

2024

**Annual Report
2024**

**Growing
together**

**Volksbank
in Ostwestfalen**



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Tower of strength – the new strong cooperative

2024 was characterised by profound geopolitical, economic and financial upheavals. The multitude of global crises has resulted in far-reaching uncertainty among people and companies. The consequences were clearly visible: economic downturn, volatility on the political stage, high energy prices, rising wage pressure, advancing deglobalisation, and declining consumer confidence posed major challenges for both our entire region and our cooperative.

In this extremely challenging macroeconomic environment, our new Volksbank in East Westphalia has proven itself to be a forward-looking and reliable partner for our customers, our members and the regional economy. Thanks to a pioneering business policy and close cooperation with our customers, we were able to guarantee stability and provided targeted support.

Dear Ladies and Gentlemen

For our Volksbank in East Westphalia, 2024 was a year of new beginnings and of proving ourselves. Despite geopolitical tensions, economic uncertainty and a challenging market environment, we succeeded in maintaining stability. What is more, we could further consolidate our position and reliably support our members and customers with our new strong cooperative.

Successful merger and fortuitous new start

A key event was the completed merger of the Volksbank Bielefeld-Gütersloh and Volksbank Herford-Mindener Land to form Volksbank in East Westphalia.

With this pioneering decision, we have created the basis for sustainable growth and a future-proof structure. The subsequent merger went according to plan and was successful – which is also thanks to everyone involved.

Solid development in a challenging environment

Despite high energy prices, an economic downturn and a decline in willingness to invest, we were able to achieve stable results in our operating business. Our strategic foresight, our risk sensitivity and the trust our members placed in us have once again proven their worth.

The intensive dialogue with our customers was particularly pleasing, contributing to a tangible sense of closeness and orientation in uncertain times.

Setting the course for the future

In 2025, we are launching important projects for the future: The modernisation of our current account models will bring transparency, fairness and benefits for our members. At the same time, we are making targeted investments in sustainable locations, modern consulting concepts and innovative spaces.

Our commitment to the region and the environment also continues to grow – for example, with the new employee programme “Time for East Westphalia” and 1,327 trees planted as a contribution to climate protection.

Responsibility and reliability

As part of the “International Year of Cooperatives”, as proclaimed by the UN, we are emphasising our commitment to the cooperative idea. We stand for reliability, participation and collaborative business – in the region, but also in a global context.

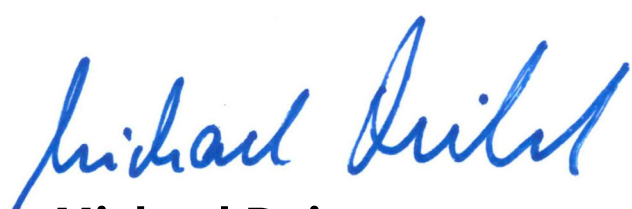
Thank you for your trust and commitment

Our special thanks go to all our employees for their outstanding performance, our Supervisory Board for its constructive support, and our members and customers for their trust in this new, strong Volksbank.

Together, we are shaping the future – responsibly, closely and courageously.

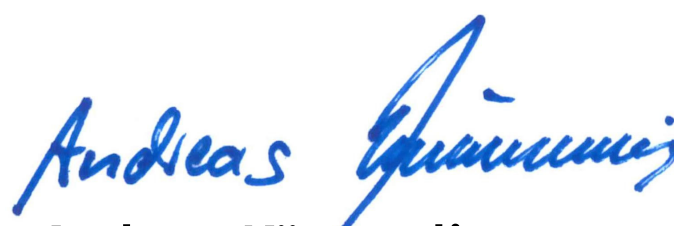
With the planned changes to the Executive Board as of 30 June 2025, the management team will continue our development. Today, we would like to thank Andreas Kämmerling for his decades of service and his formative role in the merger.

Under new leadership, Volksbank in East Westphalia will remain a pillar of strength – for the people in our region.



