic sustainability objectives are derived from the Sustainability Strategy of NRW.BANK.” Considering this, actions for the further development of sustainability at NRW.BANK were determined in the Sustainability Programme 2025 to 2028 for a four-year period as part of the annual update. These are the fields of action in the three business pillars (promotional business, capital market business and banking operations), in which the Bank aims to make further progress in its sustainability efforts.

The Sustainability Strategy specifies actions to achieve this in the promotional business and in the capital market business. To increase investments in innovative production processes and the careful use of resources and energy, NRW.BANK provides promotional incentives for each corporate phase.

In this way, NRW.BANK supports the necessary transformation processes with the aim of reducing GHG emissions and other environmental impacts and strengthening climate resilience.

To take account of transformation opportunities/risks and the Paris Climate Agreement in the capital market business, NRW.BANK has included the Implied Temperature Rise (ITR) as a management parameter in the corporate portfolio since 2023 as a first action. The methodology of the Implied Temperature Rise is based on the consideration of the remaining CO₂ emissions that may be emitted to limit global warming to a maximum of 2.0 °C. A share of these CO₂ emissions is allocated to listed companies. Based on the companies’ reported emissions and reduction targets, company-specific emission time series are simultaneously determined and compared with the allocated budget. The comparison of the values results in an overshoot or undershoot of the available budget. Using the scientifically based Transient Climate Response to Cumulative Emission (TCRE) approach, the determined overshoot or undershoot can be converted into a warming potential. The ITR is used to limit concentration risks in the corporate portfolio while at the same time promoting those companies that have high transformation ambitions. The first operational target is to improve the ITR management parameter of the corporate portfolio – a sub-portfolio of the investment portfolio – by about 0.5 °C by 2026. A conversion of the expected target temperature into CO₂e is not possible with the methodology already used. The scope of application of this action therefore refers explicitly to NRW.BANK’s

corporate portfolio. The time horizon for this action is set until 2026. The action is not dependent on financial resources. Other ongoing actions in connection with climate change and adaptation to climate change include the expansion of the promotion of sustainable investments by companies, in particular of CO₂ reduction projects in NRW.BANK's promotional business as well as the expansion of sustainable portfolio management to take account of transformation opportunities/risks and support the Paris Climate Agreement in the capital market business.

Table 8: Minimum disclosures on the Implied Temperature Rise action [E1-3, MDR-A]

Implied Temperature Rise (MDR-A)	
ESRS 2.68 a) Key actions	The consideration of transformation opportunities/risks and the goals of the Paris Climate Agreement based on the ITR is a key component in achieving the sustainability objective in NRW.BANK's capital investments. To this end, NRW.BANK has taken into account the ITR as a further management parameter for limiting concentration risks in the corporate portfolio since 2023. Specifically, new investments in companies without transformation ambitions will be excluded in the future, while investments in companies with transformation ambitions with regard to the goals of the Paris Climate Agreement will be actively promoted. The ITR is used to limit concentration risks in the corporate portfolio while at the same time promoting those companies that have high transformation ambitions. As an initial result, the corporate portfolio is expected to have a maximum ITR of 2.05 °C in 2026. The action is not dependent on financial resources.
ESRS 2.68 b) Scope	The scope of application of this action refers explicitly to NRW.BANK's corporate portfolio.
ESRS 2.68 c) Time horizons	The time horizon for this action is set until 2026.

2.1.4 Targets Related to Climate Change Mitigation and Adaptation [E1-4]

In connection with the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024, so that further ESRS-compliant targets and actions can be reported for the subsequent reporting year 2025. The strategic sustainability objectives influence the way in which NRW.BANK does business and are thus intended to ensure that the sustainability issue is further developed on an ongoing basis.

To drive forward NRW.BANK's sustainability efforts, there are both sustainability objectives for the Bank as a whole as well as specific sustainability objectives within the respective pillar. In view of the transformation challenges in North Rhine-Westphalia, NRW.BANK clearly focuses on achieving the goals of the Paris Climate Agreement. Enhancing social sustainability in North Rhine-Westphalia – especially with regard to social participation – also remains a strategic focus for NRW.BANK.

All targets and the related actions are refined and updated annually and published in NRW.BANK's Sustainability Programme. The achievement of the targets is discussed in the Bank's Sustainability Committee and published in the Sustainability Report.

NRW.BANK has defined the "Strengthening and expansion of environmentally and socially sustainable promotional products" as a strategic sustainability objective in the promotional business.

This objective is also to be achieved by reviewing possibilities for risk mitigation in climate protection investments (e.g. hydrogen).

In connection with climate change mitigation and adaptation, NRW.BANK has set itself the target of reducing the ITR of the corporate portfolio by about 0.5 C by 2026. There are several climate assessment models for future-oriented portfolio management and assessment on the market. These models are based on different methods and assumptions. There is currently no standard. In this context, the internationally recognised Task Force on Climate-related Financial Disclosures (TCFD), which strives for greater transparency and standardisation, has commissioned an independent group of experts, the Portfolio Alignment Team (PAT), to examine these approaches. Following public consultation, the TCFD finally published recommendations for future-oriented portfolio management in 2021. The ITR model, which is based on a budget approach, was recommended. The underlying carbon budget is based on calculations of the Intergovernmental Panel on Climate Change (IPCC).

The targets were set internally, taking into account the goals of the Paris Climate Agreement. The relevant stakeholders are informed about the introduction of the ITR model via the stakeholder dialogue. In addition, it is communicated via the ESG Investment Framework or supplementary sustainability reporting and the Sustainability Programme as well as in investor meetings.

The effectiveness of the Sustainability Strategy and the associated actions is tracked via the sustainability strategy process and the corresponding Sustainability Programme.

Table 9: Minimum disclosures on the Implied Temperature Rise target [E1-4, MDR-A]

Implied Temperature Rise (MDR-T)	
ESRS 2.80 a) Relationship of the target to the policy objectives	The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework. Portfolio management by means of the ITR helps limit the temperature rise in the corporate portfolio.
ESRS 2.80 b) Defined target level	The target value is around 2.1 °C.
ESRS 2.80 c) Scope of the target	The scope of application refers exclusively to NRW.BANK's corporate portfolio.
ESRS 2.80 d) Baseline value and base year	The base year is 2021, in which the ITR had a baseline value of around 2.6 °C.
ESRS 2.80 e) Period to which the target applies	The period runs until 2026.
ESRS 2.80 f) Methodology and assumptions	There are several climate assessment models for future-oriented portfolio management and assessment on the market. These models are based on different methods and assumptions. There is currently no standard. In this context, the internationally recognised Task Force on Climate-related Financial Disclosures (TCFD), which strives for greater transparency and standardisation, has commissioned an independent group of experts, the Portfolio Alignment Team (PAT), to examine these approaches. Following public consultation, the TCFD finally published recommendations for future-oriented portfolio management in 2021. The ITR model, which is based on a budget approach, was recommended.
ESRS 2.80 g) Relationship to environmental matters based on conclusive scientific evidence	The underlying emissions budget is based on calculations of the Intergovernmental Panel on Climate Change (IPCC).
ESRS 2.80 h) Involvement of stakeholders	The targets were set internally, taking into account the goals of the Paris Climate Agreement. The relevant stakeholders are informed about the introduction of the ITR model via the stakeholder dialogue. It is communicated via the ESG Investment Framework, sustainability reporting and the Sustainability Programme as well as in investor meetings.
ESRS 2.80 j) Monitoring and review	The ITR is included in the daily internal reports of the Capital Markets business unit.

2.1.5 Gross Scope 3 Category 15 GHG Emissions [E1-6]

To increase transparency of its own business activities, NRW.BANK's GHG emissions caused by projects financed by the Bank were measured for the first time pursuant to the PCAF standard for 2024.

Table 11 "GHG emissions pursuant to the PCAF standard A" shows a detailed breakdown of the emissions pursuant to the PCAF. For NRW.BANK, the gross GHG emissions of category 15 (Investments) are the only significant category within Scope 3 emissions. The methodology, calculation and disclosure comply with the Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the Global GHG Accounting and Reporting Standard for the Financial Industry of the PCAF, in particular Part A "Financed Emissions" (version dated December 2022). According to the basic attribution principle of the standard, the financial institution bears a share of the annual emissions of the financed company, which results from the ratio between the outstanding amount of the institution (numerator) and the value of the financed company (denominator). This ratio is known as the attribution factor. The exact calculation of the attribution factor for each PCAF category is shown in detail in the standard.

The PCAF enables the categorisation of exposures into seven categories. These categories are:

- Listed equity and corporate bonds,
- Business loans and unlisted equity,
- Project finance,
- Commercial real estate,
- Mortgages,
- Motor vehicle loans,
- Sovereign debt.

The respective category specifies the calculation formula for the respective exposure.

According to the PCAF method, the first step involves determining the attribution factor, which relates NRW.BANK's exposure to the total value of the company. NRW.BANK uses the carrying amount of the respective transaction as the outstanding exposure in the calculation. This ensures consistency of the balance sheet total between the annual financial statements and the basic amount to be considered for calculating the financed emissions as well as transferability to NRW.BANK's other reports. In the next step, the attribution factor is multiplied by the GHG emissions of the respective customer, which results in NRW.BANK's share of the customer emissions. If necessary, the data required to calculate emissions are supplemented by data supplied by external data providers.

In total, NRW.BANK's gross GHG emissions for all of its financing totalled 19,838,941 tCO₂e (tonnes of CO₂ equivalent) by the end of the reporting year 2024. The calculation is based on the underlying transactions recognised in accordance with the German Commercial Code (HGB) as of December 31, 2024. The financed emissions include debt instruments such as corporate bonds and loans to companies (with known and unknown utilisation of funds) as well as project financing, equity financing and government bonds. Given that NRW.BANK is the promotional bank of the State of North Rhine-Westphalia, a large proportion of its total assets are attributable to the second administrative level (state administrations) and the third administrative level (administrations of municipalities and municipal associations). The current PCAF standard (version dated December 2022) does not define a methodology for these, which is why they are presently not taken into account in the calculations. As at the reporting date, NRW.BANK does not hold any equity instruments such as shares in listed companies. Investments in shares are excluded in NRW.BANK's capital market business. In the promotional business, such investments are also not sought, but cannot be ruled out generally. In the case of equity financing, small share positions may be included as part of the purchase price payment upon sale.

In accordance with the PCAF standard, the following off-balance sheet items, products and transactions are not taken into account:

- credit default swaps (CDSs),
- exposures with central banks,
- sustainable bonds, such as green bonds,
- money market transactions (term < 2 years),
- cash collaterals,
- securitisations,
- foreign public-sector entities,
- loans to own employees,
- existing property financing of own employees,
- loans with a known purpose for building modernisation,
- third-party managed funds,
- off-balance sheet derivatives and
- exposures with the second and third administrative levels.

In accordance with the requirements of the PCAF standard, loans to private individuals are only taken into account if they are used to finance owner-occupied residential properties (PCAF category "Mortgages") or vehicles (PCAF category "Motor vehicle loans").

With regard to the PCAF standard, NRW.BANK has defined the following procedures for implementation, partly for reasons of clarification and partly for reasons of data availability:

- In the “Commercial real estate” and “Mortgages” categories, the total costs are used for loans of the Housing Financing business unit instead of the property value at the time of conclusion of the contract.
- Apartment buildings are allocated to the “Commercial real estate” category if at least one residential unit is used to generate income from letting or leasing.
- For most of the existing financed buildings, there are no energy certificates or other information on the energy standard of the buildings. For the “Commercial real estate” and “Mortgages” categories, the financed emissions are therefore calculated using nationwide averages (differentiated by building type).

Owing to a lack of detailed information on the end borrowers in NRW.BANK’s on-lending business, the calculation of the financed emissions from on-lending business volume is based on the respective house bank or its sector-specific emissions. The financed emissions of the PCAF category “Motor vehicle loans” will only be calculated at a later date due to the limited availability of data and its low relevance for the promotional business of NRW.BANK. Until then, corresponding loans are taken into account in the “Business loans and unlisted equity” category.

Existing business in already completed Promotional Programmes with only small residual volumes and for which there is insufficient data for allocation to one of the PCAF categories is not taken into account.

NRW.BANK does not report on avoided and reduced emissions in the 2024 non-financial report. A binding timeline for their inclusion will be defined as soon as the implementation of the calculation has been finalised.

The majority of the Promotional Programme business can be allocated to one of the seven PCAF categories. However, transactions may be excluded from the calculation of financed emissions despite being allocated to a category if the necessary information for the calculation is missing. The financed emissions are calculated pursuant to the methodologies of the Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF) assigned to the respective asset class.

Table 10 “Reconciliation” provides an overview of the calculation parameters and results. Deviations between the calculated assets and the assets generally covered by the PCAF arise from a lack of data for the calculation.

Table 10: Reconciliation [E1-6]

GHG Emissions Balance		Dec. 31, 2024
Total assets (as recognised in the balance sheet)	€ millions	161,784
Allocated assets pursuant to the PCAF	€ millions	86,528
Calculated assets	€ millions	74,976
Share of allocated assets in total assets	%	53.48
Share of calculated assets in allocated assets	%	86.65
Coverage ratio (share of calculated assets in total assets)	%	46.34
Scope 1/Scope 2 emissions of category 3.15	tCO ₂ e	6,091,829
Scope 3 emissions of category 3.15	tCO ₂ e	13,747,112
Total GHG emissions	tCO ₂ e	19,838,941
Emission intensity	tCO ₂ e/€ million	265
Average weighted DQ score ¹⁾	1–5 ¹⁾	4.59

¹⁾ High quality = 1, Low quality = 5

Table 11: GHG emissions pursuant to the PCAF standard A [E1-6]

PCAF category	Allocated assets	Calculated assets	Share of calculated assets in allocated assets (%)	Scope 1 and Scope 2 emissions (tCO ₂ e)	Scope 3 emissions (tCO ₂ e)	Total GHG emissions (tCO ₂ e)	Emission intensity (tCO ₂ e/€ million)	Average weighted data quality score ¹⁾ (Scope 1 + 2)	Average weighted data quality score ¹⁾ (Scope 3)	Average weighted data quality score ¹⁾ (total emissions)
Listed equity & bonds	16,360,221,545	16,343,114,651	99.90%	173,192	3,002,311	3,175,502	194	2.75	3.17	3.15
Business loans	41,963,825,429	39,074,928,054	93.12%	4,519,379	10,056,936	14,576,316	373	5.00	4.98	4.99
Project finance	158,157,362	158,157,362	100.00%	43,227	37,202	80,429	509	5.00	5.00	5.00
Mortgages	17,223,132,527	9,852,961,451	57.21%	162,801	0	162,801	17	4.00	–	4.00
Commercial real estate	3,075,709,681	1,844,090,215	59.96%	50,020	0	50,020	27	4.00	–	4.00
Sovereign debt	7,747,424,768	7,703,020,130	99.43%	1,143,210	650,663	1,793,873	233	4.00	4.00	4.00
Total	86,528,471,312	74,976,271,863	86.65%	6,091,829	13,747,112	19,838,941	265	4.71	4.54	4.59

¹⁾ High quality = 1, Low quality = 5

NRW.BANK's absolute CO₂e footprint for the year 2024 in the category 3.15 "Investments", consisting of Scope 1 and Scope 2 gross GHG emissions of the financed customers, amounts to 6,091,829 tCO₂e. According to the PCAF, the Scope 3 gross GHG emissions (emissions generated in the value chain of customers) of the financed companies in particularly GHG-intensive sectors must also be reported.

NRW.BANK calculates the Scope 3 gross GHG emissions for its entire relevant business pursuant to the PCAF standard (see above for exceptions). NRW.BANK's CO₂e footprint regarding the Scope 3 gross GHG emissions of the financed companies amounts to 13,747,112 tCO₂e for the year 2024. The reported financed emissions totalling 19,838,941 tCO₂e cover around 46% of NRW.BANK's total assets of around € 162 billion. The coverage

ratio achieved in the individual PCAF categories in 2024 is shown in Table 11. Taking into account the exposures with the second and third administrative level currently excluded due to a lack of methodology would result in a coverage ratio of around 74%. NRW.BANK's exposure with the second and third administrative level has a volume of around € 45 billion. The average data quality score (DQS, i.e. the quality of the data used) is 4.59. A data quality score of 1 is assigned to the highest possible data quality (actual and verified emissions of the customer) and a data quality score of 5 indicates that the calculated emissions are based on estimates and average values of the respective sectors.

The share of primary data (with at least a data quality score of 2) used to calculate NRW.BANK's emissions for category 3.15 "Investments" is around 13%. Only transactions for which Scope 1, Scope 2 and Scope 3 GHG emissions are available from primary data are taken into account in the calculation.

The respective data quality scores for Scope 1 and Scope 2 and separately for Scope 3 for each PCAF category can be found in Table 11 "GHG emissions pursuant to the PCAF standard A".

NRW.BANK generally follows the "follow the money" principle set out in the PCAF standard. Accordingly, it does not restrict its calculation of the financed emissions to the level of the house banks, but bases its calculations – wherever the data allows – on

the end borrowers and the actual utilisation of the funds granted. Data availability in the Promotion Programme business is affected by the house bank principle applied by NRW.BANK (see [Chapter 1.3.1](#)). Because of this principle, NRW.BANK currently lacks company-specific (emissions) data for many small and medium-sized enterprises as end borrowers. NRW.BANK therefore bases its calculation of financed emissions for these end borrowers on industry-specific average values. For on-lending business and global loans, NRW.BANK lacks information on the sector of the end borrowers (NACE code), which makes it impossible to implement the "follow the money" principle. To still account the respective promotion volume, NRW.BANK uses the sector code of the intermediary house bank for these transactions in this year's report.

NRW.BANK is working on obtaining additional relevant data for new business to create a broader and higher-quality basis for calculating the financed emissions. As a result of the increased data availability, NRW.BANK's average data quality score when calculating the financed emissions will also increase in the future.

The financed emissions represent NRW.BANK's share in the GHG emissions of the financed companies, projects, properties and government bonds. To calculate this share (attribution factor), the outstanding amount of the Bank is set in relation to

the value of the company. The financial data on the company required for the calculation come mainly from the Bank's systems. In the case of capital market-oriented companies, individual key figures such as Enterprise Value Including Cash (EVIC) are obtained from external providers. In addition, NRW.BANK also receives reported Scope 1, Scope 2 and Scope 3 emissions of financed companies in accordance with the PCAF requirements from external data providers, namely MSCI Inc. When introducing additional data requirements for customers, NRW.BANK always strives to strike a balance between user-friendly and lean application processes for its promotional products on the one hand and provision of the data required on the other hand. As a result, obtaining additional information from external data providers will remain indispensable in the future.

