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Shaping the
future together

Preface by the Management Board



Strong growth, innovative, reliable

2021 was very challenging for many people and many companies in society, in health-related matters and regarding the economy. Volksbank Bielefeld-Gütersloh has been and remains a reliable partner for its members and customers. Thanks to our customer relationships, which were characterised by great trust, innovative power and performance, we have concluded a successful financial year. We successfully exceeded our already ambitious annual targets and our successful cooperative bank continued its sustainable growth.

Dear Ladies and Gentlemen,

In search of good news: We are pleased to present the successful business figures of your Volksbank Bielefeld-Gütersloh. In the past year, we have demonstrated how flexible and resilient our cooperative bank is in all business areas. As part of the critical infrastructure, we have always lived up to our high level of responsibility.

We proved our strength and continued our growth course. In doing so, we are the reliable partner for small and medium-sized businesses and our private customers. Our strategy has once again proven us right – always remaining close to the people, personally and digitally. This overall development demonstrates the great strength of the cooperative business model, which the people in the region are happy to rely on.

All business areas performed better than planned

Due to the comprehensive progress in all business areas, the bank's balance sheet total and total assets under management increased once again. The lending business continued to develop positively. Private and corporate customers invested strongly. Our securities business boomed and our own Volksbank Bielefeld-Gütersloh NachhaltigkeitsInvest mixed fund performed excellently. Thanks to the digitalisation of our processes, which was initiated years ago, remained close to our customers, despite the distancing requirement, and could fulfil their wishes. Investments in new technologies and innovative projects was combined with consistent cost discipline, repeatedly allowing us a plenty of leeway for manoeuvre. Thus, our Volksbank Bielefeld-Gütersloh could successfully initiate new business fields and cooperations.

Last year, we also achieved climate neutrality. Furthermore, we will not slow down further optimising our energy management and will continue using pioneering, sustainable technologies in the future, so as to further improve our environmental balance.

Reinhold Frieling hands over to Thomas Mühlhausen

In May 2021, we bid our Management Board member, Reinhold Frieling, farewell, as he started his retirement. He had successfully been responsible for the production bank for more than two decades. Thomas Mühlhausen, as a new member of the Management Board, is now very well established in the region, both professionally and privately.

A convincing team performance

We would like to express a big thank you to the teams of our Volksbank, all of whom have not only shown an extraordinarily high level of commitment in these difficult times; they have also developed new ideas for modern banking and, simultaneously, purposefully pursued the advancement of the transformation in a targeted manner. We would also like to thank all members, customers, representatives, members of the Supervisory Board, advisory boards and business partners for their loyalty to Volksbank Bielefeld-Gütersloh.

March 2022



Michael Deiter



Thomas Mühlhausen



Ulrich Scheppan

Supervisory Board Report



The Supervisory Board

Michael Mersch | Tax Consultant (Chairman of the Supervisory Board)
Jürgen Both | Graduate Business Engineer (Deputy Chairman of the Supervisory Board)
Jörg Seidel | Managing Director (Deputy Chairman of the Supervisory Board, until 27/04/2021)
Lena Achtermann | Employee representative
Christina Blankert | Employee representative (since 15/04/2021)
Thorsten Flues | Employee representative
Henrike Gieselmann | Managing director
Markus Hüllmann | Managing director
Alexander Ihde | Managing director (since 27/04/2021)
Thomas Kahmann | Managing director
Franz-Josef Kleinekofort | Employee representative (until 15/04/2021)
Heiner Kollmeyer | Farmer
Carola Nüßing | Managing director
Jürgen Peterburs | Managing director
Katja Saalfeld | Employee representative (since 15/04/2021)
Joachim Scholz | Lawyer
Christian Theiß | Employee representative
Ernst-Dieter Thorwesten | Managing director
Volker, Tracht | Employee representative (until 15/04/2021)
Patrick Witte | Employee representative
Dr. Heiner Wortmann | Auditor and tax consultant

The Volksbank Bielefeld-Gütersloh Supervisory Board can look back at a successful 2021 financial year. Despite a permanent pandemic situation, Volksbank Bielefeld-Gütersloh has continued its growth course and demonstrated enormous innovative strength. All business areas developed better than planned, and this despite numerous challenges – the set targets were clearly exceeded. In doing so, our Volksbank, as part of the critical infrastructure, has always lived up to its high level of responsibility.

