

# Report of the Supervisory Board

In accordance with the tasks imposed on it by law, the Statutes and the Public Corporate Governance Code, the Bank's Supervisory Board held five meetings – including one extraordinary meeting – and one written vote in the fiscal year 2017. Another 19 meetings were held by the Committees composed of the members of the Supervisory Board; the Executive and Nomination Committee held five meetings – including one extraordinary meeting – as well as one written vote, the Risk Committee held five meetings – including one extraordinary meeting – and one written vote, the Audit Committee held two meetings and one written vote, the Promotional Committee held four meetings – including one extraordinary meeting – as well as two written votes and the Remuneration Committee held three meetings – including one extraordinary meeting – and one written vote.

The Supervisory Board monitored the proper conduct of the business and obtained regular reports on the latest business developments and the risk situation. 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.

In accordance with regulatory requirements and the provisions in the Statutes, the Supervisory Board addressed the business, promotional and risk strategy for the years 2018 to 2021, which had previously been discussed by the Promotional Committee and the Risk Committee.

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 November 24, 2017, the Board of Guarantors approved the proposed strategy.

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft carried out the audit of the financial statements for 2017

and the management report and issued an unlimited 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 March 19, 2018, 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 2017.

The Non-Financial Report 2017 was submitted to a voluntary audit by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft and deemed lawful and appropriate in light of the result of the audit. As in the previous years, no consolidated financial statements were prepared, as the Bank is not obliged to do so under commercial law.

The formation of a new North Rhine-Westphalian government in June 2017 also resulted in changes to the bodies of NRW.BANK. On August 9, 2017, the undersigned was appointed Chairman of the Supervisory Board. The Supervisory Board of NRW.BANK would like to thank the members who have resigned from this body, especially former State Minister Garrelt Duin, who served as Chairman, for their constructive work, which helped take NRW.BANK forward as the development bank of North Rhine-Westphalia.

Düsseldorf/Münster, March 2018



Prof. Dr. Andreas Pinkwart  
Chairman of the Supervisory Board