Owing to limitations in data availability, the financed emissions are calculated using both primary and secondary data. Primary data (reported emissions) are preferred over secondary data (estimated values, sector averages) as they are more accurate and therefore enhance the data quality score (DQS) of the results. NRW.BANK aims to gradually increase the DQS in the coming years. Primary and secondary data are collected as of the reporting date (December 31 of each year). The most recent available data are utilised. The reporting dates of the publications used may deviate from NRW.BANK's fiscal year. NRW.BANK publishes its financed emissions for the first time in the reporting year 2024 and will report on the changes compared to the previous year

from the reporting year 2025 onwards. The activities taken into account for calculating the financed emissions in the PCAF category "Listed equity and corporate bonds" only include corporate bonds. As at the reporting date, NRW.BANK does not hold any equity instruments such as shares in listed companies. The PCAF category "Business loans and unlisted equity" includes all debt instruments with unknown utilisation and equity financing. Owing to the application of the house bank principle for promotional loans, the data basis for identifying the purposes for existing business is partially incomplete. If there is no clearly identifiable purpose, these loans are allocated to the category "Business loans and unlisted equity". NRW.BANK is working on obtaining additional relevant data for new business to increase the DQS.

All debt instruments recognised as project financing at NRW.BANK are assigned to the PCAF category "Project finance". All financing of properties used for commercial purposes is classified as "Commercial real estate". In contrast, all financing of owner-occupied housing falls under the PCAF category "Mortgages".

"Motor vehicle loans" is the only category not taken into account by NRW.BANK in the reporting year 2024. The reason for this is, on one hand, the low availability of data and, on the other hand, the low total share of vehicle financing in the Bank's promotional business.

The PCAF category “Sovereign debt” includes government bonds. Exposure with the second and third administrative levels (state administrations and administrations of municipalities and municipal associations) is not taken into account in accordance with the PCAF.

Table 12: Overview and definition of the PCAF categories [E1-6]

PCAF category number	PCAF category	Definition
5.1	Listed equity and corporate bonds	Corporate bonds (NRW.BANK does not hold any shares)
5.2	Business loans and unlisted equity	Debt instruments with unknown utilisation and equity financing
5.3	Project finance	Financing recognised internally as project financing
5.4	Commercial real estate	Financing of properties used for commercial purposes
5.5	Mortgage	Financing of owner-occupied housing
5.6	Motor vehicle loans	Financing of motor vehicles of various classes
5.7	Sovereign debt	Government bonds (first administrative level)

Avoided emissions are neither calculated nor published for the initial reporting pursuant to the PCAF.

NRW.BANK's business model as a largely budget-independent promotional bank is based on the Act on NRW.BANK and the Bank's Statutes. Accordingly, the Bank's core task is to support the State of North Rhine-Westphalia in its economic and structural policy objectives. NRW.BANK is committed to the targets defined in the Paris Climate Agreement, which have also been endorsed by the State of North Rhine-Westphalia in its Sustainability Strategy of September 22, 2020*. As a result, promoting the ecological transformation in line with the Paris Climate Agreement influences the further development of the promotional business and thus forms a focus of the promotional activities. NRW.BANK defines transformation as a fundamental process of restructuring the economy and society to cope with the changing framework conditions.

Simultaneously, NRW.BANK is establishing the groundwork for a transition plan to mitigate climate change by measuring financed emissions for the first time. The Climate Transition Plan is scheduled to be drawn up in 2025 (see [Chapter 2.1.1](#)). The initial measurement of financed emissions in 2024 will also serve as the baseline for future reporting. A recalculation policy and significance threshold will be established in conjunction with the development of the Climate Transition Plan. There is no available data on biogenic emissions.

The GHG intensity per euro of net sales is 0.0028 tCO₂e/€. The intensity pertains to the published emissions of Scope 3 category 15 "Investments" in relation to net sales.

Table 13: Scope 3 Category 15 GHG emissions [E1-6]

	Retrospection				Milestones and target years			
	Base year	Comparison	N	% N/N-1	2025	2030	2050	Annual % target/base year
15 Investments	19,838,941	-	-	-	-	-	-	-

Table 14: GHG intensity [E1-6]

GHG intensity per net sales	Comparison	N	% N/N-1
Scope 3 category 15 emissions (Investments) per net sales (tCO ₂ e/€)	-	0.0028	-

Table 15: Minimum disclosures on the PCAF indicator [E1-6, MDR-P]

PCAF (MDR-M)	
ESRS 2.77 a) Methodologies and significant assumptions	The methodologies and assumptions relevant for calculating the GHG emissions of Scope 3 category 15 “Investments”, including the limitations, can be found in Chapter 2.1.5 . The methodologies and assumptions are based on standard A of the Partnership for Carbon Accounting Financials (PCAF).
ESRS 2.77 b) Validation by external body	The external data used were provided by MSCI. All other data come from NRW.BANK’s internal systems. A review by external third parties has not taken place.
ESRS 2.77 c) Description of the metrics	The descriptions of the individual categories are based on standard A of the Partnership for Carbon Accounting Financials (PCAF). Further details can be found in Chapter 2.1.5 .

2.2 Pollution [E2]

2.2.1 Policies Related to Pollution [E2-1]

Investments in sectors/issuers and countries that may cause air pollution may result in potential negative impacts on the environment for NRW.BANK. In addition, potential negative impacts on the environment, specifically water pollution, may arise from investments in sectors/issuers, such as those in the chemical or textile industry.

The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework (see [Chapter 2.1.2](#)). With regard to ESRS E2 “Pollution”, the Controversies Framework* addresses some sustainability issues under the “Toxic emissions and waste” aspect.

New corporate portfolio investments in “laggards” as defined by the MSCI ESG Rating (B and CCC) are also prohibited. This approach prevents potential negative impacts on the sustainability issues “Air and water pollution”.

2.2.2 Actions and Resources Related to Pollution [E2-2]

The ongoing actions mainly concern overarching sustainability issues, including the continuation of the established sustainable portfolio management using:

- the MSCI ESG Sustainability Rating and
- the MSCI ESG Controversy and Global Norms Screening.

For the sustainability issues of “Air and soil pollution”, in particular the “Pollutants” and “Waste” aspects are considered in the ESG rating and screening.

The previous targets and actions process led to overarching strategic actions and targets, but a specification of sustainability issues in the sense of the CSRD was not included in this process. In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024, so that specific actions related to E2 can be reported for the subsequent reporting year 2025.

Table 16: Minimum disclosures on MSCI ratings and screenings (E2-2, MDR-A)

MSCI ESG Sustainability Rating and MSCI ESG Controversy and Global Norms Screening (MDR-A)	
ESRS 2.68 a) Key actions	As an ongoing action, NRW.BANK has continued its established sustainable portfolio management using the MSCI ESG Sustainability Rating and the MSCI ESG Controversy and Global Norms Screening since 2017 and continuously reviews its further development. For this purpose, the Bank has defined its own traffic light system for sustainable investments. The aim is to exclude particularly critical investments within the ESG context. No additional resources are needed to implement these actions.
ESRS 2.68 b) Scope	The sustainability scoring of the entire portfolio (downstream value chain) of the capital market business is monitored daily.
ESRS 2.68 c) Time horizons	At the moment, this is an ongoing action with no time limit. Future changes cannot be ruled out.

2.2.3 Targets Related to Pollution [E2-3]

NRW.BANK does not currently have any targets that meet the requirements of ESRS E2 in conjunction with ESRS 2 MDR-T. The previous targets and actions process led to overarching strategic actions and targets, but a specification of sustainability issues in the sense of the CSRD was not included in this process. In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024. For details on the current targets and actions process and the defined strategic sustainability objectives, see [Chapter 1.3.1](#). No targets are planned for the ESRS “Environmental pollution” for 2025.

NRW.BANK already adheres to sustainability guidelines and uses tools such as the ESG Sustainability Rating and the MSCI controversy flags for the capital market business to filter out particularly environmentally harmful companies from the decision-making process. NRW.BANK will continue to monitor the social and political developments of this issue and define targets in accordance with the ESRS if required.

2.3 Water Resources [E3]

2.3.1 Policies Related to Water Resources [E3-1]

Investments of NRW.BANK in water-intensive sectors may result in potential negative impacts on the environment for NRW.BANK.

The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework (see [Chapter 2.1.2](#)). Regarding ESRS E3 “Water and marine resources”, the Controversies Framework* covers some sustainability issues under the “Water stress” aspect.

This approach avoids potential negative impacts on the sustainability topic of “water”.

With the Sustainability Strategy and the ESG Investment Framework for the capital market business, NRW.BANK has a sound basis for emphasising the importance of sustainability and refining NRW.BANK’s mission statement. Together, these documents encompass NRW.BANK’s sustainability strategies at the global ESG level and guide its actions.

2.3.2 Actions and Resources in Relation to Water Resources [E3-2]

The ongoing actions primarily concern overarching sustainability issues (see list in [Chapter 2.2.2](#)). For the sustainability issues of “Water usage” and “Water consumption”, the “Water scarcity” aspect is taken into account in the ESG rating and screening. The previous targets and actions process led to overarching strategic actions and targets, but a specification of sustainability issues in the sense of the CSRD was not included in this process. In connection with the implementation of the CSRD, NRW.BANK

already started to adapt the targets and actions process to the ESRS requirements in 2024 so that specific actions in connection with E3 can be reported for the subsequent reporting year 2025.

2.3.3 Targets Related to Water Resources [E3-3]

NRW.BANK does not have any targets that currently meet the requirements of ESRS E3 in conjunction with ESRS 2 MDR-T. The previous targets and actions process led to overarching strategic actions and targets, but a specification of sustainability issues in the sense of the CSRD was not included in this process. In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024. For details on the current targets and actions process and the defined strategic sustainability objectives, see [Chapter 1.3.1](#). No targets are planned for the ESRS “Water and marine resources” for 2025.

NRW.BANK already adheres to sustainability guidelines and uses tools such as the ESG Sustainability Rating and the MSCI controversy flags for the capital market business to filter out particularly environmentally harmful companies from the decision-making process. NRW.BANK will continue to monitor the social and political developments of this issue and define targets in accordance with the ESRS if required.

2.4 Biodiversity and Ecosystems [E4]

2.4.1 Transition Plan and Consideration of Biodiversity and Ecosystems in Strategy and Business Model [E4-1]

There is currently no resilience analysis or transition plan concerning biodiversity and ecosystems and there are no plans to conduct such an analysis or create such a plan. The analysis was performed according to the process of the materiality assessment described above (see [Chapter 1.4](#)). The Bank will monitor the further developments in science regarding indicators and standards as well as (global, European, federal and state) strategies and will review whether and when it makes sense to conduct a resilience analysis or create a transition plan.

2.4.2 Policies Related to Biodiversity and Ecosystems [E4-2]

The Bank positively influences ecosystems, especially through the lighthouse project “Renaturation of the Emscher and Lippe”. The 30-year project to renaturise the Emscher and its tributaries enhances the resilience of the Emscher catchment area against the rising incidence of climate-related extreme weather events. The project also has a positive impact on biodiversity, creates important natural and recreational areas and supports the structural transformation of a region formerly characterised by mining and heavy industry.

In addition, the sealing of land resulting from real estate financing or infrastructure measures in the promotional business may actually have negative impacts on ecosystems.

In connection with NRW.BANK's Sustainability Strategy, supporting transformation processes plays a central role. Aligning its promotional offerings more closely with the challenges of the ecological transformation (particularly the reduction of GHG emissions and adverse environmental impacts, strengthening of climate resilience and protection of biodiversity) is a key component of its promotional business. Positive sustainability impacts are supported by extending promotional loans for specific purposes. In addition, NRW.BANK's promotion agenda (as part of the Bank's overall strategy) includes further developing promotion in favour of climate protection investments by companies as a strategic action.

In the ESG Promotion Requirements, the Bank commits to adopting a precautionary approach to reduce or exclude business activities that pollute the environment and disrespect the dignity of human beings and/or animals (see [Chapter 2.1.2](#)).

The focus on NRW.BANK's biodiversity bonds in the Bank's capital market business (as part of thematic investing) or (green) financing (for example for the renaturation of the Emscher) may result in potential positive impacts on biodiversity.

The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework (see [Chapter 2.1.2](#)). With respect to the sustainability issue of "Biodiversity and ecosystems", the Controversies Framework* addresses some sustainability issues under the "Biodiversity and land use" aspect.

NRW.BANK is a member of the UNEP-FI initiative, which addresses sustainability issues and environmental challenges faced by financial institutions. It has developed a Sustainability Strategy that is specified by the ESG Promotion Requirements and the ESG Investment Framework for the capital market business. These documents cover NRW.BANK's sustainability efforts at the global ESG level and guide its actions.

2.4.3 Actions and Measures Related to Biodiversity and Ecosystems [E4-3]

The ongoing actions primarily concern overarching sustainability issues (see list in [Chapter 2.2.2](#)).

For the sustainability issues of "Biodiversity and ecosystems", particularly the "Biodiversity" and "Land use" aspects are taken into account in the ESG rating and screening.

The previous targets and actions process led to overarching strategic actions and targets, but a specification of sustainability

issues in the sense of the CSRD was not included in this process. In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to meet the ESRS requirements in 2024, so that specific actions related to E4 can be reported for the subsequent reporting year 2025.

2.4.4 Targets Related to Biodiversity and Ecosystems [E4-4]

NRW.BANK does not have any targets that currently meet the requirements of ESRS E4 in conjunction with ESRS 2 MDR-T.

In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024. For details on the current targets and actions process and the defined strategic sustainability objectives, see [Chapter 1.3.1](#). No targets are planned for the ESRS “Biodiversity and ecosystems” in 2025. NRW.BANK already adheres to sustainability guidelines and uses tools such as the ESG Sustainability Rating and the MSCI controversy flags for the capital market business to filter out particularly environmentally harmful companies from the decision-making process. NRW.BANK will continue to monitor the social and political developments of this issue and define targets and actions pursuant to the ESRS, if required.

2.5 Resource Use and Circular Economy [E5]

2.5.1 Policies Related to Resource Use and Circular Economy [E5-1]

NRW.BANK places particular importance on the tangible positive impacts on resource efficiency and the environment. In addition, potential negative impacts on the environment, in particular especially from the promotion of property and infrastructure projects that produce construction waste, are significant.

In the ESG Promotion Requirements, the Bank commits to adopting a precautionary approach to reduce or exclude business activities that pollute the environment and disrespect the dignity of human beings and/or animals (see [Chapter 2.1.2](#)).

In addition to the standards mentioned in the description of the strategy, NRW.BANK is, for example, involved in the “Circular Valley” initiative in Wuppertal, which supports young companies from around the world in implementing their innovative and circular business models. Specifically, NRW.BANK helps to find suitable financial promotional programmes for them. With its Sustainability Strategy as well as the more specific ESG Promotion Requirements and ESG Investment Framework for the capital

market business, NRW.BANK has a sound basis for emphasising the importance of sustainability and refining NRW.BANK's mission statement. Together, these documents encompass NRW.BANK's sustainability strategies at the global ESG level and guide its actions.

2.5.2 Actions and Resources Related to Resource Use and Circular Economy [E5-2]

NRW.BANK currently has no actions that meet the requirements of ESRS E5 in conjunction with ESRS 2 MDR-A. The previous targets and actions process led to overarching strategic actions and targets, but a specification of sustainability issues in the sense of the CSRD was not included in this process. In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024, so that the first ESRS-compliant actions can be reported for the subsequent reporting year 2025. In the promotional business, the primary focus is on sustainable promotion of customers. Various actions aim to further strengthen and expand sustainable promotional products, including supporting the federal state in resource-efficient wastewater disposal.

The ongoing fields of action concerning the use of resources and the circular economy mainly relate to overarching sustainability issues in NRW.BANK's promotional business.

2.5.3 Targets Related to Resource Use and Circular Economy [E5-3]

NRW.BANK does not have any targets that currently meet the requirements of ESRS E5 in conjunction with ESRS 2 MDR-T. In connection with the implementation of the CSRD, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024. For details on the current targets and actions process and the defined strategic sustainability objectives, see [Chapter 1.3.1](#). It is planned to publish ESRS-compliant targets for the first time for the reporting year 2025.

3. Social Information

3.1 Own Workforce [S1]

3.1.1 Policies Related to Own Workforce [S1-1]

NRW.BANK not only complies with applicable statutory and collective regulations but also has internal regulations, conventions, guidelines or statements within the human resources planning and development strategy as part of the Bank's overall strategy on all sustainability aspects that are significant for its own workforce. These apply to all employees of NRW.BANK and are the responsibility of the Head of Human Resources. These documents are part of the written instructions and are available to all employees on NRW.BANK's intranet at any time.

In its capacity as the promotional bank of the State of North Rhine-Westphalia, NRW.BANK pursues a sustainable business model and is a future-oriented public-law employer that acts in a socially responsible manner. It is therefore of particular interest to NRW.BANK to organise the working conditions in such a way that they have actual positive impacts on the Bank's own workforce.

Working conditions are influenced by a number of factors. To assess the working conditions, special attention is given to:

- job security,
- working hours and place of work,
- adequate wages,
- work-life balance and
- occupational health and safety.

Job security offers employees a solid foundation for planning their lives. NRW.BANK is an employer under public law that has not experienced any redundancies since its inception. Besides the provisions of the German Dismissal Protection Act (KSchG), employment contracts are also safeguarded by the provisions of the collective agreements for public-sector banks.

The human resources planning and development strategy defines the recruitment and retention of well-qualified employees needed for NRW.BANK's business model as the overarching objective. The central fields of action "Securing Junior Staff" and "Promoting Development" outline actions that support the employee retention with the goal of maintaining long-term employment at the Bank.

The "Self-managed Working Time (EVA)" convention and the "Mobile Work" convention primarily regulate the working hours and the place of work. When organising working hours, the following objectives are aimed for:

- Recognising employees’ personal responsibility requires NRW.BANK and its senior managers to offer maximum flexibility in the spirit of mutual trust.
- The flexibility of the working hour system should be utilised to balance customer orientation, cost efficiency and employee interests in the best possible way.
- The alignment of operational requirements with the needs and interests of the workforce should occur through close cooperation between managers, their teams and individual employees.

NRW.BANK’s remuneration strategy defines the basis for the remuneration system of the Bank and ensures adequate pay for the workforce. The following remuneration principles, based on guidelines that support NRW.BANK’s long-term performance, are applied:

- All elements of NRW.BANK’s remuneration system must meet the requirements of the conservative remuneration policy of a competition-neutral promotional bank whose primary objective is not the generation of profits.
- A total remuneration geared to the respective requirements and market environment forms the basis of NRW.BANK’s remuneration system to secure the livelihood of its employees and ensure that the Bank remains staffed with qualified employees to meet its bank-specific requirements at all times.

- NRW.BANK’s remuneration system is gender-neutral and excludes any pay discrimination on the grounds of gender for the same work or work of equal value.

As part of its social responsibility, NRW.BANK has signed the “Work and Family” convention, which demonstrates NRW.BANK’s clear commitment to a family-friendly corporate policy that enables its employees to maintain a good work-life balance.

As a responsible employer, NRW.BANK has established a health management system to promote the occupational health and safety of all employees. Health improves general performance and has a direct impact on working conditions at NRW.BANK. An agreement has been reached between the Human Resources business unit and the Staff Council in the form of the “health promotion and addiction prevention at the workplace” guidelines. Addiction prevention and help in the event of addiction are part of NRW.BANK’s health management system and are considered a contribution to the implementation of occupational health and safety.

