FIRST SUPPLEMENT TO THE BASE PROSPECTUS DATED 28 APRIL 2016

31 August 2016

NEDERLANDSE WATERSCHAPSBANK N.V.
(*Incorporated in the Netherlands with its statutory seat in The Hague*)
€60,000,000,000 Debt Issuance Program

Under its €60,000,000,000 Debt Issuance Program (the "**Program**") Nederlandse Waterschapsbank N.V. (the "**Issuer**" or "**NWB Bank**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer. This first supplemental prospectus (the "**First Supplemental Prospectus**") is based on Article 5:23 of the Dutch Financial Supervision Act (the "**DFSA**") and prepared in connection with the issue by the Issuer of Notes and is supplemental to, forms part of, and should be read in conjunction with the prospectus in relation to the Program dated 28 April 2016 (the "**Base Prospectus**"). The purpose of this First Supplemental Prospectus is to incorporate by reference NWB Bank's 2016 half-year report dated 26 August 2016 (as made available on https://www.nwbbank.com/half-year-reports.html) into the Base Prospectus.

Terms defined elsewhere in the Base Prospectus shall have the same meaning in this First Supplemental Prospectus, unless specified otherwise.

This First Supplemental Prospectus has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"), which is the Netherlands competent authority for the purpose of Directive 2003/71/EC (the "**Prospectus Directive**" which term includes amendments thereto, including Directive 2010/73/EU) and relevant implementing measures in the Netherlands, as a supplemental prospectus issued in compliance with the Prospectus Directive, Commission Regulation EC No. 809/2004 (as amended) (the "**Prospectus Regulation**") and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Notes under the Program.

Application may be made for Notes to be admitted to trading on Euronext in Amsterdam ("**Euronext Amsterdam**"), the regulated market of Euronext Amsterdam N.V., the Official List of the Luxembourg Stock Exchange, Euronext in Paris, the regulated market of Euronext Paris S.A., Eurex Deutschland, the regulated market of Eurex Frankfurt AG and the regulated market of London Stock Exchange plc. In addition, Notes may be listed or admitted to trading, as the case may be, on any other stock exchange or market specified in the applicable Final Terms. The Program also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

The AFM has been requested by the Issuer to provide the Luxembourg *Commission de Surveillance du Secteur Financier*, the French *Autorité des marchés financiers*, the German *Bundesanstalt für Finanzdienstleistungsaufsicht* and the UK *Financial Conduct Authority* with a certificate of approval attesting that this First Supplemental Prospectus has been drawn up in accordance with the Prospectus Regulation.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. state securities laws, and the Notes may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act, applicable U.S. state securities laws or pursuant to an effective registration statement. The Notes may be offered and sold (a) in bearer form or registered form outside the United States to non-U.S. persons in reliance on Regulation S and (b) in registered form within the United States, to persons who are 'qualified institutional buyers' ("**QIBs**") within the meaning of and in reliance on Rule 144A under the Securities Act ("**Rule 144A**"). Prospective purchasers who are QIBs are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales, and transfers of Notes and distribution of the Base Prospectus, see "Plan of Distribution" and "Transfer Restrictions". Notes in bearer form are subject to U.S. tax law requirements.

An investment in the Notes involves certain risks. Prospective investors should have regard to the risk factors described under "Risk Factors" in the Base Prospectus.

This First Supplemental Prospectus is supplemental to, forms part of, and should be read in conjunction and construed together with the Base Prospectus, including any documents incorporated by reference therein, (which can be found on the website of the Issuer, http://www.nwbbank.com and may be obtained by contacting the Issuer by telephone (+31 70 416 62 66) or by email: legal@nwbbank.com), and in relation to any Tranche, the Base Prospectus and this First Supplemental Prospectus should be read and construed together with the relevant Final Terms.