In the year under review, the Supervisory Board was regularly informed by the bank management regarding the questions incumbent on it under the statutes, articles of association and rules of procedure, and it assumed its monitoring functions and took decisions within its field of competence.

The Management Board informed the Supervisory Board during seven meetings. These were largely held digitally, due to the coronavirus, and provided information on the business development as well as on key business transactions and projects that contribute to safeguarding the future. Thanks to comprehensive information and extensive consultation, the Management Board's decisions were conveyed transparently and comprehensibly to the Supervisory Board at all times. The requested information was always provided in full, and decisions were taken in separate votes.

In the course of the ordinary meetings, the Management Board informed the Supervisory Board about the bank's business performance, net assets, results of operations, financial position, and risk situation at all times. The Bank's internal evaluations were discussed in detail and in an appropriate manner. The Chairman informed the Supervisory Board regarding all key business-political operations.

In addition, the committees of the supervisory board (8 credit, 4 risk, 2 personnel and 4 audit committee meetings) met regularly and passed the resolutions as required by the articles of association. Among other things, the audit committee is responsible for monitoring the audit of the financial statements, in particular with regard to the auditor's independence and the non-audit services provided by the auditor.

Due to the foundation of its knowledge and experience as a whole, the Supervisory Board has sufficient industry and specialist knowledge as well as expertise in the fields of accounting and auditing of financial statements. The Supervisory Board reviewed these requirements as part of the self-assessment pursuant to § 25d, Par. 11 Sentence 2 numbers 3 and 4 of the German Credit Services Act (KWG). The Supervisory Board also has no conflicts of interest. Thus, the legal requirements pursuant to § 36 Par. 4 GenG (law governing the operation of cooperatives) are satisfied.

In our capacity as a supervisory body, we are satisfied that the annual financial statements have been correctly prepared from the accounting records and inventories of our bank. We received and critically examined the report on the statutory audit of the annual financial statements.

During the joint audit closing meeting, the Supervisory Board dealt intensively with the audit findings regarding the monitoring of the accounting process, the effectiveness of the internal control system and the risk management system. In addition, we gained information regarding special features and any discrepancies that may arise in the course of auditing the annual financial statements; no such discrepancies occurred.

The Genossenschaftsverband – Verband der Regionen e.V. confirmed to us the independence of the employees involved in the audit.

As a result, the Supervisory Board was sufficiently confident that the proper preparation and audit of the annual financial statements ensued, thereby contributing to the proper preparation of the accounts.

The Supervisory Board would like to thank the Management Board and all employees for their commitment and dedicated work in the past financial year.

Gütersloh, in April 2022



Michael Mersch (Chairman)

The Financial Year 2021 – Management Board Report

Balance sheet total increases again

Volksbank Bielefeld-Gütersloh continued its growth course in the past financial year. All business areas provided a positive contribution to the company's success and developed better than planned, despite numerous challenges. The balance sheet total increased by 4.4 %. On the reporting date of 31 December 2021, the total of all assets and liabilities was € 5.56 billion (previous year € 5.33 billion). The growth was driven by the lending business, which rose to € 3.7 billion (+ 4.3 %), and customer deposits, which increased to € 3.68 billion (+ 2.7 %).

Lending business continues to grow

In the past business year, Volksbank granted new corporate loans in the amount of € 714.5 million, including Corona assistance in the amount of € 21.8 million. The total amount of aid thus fell by 82 % (previous year: € 118.7 million). Adjusted for Corona loans, corporate loans grew by € 61.8 million to € 692.7 million (+ 8.9 %) previous year. This is a clear indicator of the region's economic strength. In total, Volksbank provided private customers, investors and the domestic economy with new loans with a volume of € 1.10 billion (+ 1 %).