NRW.BANK regards the professional and social skills of all employees as essential and therefore ensures equal treatment and opportunities. Development opportunities are offered to all employees, irrespective of their role and hierarchical level. NRW.BANK’s current Equality Plan is an important instrument

for human resources planning, especially for the filling of positions and human resources development. The objectives of the Plan include promoting equality between women and men and achieving equal pay regardless of gender. The Equality Plan is prepared in cooperation with the Equal Opportunities Officer and adopted by NRW.BANK's Managing Board.

In addition, NRW.BANK has implemented an Inclusion Agreement, which helps promote diversity and integration. The aim of this agreement is to ensure the integration of people with disabilities already employed by NRW.BANK, to promote their professional further education and development and to guarantee access and accessibility. The recruitment and training of people with disabilities by NRW.BANK is also to be promoted. This agreement was concluded between NRW.BANK, the representatives of the severely disabled and the Staff Council. NRW.BANK is under no specific political obligation regarding inclusion.

The Bank places great importance on a good working climate characterised by mutual respect, understanding and esteem. To provide its employees with a fair and positive working environment and protect them from discrimination, NRW.BANK has signed a "Fairness and Openness at Work" convention, which not only prohibits all forms of discrimination (due to ethnic origin, gender, religion or ideology, disability, age or sexual identity) within NRW.BANK but also outlines actions to prevent discrimination and sets out rules regarding employees' right to file com-

plaints. One of the key legal foundations of the "Fairness and Openness at Work" convention, besides the NRW State Equal Opportunities Act, is the German General Equal Treatment Act (AGG). In NRW.BANK's view, the issues of skin colour and nationality are addressed even more comprehensively in the AGG, which is derived from EU law, as it refers to "ethnic origin". The same applies to "sexual identity", which encompasses the issues of "sexual orientation" and "gender identity". By contrast, "social background" and "political opinion" are not covered by the aforementioned laws. In any case, the latter applies to NRW.BANK, as an institution under public law, only within the framework of the free democratic basic order. Equal treatment of employees from different social backgrounds has always been such a natural tradition at NRW.BANK that merely mentioning it in an internal guideline could seem offensive. For the Bank, fair dealings with its employees also involve creating a corporate culture in line with NRW.BANK's mission statement, where partnership and cooperation, openness, mutual respect and esteem are values embraced by all. Alongside dialogue-oriented processes, these values form the foundation for a positive and productive working environment.

Mandatory participation in training courses for all employees ensures they understand and adhere to the concepts for preventing, containing and combating discrimination. All employees have the right to lodge complaints about discrimination with the Complaints Office (which falls under the responsibility

of NRW.BANK's Equal Opportunities Officer). All complaints received are processed thoroughly and in a structured manner (see [Chapter 3.1.2](#)).

In accordance with the Basic Law of the Federal Republic of Germany and the Constitution of the State of North Rhine-Westphalia, NRW.BANK is required to respect human rights. Furthermore, the Universal Declaration of Human Rights by the UN General Assembly (first published on 10 December 1948) underpins NRW.BANK's actions. Since NRW.BANK's employees work at the Bank's two locations in Düsseldorf and Münster, human rights risks such as child and forced labour as well as violations of the fundamental principles of the International Labour Organization are considered to be of little relevance. Strict adherence to relevant national and European laws, the observance of international standards – such as the UN Convention on the Rights of the Child – and the rejection of child and forced labour, as well as human trafficking, are fundamental principles for NRW.BANK. These commitments are embedded, among other things, in its Sustainability Strategy and Declaration of Human Rights.

NRW.BANK has also committed itself to complying with the UN Global Compact, which it signed in 2009. As an active participant, NRW.BANK publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to

respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced and child labour and the elimination of discrimination.

As an employer, NRW.BANK is directly legally responsible for implementing occupational safety measures to prevent workplace accidents and work-related health hazards, including the humane organisation of work. The Bank therefore has fundamental legal obligations essentially under five legal regulations:

- Occupational Health and Safety Act (Arbeitsschutzgesetz – ArbSchG),
- Seventh Book the German Social Code – Statutory Accident Insurance (Siebtes Buch Sozialgesetzbuch – Gesetzliche Unfallversicherung – SGB VII),
- Accident Prevention Regulation “Principles of Prevention” (Unfallverhütungsvorschrift „Grundsätze der Prävention“ – DGUV Regulation 1),
- German Civil Code (Bürgerliches Gesetzbuch – BGB),
- Occupational Safety Act (Arbeitssicherheitsgesetz – ASiG).

NRW.BANK receives guidance on implementation from the Occupational Safety Officer and the Occupational Medical Service in accordance with DGUV Regulation 2. The organisation of occupational safety and accident prevention, including the responsibilities and processes for implementing the basic obligations, is governed by NRW.BANK's written instructions.

Table 17: Minimum disclosures on the human resources planning and development strategy [S1-1, MDR-P]

Human resources planning and development strategy (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>In its capacity as the promotional bank of the State of North Rhine-Westphalia, NRW.BANK pursues a sustainable business model and is a future-oriented public-law employer that acts in a socially responsible manner. It is therefore of special interest to NRW.BANK to organise the working conditions in such a way that they have actual positive impacts on the Bank's own workforce.</p> <p>The human resources planning and development strategy defines the recruitment and retention of well-qualified employees needed for NRW.BANK's business model as the overarching objective. The strategic central fields of action "Securing Junior Staff" and "Promoting Development" outline actions that support employee retention, aiming to keep people at the Bank in the long term. The human resources planning and development strategy is presented as part of the Bank's overall strategy at various committee meetings, where the annual adjustments are discussed. In this context, internal coordination sessions ensure that it is interlinked with the other sub-strategies of the Bank.</p>
ESRS 2.65 b) Scope of application	<p>This concept applies to all employees of NRW.BANK. Since NRW.BANK's employees work at the Bank's two locations in Düsseldorf and Münster, human rights risks such as child and forced labour as well as violations of the fundamental principles of the International Labour Organization are considered to be of little relevance.</p>
ESRS 2.65 c) Responsibility	<p>This concept is the responsibility of the Head of Human Resources.</p>
ESRS 2.65 d) Third-party standards and initiatives	<p>In accordance with the Basic Law of the Federal Republic of Germany and the Constitution of the State of North Rhine-Westphalia, NRW.BANK is required to respect human rights. In addition, the Universal Declaration on Human Rights by the UN General Assembly (first published on December 10, 1948) forms the basis for NRW.BANK's actions.</p> <p>Strict compliance with relevant national and European laws, the observation of international standards – such as the UN Convention on the Rights of the Child – and the rejection of child and forced labour as well as human trafficking are a matter of course for NRW.BANK and are anchored, among other things, in its Sustainability Strategy and Declaration of Human Rights.</p> <p>NRW.BANK has also committed itself to complying with the UN Global Compact, which it signed in 2009. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced and child labour and the elimination of discrimination.</p>
ESRS 2.65 f) Availability	<p>The human resources planning and development strategy is part of the Bank's overall strategy and is available to all employees on NRW.BANK's intranet at any time.</p>

Table 18: Minimum disclosures on the “EVA” convention [S1-1, MDR-P]

“Self-managed Working Time (EVA)” convention (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>The application of the collective agreement and applicable labour law and the option of flexible working at NRW.BANK result in actual positive impacts on the Bank’s workforce. The “Self-managed Working Time (EVA)” convention primarily governs the topic of working hours.</p> <p>When organising working hours, the following objectives are aimed for:</p> <ul style="list-style-type: none"> — On one hand, recognising employees’ personal responsibility requires NRW.BANK and its senior managers to offer maximum flexibility in the spirit of mutual trust. On the other hand, the flexibility of the working hour system should be utilised to reconcile customer orientation, cost efficiency and employee interests in the best possible way. — The reconciliation of operational requirements with the needs and interests of the workforce should occur in close cooperation between the managers, their teams and the individual employees.
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK except for the first management tier (business unit heads).
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

Table 19: Minimum disclosures on the “Mobile Work” convention [S1-1, MDR-P]

“Mobile Work” convention (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>The application of the collective agreement and applicable labour law and the option of flexible working at NRW.BANK result in actual positive impacts on the Bank’s workforce. The “Mobile Work” convention primarily governs the topic of the place of work.</p> <p>The convention encompasses both sporadic and event-driven mobile work as well as regular mobile work and applies to all active employees of NRW.BANK. It includes the use of mobile work, the necessary framework conditions as well as the organisation of regular mobile work from home.</p> <p>With a lower limit for in-office work of 50% of target working hours, the technical development enabling work to be done independently of the office, as well as the corporate culture that views personal contact as key to maintaining cohesion and fostering trustful cooperation, is taken into account.</p>
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

Table 20: Minimum disclosures on the remuneration strategy [S1-1, MDR-P]

Remuneration strategy of NRW.BANK (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>The application of the collective agreement and applicable labour law and the option of flexible working at NRW.BANK result in actual positive impacts on the Bank's workforce.</p> <p>NRW.BANK's remuneration strategy defines the basis for the remuneration system of the Bank and ensures adequate pay for the workforce. Based on principles that serve to ensure NRW.BANK's long-term performance, the following remuneration principles apply:</p> <ul style="list-style-type: none">— All elements of NRW.BANK's remuneration system must meet the requirements of the conservative remuneration policy of a competition-neutral promotional bank whose primary objective is not the generation of profits.— A total remuneration geared to the respective requirements and market environment forms the basis of NRW.BANK's remuneration system to secure the livelihood of its employees and ensure that the Bank remains staffed with qualified employees to meet its bank-specific requirements at all times.— NRW.BANK's remuneration system is gender-neutral and excludes any pay discrimination on the grounds of gender for the same work or work of equal value. <p>The annual meeting of the Remuneration Commission in the first quarter of each year reviews whether the Bank's other strategies necessitate adjustments to the remuneration strategy.</p> <p>The appropriateness of the structure of NRW.BANK's remuneration system is reviewed by the Risk Management business unit/Compliance Department at least once a year. After presenting the results in the Remuneration Commission, the latter simultaneously informs the Managing Board as well as the Supervisory Board and the Remuneration Committee of the Bank.</p> <p>Structural inequalities in the remuneration of employees of different genders are eliminated by NRW.BANK's job evaluation system:</p> <p>Before being advertised, each position is evaluated by specialists who are not involved in the organisation or content of the position. The assessment itself is based on the tasks, requirements and skills of the respective function and is thus independent of the person chosen for it. As a result, gender-specific distortions originating in the remuneration system are eliminated at NRW.BANK.</p> <p>The implementation of the Remuneration Transparency Act at NRW.BANK promotes transparency by giving all NRW.BANK employees an individual right to information on the statistical median pay of employees of the other gender who perform the same or equivalent work. Moreover, NRW.BANK is obliged to report on gender equality and equal pay for men and women. Under certain conditions, employees can also initiate a review of the evaluation of their job in the context of the "Regelungsvereinbarung zur Stellenbewertung".</p>

Remuneration strategy of NRW.BANK (MDR-P)	
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK's intranet at any time.

Table 21: Minimum disclosures on the “Work and Family” convention [S1-1, MDR-P]

“Work and Family” convention (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>NRW.BANK’s commitment to equal opportunities and equal rights results in actual positive impacts on own employees.</p> <p>As part of its social responsibility, NRW.BANK has signed the “Work and Family” convention, which demonstrates NRW.BANK’s clear commitment to a family-friendly corporate policy that enables its employees to maintain a good work-life balance.</p> <p>In addition to implementing all current and future statutory and collectively agreed provisions relating to the balance of work and family life, NRW.BANK also offers voluntary benefits that help improve the balance of work and family life.</p> <p>At present, the Bank applies the following regulations for parents and their children as well as for relatives in need of care:</p> <ul style="list-style-type: none"> – Mutterschutzgesetz (MuSchG – Maternity Protection Act), – Bundeselterngeld- und Elternzeitgesetz (BEEG – Federal Parental Allowance and Parental Leave Act), – Manteltarifvertrag Banken (MTV Banken – Collective Labour Agreement for Banks), – Landesgleichstellungsgesetz NRW (LGG NRW– NRW State Equal Opportunities Act), – Pflegezeitgesetz (PflegeZG – Caregiver Leave Act), – Familienpflegezeitgesetz (FPfIG – Family Caregiver Leave Act). <p>The Staff Council, the representatives of the severely disabled and the Equal Opportunities Officer are involved in accordance with the applicable statutory provisions.</p> <p>Since 2015, NRW.BANK has held the “family-friendly company” seal. The berufundfamilie certificate requires an audit procedure that is supervised by independent authorised auditors. Certification is carried out by “audit berufundfamilie” of berufundfamilie gGmbH, an initiative of the charitable Hertie Foundation. This certification is recommended by the umbrella organisations of the German economy and is under patronage of the Federal Minister for Family Affairs, Senior Citizens, Women and Youth. The “berufundfamilie” audit procedure stands out for its long existence and wealth of experience, the active involvement of management and staff as well as the three-year validity of the certificate.</p>

“Work and Family” convention (MDR-P)	
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

Table 22: Minimum disclosures on the “Health promotion and addiction prevention at the workplace” guidelines [S1-1, MDR-P]

“Health promotion and addiction prevention at the workplace” guidelines (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>The voluntary additional benefits offered by NRW.BANK result in actual positive impacts on own employees.</p> <p>As a responsible employer, NRW.BANK has established a health management system to promote the occupational health and safety of all employees. Health improves general performance and has a direct impact on working conditions at NRW.BANK. An agreement has been reached between the Human Resources business unit and the Staff Council in the form of the “health promotion and addiction prevention at the workplace” guidelines. Addiction prevention and help in the event of addiction are part of NRW.BANK’s health management system and are considered a contribution to the implementation of occupational health and safety.</p> <p>Generally speaking, it is the responsibility of the Occupational Health and Safety Departments of the Münster and Düsseldorf district governments to comprehensively ensure the quality of the occupational health and safety system. To this end, they examine, among other things, whether a company’s occupational health and safety system functions. If deficiencies are identified, they take appropriate action to rectify them and penalise administrative offences.</p>
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 e) Consideration of stakeholders	The guidelines were prepared in cooperation with the General Staff Council.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

Table 23: Minimum disclosures on the Equality Plan [S1-1, MDR-P]

Equality Plan of NRW.BANK (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>NRW.BANK’s commitment to equal opportunities and equal rights results in actual positive impacts on own employees.</p> <p>NRW.BANK regards the professional and social skills of all employees to be equally indispensable and therefore particularly focuses on equal treatment and equal opportunities. Professional development opportunities are offered to everyone, regardless of their role and hierarchical level. The current Equality Plan adopted by NRW.BANK is a crucial tool for human resources planning, particularly for filling positions and human resources development. Specifically, the Plan aims to promote equality between men and women and to achieve equal pay irrespective of gender.</p> <p>The effectiveness of the measures taken to promote women and those aimed at increasing the share of women in underrepresented peer groups is assessed using ratios in certain positions. If it becomes clear that targets will not be met, the measures in the Equality Plan are to be adjusted or supplemented accordingly.</p>
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 e) Consideration of stakeholders	The Equality Plan is prepared in cooperation with the Equal Opportunities Officer.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

Table 24: Minimum disclosures on the Inclusion Agreement [S1-1, MDR-P]

Inclusion Agreement (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>NRW.BANK’s commitment to equal opportunities and equal rights results in actual positive impacts on own employees.</p> <p>NRW.BANK has put in place an Inclusion Agreement to help promote diversity and integration among employees. The aim of this agreement is to ensure the integration of people with disabilities already employed by NRW.BANK, to promote their professional further education and development and to guarantee access and accessibility. The recruitment and training of people with disabilities by NRW.BANK is also to be promoted.</p> <p>The inclusion team, which consists of the representatives of the severely disabled, the staff representatives and the Inclusion Officer, discusses the results of the measures defined in the “Inclusion” action plan, the problems in implementing the Inclusion Agreement and their suggestions for further cooperation at least every two years.</p>
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 e) Consideration of stakeholders	NRW.BANK concludes this agreement with the representatives of the severely disabled and the General Staff Council.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

Table 25: Minimum disclosures on the “Fairness and Openness at Work” convention [S1-1, MDR-P]

“Fairness and Openness at Work” convention (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>NRW.BANK’s commitment to equal opportunities and equal rights results in actual positive impacts on own employees.</p> <p>The Bank places great importance on a good working climate characterised by mutual respect, understanding and esteem. To provide its employees with a fair and positive working environment and protect them from discrimination, NRW.BANK has signed a “Fairness and Openness at Work” convention.</p> <p>The rules of conduct are designed</p> <ul style="list-style-type: none"> — to effectively counter all forms of discrimination, violence and sexualised harassment by equipping employees and third parties with a procedural tool, — to raise awareness and draw attention to forms of discrimination, violence and sexualised harassment and to break the taboos surrounding this issue, — to help prevent discrimination, violence and sexualised harassment, — to provide assistance to employees and third parties who interact with NRW.BANK through contracts or as visitors in cases of abuse.
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Head of Human Resources.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK’s intranet at any time.

3.1.2 Processes for Engaging with Own Workforce and Workers’ Representatives About Impacts [S1-2]

Employee involvement in key decisions about organising relevant aspects of working conditions and implementing measures for equal opportunities and treatment is part of the Bank’s corporate culture and is ensured by various procedures at NRW.BANK.

The perspective of employees is always considered in all sustainability issues when decisions are made on how to address the impacts on the company’s own workforce through the co-determination regulated by the State Staff Representation Act for the State of North Rhine-Westphalia (LPVG NRW). In addition to the two local staff councils in Düsseldorf and Münster NRW.BANK

has a General Staff Council as another body representing the workforce. The latter has two cross-locational committees for preparing resolutions, namely the Human Resources Committee and the Organisation Committee.

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. In 2024, it again monitored compliance with and the implementation of applicable laws, regulations, collective agreements and work agreements. It informs employees about upcoming topics, negotiations and results via e-mail, publications on the intranet, information letters sent to employees several times a year and during annual staff assemblies. The staff council acts as a point of contact for all NRW.BANK employees regarding individual concerns, needs and complaints related to staff matters. In addition to the event-driven information provided, the availability and contact options are permanently visible to all employees on the intranet and notice boards.

NRW.BANK's staff council is involved in personnel, organisational and social activities in the form of consultation, participation or co-determination in accordance with – and in some cases also above and beyond – applicable legal provisions. Regular, ongoing

discussion formats between the staff council and the company representatives support the trusting cooperation.

In accordance with the provisions of the LPVG NRW, the staff council committees are elected every four years by the employees entitled to vote. The members of the staff council perform their duties, for which they receive no pay, on a voluntary basis. In return, they are released from their official duties (either fully or on an hourly basis) without a reduction in pay. The expenses arising from the activities of the staff council are covered by NRW.BANK.

An annual staff assembly, to which all NRW.BANK employees are invited, as well as event-driven employee surveys, are organised to allow all employees to voice their concerns and provide feedback on decisions. Other regular formats are dedicated to specific employee groups or topics and offer further opportunities for employees to represent their interests personally or anonymously.