IMPORTANT NOTICES

The Issuer has confirmed that the Base Prospectus and this First Supplemental Prospectus contain all information regarding the Issuer, the Program and (subject to being supplemented by any Final Terms) the Notes issued under the Program which is (in the context of the Program and the issue of the Notes) material, and such information is true and accurate in all respects and is not misleading. The Issuer accepts responsibility for the information contained in the Base Prospectus and this First Supplemental Prospectus. To the best knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in the Base Prospectus and this First Supplemental Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Any information from third-parties contained in the Base Prospectus and this First Supplemental Prospectus has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from the information published by such third parties, does not omit anything likely to render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

In the context of an offer to the public as defined in the Prospectus Directive, and subject as provided in the applicable Final Terms, the only persons authorized to use the Base Prospectus and this First Supplemental Prospectus in connection with an offer or listing of Notes are the persons named in the applicable Final Terms as the relevant Dealer or the Managers and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries as the case may be.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALERS) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THE BASE PROSPECTUS, THIS FIRST SUPPLEMENTAL PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in the Base Prospectus and this First Supplemental Prospectus or any Final Terms or as approved in writing for such purpose by the Issuer and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or any of the Dealers.

Neither the Base Prospectus and this First Supplemental Prospectus nor any other information supplied in connection with the Program should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of the Base Prospectus and this First Supplemental Prospectus or any other information supplied in connection with the Program should purchase any Notes.

Accordingly, no representation, warranty or undertaking, express or implied, is made by the Dealers, in their capacity as such. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer. Neither the Base Prospectus, this First Supplemental Prospectus nor any other information supplied in connection with the Program constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

The delivery of the Base Prospectus, this First Supplemental Prospectus or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances create any implication that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which the Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date hereof or, if later, the date upon which the Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Program is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Program. Investors should review, inter alia, the Financial Information (as defined in the section "*Presentation of Financial and Other Information – Presentation of Financial Information*" in the Base Prospectus) and the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

Neither the Base Prospectus nor this First Supplemental Prospectus constitutes an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of the Base Prospectus, this First Supplemental Prospectus and any Final Terms and the offer, sale and delivery of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that the Base Prospectus or this First Supplemental Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of the Base Prospectus or this First Supplemental Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither the Base Prospectus, this First Supplemental Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession the Base Prospectus, this First Supplemental Prospectus or any Notes may come must inform themselves about, and observe any such restrictions on the distribution of the Base Prospectus, this First Supplemental Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of the Base Prospectus, this First Supplemental Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including France, the Netherlands and the United Kingdom) and Japan, see the sections "*Plan of Distribution*" and "*Transfer Restrictions*" in the Base Prospectus.

In particular, the Notes have not been and will not be registered under the Securities Act or any U.S. state securities laws. The Notes may not be offered, sold or delivered within the United States, or to,

or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws, or pursuant to an effective registration statement. Bearer Notes are subject to United States tax law requirements. Subject to certain exceptions, Bearer Notes may not be offered, sold or delivered within the United States or to United States persons, as defined in the Code, and the U.S. Treasury Regulations thereunder.

The Notes may be offered and sold (i) in bearer form or registered form outside the United States to non-U.S. persons in reliance on Regulation S and (ii) in registered form within the United States to QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Notes, see the sections "*Plan of Distribution*" and "*Transfer Restrictions*" in the Base Prospectus.

Neither the Program nor the Notes have been approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of any offering of the Notes or the accuracy of the Base Prospectus nor this First Supplemental Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Base Prospectus and this First Supplemental Prospectus have been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in the Base Prospectus or this First Supplemental Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so:

(i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by Final Terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or Final Terms and the Issuer has consented in writing to its use for the purpose of such offer.

To the extent sub-paragraph (i) or (ii) applies, all offers remain subject to restrictions set out in the section "*Plan of Distribution*" in the Base Prospectus. Except to the extent sub-

paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

SUPPLEMENTAL INFORMATION

On page 41 of the Base Prospectus under the section "*Documents incorporated by reference*" reference should also be made to NWB Bank's 2016 half-year report as filed with the AFM which document shall be deemed to be incorporated in, and to form part of, the Base Prospectus:

- NWB Bank's 2016 half-year report dated 26 August 2016.

The 2016 half-year report should be read in conjunction and construed together with the information set forth, or incorporated by reference, in the Base Prospectus, including the information therein under the section "*Operating and Financial Review*".

To the extent that there is any inconsistency between (a) any statement in this First Supplemental Prospectus or any statement incorporated by reference into the Base Prospectus by this First Supplemental Prospectus and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements under (a) above will prevail.

Save as disclosed in this First Supplemental Prospectus, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

There are not and have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months before the date of this First Supplemental Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer taken as a whole.

There has been no material adverse change in the prospects of the Issuer since 31 December 2015, nor has there been any significant change in the financial or trading position of the Issuer taken as a whole, which has occurred since 30 June 2016.