Mortgage brokerage increases

The boom in the construction financing business continued unabated last year. The desire to own one's own property remains as strong as ever in the region. Turnover in this business segment increased by 7.3 % to € 466.61 million. A strongly-growing pillar in this area was again the brokered mortgage loans, which increased to € 143.4 million (+ 30.5 %) in 2021.

Customer deposits reach new high

In the 2021 business year, there was again an increase in customer deposits. These grew by 2.7 % to € 3.68 billion (previous year: € 3.58 billion).

Customers entrusted their Volksbank Bielefeld-Gütersloh with € 3 billion (+ 4.4 %) in current and call money accounts. Savings deposits remained at the previous year's level of € 454.8 million. at the previous year's level.

Customers increasingly focus on sustainability

How important the topic of sustainability has become for the customers is once again demonstrated by the development of Volksbank Bielefeld-Gütersloh NachhaltigkeitsInvest. The internationally-investing mixed fund grew by 35.9 % last year, to a new record of € 211.8 million (previous year: € 155.9 million). In 2021, almost 3,000 new investors decided in favour of this sustainable security (+ 50 %). NachhaltigkeitsInvest is a special fund for investors who would like to invest their money according to firm ethical, ecological and social criteria. Since its launch in 2009, the fund has achieved a performance of plus 93.2% (as of 31/12/2021).

Climate neutrality achieved

Volksbank Bielefeld-Gütersloh made particular progress in the sustainability sector. Since last year, the cooperative's carbon footprint has been equalised. To compensate for emissions in a targeted manner, so as to contribute to the preservation of the environment, Volksbank has acquired compensation certificates, including 466 certificates in the MoorFutures project in the Königsmoor in Schleswig-Holstein. In 2021, a sustainability management staff team was created to ensure penetration in all areas of the company.

Turbulent year on the stock markets

There were stages of turbulence on the stock markets last year. Ultimately, the Dax closed the year with a significant gain (+16 %). Volksbank Bielefeld-Gütersloh's investors also benefited from this. By the end of the year, the securities portfolios of customer deposits had increased by 22.4 % to € 1.6 billion.

The economy quickly regained speed remained on a growth trajectory, seemingly unimpressed, despite the pandemic. Total assets under management, i.e., the sum of customer deposits and securities business, rose significantly by 7.9 % to € 5.27 billion (previous year € 4.87 billion).

Further increase in demand for advisory services in foreign business

The know-how of the specialists for foreign business was also in high demand in 2021. In the second year of the coronavirus pandemic, the Volksbank Bielefeld-Gütersloh team accompanied 20,568 transactions. The focus was once again on hedging foreign transactions.

Geno real estate successful

The subsidiary, Geno Immobilien GmbH, is one of the leading real estate companies in the region for the marketing of houses and renting of flats. Demand for real estate remained very high last year, while the supply of properties could not keep pace with this development. Nevertheless, in a challenging market, Geno succeeded in brokering 313 properties (previous year 307) with a property volume of € 57.9 million (previous year 78.9 million).

Life insurance policies on the rise

The demand for life insurance policies has increased again. The total of new life insurance policies brokered by our partner R+V Versicherung rose by 5.7 % to € 51.8 million (previous year: € 49 million). In addition, 2,609 new home loan and savings contracts were concluded (- 4.5%). The total amount of home loan savings brokered increased to € 155 million (previous year: € 151.3 million).

New business models and cooperations successfully initiated

Our strategy is to constantly expand and improve traditional banking. Therefore, 2021 was also characterised by new business areas: With the founding of klarwert GmbH, we offer our customers digitalised asset management with personal support. With Fynn Academy, an e-learning platform, we are expanding our digital service portfolio. Another new development is our cooperation with Wertfaktor, the market leader in partial property sales. Through targeted cooperation with fintechs such as Penta and Creditshelf, our corporate customers benefit from contemporary financing options.