Operational responsibility for involving and considering the interests of the General Staff Council at NRW.BANK lies with the Human Resources business unit and the Governance and Organisation business unit.

The Bank has set up additional structures and channels for certain groups of people. The Equal Opportunities Officer supports and advises the Bank and is involved in implementing the North Rhine-Westphalian State Equal Opportunities Act and all regulations and measures that have or may have impacts on the equality of men and women. She is particularly involved in

- personnel-related measures including job offers, selection processes and job interviews,
- organisational measures,
- social measures,
- preparing and modifying the Equality Plan and preparing the report on the implementation of the Equality Plan,
- planning projects of fundamental importance for employment relationships or working conditions in the Bank.

A Complaints Office has been established at NRW.BANK in accordance with the AGG to protect employees from discrimination. All employees have the right to contact the Complaints Office regarding potential unequal treatment based on race or ethnic origin, gender, religion and ideology, disability, age or sexual identity. This task is currently performed by NRW.BANK's Equal Opportunities Officer. The "Fairness and Openness at Work" convention defines the processes and procedures in this context.

The representatives of the severely disabled advocate for the interests of all severely disabled persons employed at NRW.BANK and are involved in all decisions affecting the severely disabled.

They serve as contacts for the severely disabled, for employees who wish to be recognised as such and for employees who work with severely disabled persons. The representatives of the severely disabled are not subject to instructions. At an individual level, the representatives of the severely disabled, the staff representatives and the Inclusion Officer cooperate closely and in a spirit of trust in the interests of integrating people with disabilities.

NRW.BANK measures the effectiveness of these channels by their utilisation. Participation in the staff assembly and contributions by employees to the other structures and channels demonstrate that they are known to and accepted by the workforce.

3.1.3 Processes to Remediate Negative Impacts and Channels for the Own Workforce to Raise Concerns [S1-3]

No material negative impacts on the own workforce have been identified in the context of the materiality assessment.

To prevent material negative impacts from occurring in the future, the internal and external guidelines on working conditions as well as on equal treatment and equal opportunities are consistently implemented and are evaluated and refined on an ongoing basis through the procedures. The information on the general and specific channels established within NRW.BANK for employees to participate or voice concerns make an important contribution to this. The availability and contact options are published on the intranet and in the manual for all employees to see. On the occasion of special events, attention is drawn to the existing

channels either for specific target groups or across the Bank as a whole.

Besides the Complaints Office for the protection of employees against discrimination in accordance with the German General Equal Treatment Act (AGG), all other concerns and needs of NRW.BANK employees can be addressed at any time, also anonymously, through the centrally installed complaints management system. NRW.BANK implements the complaints management requirements defined by BaFin circular 06/2018. This complaints management process covers the direct upstream and downstream value chain and all business processes of NRW.BANK. Its aim is to eliminate or contribute to the elimination of negative impacts associated with the Bank. It thus also covers possible violations of human rights in the business units and supply chains of NRW.BANK. The complaints management process enables all affected stakeholders to express concerns by e-mail, letter, fax or phone and to have them investigated. These channels have been set up by the Bank. The complaints management process is to be regarded as an adequate procedure to remedy or help remedy negative impacts on workers associated with the company.

The complaints management principles have been endorsed by the Managing Board of NRW.BANK. The Managing Board is also responsible for implementing and monitoring compliance with the principles and procedures for handling complaints.

The procedure for handling complaints in NRW.BANK is published on the Bank's website, ensuring it is available to all affected stakeholders. It describes in particular

- how and where to lodge a complaint,
- how the complaints procedure is structured at NRW.BANK and
- which alternative dispute resolution procedures are available to the complainant.

As part of the organisation of NRW.BANK's complaints management system, a central complaints management function has been established, which is responsible for the methodological and technical requirements for managing complaints. To avoid conflicts of interest, it can request information on the current status of the complaint at any time and additionally serves as an escalation stage if the solution proposed by the business unit does not satisfy the complainant. Other key tasks include monitoring compliance with the policies and procedures, conducting a Bank-wide analysis of the complaints and providing regular reports to the Managing Board.

Every business unit has a decentralised complaints management function, which is not located in the areas of the business units directly relevant to complaints (but in business management, for instance) to avoid conflicts of interest. In particular, the decentralised complaints management function coordinates and

oversees the documentation of complaints, their operational processing and the analysis of potential procedural deficiencies within the business units.

The process described above ensures that all complaints received are fully addressed, thereby ensuring the effectiveness of the process.

NRW.BANK's whistleblower system also offers employees, customers and third parties the possibility to report irregularities or misconduct to NRW.BANK by name or anonymously. The information provided via this system can make a key contribution to detecting and prosecuting human rights misconduct. The whistleblower system set up by NRW.BANK is published on the Bank's website, ensuring it is accessible to all relevant stakeholders. Details, including those concerning protection against retaliation, are outlined in [Chapter 4](#).

Additionally, NRW.BANK takes part in the dispute settlement procedure of the Association of German Public Banks. If stakeholders do not agree with the handling of their complaint, they may contact the consumer arbitration service of the Association of Public Sector Banks (VÖB).

In the psychological and physical hazard analysis regularly conducted in each business unit, employees are interviewed about their work environment and organisation, their work tasks and

content, their social relationships and mobile working, and are involved in planning suitable prevention and evaluation measures where necessary. This process also meets the legally required risk assessment concerning employees' mental health.

Safety officers act as an important link between employees, superiors, the Occupational Safety Officer and the Occupational Medical Service. They provide advice, mediate, suggest solutions and remain closely involved with the working conditions of their colleagues on site. Safety officers are employees who voluntarily assist in improving occupational health and safety. They are closely integrated into the company's occupational health and safety framework. NRW.BANK has trained and appointed a sufficient number of safety officers. A representative from this group attends the quarterly meetings of the Occupational Health and Safety Committee as required by the Occupational Safety Act.

Additionally, employees of NRW.BANK can directly contact the Occupational Safety Officer or the Occupational Medical Service to express concerns, needs and complaints about the working conditions.

NRW.BANK measures the effectiveness of these channels by their utilisation. The contributions made by employees to the structures and channels demonstrate that they are recognised and accepted by the workforce.

3.1.4 Actions on Sustainability-related Impacts Regard to Own Workforce and the Effectiveness of These Actions [S1-4]

No material risks and opportunities in connection with the own workforce have been identified. NRW.BANK achieves actual positive impacts on its workforce by consistently applying and continuously refining the internal policies regarding the organisation of the working conditions as well as equality and equal treatment.

Besides attracting and retaining well-qualified people, the overarching objective of the human resources planning and development strategy is to maintain their commitment and performance. Effective actions are formulated in central fields of action (securing junior staff, promoting development and maintaining performance) as well as in overarching fields of action (modern working conditions and future-proof HR systems). Their effectiveness is reviewed in a regular annual Bank-wide exchange and adapted to changing requirements.

Occupational health and safety, along with exemplary health and safety policies, are part of NRW.BANK's corporate responsibility. For example, anonymised and aggregated results of the regular psychological and physical risk assessment are presented to the responsible business unit heads, the Head of Human Resources and the Occupational Health and Safety Committee, and the business unit-specific risks and the initiation of the implementation of actions are shown as part of this risk assessment. The

Occupational Health and Safety Committee has the following permanent members:

- two authorised representatives of the employer: Head of Human Resources (chairperson of the Committee) and another executive,
- two members of the staff council appointed by the staff council,
- Occupational Safety Officer,
- company doctor,
- safety officer,
- pursuant to Section 95 Para. 4 SGB IX, the representatives of the severely disabled have the right to attend all meetings of the Occupational Health and Safety Committee.

The progress of implementation and the effectiveness reviews are coordinated with the Occupational Health and Safety Committee and the compensation fund for North Rhine-Westphalia. It is the responsibility of the Occupational Health and Safety Departments of the Münster and Düsseldorf district governments, in their role as statutory safety bodies, to comprehensively ensure the quality of the occupational health and safety system. On the one hand, they act as service providers (they are the licensing authority, grant exemptions and advise companies) and, on the other hand, check whether the company's occupational health and safety system is functioning. If deficiencies are identified, they take appropriate action to rectify them and penalise administrative offences.

The “Work and Family” convention creates the framework for appropriate actions to promote the balance of work and family life. The permanent auditing of the “work and family” approach accompanies its ongoing development.

The Equality Plan outlines actions to promote the equal treatment of men and women and to eliminate existing disadvantages. The current Equality Plan for 2024–2028 continues existing, tried-and-tested actions and formulates new ones. Actions outlined in the Equality Plan address topics such as information and advice, working hours, services for parents, human resources development, human resources planning and staffing. In addition, shares are defined for roles in which women are currently still underrepresented. The comprehensive catalogue of actions covers a wide range of topics and provides support, for example through education and awareness-raising, additional services for parents, HR development measures or job rotation.

The effectiveness of the measures taken to promote women and those aimed at increasing the share of women in underrepresented peer groups is assessed using ratios in certain positions (see [Chapter 3.1.5](#)). For positions where underrepresentation was identified in the first step, a turnover forecast was conducted in the second step. To define the target shares for 2028 in a third step, it was assumed that approximately half of the positions would be filled by women based on the shares as of 31 December 2023.

Adequate and equal pay for equal work regardless of gender is one of the fundamental principles of NRW.BANK’s remuneration strategy. All positions are assessed based on the job description in accordance with the collective agreement or market indicators. As all criteria to be assessed refer exclusively to the characteristics of the role – not to the person filling the position – the remuneration system is gender-neutral in accordance with the Remuneration Transparency Act. As a result, gender-specific distortions originating in the remuneration system are eliminated at NRW.BANK. The implementation of the Remuneration Transparency Act at NRW.BANK promotes transparency and strengthens the equal pay requirement in the long term. All employees of NRW.BANK have an individual right to information on the statistical median pay of employees of the other gender who perform the same or equivalent work. Moreover, NRW.BANK is obliged to report on gender equality and equal pay for men and women. Under certain conditions, employees can also initiate a review of the evaluation of their job in the context of the “Regelungsvereinbarung zur Stellenbewertung”.

The Inclusion Agreement implemented by NRW.BANK helps promote the diversity and integration of employees. Effective actions are set out in a corresponding action plan which is regularly reviewed and updated. The effectiveness of the Inclusion Agreement and the action plan is reflected, not least, in the percentage of employees with disabilities (see [Chapter 3.1.12](#)).

A Complaints Office in line with the AGG has been established at NRW.BANK to protect employees from discrimination. The “Fairness and Openness at Work” convention defines the processes and procedures in this context. If NRW.BANK becomes aware of any violations of labour and human rights and their implementation within the framework of the aforementioned

guidelines, it immediately takes appropriate measures to put an end to them.

The above activities ensure that NRW.BANK’s own practices have no material negative impacts on employees.

Table 26: Minimum disclosures on the preparation of an Equality Plan (S1-4, MDR-A)

Preparation of an Equality Plan (MDR-A)	
ESRS 2.68 a) Key actions	The Equality Plan, which outlines actions to promote the equal treatment of men and women and to eliminate existing disadvantages, was updated in the reporting year. In addition, shares are defined for roles in which women are currently still underrepresented. The comprehensive catalogue of actions covers a wide range of topics and provides support, for example through education and awareness-raising, additional services for parents or HR development measures. This is intended to increase the share of women in underrepresented peer groups. No additional resources are needed to implement these actions.
ESRS 2.68 b) Scope	Total number of employees of NRW.BANK at the two locations in Münster and Düsseldorf.
ESRS 2.68 c) Time horizons	The current Equality Plan is valid until 2028.

3.1.5 Targets Relating to Managing Material Negative Impacts and Advancing Positive Impacts [S1-5]

NRW.BANK pays attention to maintaining and expanding the positive impacts both in terms of equal opportunities and the working conditions of its own workforce.

NRW.BANK's aim and duty to promote equal opportunities for women stem not only from the North Rhine-Westphalian State Equal Opportunities Act (LGG NRW) but also from its human resources planning and development strategy.

In this regard, the Bank has set itself the goal of reducing the underrepresentation of women in clearly defined peer groups. Implementation is to take place step by step and is set out in the Equality Plan.

As of the reporting date of December 31, 2023, NRW.BANK identified five peer groups where women are underrepresented.

Table 27: Shares of women per peer group [S1-5]

Peer groups	Share as at Dec. 31, 2023	Target share 2028
Divisional management (BL)	27.8%	33.0%
Departmental management (AL)	31.7%	34.0%
Unit/team leaders	36.2%	38.0%
Senior specialists	37.0%	40.0%
First specialists	38.9%	
Specialists (collective bargaining group 8–9)	53.9%	50.0%

Each target is expressed as a percentage of all employees of NRW.BANK at its locations in Düsseldorf and Münster. The share as of December 31, 2023 is taken as the basis and for future measurements. In its capacity as representative of the workforce, the Equal Opportunities Officer is involved in drawing up the Equality Plan and participated in defining the targets. The Equality Plan and its objectives and targets have been confirmed by NRW.BANK's Managing Board. The target and the related shares were developed as part of the preparation of the Equality Plan 2024–2028. The achievement of the goals and targets of the Equality Plan is to be reviewed in 2026. If it becomes apparent that the objectives and targets will not be achieved, the actions in the Equality Plan are to be adjusted or complemented accordingly.

Table 28: Minimum disclosures on reducing underrepresentation of women [S1-5, MDR-T]

Reducing underrepresentation of women (MDR-T)															
ESRS 2.80 a) Relationship of the target to the policy objectives	<p>NRW.BANK pays attention to maintaining and expanding the positive impacts both in terms of equal opportunities and the working conditions of its own workforce.</p> <p>The North Rhine-Westphalian State Equal Opportunities Act (LGG NRW) requires NRW.BANK to promote equal opportunities for women and men. NRW.BANK's Equality Plan sets specific target shares for identified positions where women are underrepresented. The human resources planning and development strategy also addresses this objective in the field of action "Facilitating Development".</p>														
ESRS 2.80 b) Defined target level	<p>As of December 31, 2023, NRW.BANK identified five peer groups where women are underrepresented. The targets are defined as percentages of the total number of employees and are measured in persons:</p> <table border="1"> <thead> <tr> <th>Peer groups</th> <th>Target share 2028</th> </tr> </thead> <tbody> <tr> <td>Divisional management (BL)</td> <td>33.0%</td> </tr> <tr> <td>Departmental management (AL)</td> <td>34.0%</td> </tr> <tr> <td>Unit/team leaders</td> <td>38.0%</td> </tr> <tr> <td>Senior specialists</td> <td>40.0%</td> </tr> <tr> <td>First specialists (collective bargaining group 8–9)</td> <td>50.0%</td> </tr> </tbody> </table>	Peer groups	Target share 2028	Divisional management (BL)	33.0%	Departmental management (AL)	34.0%	Unit/team leaders	38.0%	Senior specialists	40.0%	First specialists (collective bargaining group 8–9)	50.0%		
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Unit/team leaders	38.0%														
Senior specialists	40.0%														
First specialists (collective bargaining group 8–9)	50.0%														
ESRS 2.80 c) Scope of the target	Total number of employees of NRW.BANK at the two locations in Münster and Düsseldorf														
ESRS 2.80 d) Baseline value and base year	<p>The baseline values of the peer groups were determined as of December 31, 2023:</p> <table border="1"> <thead> <tr> <th>Peer groups</th> <th>Share as of Dec. 31, 2023</th> </tr> </thead> <tbody> <tr> <td>Divisional management (BL)</td> <td>27.8%</td> </tr> <tr> <td>Departmental management (AL)</td> <td>31.7%</td> </tr> <tr> <td>Unit/team leaders</td> <td>36.2%</td> </tr> <tr> <td>Senior specialists</td> <td>37.0%</td> </tr> <tr> <td>First specialists</td> <td>38.9%</td> </tr> <tr> <td>Specialists (collective bargaining group 8–9)</td> <td>53.9%</td> </tr> </tbody> </table>	Peer groups	Share as of Dec. 31, 2023	Divisional management (BL)	27.8%	Departmental management (AL)	31.7%	Unit/team leaders	36.2%	Senior specialists	37.0%	First specialists	38.9%	Specialists (collective bargaining group 8–9)	53.9%
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First specialists	38.9%														
Specialists (collective bargaining group 8–9)	53.9%														
ESRS 2.80 e) Period to which the target applies	The target has been set for December 31, 2028; no interim targets have been defined. However, there is a statutory obligation to assess the situation after two years.														
ESRS 2.80 f) Methodology and assumptions	When determining the peer groups, NRW.BANK chose not to assess each business unit separately. Shares, targets and actions are defined as binding for the Bank as a whole. When determining the shares, approximately half of the positions were assumed to be filled by women based on the forecast of age-related departures during the implementation period.														
ESRS 2.80 h) Involvement of stakeholders	The Equality Plan and the target shares defined therein are prepared in cooperation with the Equal Opportunities Officer.														

3.1.6 Characteristics of the company's employees [S1-6]

Table 29: Minimum disclosures on personnel metrics [S1-6 to S1-17]

Personnel metrics (MDR-M)	
ESRS 2.77 a) Methodologies and significant assumptions	The figures shown consider the people actively employed at NRW.BANK as of December 31, 2024. In contrast, persons employed outside NRW.BANK (leave of absence, secondments, employee assignments) are not considered. Dual students, trainees and members of the Managing Board are also not considered. Details of the methodologies and, where applicable, the assumptions are provided in thematic ■ Chapters 3.1.6 to 3.1.17 .
ESRS 2.77 b) Validation by external body	The measurement of the metrics has not been validated by an external organisation.
ESRS 2.77 c) Description of the metrics	See the respective tables in thematic ■ Chapters 3.1.6 to 3.1.17

To ensure that the Bank can successfully fulfil its role as the promotional bank for North Rhine-Westphalia now and in the future, the strategic objectives of the Bank's Human Resources activities include recruiting and retaining qualified employees in the long term.

The figures shown consider the people actively employed at NRW.BANK as of December 31, 2024. They do not include Managing Board members, trainees and dual students or persons employed outside NRW.BANK (leave of absence, secondments, employee assignments).

The following shows the total headcount as of December 31, 2024 broken down by gender and employment relationship. All people are employed in Germany:

Table 30: Number of employees by gender [S1-6]

Gender	Number of employees (headcount)
Male	831
Female	811
Other	0
Not specified	0
Total number of employees	1,642

Table 31: Number of employees by gender and employment relationship [S1-6]

	Female ¹⁾	Male ¹⁾	Other ¹⁾	Not stated ¹⁾	Total
Number of employees (headcount)	811	831	–	–	1,642
Number of permanent employees (headcount)	792	801	–	–	1,593
Number of permanent employees (headcount)	19	30	–	–	49
Non-guaranteed hours employees (headcount)	–	–	–	–	–
Number of full-time employees (headcount)	368	646	–	–	1,014
Number of part-time employees (headcount) ²⁾	443	185	–	–	628

¹⁾ Gender as stated by employees

²⁾ Part-time employees also include employees who made use of the flexible working time schemes offered, such as sabbaticals or leave in return for salary reduction, during the reporting period.