Consultation campaign very successful

Volksbank Bielefeld-Gütersloh significantly stepped up the intensity of its consultation services last year. And this was very well received by our customers: Nearly 80,000 personal consultations were held in the branch offices and competence centres. The number of telephone consultations increased by 7.5 percent to 281,453 calls.

Significant increase in new members

The cooperative idea continues to inspire people. 113,191 members benefited from the services and advantages of the cooperative in 2021. Volksbank welcomed a total of 4,633 new members (+ 9.9 %) last year (previous year: 4,212). Two out of three customers are also members of Volksbank. The number of customers increased slightly to 166,886 (previous year 165,795).

Strong social commitment

Firmly rooted in the region, Volksbank Bielefeld-Gütersloh continued its successful commitment to the people in our home region during the pandemic. Associations, institutions and charitable projects were supported with a total of € 466,000 last year.

A first-class team

A high level of commitment, creativity and swarm-intelligence: These qualities also distinguished the team of Volksbank Bielefeld-Gütersloh in the past year. 710 employees (as of 31/12/2021) work at the financial institution for the success of the people and the companies in the region. Among them are 49 trainees who are developing into highly-qualified specialists.

Participation in the company's success

The shareholders of Volksbank Bielefeld-Gütersloh once again benefit from the business success of their cooperative. For the past financial year, the Management Board and the Supervisory Board will propose to the 2.0 % dividend for the past financial year. In addition, members can also benefit from the VR member bonus, which is based on the intensity of the cooperation with their bank.

2 % dividends	€ 654,132.24
Transfer to other revenue reserves	€ 4,180,000.00
Carried forward to new account	€ 8,603.20
Balance sheet profit	€ 4,842,735.44

Outlook



Changed general conditions

The economic outlook for the 2022 business year has changed. The war in Ukraine, supply chain problems and high inflation are the biggest factors of uncertainty for further development. Presently, it is hard to predict whether the global economy will be able to continue on its growth path due to the changed political situation in the world. Volksbank Bielefeld-Gütersloh will stand by affected companies from our region and contribute to improving the humanitarian situation of people who have had to flee.

Interest rate turnaround by the ECB

The Volksbank Bielefeld-Gütersloh assumes that the ECB will once again tighten the reins of its loose monetary policy somewhat. A normalisation of the interest rate landscape does, in principle, make sense. It remains unclear how much the central banks will counteract and how much the economic upswing will be slowed down as a result. Nominal interest rates will remain low in Europe. However, with the right investment, there are still many available opportunities to achieve an adequate return.

A special offer

This year, Volksbank Bielefeld-Gütersloh present all members with an exclusive offer. They will have the chance to benefit even more from the cooperative society, by increasing their shares in the company from a maximum of five shares to date, to 20 shares. One share equals €100.

With this measure, we are able to fulfil the wishes of our customers for more shares, strengthen the bond to our cooperative bank and, simultaneously, improve the equity ratio once more.

Open for new business fields

Innovations remain the key to success in the financial industry. The core strategy of Volksbank Bielefeld-Gütersloh is to expand traditional banking and strengthen its own intelligent service portfolio. To this end, investments were made in future-oriented business models in the 2021 financial year and even more attractive offers and perspectives were developed for our own customer base. We have presently entered the market of corporate investments. The foundation of OWL KapitalPartner Unternehmensbeteiligungs-gesellschaft is a significant strategic step in this regard and opens up new growth opportunities for our medium-sized customers.