A total of 95 people left the Bank during the reporting period. In relation to the number of employees on the reporting date of December 31, 2024, the total number of departures corresponds to a turnover rate of 5.8%.

3.1.7 Characteristics of Non-employees in the Company's Own Workforce [S1-7]

Typically, non-employees are utilised to cover predictable and temporary staff shortages. However, most roles at NRW.BANK demand a high level of specific expertise, meaning non-employees can only be used in a few selected functions. In such instances, the Bank uses non-employees through a company that specialises in labour assignments or temporary employment.

One non-employee was engaged at NRW.BANK during the reporting period. On average, this group of individuals represented 0.25 full-time employees (FTE) of NRW.BANK throughout the entire period under review.

To calculate this average, the total number of months worked by all non-employees during the period under review was divided by twelve.

3.1.8 Collective Bargaining Coverage and Social Dialogue [S1-8]
NRW.BANK is a member of the Collective Bargaining Association of Public Sector Banks and is thus covered by its collective agreements. According to Section 1 of the Basic Collective Agreement (Manteltarifvertrag – MTV), only temporary staff without relevant professional experience who are employed for up to two months, cleaning staff and the groups of persons specified in Section 1 Sentence 3 of the MTV are excluded from these collective agreements.

NRW.BANK also contractually agrees to refer to the applicable collective agreement for employees not covered by the collective agreement who receive a salary significantly above the highest pay scale group of the collective agreement – except for remuneration-related components (e.g. overtime bonuses). Consequently, 100% of all employees are covered by collective agreements.

The percentage of employees represented by the staff representatives (General Staff Council) and therefore participating in the social dialogue is 100%.

The Staff Representation Act for the State of North Rhine-Westphalia (LPVG NRW) forms the basis of the working and employment conditions. However, there is a co-determination limit for individual measures such as recruitment, promotion, remuneration, transfers and applications for part-time work, which is based on the remuneration received. As of December 31, 2024, this amounted to € 112,033.44 p.a. This means that 19.9% of all employees do not fall under this form of co-determination.

As the promotional bank for the state of North Rhine-Westphalia with two head offices in Düsseldorf and Münster, NRW.BANK has no representation by a European works council, a works council of a Societas Europaea (SE) or a works council of a Societas (SCE) in addition to the employee representation under the LPVG NRW.

Table 32 shows that all employees are covered by a collective agreement and participate in a social dialogue in Germany.

Table 32: Coverage by collective agreements and social dialogue [S1-8]

Coverage ratio	Collective bargaining coverage		Social dialogue
	Employees – EEA (for countries with >50 employees who represent >10% of the total headcount)	Employees – Non-EEA countries (estimate for regions with >50 employees who represent >10% of the total headcount)	Representation at the workplace (only EEA) (for countries with >50 employees who represent >10% of the total headcount)
0–19%	–	–	–
20–39%	–	–	–
40–59%	–	–	–
60–79%	–	–	–
80–100%	Germany	–	Germany

3.1.9 Diversity Metrics [S1-9]

When filling management positions, NRW.BANK aims for diversity and an appropriate consideration of both genders. Additionally, NRW.BANK is subject to the LLG NRW, which mandates the promotion of women and the elimination of underrepresentation and discrimination (also see [Chapter 3.1.5](#)).

Of the 18 business unit heads who represent NRW.BANK’s top management tier below the Managing Board, six were women (33.3%) as of the reporting date of December 31, 2024.

The following shows a breakdown by age of the people employed at NRW.BANK as of the reporting date of December 31, 2024:

Table 33: Number of employees by gender [S1-9]

Age group	Number of employees
under 30 years	197
30 to 50 years	794
over 50 years	651

The fields of action defined in NRW.BANK's human resources planning and development strategy ensure sustainable human resources planning which secures junior staff, promotes development and maintains performance. Preparations are underway for the forthcoming generational change at NRW.BANK to ensure the necessary transfer of knowledge and expertise.

3.1.10 Adequate Wage [S1-10]

In its capacity as the promotional bank of the State of North Rhine-Westphalia, NRW.BANK pursues a sustainable business model and is a future-oriented public-law employer that acts in a socially responsible manner. Accordingly, the remuneration systems must also be geared to the long term and serve to ensure NRW.BANK's performance in the long term. Against this background, NRW.BANK does not use any variable remuneration components.

NRW.BANK's remuneration strategy stipulates that remuneration principles are derived from the Bank's overall strategic requirements, taking the corporate culture and values into account. One of the principles is that requirements-consistent and market-consistent total remuneration forms the basis of NRW.BANK's remuneration system to secure the livelihood of its employees.

Since NRW.BANK is a collective bargaining partner in the Collective Labour Agreement for Public Sector Banks, it ensures adequate wages for all employees in line with applicable refer-

ence values. The related collective wage agreement sets the minimum wages for the various activities. For roles whose requirements exceed the highest pay scale group of the collective wage agreement, market indicators are established by comparing with previously defined peer banks, which offer benchmark values for remuneration options. The remuneration system is supplemented by a broad array of social benefits and a comprehensive range of further training opportunities.

The purely fixed remuneration is designed in such a way that it supports the HR policy, which is based on trusting, long-term cooperation, emphasises the sustainability of developments and creates effective incentives for the required long-term motivation of employees. Market-consistent remuneration for all employees ensures that the qualifications required to meet the Bank's specific requirements will continue to be available within NRW.BANK.

3.1.11 Social Protection [S-11]

NRW.BANK places great importance on the social protection of its employees, as it shields them from the negative impacts of major life events. Loss of income due to sickness, unemployment, workplace injury and acquired disability, parental leave and retirement is already covered by the social systems in Germany. NRW.BANK offers various additional internal benefits to extend the social protection for its employees beyond the existing standard protection.

3.1.12 Persons with Disabilities [S1-12]

Diversity is valued at NRW.BANK, as it allows for many different approaches to be considered, leading to creativity and innovation. Despite all the differences, the Bank regards all employees with their individual skills and qualifications as valuable.

The integration of people with disabilities into work and training (severely disabled persons and those with equivalent status as defined in Section 2 of Book IX of the German Social Code) is essential for equal participation in social life. NRW.BANK sees this not only as its statutory and social obligation but as a natural part of its culture. The Bank is committed to a special duty of care towards its employees with disabilities.

As of December 31, 2024, NRW.BANK employed 1,642 people (see [Chapter 3.1.6](#)), 66 of whom are severely disabled or have equivalent status. This corresponds to a share of 4.0%.

3.1.13 Training and Skills Development Metrics [S1-13]

The entire review process applies to all active employees with an employment relationship of more than six months and is published and explained as part of NRW.BANK's written instructions. Compliance with this requirement is reviewed and demanded by the Human Resources business unit.

An annual performance review by the direct superior takes place as part of the internal planning and feedback process (PUR) in a proprietary software application of the Bank. The performance review is based on an annual planning interview between the direct superiors and their employees, in which the expectations regarding the fulfilment of tasks for the review period are discussed and documented. Based on this agreed tasks plan, a feedback interview is held at the end of the review period, in which the performance delivered is assessed and documented.

In the period under review, the planning and assessment process was completed for 87.0% of the employees. 49.1% of them were women, 50.9% were men.

As part of the human resources planning and development strategy, overarching training needs for the Bank as a whole and for individual business units are identified annually. Based on this, the Human Resources business unit continuously reviews and updates the entire range of internal development measures.

This is complemented by coaching, mentoring as well as team development, conflict moderation and workshops. Additionally, the business units can utilise external specialist training at their own discretion.

Three channels have been established to identify effective development measures:

1. Personnel Development Planning is an integral element of the annual planning and feedback interviews between employees and their superiors.
2. For this purpose, employees and their superiors can make use of an advisory service provided by the Bank's HR Development Department.
3. Since 2024, all employees have had access to a digital learning platform, which provides information on the contents, targets and costs of the further training options.

All employees can book free training courses via the digital learning platform. An informal agreement with the respective superior is sufficient to book training courses that require payment.

The scope of training measures undertaken in the reporting year was:

Table 34: Number of training hours by gender [S1-13]

Gender	Average training hours (training hours/number of employees)
Female	13.4
Male	16.6
Total	15.0

3.1.14 Health and Safety Metrics [S1-14]

NRW.BANK places significant emphasis on occupational health to safeguard employees from negative effects or to implement corrective measures if needed. For this purpose, internal processes and control systems have been set up (see [Chapter 3.1.4](#)).

All employees of NRW.BANK (100%) are protected by legal occupational health and safety provisions including the Occupational Health and Safety Act and the German Social Security Code. This protection is supplemented by additional internal processes and structures (see [Chapters 3.1.1](#), [3.1.4](#)).

Since the Bank's foundation in 2002, there have been no known fatalities due to work-related injuries or work-related illnesses.

Work-related accidents (including those occurring on the way to and from work and during travel for work-related external activities) must be reported if they result in the insured person being killed or injured to the extent that they cannot work for more than three days. Five reportable work accidents occurred in the reporting year 2024. The rate (number of work accidents divided by hours worked multiplied by 1,000,000) is 2.2.

In the reporting year 2024, NRW.BANK did not become aware of any reportable work-related ill health (including occupational illnesses).

In the reporting year the number of days lost due to

- I. work-related injuries resulting from work accidents (commuting accidents, see above) was 350
- II. work-related ill health (including occupational illnesses and mental illnesses) was 0.

3.1.15 Work-life Balance Metrics [S1-15]

As an institution under public law, NRW.BANK is subject to the NRW State Equal Opportunities Act (LGG NRW) which grants leave entitlements far beyond the provisions of the collective agreement.

In addition to the collectively agreed annual leave of 30 days, all employees of NRW.BANK (100%) are entitled to family-related leave, which is granted in accordance with national law or the Basic Collective Agreement. Family-related reasons include leave of absence and time off work for mothers and fathers immediately around the time of childbirth or adoption (maternity leave/ maternity protection, parental leave) as well as leave for care-givers. The LGG NRW additionally provides the option of taking leave to fulfil family responsibilities such as childcare or nursing care.

In the period under review, a total of 107 people took family-related leave, which represents 6.5% of the total workforce. Of these, 73 (68.2%) were women and 34 (31.8%) were men.

Under the collective agreement, one to two days off are granted for special occasions. In addition, all employees of NRW.BANK can, without giving reasons, apply for up to ten days of leave in return for a salary waiver per year and additionally for a sabbatical of up to three months ever three years.

3.1.16 Remuneration Metrics (Pay Gap and Total Remuneration) [S1-16]

NRW.BANK's remuneration system is gender-neutral and therefore excludes any pay discrimination based on gender for the same work or work of equal value.

- Structural inequalities in the remuneration of employees of different genders are made impossible by NRW.BANK's job assessment system, as each position is assessed by the Human Resources business unit, which is organisationally and technically independent of the job. Regardless of the person ultimately chosen for the position, the assessment itself is based on the tasks, requirements and skills of the respective function.
- Employees who receive collectively agreed wages are covered by the collective agreements for public-sector banks. For all roles not covered by collective agreements, market indicators are established based on external remuneration comparisons, which provide the benchmarks for the remuneration options.

In calculating the gender pay gap, all active employees of NRW.BANK (see [Chapter 3.1.6](#)) as of the reporting date are considered. The gross hourly pay consists of the respective basic salary, the collectively agreed or functional bonus, the annual fixed bonus and company car or, alternatively, monetary compensation offered only to department and business unit heads and individual employees as part of a vested right. Finally, to determine the average gross pay, these salary components of all individuals considered are aggregated on the basis of a full-time employee by gender and divided by the number of individuals of the respective gender. This calculation does not include social and other benefits – including “Beihilfe” payments and company pensions – beyond the aforementioned remuneration components. The gender pay gap is calculated using the formula below:

$$\frac{\text{(average gross hourly pay level of male employees – average gross hourly pay level of female employees)} \times 100}{\text{average gross hourly pay level of male employees}}$$

As of the reporting date of December 31, 2024, NRW.BANK had a gender pay gap of 14.1% across all employees.

A key prerequisite for a comparable pay level is the performance of identical or equivalent tasks. To reduce the existing gender pay gap, NRW.BANK initially focuses on creating identical conditions in personnel measures involving selection decisions (filling positions, promotions), the assignment of higher-ranking tasks and the achievement of target positions. As a result, many vacant and newly created higher-ranking positions have been filled by women in recent years. However, due to their lack of experience in their new roles, some of them have not yet reached the same salary levels as their male colleagues who have worked in these roles for many years. The aim is to counteract this situation by developing women into higher-paid positions at NRW.BANK from an early stage.

The ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all other employees was calculated as of December 31, 2024 using the following formula:

$$\frac{\text{annual total remuneration for the company's highest-paid individual}}{\text{median employee annual total remuneration (excluding the highest-paid individual)}}$$

The total annual remuneration of all active employees as of the reporting date (see [Chapter 3.1.6](#)) consists of the respective basic salary, the collectively agreed or functional bonus and the annual fixed bonus, each based on a full-time employee. Also included are company cars or, alternatively, monetary compensation, which are offered only to department and business unit heads and individual employees as part of a vested right. This calculation does not take into account social and other benefits, including “Beihilfe” payments and company pensions. The highest-paid person and the median of the other persons are determined in the addition of the components. To calculate the annual total remuneration ratio, the annual remuneration for the company’s highest-paid individual is divided by the median employee’s annual total remuneration (excluding the highest-paid individual).

As of the reporting date of December 31, 2024, the ratio thus calculated was 9.1.

3.1.17 Incidents, Complaints and Severe Human Rights Impacts [S1-17]

To promote fair dealings with one another, prevent discrimination and harassment (on the basis of ethnic origin, gender, religion or belief, disability, age or sexual identity) and raise awareness of these issues among all employees, the Bank updated the “Fairness and Openness at Work” convention in 2024. It defines

measures as well as structures and processes for following up on incidents reported. The Complaints Office, which was established in accordance with the German General Act on Equal Treatment (AGG) when the service agreement came into force, is managed by NRW.BANK’s Equal Opportunities Officer. If employees experience discrimination or harassment despite the measures implemented by the Bank, they may contact the Complaints Office confidentially.

As in the previous years, no incident was reported to the Complaints Office in 2024. Compliance with human rights and the labour standards applicable in Germany as well as the rejection of child and forced labour and human trafficking are a matter of course for NRW.BANK. No human rights-related incidents in connection with the company’s workforce have been identified to date.

3.2 Workers in the Value Chain [S2]

3.2.1 Policies Related to Value-chain Workers [S2-1]

Of particular importance to NRW.BANK are the actual positive impacts on the working conditions of workers in the value chain, resulting from extensive promotional activities and the associated strengthening of resilience, innovative capacity, start-ups and growth of North Rhine-Westphalian companies as well as the enhancement of North Rhine Westphalia as a business hub.

The ESG promotion requirements define that NRW.BANK complies not only with German and European protection laws but also with the ILO Core Labour Standards, which define social and labour standards as well as humane working conditions, as a code of conduct against systematic labour law violations.

In the ESG Promotion Requirements, NRW.BANK outlines the exclusion of transactions in connection with acts that violate human rights as well as transactions in connection with child labour or forced labour and labour law violations (e.g. discrimination).

Above and beyond its direct obligation to respect human rights in accordance with the Basic Law of the Federal Republic of Germany and the Constitution of the State of North Rhine-Westphalia, NRW.BANK's actions are based on the Universal Declaration on Human Rights by the UN General Assembly (first published on December 10, 1948). Consequently, the Bank excludes transactions that are related to acts that violate human rights and/or that are connected to illegal activities (e.g. human or organ trafficking, human smuggling, slavery). In addition, NRW.BANK bases its actions on the UN Guiding Principles and the OECD Guidelines and expects the beneficiaries of its promotional programmes to do the same.

In addition to the standards mentioned, NRW.BANK also committed itself to complying with the UN Global Compact, which

it signed in 2009. As an active participant, the Bank publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced, compulsory and child labour.

NRW.BANK bases its definition of child labour on the internationally accepted definition of the United Nations Convention on the Rights of Children (CRC) of the years 1989/1990. Transactions that are associated with child or forced labour are therefore excluded. Violations of labour law, including the German and European protective laws and standards such as the ILO Core Labour Standards, result in exclusion from business activities.

In this regard, NRW.BANK's Sustainability Strategy and its Declaration of Human Rights also reference the relevant sections of the ESG Promotion Requirements.

The promotional business of NRW.BANK, which is organised at its own discretion, falls within the scope of the knock-out criteria defined in the ESG Promotion Requirements. The latter do not include on-lending, state programmes, housing promotion to private customers as well as public housing promotion and transactions on behalf of the federal state (Zuweisungsgeschäft). The applicable promotional terms and conditions and programme frameworks are specified by the respective funding bodies.

For promotion under the house bank principle, the house bank and NRW.BANK assess whether the ESG Promotion Requirements are met during the eligibility check. Moreover, the Bank maintains an ongoing dialogue with the house banks on the consideration of sustainability aspects and the handling of controversial business practices, business activities and business fields. In direct business, the ESG Promotion Requirements are considered during NRW.BANK's standard eligibility check of the lending process and included in the overall assessment of the transaction. Just like other risks, potential sustainability risks are assessed as part of the regulated lending approval process. The available information is used as the basis to check whether the financing and the business partners comply with the Bank's values and its Sustainability Strategy in terms of social, environmental and ethical aspects.

The ESG Promotion Requirements are published on NRW.BANK's website and are thus accessible to all stakeholders. In addition, they are communicated to the house banks.

There is no code of conduct for suppliers since the expectations regarding workers in the value chain are outlined in explicit contractual terms. A supplier agreement is currently being prepared.

No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards or the OECD Guidelines for Multinational Enterprises concerning workers in the value chain were reported in our own operations or in upstream or downstream value chains during the reporting period.

Table 35: Minimum disclosures on the ESG Promotion Requirements [S2-1, MDR-P]

ESG Promotion Requirements (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>In the ESG Promotion Requirements, NRW.BANK outlines the exclusion of transactions in connection with acts that violate human rights as well as transactions in connection with child labour or forced labour and labour law violations (e.g. discrimination).</p> <p>Above and beyond its direct obligation to respect human rights in accordance with the Basic Law of the Federal Republic of Germany and the Constitution of the State of North Rhine-Westphalia, NRW.BANK's actions are based on the Universal Declaration on Human Rights by the UN General Assembly (first published on December 10, 1948). Consequently, the Bank excludes transactions that are related to acts that violate human rights and/or that are connected to illegal activities (e.g. human or organ trafficking, human smuggling, slavery).</p> <p>In this way the positive impacts on the working conditions of workers in the value chain are addressed. For promotion under the house bank principle, the house bank and NRW.BANK assess whether the ESG Promotion Requirements are met during the eligibility check. Moreover, the Bank maintains an ongoing dialogue with the house banks on the consideration of sustainability aspects and the handling of controversial business practices, business activities and business fields. In direct business, the ESG Promotion Requirements are considered during NRW.BANK's standard eligibility check of the lending process and included in the overall assessment of the transaction. Just like other risks, potential sustainability risks are assessed as part of the regulated lending approval process. The available information is used as the basis to check whether the financing and the business partners comply with the Bank's values and its Sustainability Strategy in terms of social, environmental and ethical aspects.</p>
ESRS 2.65 b) Scope of application	<p>NRW.BANK's new promotional business, whose organisation is at its own discretion, falls within the scope of the knock-out criteria defined in the ESG Promotion Requirements. The latter do not include on-lending, state programmes, housing promotion to private customers as well as public housing promotion and transactions on behalf of the federal state (Zuweisungsgeschäft). The applicable promotional terms and conditions and programme frameworks are specified by the respective funding bodies.</p> <p>For promotion under the house bank principle, the house bank and NRW.BANK assess whether the ESG Promotion Requirements are met during the eligibility check. Moreover, the Bank maintains an ongoing dialogue with the house banks on the consideration of sustainability aspects and the handling of controversial business practices, business activities and business fields.</p>
ESRS 2.65 c) Responsibility	<p>The Sustainability and Impact Management Department is responsible for developing the ESG Promotion Requirements. On the basis of the Bank's generally decentralised organisation, responsibility for the operational implementation of the ESG Promotion Requirements lies with the relevant business units. The Managing Board serves as the highest supervisory level and is ultimately responsible for defining and approving the ESG Promotion Requirements.</p>

ESG Promotion Requirements (MDR-P)

ESRS 2.65 d) Third-party standards and initiatives

The ESG promotion requirements define that NRW.BANK complies not only with German and European protection laws but also with the ILO Core Labour Standards, which define social and labour standards as well as humane working conditions, as a code of conduct against systematic labour law violations. In addition to the standards mentioned, NRW.BANK also committed itself to complying with the UN Global Compact, which it signed in 2009. As an active participant, the Bank publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced, compulsory and child labour. NRW.BANK bases its definition of child labour on the internationally accepted definition of the United Nations Convention on the Rights of Children (CRC) of the years 1989/1990. Transactions that are associated with child or forced labour are therefore excluded. Violations of labour law, including the German and European protective laws and standards such as the ILO Core Labour Standards, result in exclusion from business activities.

ESRS 2.65 f) Availability

The ESG Promotion Requirements are published on NRW.BANK's website and are thus accessible to all stakeholders. In addition, they are communicated to the house banks.

3.2.2 Process for Engaging with Value-chain Workers About Impacts [S2-2]

Compliance with human rights and the labour standards applicable in Germany, as well as the rejection of child and forced labour, are a matter of course for NRW.BANK and have been anchored in its Sustainability Strategy, among others.

Material sustainability topics relating to value-chain workers are addressed as part of the stakeholder dialogue (see [Chapter 1.3.2](#)). In particular, the representatives of the house banks and public-sector clients are to be considered credible representatives for NRW.BANK's downstream value chain affected by the material impacts.

As part of the stakeholder dialogue with the credible representatives of value-chain workers, no issues were identified in 2024 in connection with the actual positive impacts of NRW.BANK's promotional activities on the working conditions of value-chain workers that need to be taken into account in NRW.BANK's decision-making processes. Based, among other things, on input from the stakeholder dialogues in previous years, various actions such as the specification of knock-out criteria, increased transparency regarding NRW.BANK's compliance and governance activities and certification under the Eco-Management and Audit Scheme (EMAS)* have been implemented. Beyond this demonstrable implementation of input from the stakeholder

dialogue, the effectiveness of the stakeholder dialogue is not reviewed any further.

As NRW.BANK's promotional activities are regionally limited, no agreements with international trade unions have been concluded, as this would represent an unreasonable effort.

3.2.3 Processes to Remediate Negative Impacts and Channels for Value-chain Workers to Raise Concerns [S2-3]

As part of the materiality assessment, negative impacts of NRW.BANK on value-chain workers have been identified (see [Chapter 3.3.1](#)). NRW.BANK has established various procedures to remediate potential future negative impacts and channels for value-chain workers to raise concerns. These are described in [Chapter 3.1.3](#) and [Chapter 4.1](#) and also apply, without restriction, to workers in the value chain. The complaints received in connection with potential impacts on value-chain workers are analysed annually.

Beyond the publication on NRW.BANK's website, no additional communication to value-chain workers about the availability of these channels takes place.

In the context of the procedures mentioned, no complaints regarding actual or potential negative impacts on value-chain workers were received in 2024.

3.2.4 Taking Action on Material Impacts on Value-chain Workers and the Effectiveness of Those Actions [S2-4]

No material negative impacts, risks or opportunities concerning value-chain workers have been identified in the context of the materiality assessment. To prevent the occurrence of material negative impacts on value-chain workers in NRW.BANK's promotional business also in the future, the knock-out criteria described in [Chapter 1.3.2](#) are applied as part of the ESG Promotion Requirements.

In shaping its promotional offerings, NRW.BANK is guided by the needs of the funding recipients and primarily supports the development of sustainable and viable living conditions in North Rhine-Westphalia. NRW.BANK's promotional activities help strengthen the resilience, innovation and growth of companies as well as start-ups in North Rhine-Westphalia. At the level of the individual company, NRW.BANK's promotional activity may help improve its financing situation and crisis resilience. In this way, the Bank indirectly has positive impacts on the working conditions of value-chain workers.

Besides this, impact-oriented promotion was further developed and an impact management system was established during the reporting year to record the Bank's contribution to sustainable development more systematically, to make it measurable and to present it transparently in the coming reporting years. In this way, NRW.BANK's business activity helps manage these positive impacts.

As part of ESG integration into the investment portfolio, NRW.BANK uses MSCI ESG ratings as well as MSCI ESG Controversies research. No actual material impacts on value-chain workers were identified during the reporting year. Material negative impacts on value-chain workers are also avoided by participating in standards-based collaborative engagement with other institutional investors via ISS (Institutional Shareholder Services) ESG. Each year, ISS ESG identifies around 100 companies violating international standards. By participating, NRW.BANK, together with other institutional investors, can engage in selected companies that show social and ecological controversies with regard to international norms and standards for responsible corporate governance. The combined influence of the investor pool increases the likelihood that the engagement has a greater impact. The engagement activities are reported annually within the context of sustainability reporting.

No actual negative impacts on value-chain workers were identified in the context of the purchasing and procurement activities in the reporting year. Here, NRW.BANK avoids material negative impacts on value-chain workers by using relevant contractual clauses and, in particular, by complying with relevant laws such as the Act against Restraints on Competition, the North Rhine-Westphalian Act on Compliance with Collective Agreements and Procurement (TVgG NRW) and the German Ordinance on the Award of Public Contracts. The effectiveness of these actions stems from the fact that the Bank reserves the right to conduct audits if there are indications of legal violations and may terminate the business relationship in individual cases.

If actual material negative impacts on value-chain workers occur, individual remedial actions are implemented within the context of the complaints management process described in [Chapter 3.2.1](#).

Beyond the procedures described, the actions taken are not reviewed to check whether the desired results are achieved.

During the reporting year, no severe human rights issues or incidents connected to the upstream and downstream value chain were reported via the procedures described in [Chapter 3.2.1](#) and [Chapter 4.1](#).

Table 36: Minimum disclosures on consideration of the MSCI ESG Ratings [S2-4, MDR-A]

Consideration of the MSCI ESG Sustainability Rating (MDR-A)	
ESRS 2.68 a) Key actions	As an ongoing action, NRW.BANK has continued its established sustainable portfolio management using the MSCI ESG Sustainability Rating and the MSCI ESG Controversy and Global Norms Screening since 2017 and continuously reviews its further development. For this purpose, the Bank has defined its own traffic light system for sustainable investments. The aim is to exclude particularly critical investments within the ESG context. No additional resources are needed to implement these actions.
ESRS 2.68 b) Scope	The sustainability scoring of the entire portfolio (downstream value chain) of the capital market business is monitored daily.
ESRS 2.68 c) Time horizons	At the moment, this is an ongoing action with no time limit. Future changes cannot be ruled out.

Table 37: Minimum disclosures on consideration of relevant contractual clauses [S2-4, MDR-A]

Use of relevant contractual clauses (MDR-A)	
ESRS 2.68 a) Key actions	Key actions taken by NRW.BANK to avoid significant negative impacts on value-chain workers include the use of relevant contractual clauses and adherence to relevant laws such as the Act against Restraints on Competition, the North Rhine-Westphalian Act on Compliance with Collective Agreements and Procurement (TVgG NRW) and the German Ordinance on the Award of Public Contracts. No additional resources are needed to implement these actions.
ESRS 2.68 b) Scope	This action relates to the purchasing and procurement activities of NRW.BANK.
ESRS 2.68 c) Time horizons	At the moment, this is an ongoing action with no time limit. Future changes cannot be ruled out.

3.2.5 Targets Related to Advancing Positive Impacts [S2-5]

In the reporting year, NRW.BANK did not define any time-bound or results-oriented targets to promote the identified positive impacts on value-chain workers. On one hand, much of the promotional business is conducted under the house bank principle and is therefore outside NRW.BANK’s direct control; on the other hand, the framework conditions for making specific sustainability topics measurable were only established in the reporting year by implementing the corresponding processes. In this context, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024. Beyond the activities described above, the effectiveness concerning the material sustainability-related impacts is not reviewed any further. The

possibility of defining a meaningful time-bound and results-oriented target to promote the identified positive impacts on value-chain workers in subsequent reporting years is being examined.

3.3 Affected Communities [S3]

3.3.1 Policies Related to Affected Communities [S3-1]

NRW.BANK respects the economic, social, cultural, political and other rights of the communities affected by its business processes and supply chains and takes precautions to avoid infringing upon these rights.

NRW.BANK exerts a positive influence on the economic, social and cultural rights of the residents of North Rhine-Westphalia as recipients and as communities affected by its promotional business. Against this background, it provides promotional incentives for educational infrastructure, public housing construction, low-income households, refugee accommodation or the financing of start-ups by unemployed people.

As part of NRW.BANK's capital market business, investments in companies which, in turn, cause negative impacts may result in material potential negative impacts on the economic, social and cultural rights of communities as well as their civil and political rights. These impacts can differ in type and are considered by NRW.BANK to be related to its general business activity.

Uncontrollable indirect suppliers of NRW.BANK (e.g. suppliers of raw materials and upstream products for hardware, building materials, food) may potentially negatively impact the civil and political rights of communities.

The communities affected by the capital market business and the procurement activities of NRW.BANK may be the residents of the countries in which NRW.BANK's business partners are based and operate.

Above and beyond its direct obligation to respect human rights in accordance with the Basic Law of the Federal Republic of Germany and the Constitution of the State of North Rhine-Westphalia, NRW.BANK's actions are based on the Universal Declaration of Human Rights adopted by the UN General Assembly. Consequently, the Bank excludes transactions related to acts that violate human rights and/or are connected to illegal activities (e.g. human or organ trafficking/human smuggling, slavery). In addition, NRW.BANK bases its actions on the UN Guiding Principles and the OECD Guidelines and expects the beneficiaries of its promotional programmes to do the same. During the reporting period, these frameworks were explicitly included in the ESG Promotion Requirements and published on January 1, 2025.

With regard to the actual positive impacts of the promotional business on the residents of North Rhine-Westphalia as an affected community, NRW.BANK explains in its Sustainability Strategy that it is committed to the social aspect of sustainability, including the generation of a demand-driven affordable and intergenerational housing supply, the preservation and creation of jobs and support for municipalities, for example with regard to school education. The promotion provided by the Bank is based on the Act on NRW.BANK and governed by the principles adopted

by its Board of Guarantors as well as by NRW.BANK's promotional strategy which is based thereon. The overarching objectives of public housing promotion result from the Law on the Promotion and Use of Housing for the State of North Rhine-Westphalia (Gesetz zur Förderung und Nutzung von Wohnraum für das Land Nordrhein-Westfalen – WFNG NRW). Objectives and the distribution of the promotional funds are also anchored in the multi-year housing promotion programme 2023–2027 of the State of North Rhine-Westphalia. The Managing Board is responsible for the promotional strategy as part of the Bank's overall strategy.

The integration of sustainability aspects in the investment portfolio is ensured in the ESG Investment Framework (see [Chapter 2.1.2](#)). In the context of ESRS "Affected communities", the Controversies Framework* partially covers the sustainability topics through various social and environmental aspects. New corporate portfolio investments in "laggards" as defined by the MSCI ESG Rating (B and CCC) are also prohibited. This approach avoids potential negative impacts on affected communities.

With regard to potential negative impacts from indirect uncontrollable suppliers of NRW.BANK, the Sustainability Strategy explains that NRW.BANK considers not only economic efficiency but also environmental protection, energy efficiency, the promotion of gender equality and other social aspects in accordance with the relevant statutory regulations when awarding contracts.

Contractual regulations of NRW.BANK that apply regardless of the contract value when the contracting authority is involved require the Bank's direct suppliers to avoid potential negative impacts in their supply chain as well. Contractors are therefore advised to consider the following aspects in their companies and with their subcontractors:

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

In addition, the regulations of the North Rhine-Westphalian Act on Compliance with Collective Agreements and Procurement (TVgG NRW) apply to contracts with a net order volume of € 25,000 or more. Supply and service contracts starting from

€ 221,000, social and other special services from € 750,000, as well as construction contracts from € 5,382,000 are additionally subject to the German Ordinance on the Award of Public Contracts (VgV).

The ITS business unit is responsible for all procurement procedures at NRW.BANK that exceed the EU thresholds and oversees the application of public procurement law and the Act on Compliance with Collective Agreements and Procurement (TVgG NRW). In addition, procurements below the EU thresholds and mini tenders are conducted by competence centres (applying EUR procurement law) on their own responsibility. The Purchasing & Procurement Office in the ITS business unit advises them you on the application of public procurement law and the TVgG NRW. Procurements below a net order value of € 25,000 may be carried out by employees of NRW.BANK without involving specialist purchasing functions. In addition to the standards mentioned in the description of the strategies, NRW.BANK also committed itself to complying with the UN Global Compact, which it signed in 2009. As an active participant, the Bank publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced, compulsory and child labour.

No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards or the OECD Guidelines for Multinational Enterprises concerning affected communities were reported in our own operations or in upstream or downstream value chains to date.

The involvement of stakeholder representatives in the stakeholder dialogue (see [Chapter 1.2.3](#)) ensures that affected communities and their interests are involved in the processes and policies of NRW.BANK.

Convention No. 169 of the International Labour Organization (ILO) is an international treaty that provides legally binding protection for the rights of indigenous people. According to a press release by the federal government¹⁾, there are no population groups in Germany within the meaning of this convention. Against this background, this topic is not relevant for business partners in the promotional business and the Bank's own operations. For the investment portfolio, the critical review of impacts on indigenous peoples is conducted as part of the MSCI Norm-based Screening.

¹⁾ Deutscher Bundestag, „Regierung setzt auf Partnerschaft mit indigenen Völkern“ (“Government relies on partnership with indigenous peoples”) from September 30, 2022; URL: <https://www.bundestag.de/presse/hib/kurzmeldungen/-913082>

Table 38: Minimum disclosures on the ESG Investment Framework [S3-1, MDR-P]

ESG Investment Framework (MRD-P)	
ESRS 2.65 a) Contents and general objectives	<p>To avoid investments in issuers with serious violations of international standards, NRW.BANK considers MSCI ESG Controversies research. The latter indicates corresponding violations in the form of controversy flags. The severity of the violations is indicated by flags ranging from green to red. To exclude securities with substantial controversies, new investments in securities with a red MSCI ESG controversy flag are prohibited.</p> <p>To integrate ESG criteria into the selection of the investments and the management of the portfolio, NRW.BANK has developed its own sustainability traffic light system. This is monitored via a daily report and ensures ESG integration of well over 95% of the total portfolio. The rating system is based on the MSCI ESG rating for companies and countries and can be categorised as positive (best-in-class) screening. The MSCI ESG rating is based on benchmarking within individual industries. Criteria in the areas of “environment”, “social affairs and society” and “governance” are assessed according to industry relevance and subjected to a “best-in-class” analysis within a sector or peer group defined by MSCI ESG Research. For country risks, the risk sensitivity and risk management with respect to environmental, social and governance issues are assessed. The comparison is made on a global level. NRW.BANK’s sustainability portfolio (as a part of the total portfolio) consists of investments with an MSCI ESG Research investment rating of AAA to BBB (and/or equivalent ratings). The sustainability traffic light indicates the share of the portfolio in the total portfolio by means of the colours red, yellow and green and defines any necessary responses. The latter include, in a first step, the information of the Managing Board’s Asset Liability Committee (ALCO) and, if necessary, the adjustment of the total portfolio in subsequent steps. New corporate portfolio investments in “laggards” as defined by the MSCI ESG Rating (B and CCC) are also prohibited. The proportion of countries or sectors that are increasingly exposed to environmental, social or governance risks is analysed regularly and reported in the monthly risk report and quarterly in the Risk Committee. Sustainability criteria (in addition to the internal credit rating) are taken into account in the investment portfolio for the corporate concentration limits anchored in the risk strategy. In the context of ESRS “Affected communities”, the Controversies Framework* addresses the sustainability topics through various social and environmental aspects. New corporate portfolio investments in “laggards” as defined by the MSCI ESG Rating (B and CCC) are also prohibited. This approach avoids potential negative impacts on affected communities.</p>

ESG Investment Framework (MRD-P)

ESRS 2.65 b) Scope of application	<p>NRW.BANK's sustainability portfolio (as a part of the total portfolio) consists of investments with an MSCI ESG Research investment rating of AAA to BBB (and/or equivalent ratings). The communities affected by the capital market business and the procurement activities of NRW.BANK may be the residents of the countries in which NRW.BANK's business partners are based and operate.</p> <p>To exclude material ESG risks of the total portfolio and to ensure that the share of the portfolio that has a positive sustainability impact is as high as possible, NRW.BANK incorporates ESG issues into the analysis and decision-making processes for its investment portfolio. The reference values of the total portfolio are the securities business and the surrogate loan business in connection with public, corporate and financial investments as well as municipal financing.</p>
ESRS 2.65 c) Responsibility	<p>The Capital Markets business unit is responsible for developing and implementing the ESG Investment Framework. The Managing Board serves as the highest supervisory level and is ultimately responsible for defining and approving the ESG Investment Framework.</p>
ESRS 2.65 d) Third-party standards and initiatives	<p>NRW.BANK is committed to international standards and supports the 10 Principles of the UN Global Compact as a signatory. To avoid investments in issuers with serious violations of international standards, NRW.BANK considers MSCI ESG Controversies research. The set of values comprises some 50 generally applicable global standards, such as the UN Global Compact, the ILO Core Labour Standards, the UN Guiding Principles and the OECD Guidelines. In addition, NRW.BANK signed the UN Principles for Responsible Investments (UN PRI) in 2020.</p>
ESRS 2.65 f) Availability	<p>The ESG Investment Framework is published on NRW.BANK's website, where it is accessible to all stakeholders.</p>