Well positioned for the future

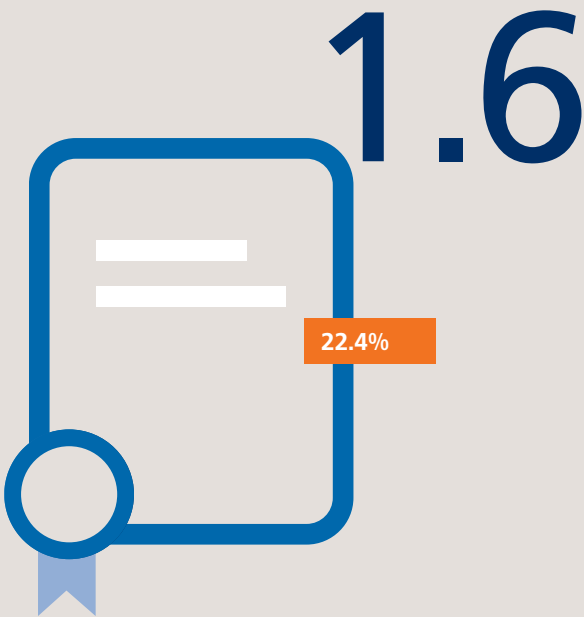
Volksbank Bielefeld-Gütersloh continues to focus on innovation, on the expansion of promising business areas and on customer relations on the foundation of partnership. We also owe our success to our cooperative business model, which inspires many people in the region.

Our Volksbank is excellently positioned and, despite various imponderables, continues to look to the future with confidence. It will consistently continue on its path this year, accepting all challenges and develop beneficial solutions from them for its customers, members and employees.