Table 39: Minimum disclosures on the Sustainability Strategy [S3-1, MDR-P]

Sustainability Strategy (MDR-P)	
ESRS 2.65 a) Contents and general objectives	<p>NRW.BANK respects the economic, social, cultural, political and other rights of the communities affected by its business processes and supply chains and takes precautions to avoid infringing upon these rights. NRW.BANK exerts a positive influence on the economic, social and cultural rights of the residents of North Rhine-Westphalia as recipients and as communities affected by its promotional business. Against this background, it provides promotional incentives for educational infrastructure, public housing construction, low-income households, refugee accommodation or the financing of start-ups by unemployed people.</p> <p>With regard to the actual positive impacts of the promotional business on the residents of North Rhine-Westphalia as an affected community, NRW.BANK explains in its Sustainability Strategy that it is committed to the social aspect of sustainability, including the generation of a demand-driven affordable and intergenerational housing supply, the preservation and creation of jobs and support for municipalities, for example with regard to school education.</p> <p>The Sustainability Strategy is presented as part of the Bank’s overall strategy at various committee meetings, where the annual adjustments are discussed. In this context, internal coordination sessions ensure that it is interlinked with the other sub-strategies of the Bank.</p>
ESRS 2.65 b) Scope of application	<p>The promotion provided by the Bank is based on the Act on NRW.BANK and governed by the principles adopted by its Board of Guarantors as well as by NRW.BANK’s promotional strategy which is based thereon. The overarching objectives of public housing promotion result from the Law on the Promotion and Use of Housing for the State of North Rhine-Westphalia (Gesetz zur Förderung und Nutzung von Wohnraum für das Land Nordrhein-Westfalen – WFNG NRW). Objectives and the distribution of the promotional funds are also anchored in the multi-year housing promotion programme 2023–2027 of the State of North Rhine-Westphalia.</p> <p>Convention No. 169 of the International Labour Organization (ILO) is an international treaty that provides legally binding protection for the rights of indigenous people. According to a press release by the federal government, there are no population groups in Germany within the meaning of this convention. (Press release). Against this background, this topic is not relevant for business partners in the promotional business and the Bank’s own operations.</p>

Sustainability Strategy (MDR-P)	
ESRS 2.65 c) Responsibility	The Managing Board is responsible for the promotional strategy as part of the Bank's overall strategy.
ESRS 2.65 d) Third-party standards and initiatives	<p>As part of its Sustainability Strategy, NRW.BANK pursues the sustainability goals it has identified also outside its own business activity. NRW.BANK's membership of various initiatives and associations for sustainable corporate action underlines the Bank's commitment to sustainability externally, while its participation in voluntary endorsements increases the traceability and comparability of its activities. The Bank is a signatory/member of the following initiatives and has undertaken to consider their principles when developing its strategy:</p> <ul style="list-style-type: none"> — Germany's "Diversity Charter" (Charta der Vielfalt), — United Nations Environment Programme Finance Initiative (UNEP-FI), — UN Global Compact, — UN Principles for Responsible Investments, — Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (VfU). <p>As an active participant in the EU Global Compact, NRW.BANK publishes an annual Communication on Progress* that illustrates its contribution to the 10 principles. Principles 1 and 2 of the UN Global Compact explicitly refer to respecting universal human rights, while principles 3 to 6 specifically address labour rights, including the prohibition of forced, compulsory and child labour.</p>
ESRS 2.65 e) Consideration of stakeholders	In connection with the further development of sustainability issues, external input from sustainability stakeholder dialogues (see Chapter 1.2.3) can be incorporated into the Bank's Sustainability Strategy.
ESRS 2.65 f) Availability	The Sustainability Strategy is published on NRW.BANK's website, where it is accessible to all stakeholders.

3.3.2 Process for Engaging with Affected Communities About Impacts [S3-2]

Every year, NRW.BANK discusses the latest sustainability-related developments with its relevant stakeholders to ensure regular involvement of the stakeholders mentioned (see [Chapter 1.3.2](#)). The stakeholders identified are to be regarded as credible representatives of the communities affected by NRW.BANK's promotional business and own operations.

As part of the stakeholder dialogue with the credible representatives of the affected communities, no issues relating to the material actual and potential impacts on the affected communities (see [Chapter 3.3.1](#)) were identified in 2024 that would have to be taken into account in NRW.BANK's decision-making processes. Based, among other things, on input from the stakeholder dialogues in previous years, various actions such as the specification of knock-out criteria, increased transparency with regard to NRW.BANK's compliance and governance activities and EMAS have been implemented. Above and beyond this demonstrable implementation of input from the stakeholder dialogue, the effectiveness of the stakeholder dialogue is not reviewed any further.

3.3.3 Process to Remediate Negative Impacts and Channels for Affected Communities to Raise Concerns [S3-3]

In the context of the materiality assessment, no actual but potential negative impacts of NRW.BANK on affected communities have been identified (see [Chapter 3.3.1](#)). NRW.BANK has

established various processes to remediate negative impacts and channels for affected communities to raise concerns. These are described in [Chapter 3.1.4](#) and [Chapter 4.1](#) and also apply, without restriction, to people from affected communities. The complaints received in connection with potential impacts on affected communities are analysed annually.

In 2024, no complaints in connection with affected communities were received as part of the processes mentioned.

Beyond the publication on NRW.BANK's website, no additional communication to affected communities about the availability of these channels takes place.

3.3.4 Taking Action on Material Impacts on Affected Communities and the Effectiveness of Those Actions [S3-4]

In the context of the materiality assessment, no actual but potential negative impacts of NRW.BANK on affected communities have been identified (see [Chapter 3.3.1](#)).

To prevent material negative impacts on affected communities in NRW.BANK's promotional business in the future, the knock-out criteria described in [Chapter 3.2.1](#) are applied as part of the ESG Promotion Requirements.

In the context of its procurement activities, NRW.BANK avoids material negative impacts on affected communities by using relevant contractual clauses and, in particular, by complying with

relevant laws such as the Act against Restraints on Competition, the North Rhine-Westphalian Act on Compliance with Collective Agreements and Procurement (TVgG NRW) and the German Ordinance on the Award of Public Contracts. The effectiveness of the actions stems from the fact that NRW.BANK reserves the right to conduct audits if there are indications of legal violations and may terminate the business relationship in individual cases.

As part of ESG integration into the investment portfolio, NRW.BANK uses MSCI ESG ratings as well as MSCI ESG Controversies research as described in [Chapter 2.1.2](#). In addition, material negative impacts on affected communities are addressed by participating in standards-based collaborative engagement with other institutional investors via ISS (Institutional Shareholder Services) ESG. Each year, ISS ESG identifies 100 companies violating international standards. By participating, NRW.BANK, together with other institutional investors, can engage in selected companies that show social and ecological controversies with regard to international norms and standards for responsible corporate governance. The combined influence of the investor pool increases the likelihood that the engagement has a greater impact. ISS ESG itself reports on the effectiveness of the engagement process in its progress reports.

If actual material negative impacts on affected communities occur, individual remedial actions are implemented within the complaints management process described in [Chapter 3.2.3](#) and [Chapter 4.1](#).

Additionally, impact-oriented promotion is being further developed and an impact management system is being established. This aims to record the Bank's contribution to sustainable development more systematically and to make it measurable and transparent. NRW.BANK's business activities help manage these positive impacts.

No material risks or opportunities in connection with affected communities were identified as part of the materiality assessment.

In the reporting year, no severe human rights issues and incidents connected to the upstream and downstream value chain were reported through the procedures described in [Chapter 3.3.2](#) and [Chapter 3.3.3](#).

Table 40: Minimum disclosures on consideration of the MSCI ESG Sustainability Rating [S3-4, MDR-A]

Consideration of the MSCI ESG Sustainability Rating (MDR-A)	
ESRS 2.68 a) Key actions	As an ongoing action, NRW.BANK has continued its established sustainable portfolio management using the MSCI ESG Sustainability Rating and the MSCI ESG Controversy and Global Norms Screening since 2017 and continuously reviews its further development. For this purpose, the Bank has defined its own traffic light system for sustainable investments. The aim is to exclude particularly critical investments within the ESG context. No additional resources are needed to implement these actions.
ESRS 2.68 b) Scope	The sustainability scoring of the entire portfolio (downstream value chain) of the capital market business is monitored daily.
ESRS 2.68 c) Time horizons	At the moment, this is an ongoing action with no time limit. Future changes cannot be ruled out.

Table 41: Minimum disclosures on the use of relevant contractual clauses [S3-4, MDR-A]

Use of relevant contractual clauses (MDR-A)	
ESRS 2.68 a) Key actions	Key actions taken by NRW.BANK to avoid significant negative impacts on affected communities include the use of relevant contractual clauses and adherence to relevant laws such as the Act against Restraints on Competition, the North Rhine-Westphalian Act on Compliance with Collective Agreements and Procurement (TVgG NRW) and the German Ordinance on the Award of Public Contracts. No additional resources are needed to implement these actions.
ESRS 2.68 b) Scope	This action relates to the purchasing and procurement activities of NRW.BANK.
ESRS 2.68 c) Time horizons	At the moment, this is an ongoing action with no time limit. Future changes cannot be ruled out.

3.3.5 Targets Relating to Managing Material Negative Impacts and Advancing Positive Impacts [S3-5]

In the reporting year, NRW.BANK did not define any time-bound and results-oriented targets to promote the identified positive impacts on affected communities. On the one hand, much of the promotional business is conducted under the house bank principle and is therefore outside NRW.BANK's direct control; on the other hand, the framework conditions for making specific sustainability topics measurable were only established in the reporting year by implementing the corresponding processes. In this context, NRW.BANK already started to adapt the targets and actions process to the ESRS requirements in 2024.

Beyond the activities described above, the effectiveness concerning the material sustainability-related impacts is not reviewed any further.

In the reporting year, NRW.BANK did not define any time-bound and results-oriented targets to reduce the identified potential negative impacts on affected communities.

The possibility of defining meaningful time-bound and results-oriented targets to reduce potential negative impacts on affected communities in subsequent reporting years is being examined.

4. Governance Information [G1]

4.1 Corporate Culture and Business Conduct Policies [G1-1]

NRW.BANK operates as a public law institution backed by the State of North Rhine-Westphalia and has a statutory promotional mission. To mitigate potential negative impacts, adherence to various external and internal framework conditions is a fundamental component of NRW.BANK's corporate governance. Employees and customers of the Bank must also be able to correctly interpret the Bank's behaviour at all times and therefore require transparent and comprehensible rules. Additionally, the Bank's cultural mission statement "Wir! für NRW" (We! for NRW) defines NRW.BANK's values.

NRW.BANK's corporate culture and cultural mission statement "Wir! für NRW" (We! for NRW) articulate its values and convictions. The shared assumptions and Group standards anchored in the cultural mission statement are a key factor for the Bank's long-term success. They assist the Bank in achieving its strategic objectives and in developing and promoting its corporate culture. This drives the actions and motivation of its employees as well as the relationship with its stakeholders. The new mission statement was developed as part of a Bank-wide process encompassing all hierarchical levels to initiate a cultural change. Alongside the results of Bank-wide surveys and workshops, the previously applicable Principles for Collaboration, Communication and Leadership have been incorporated into the new mission state-

ment. As part of this initiative, the corporate culture will be continuously further developed at the level of individual business units. This process is supported by an employee network of cultural guides and a management circle that includes all members of the Managing Board and the second management tier.

The Act on NRW.BANK, the Bank's Statutes and the Rules of Procedure for the Managing Board provide the framework for transparent and responsible corporate governance. The legal requirements, in particular those of the German Banking Act (Kreditwesengesetz – KWG) are also implemented within this framework.

Above and beyond the legal and statutory requirements, NRW.BANK's Public Corporate Governance Code (PCGC) adopted by the Board of Guarantors makes recommendations to ensure transparent and responsible corporate governance. It applies to all business units and employees of NRW.BANK and is publicly available on the Bank's website. In accordance with NRW.BANK's PCGC, the Bank publishes an annual Report on Public Corporate Governance. The latter is acknowledged by the Supervisory Board following a resolution by the Managing Board. In accordance with NRW.BANK's Statutes and the PCGC, any deviations from recommendations are disclosed and explained in the Declaration of Conformity. The Report on Public Corporate Governance and the Declaration of Conformity are available on

NRW.BANK's website in accordance with the statutory disclosure requirements.

Members are appointed to the Managing Board and the Supervisory Board of NRW.BANK considering the requirements of the "Richtlinie zur Eignungsbewertung der NRW.BANK" (Suitability Assessment Guideline of NRW.BANK). As they are responsible for managing and supervising the Bank, specific requirements apply regarding the professional and personal suitability of the members of the Managing Board and the Supervisory Board of NRW.BANK. The members of the Managing Board must regularly update their knowledge and skills. To this end, financial resources for further education are made available to them. Regular professional further education is complemented by participation in internal and external events and appointments in a professional capacity as well as by mandates on supervisory bodies. For the ongoing training of the members of the Supervisory Board, NRW.BANK regularly organises seminars and training on current regulatory, banking or NRW.BANK-specific topics. All employees of NRW.BANK must attend regular training focusing on compliance, fraud prevention, money laundering, data protection, information security, sustainability and social media, which also aligns with the requirements of the United Nations regarding the prevention of corruption. Training is conducted for all new employees and trainees shortly after they start work and then every three years in the form of standardised follow-up training.

To ensure successful learning, the training includes a final test. Training completion is verified by the Head of Compliance and proof of the completed training is stored in the training system. The Risk Control unit is responsible for the implementation, except for social media training, which is the responsibility of the Corporate Development business unit.

NRW.BANK's legal obligation to set up a system for whistleblowers arises from the German Whistleblower Protection Act (Hinweisgeberschutzgesetz – HinSchG), the German Banking Act (Kreditwesengesetz – KWG) and the German Money Laundering Act (Geldwäschegesetz – GWG). In light of this, NRW.BANK has set up a confidential whistleblowing system that facilitates the reporting and receipt of suspected compliance-related violations. Anyone who notices potential compliance-related violations can report them via an online form, letter or directly to the central reporting centre. This includes employees of NRW.BANK as well as individuals in the application process, former employees, interns, members of the Bank's bodies, customers, suppliers or employees of NRW.BANK's contractors. The internal reporting centre has been established in the Compliance department, which operates independently and is equipped with comprehensive information rights in accordance with the Minimum Requirements on Risk Management (MaRisk). Regular training ensures that the employees of the whistleblowing centre possess the necessary expertise required by the HinSchG. NRW.BANK implements the EU Whistleblower Directive (2019/1937) to protect whistleblowers. By implementing the measures required therein, retaliation against employees who are whistleblowers can be ruled out if the above reporting channels are used.

NRW.BANK has an established set of different procedures and systems for the prevention, detection and immediate, independent and objective investigation of cases of corruption and bribery. This includes, in particular, the Fraud Prevention Committee chaired by the Head of Compliance. The procedural rules of this Committee regarding its composition, tasks, meetings and resolutions are outlined in the Bank's written instructions. The task of this Committee is to make decisions on how to proceed in the event of other criminal offences against the Bank's financial interests or those threatening to damage the Bank's reputation and to initiate suitable measures to prevent damage.

Based on the risk event history and the annual risk analysis of criminal offences, there are no indications that certain business units have a significantly higher risk potential. Based on industry experience, it can be said that units that sell products or services and units that procure products or services tend to be exposed to higher risks.

With regard to NRW.BANK, it should be noted in this context that the pricing of products or the granting of higher loans/subsidies in the promotional business cannot be influenced by the Bank's employees due to the rigid terms and conditions and processes. This also applies to the purchasing and contracting functions, as the Bank has established a clearly regulated procurement process with corresponding authorisation rules and a "four-eye principle" (see also [Chapter 3.2.1](#)).

Table 42: Minimum disclosures on the Public Corporate Governance Code [G1-1, MDR-P]

Public Corporate Governance Code (MDR-P)	
ESRS 2.65 a) Contents and general objectives	Above and beyond the legal and statutory requirements, NRW.BANK's Public Corporate Governance Code (PCGC) adopted by the Board of Guarantors makes recommendations to ensure transparent and responsible corporate governance. In accordance with NRW.BANK's PCGC, the Bank publishes an annual Report on Public Corporate Governance. The latter is acknowledged by the Supervisory Board following a resolution by the Managing Board. In accordance with NRW.BANK's Statutes and the PCGC, any deviations from recommendations are disclosed and explained in the Declaration of Conformity.
ESRS 2.65 b) Scope of application	This concept applies to all employees of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Managing Board.
ESRS 2.65 f) Availability	This concept is publicly available on the Bank's website.

Table 43: Minimum disclosures on the Suitability Assessment Guideline of NRW.BANK (Richtlinie zur Eignungsbewertung der NRW.BANK) [G1-1, MDR-P]

Suitability Assessment Guideline of NRW.BANK (Richtlinie zur Eignungsbewertung der NRW.BANK) (MDR-P)	
ESRS 2.65 a) Contents and general objectives	Members are appointed to the Managing Board and the Supervisory Board of NRW.BANK considering the requirements of the "Richtlinie zur Eignungsbewertung der NRW.BANK" (Suitability Assessment Guideline of NRW.BANK). As they are responsible for managing and supervising the Bank, specific requirements apply regarding the professional and personal suitability of the members of the Managing Board and the Supervisory Board of NRW.BANK. The members of the Managing Board must regularly update their knowledge and skills.
ESRS 2.65 b) Scope of application	This concept applies to the members of the Managing Board and the Supervisory Board of NRW.BANK.
ESRS 2.65 c) Responsibility	This concept is the responsibility of the Managing Board and is approved by the Supervisory Board.
ESRS 2.65 f) Availability	These documents are part of the written instructions and are available to all employees on NRW.BANK's intranet at any time.

4.2 Prevention and Detection of Corruption and Bribery [G1-3]

As a credit institution within the meaning of the German Banking Act (Kreditwesengesetz – KWG), NRW.BANK is subject to relevant regulatory requirements for the prevention of money laundering, terrorist financing and other criminal offences. Other criminal offences also include the prevention and detection of corruption and bribery, which encompasses practices such as bribes, fraud, extortion, collusion and money laundering. Corruption also includes the offering or acceptance of gifts, loans, rewards or other benefits as well as the waiving of fees for or from a person as an inducement to do something that is dishonest, illegal or a breach of trust with respect to the company's business activities.

Due to its legal form as an institution under public law and its influence as a financial institution, corruption and bribery may considerably damage NRW.BANK's reputation.

NRW.BANK's Compliance department is responsible for all measures ensuring adherence to these requirements. All employees must report any issues regarding the management of operational risks as soon as they become aware of them. The Bank has also set up an anonymous reporting procedure. A special Fraud Prevention Committee handles any suspected cases that are detected. The Fraud Prevention Committee is led by the Head of Compliance. This ensures the separation of this function from any business units that may be affected.

The Bank employs an established set of various procedures and measures to prevent and detect corruption and bribery. These procedures and measures are part of the written instructions

available to all employees on the intranet and are regularly updated and reviewed by the Internal Audit business unit and the auditor concerning their appropriateness and scope.