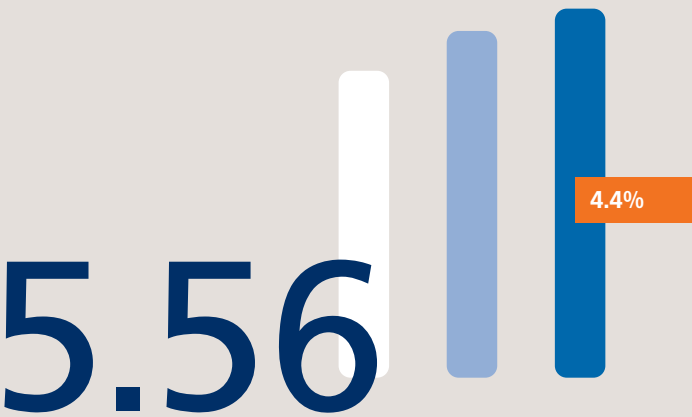
An Overview of the Year

Securities in billion in €
In the previous year billion € 1.3

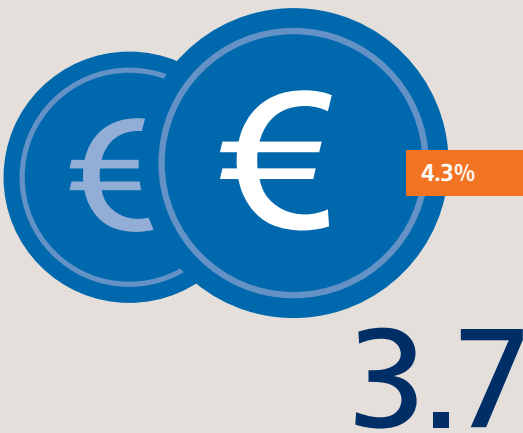
Total members
New members 4,633



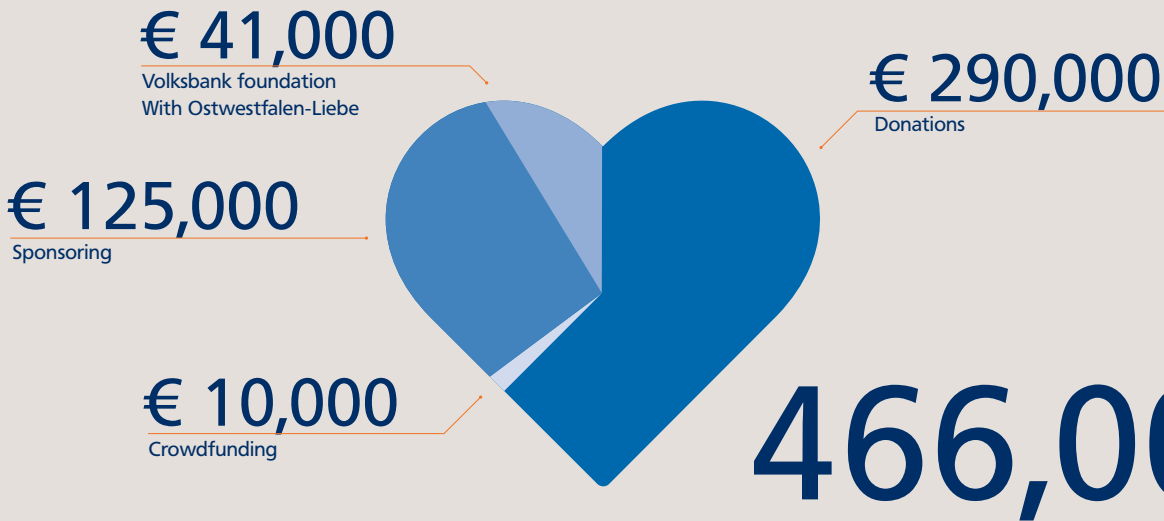
Balance sheet total in billion €
In the previous year billion € 5.33



Receivables from customers in billion €
In the previous year billion € 3.54



Commitment in €
Shaping the cooperative idea together



Balance Sheet

Annual balance sheet
on 31 December 2021
(abbreviated form)

	2021	Previous year	Change
	€T	€T	€T
Assets			
Cash reserves	459,867	379,868	79,999
Loans and advances to credit institutions	227,495	204,630	22,865
Receivables from customers	3,691,555	3,540,939	150,616
Securities and participations	1,020,292	1,058,926	-38,634
Property, plant and equipment (incl. software)	79,217	74,649	4,568
Active deferred taxes	45,173	40,224	4,949
Other assets	35,749	25,856	9,893
Balance sheet total	5,559,348	5,325,092	234,256
Liabilities			
Liabilities to credit institutions	1,223,130	1,116,026	107,104
Liabilities to customers	3,678,523	3,583,466	95,057
Securitised liabilities	0	0	0
Provisions	64,866	60,347	4,519
Other liabilities	28,197	21,766	6,431
Funds for general bank crises	262,500	249,300	13,200
Equity	302,132	294,187	7,945
Balance sheet total	5,559,348	5,325,092	234,256

Profit and loss account

Profit and loss account
as of 31 December 2021
(abbreviated form)

	2021	Previous year	Impact on results
	€T	€T	€T
Interest income	82,500	85,271	-2,771
Interest expenses	-7,713	-10,015	2,302
Current income from securities and investments	6,214	3,553	2,661
Commission result	35,364	34,084	1,280
Other operating income	3,579	3,550	29
Personnel expenses	-41,151	-40,584	-567
Other administrative expenses	-23,480	-24,087	607
Depreciation and value adjustments on property, plant and equipment	-4,227	-4,332	105
Other operating expenses	-4,711	-4,475	-236
Valuation result	-16,460	-12,123	-4,337
Surplus from ordinary activities	29,915	30,842	-927
Extraordinary result			
Taxes	-7,885	-9,232	1,347
thereof: Income from deferred taxes	(4,949)	(3,404)	(1,545)
Allocations to funds for general bank crises	-13,200	-13,000	-200
Net profit for the year	8,830	8,610	220
Profit brought forward from previous year	13	1	12
Transfer to earnings reserves	-4,000	-4,200	200
Balance sheet profit	4,843	4,411	432

Relevant Auditing Association
Genossenschaftsverband –
Verband der Regionen e. V.
Peter-Müller-Str. 26
40468 Düsseldorf

The complete annual accounts (balance sheet, profit and loss account and notes) and the management report with audit opinion of Genossenschaftsverband – Verband der Regionen e. V., Düsseldorf, are published in the electronic Federal Gazette, following approval by the Representatives' Assembly.

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