The procedures and measures include:

- regular training of all employees
- contractual obligations of suppliers
- recording all relevant cases in a central risk event database
- regular self-assessments to evaluate the risk situation across all business units of the Bank
- monthly updates as part of risk reporting to the Managing Board as well as quarterly updates to the supervisory bodies

All employees of NRW.BANK must attend regular training sessions focusing on money laundering, terrorism and other criminal offences. This ensures that all functions involving risks are covered (see [Chapter 4.1](#)). The topics of corruption and bribery are also covered in the training. Training is conducted for all new employees and trainees shortly after they start work and then every three years in the form of standardised follow-up training. To ensure successful learning, the training includes a final test. Training completion is verified by the Head of Compliance and proof of the completed training is stored in the training system.

The members of the Managing Board receive up-to-date information on specific issues relevant for implementation at the Bank. The members of NRW.BANK's Supervisory Board receive general training on risk management.

By including corresponding contractual provisions, NRW.BANK expressly requires its suppliers to comply with European and national laws on corruption, bribery, fraud, accounting fraud, anti-trust violations, money laundering, insider trading and tax compliance.

As described above, all employees of NRW.BANK are required to report suspected cases of corruption and bribery. These are recorded in the risk event database and are thus available to the Compliance department for reporting purposes as well as for structured evaluation and analysis. The Compliance department and the Internal Audit unit are automatically notified of suspected cases recorded in the central risk event database and the Fraud Prevention Committee is involved if necessary. The focus in this context is on taking risk-mitigating and labour law measures as well as the prevention of future risks.

In line with a resolution by the Managing Board, the Fraud Prevention Committee decides on measures to be taken concerning suspected cases of other criminal offences (including corruption and bribery) reported through the process for the anonymous reporting of suspected cases and manages the flow of information.

The Committee is responsible for making decisions on how to proceed in the event of other criminal offences against the Bank's financial interests or threatening to damage the Bank's

reputation and to initiate suitable measures to prevent damage. If possible, discussions in the Committee should be preceded by investigations conducted by the Internal Audit unit. The Committee consists of the following members:

- Chief Risk Officer
- Head of the Central Unit (Money Laundering Officer/Head of Compliance)
- Head of the Risk Control business unit
- Head of the Human Resources business unit
- Head of the Legal business unit
- Head of the Internal Audit business unit

The Head of Compliance chairs the Committee and acts as its coordinator. Overall responsibility for the final processing of the case also rests with the Head of Compliance.

In addition to recording risk events, self-assessments are a key component of managing operational risks. These self-assessments also include the annual risk analysis to be conducted in accordance with Section 25h of the German Banking Act (Kreditwesengesetz – KWG) to prevent other criminal offences (including risks arising from corruption and bribery). The assessments thus supplement the monitoring of historical events that actually occurred with a forecast of the expected potential future risks for the Bank. They are based on independent self-assessments by the experts of the respective business units.

The structured self-assessments address the following:

- assessment of the potential risks for all organisational units of the Bank,
- identification of weak points in the Bank's processes and assessment of the resulting risks,
- creation of transparency and comparability,
- derivation of risk-reducing measures,
- sensitising employees to dealing openly with risks,
- promotion of the risk culture.

In accordance with the Minimum Requirements on Risk Management (MaRisk), the Risk Control unit ensures market-independent and regular reporting to the Managing Board and the Risk Committee established by the Supervisory Board as the super-

visory body. Cases of corruption and bribery are included in the reporting.

Three centralised reporting formats ensure that NRW.BANK fully complies with the regulatory reporting requirements:

- daily risk report to the Managing Board
- monthly risk report to the Managing Board
- report to the Risk Committee

4.3 Incidents of Corruption or Bribery [G1-4]

In the fiscal year 2024, there were no convictions or fines resulting from the violation of anti-corruption and anti-bribery laws that affected NRW.BANK or its employees directly, which means that no action was required.

Düsseldorf/Münster, March 11, 2025

NRW.BANK
The Managing Board



Eckhard Forst
Chairman of the
Managing Board



Gabriela Pantring
Deputy Chairwoman of the
Managing Board



Claudia Hillenherms
Member of the
Managing Board



Dr. Peter Stemper
Member of the
Managing Board



Johanna Antonie Tjaden-Schulte
Member of the
Managing Board

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engagement in Relation to the Separate Non-financial Report

To NRW.BANK AöR, Düsseldorf/Germany and Münster/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the separate non-financial report of NRW.BANK AöR, Düsseldorf/Germany and Münster/Germany, (hereafter referred to as "NRW.BANK") for the financial year from 1 January to 31 December 2024 for complying with Sections 289b to 289e German Commercial Code (HGB) (hereafter referred to as "the Non-financial Report").

Not subject to our assurance engagement are the parts of the Non-financial Report marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Non-financial Report for the financial year from 1 January to 31 December 2024 is not prepared, in all material respects, in accordance with Sections 289b to 289e HGB and the specifying criteria presented by the executive directors of NRW.BANK.

We do not express an assurance conclusion on the parts of the Non-financial Report marked as unassured.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section "German Public Auditor's Responsibilities for the Assurance Engagement on the Non-Financial Report".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards and of the International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter – Principles of Preparation of the Non-Financial Report

Without modifying our conclusion, we draw attention to the details provided in the Non-financial Report, which describe the principles of preparation of the Non-financial Report. According to these principles, NRW.BANK has applied the European Sustainability Reporting Standards (ESRS) to the extent described in section 1.1.1 of the Non-financial Report.

Responsibilities of the Executive Directors and the Supervisory Board for the Non-Financial Report

The executive directors are responsible for the preparation of the Non-financial Report in accordance with the applicable German legal and European requirements as well as with the specifying criteria presented by the executive directors of NRW.BANK and for designing, implementing and maintaining such internal control

as they have considered necessary to enable the preparation of a non-financial report in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Non-financial Report) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Non-financial Report as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Non-financial Report.

Inherent Limitations in Preparing the Non-Financial Report

The applicable German legal and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Non-financial Report. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Non-financial Report.

German Public Auditor's Responsibilities for the Assurance Engagement on the Non-Financial Report

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Non-financial Report has not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the specifying criteria presented by the executive directors of NRW.BANK and to issue an assurance report that includes our assurance conclusion on the Non-financial Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism. We also

- obtain an understanding of the process used to prepare the Non-financial Report, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Non-financial Report.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures

to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Non-financial Report.
- inquired of the executive directors and relevant employees involved in the preparation of the Non-financial Report about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Non-financial Report, and about the internal controls related to this process.
- evaluated the reporting policies used by the executive directors to prepare the Non-financial Report.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.

- performed analytical procedures and made inquiries in relation to selected information in the Non-financial Report.
- considered the presentation of the information in the Non-financial Report.

Restriction of Use

The scope of the engagement and our responsibilities thereunder, towards both NRW.BANK and third parties, are governed by the framework agreement “Agreement No. 003945-00” concluded with NRW.BANK and dated 18 December 2023 as well as the engagement letter dated 20 and 28 June 2024 and the amendment agreement dated 4 and 10 February 2025. The scope of the engagement and our responsibilities thereunder, towards both NRW.BANK and third parties, are complementarily governed by the enclosed “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” as of 1 January 2024. We draw attention to the fact that the assurance engagement was conducted for NRW.BANK’s purposes and that the report is intended solely to inform NRW.BANK about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to NRW.BANK alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Düsseldorf/Germany, 12 March 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
Wilhelm Wolfgarten
Wirtschaftsprüfer
(German Public Auditor)

Signed:
Martina Mietzner
Wirtschaftsprüferin
(German Public Auditor)

Members of the Advisory Board for Housing Promotion

Member Pursuant to Section 23 Para. 1 Letter a of the Statutes

Ina Scharrenbach, MdL

Chairwoman
Minister for Regional Identity, Local Government, Building and Digitalization
of the State of North Rhine-Westphalia

Members Pursuant to Section 23 Para. 1 Letter b of the Statutes

Sebastian Kahler

Senior Principal
Ministry of Finance
of the State of North Rhine-Westphalia

Prof. Dr. Michael Henze

Assistant Secretary
Ministry of Economic Affairs, Industry, Climate Action and Energy
of the State of North Rhine-Westphalia

Sven-Axel Köster

Senior Principal
Ministry of Work, Welfare and Social Integration
of the State of North Rhine-Westphalia

Members Pursuant to Section 23 Para. 1 Letter c of the Statutes

Christian Dahm, MdL

Deputy Chairman of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Angela Freimuth, MdL

Deputy Chairwoman of the FDP Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Arndt Klocke, MdL

Member of the Bündnis 90/Die Grünen Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Sarah Philipp, MdL

Member of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Jochen Ritter, MdL

Member of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Fabian Schrumpf, MdL

Deputy Chairman of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Hedwig Tarner, MdL

Member of the Bündnis 90/Die Grünen Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Klaus Vossemer, MdL

Deputy Chairman of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Sebastian Watermeier, MdL

Member of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Members Pursuant to Section 23 Para. 1 Letter d of the Statutes

Ass. jur. Erik Amaya (until December 31, 2024)

Association Director
Haus & Grund RHEINLANDWESTFALEN

Tim Treude (since January 1, 2025)

Managing Director
Landesverband Haus & Grund Westfalen e.V.

Elisabeth Gendziorra, lawyer

Managing Director
BFW Landesverband Nordrhein-Westfalen e.V.

Alexander Rychter

Association Director
Verband der Wohnungs- und Immobilienwirtschaft Rheinland
Westfalen e.V.

Members Pursuant to Section 23 Para. 1 Letter e of the Statutes

Dr. Olaf Gericke

President
Landkreistag Nordrhein-Westfalen e.V.

Rudolf Graaff

Deputy Mayor
Städte- und Gemeindebund Nordrhein-Westfalen e.V.

Hilmar von Lojewski

Deputy Mayor
for Urban Development, Construction, Housing and Transport
Städtetag Nordrhein-Westfalen

Burkhard Schwuchow

Mayor
City of Büren

Member Pursuant to Section 23 Para. 1 Letter f of the Statutes

Hans-Jochem Witzke

1st Chairman of the Managing Board
Deutscher Mieterbund Nordrhein-Westfalen e.V.

Member Pursuant to Section 23 Para. 1 Letter g of the Statutes

Dipl.-Ing. Ernst Uhing

President
Chamber of Architects in North Rhine-Westphalia

**Permanent Representative of the Chairing Member
Pursuant to Section 23 Para. 2 of the Statutes**

Bianca Cristal (since January 1, 2024)

Senior civil servant
Ministry for Regional Identity, Local Government, Building and
Digitalization
of the State of North Rhine-Westphalia

Members of the Advisory Board

Members Pursuant to Section 25 of the Statutes

Mona Neubaur, MdL

Chairwoman

Minister of Economic Affairs, Industry, Climate Action and Energy
of the State of North Rhine-Westphalia

Kai Abruszat

Mayor

Municipality of Stemwede

Klaus Baumann

Chairman

Regional Assembly of Westphalia-Lippe

Uwe Berghaus

Member of the Managing Board

DZ BANK AG

Deutsche Zentral-Genossenschaftsbank

Heinrich Böckelühr

District President

Arnsberg Regional Government

Dr.-Ing. Heinrich Bökamp

President and Board member

Chamber of Engineers in North Rhine-Westphalia

Anna Katharina Bölling

District President

Detmold Regional Government

Andreas Bothe

District President

Münster Regional Government

Michael Breuer

President

Savings Banks and Giro Association of the Rhineland

Prof. Dr. Liane Buchholz

President and Chairwoman of the Managing Board

Savings Banks and Giro Association of Westphalia-Lippe

Thomas Buschmann

Chairman of the Managing Board

Bankenverband Nordrhein-Westfalen e. V.

Isabelle Chevelard

Chairwoman of the Managing Board

TARGOBANK AG

Paolo Dell'Antonio (until May 31, 2024)

Chairman of the Managing Board (until December 31, 2023)

Wilh. Werhahn KG

Andreas Ehlert

President
Chamber of Handicrafts Düsseldorf

Thomas Eiskirch

Lord Mayor
City of Bochum

Senior Church Counsel Martin Engels (since July 1, 2024)

Representative of the Evangelical Churches to the State Assembly
and State Government of North Rhine-Westphalia
– Ev. Büro NRW –

Fabíola Fernandez

Chief Financial Officer
SMS Group

Prof. Dr.-Ing. Manfred Fishedick

Academic Managing Director
Wuppertal Institut für Klima, Umwelt, Energie gGmbH

Prof. Dr. Ursula Gather

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Alexandra Gauß

Mayoress
Municipality of Windeck

Dr. Olaf Gericke

President
Landkreistag Nordrhein-Westfalen e.V.

Canon Dr. iur. Antonius Hamers

Director
Catholic Office North-Rhine Westphalia

Anne Henk-Hollstein

Chairwoman
Regional Assembly of the Rhineland

Dr. Marie Jaroni

Member of the Managing Board (CTO)
thyssenkrupp Steel Europe AG

Sibylle Keupen

Lord Mayoress
City of Aachen

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Chairman of the Supervisory Board
of the KIRCHHOFF Group

Lauren Kjeldsen

Member of the Management Board
Evonik Operations GmbH

Monika Kocks

1st Chairwoman of the Managing Board
automotiveland.nrw e. V.

Thomas Kufen

Chairman of the Managing Board
Städtetag Nordrhein-Westfalen

Dr. Arne Kupke (until February 29, 2024)

Legal Vice President
Evangelical Church of Westphalia

Prof. Dr. Astrid Lambrecht

Chairwoman of the Board of Directors
Forschungszentrum Jülich GmbH

Dr. med. Estefania Lang (since July 1, 2024)

dermanostic dermatological practice Solingen

Katja Lewalter-Düssel

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Genoverband e. V.

Markus Lewe

Lord Mayor
City of Münster

Carsten Liedtke (since July 1, 2024)

Chairman of the Managing Board
Stadtwerke Krefeld AG

Ulrike Lubek

Director of LVR
Regional Association of the Rhineland

Wolfgang Lubert

Managing Director
EnjoyVenture Management GmbH

Dr. Georg Lunemann

State Director
Regional Association of Westphalia-Lippe

Aleksandra Meissner

Managing Director
Ecolab Deutschland GmbH

Astrid Messmer

Senior Director Infrastructure Strategy & Analytics
Deutsche Lufthansa AG

Julia Niederdrenk

Managing Director
Jul. Niederdrenk GmbH & Co. KG

Roland Oetker

Managing Partner
ROI Verwaltungsgesellschaft mbH

Prof. Dr. Uli Paetzel

Chairman of the Managing Board
EMSCHERGENOSSENSCHAFT und LIPPEVERBAND

Dr. Paul-Josef Patt

Chairman of the Managing Board
eCAPITAL entrepreneurial Partners AG

Guntram Pehlke (until June 30, 2024)

Chairman of the Managing Board
Verband kommunaler Unternehmen e. V.
– Regional Group North Rhine-Westphalia –

Katherina Reiche

Chairwoman of the Managing Board
Westenergie AG

Henriette Reker

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City of Cologne

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1st Vice President
Städte- und Gemeindebund Nordrhein-Westfalen e. V.

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President
RWI – Leibniz-Institut für Wirtschaftsforschung

Prof. Dr. Uwe Schneidewind

Lord Mayor
City of Wuppertal

Thomas Schürmann

District President
Düsseldorf Regional Government

Ralf Stoffels

President
IHK NRW – Die Industrie- und Handelskammern
in Nordrhein-Westfalen e. V.

Anja Weber

District Chairwoman
Deutscher Gewerkschaftsbund NRW

Prof. Dr. Johannes Wessels

Chairman of the Rectors' Conference of the Universities
in North Rhine-Westphalia and Rector of the University
of Münster

Dr. Thomas Wilk

District President
Cologne Regional Government

Bernd Zimmer

Chairman of the Managing Board
Verband Freier Berufe im Lande Nordrhein-Westfalen e. V.

Members of the Parliamentary Advisory Board

Members Pursuant to Section 26 of the Statutes

Olaf Lehne, MdL

Chairman

Member of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Simon Rock, MdL

Deputy Chairman

Member of the Bündnis 90/Die Grünen Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Alexander Baer, MdL

Member of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Christian Dahm, MdL

Deputy Chairman of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Christian Loose, MdL

Member of the AfD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Dr. Patricia Peill, MdL

Member of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

André Stinka, MdL

Member of the SPD Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Raphael Tigges, MdL

Member of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Klaus Vossemer, MdL

Deputy Chairman of the CDU Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Jule Wenzel, MdL

Member of the Bündnis 90/Die Grünen Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

Ralf Witzel, MdL

Deputy Chairman of the FDP Parliamentary Group NRW
State Assembly of North Rhine-Westphalia

NRW.BANK at a Glance

NRW.BANK Facts

NRW.BANK Competition-neutral promotional bank of North Rhine-Westphalia operating according to the house bank principle; holds a full bank licence

Guarantor

- State of North Rhine-Westphalia (100%)

Liabilities/Guarantees

- Institutional liability
- Guarantor liability
- Explicit refinancing guarantee granted by its guarantor

Legal Status Public law bank

Head Offices Düsseldorf and Münster

Information Services of NRW.BANK

Commercial Client Services

Phone +49 211 91741-4800

Fax +49 211 91741-7832

beratung@nrwbank.de

Housing Sector Client Services

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Fax +49 211 91741-7760

beratung@nrwbank.de

Service hours: Mondays to Thursdays from 8 a.m. to 6 p.m.
and Fridays from 8 a.m. to 4.30 p.m.

Public Sector Client Support

Phone +49 211 91741-4600

Fax +49 211 91741-2054

oeffentliche-kunden@nrwbank.de

Financial Calendar 2025

April 8, 2025	Annual press conference
September 2, 2025	Publication of the promotional result for the second quarter
November 12, 2025	Publication of the promotional result for the third quarter

Credit Ratings

	Fitch Ratings	Moody's	Standard & Poor's
Long-term rating	AAA	Aa1	AA
Short-term rating	F1+	P-1	A-1+
Outlook	stable	stable	negative

Volume of new commitments

Breakdown by promotional fields	2024 € millions	2023 € millions
Economy	2,651	3,165
Housing	4,504	3,766
Infrastructure/Municipalities	4,288	4,849
Volume of new commitments	11,443	11,779

Key Figures

	2024	2023
Total assets	€ 161.8 billion	€ 161.3 billion
Equity capital pursuant to the German Commercial Code (HGB)	€ 17.7 billion	€ 18.0 billion
Common Equity Tier 1 capital	€ 19.1 billion	€ 18.4 billion
Own funds	€ 19.2 billion	€ 18.5 billion
Operating income	€ 654.1 million	€ 874.4 million
Administrative expenses	€ -359.0 million	€ -306.0 million
Operating result	€ 295.1 million	€ 568.4 million
CET1 capital ratio	42.5%	42.5%
Total capital ratio	42.6%	42.6%
Number of employees	1,642	1,586

NRW.BANK

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