Michael Deitert

Co-Chairman of the Executive Board



Andreas Kämmerling

Co-Chairman of the Executive Board



Thomas Mühlhausen

Board member



Oliver Ohm

Board member



Peter Scherf

Board member

Report of the Management Board

The new, strong cooperative, Volksbank in East Westphalia, has continued to develop over the past year, and has achieved important milestones. The merger was a challenging task that called for our full attention. Nevertheless, we achieved our core objectives and made significant progress in all relevant areas. The lending and securities businesses were particularly convincing. This is impressive proof of our efficiency in a challenging environment.

Our goal remains to be a significant driving force for the economic development of our region – in the interests of our customers, members, companies, and employees.

With a clear strategic focus and an even stronger foundation as a result of the merger, we feel very optimistic about the future,

and are doing everything we can to promote sustainable growth and stability.

Balance sheet total exceeds expectations

As a result of the merger and the successful continued development in the core areas, the new Volksbank in East Westphalia has an impressive balance sheet total of more than €10 billion. On the reporting date of 31 December 2024, total assets and liabilities amounted to €10.28 billion. Compared to the combined total assets of the two companies in the previous year, this represents a moderate decrease of 0.5 %.

€10.28 billion -0.5 %

Balance sheet total 2024

This development reflects the strategic consolidation with which we were able to further optimise our structures in the first year of the merger. In this way, we are building a growth-orientated foundation for our financial institution's long-term success.

Lending growth strengthens the region

The lending business has once again proven to be a key growth driver that significantly contributed to the positive business development. As of the cut-off date of 31 December 2024, loans and advances to customers amounted to €7.2 billion, which corresponds to a solid increase of 3.8 %, when compared to the previous year.

€7.2 billion +3.8 %

Customer receivables

The continued high demand for financing solutions – from both private customers and companies – emphasises our bank's strong market position.

In particular, the growing interest in individual financing discussions demonstrates the trust placed in our advisory and solution expertise.

Through customised financing strategies, we significantly contribute to the economic development and stability of our customers and the entire region.

Sustainable growth in mortgage lending

In the past financial year, Volksbank in East Westphalia was able to further strengthen its mortgage lending business and its position as a reliable partner for property financing. Despite increasing construction costs and stricter regulatory requirements, numerous private and commercial customers decided to invest in residential property or capital investments.

€616.3 million +5.9 %

Construction financing

The total volume of property loans and mortgage loans granted reached €616.3 million, which corresponds to growth of 5.9 % compared to the previous year. Financing for existing properties was particularly popular. This development illustrates that the specialists at the regional cooperative bank are

responding to the specific needs of their customers, with individual advice and flexible financing models, thereby providing an important contribution to the success of the regional real estate industry.

Strong term deposits – future-proof strategies

The development of customer deposits shows that Volksbank in East Westphalia continues to enjoy a high level of customer confidence.

In 2024, customer deposits remained at a consistently high level of €7.28 billion. Term deposits displayed a particularly dynamic development, growing by 6.8 % to €2.1 billion.

The significant growth in term deposits signals increased demand for secure, interest-bearing investment forms. Customers took advantage of attractive interest rates and invested more heavily in short-term investment products.

As part of its strategic development, Volksbank successfully adapted to changing customer needs and market conditions, by offering optimal investment solutions.

Dynamic capital markets and increasing securities holdings

The year 2024 was characterised by robust development on the capital markets. Despite temporary volatility, the stock market proved resilient, with the DAX reaching a new high of 19,909 points. With an annual performance plus of 19 %, it led the ranking of the major European benchmark indices.

€3.7 billion +12 %

Securities

This positive market development was also reflected in the securities holdings in customer deposits, which grew by 12.0 % to €3.7 billion.

The sustained demand for securities investments underscores the growing awareness of strategic asset accumulation and the advantages of long-term capital market investments.

Volksbank in East Westphalia continues to support its customers with a sound investment strategy, allowing the optimally exploitation of individual opportunities and enabling sustainable value growth.

Sustainable investments on track for growth

The trend towards responsible investing continues to gain momentum. More and more investors are turning to sustainable investment strategies that combine environmental, social and ethical criteria with attractive return opportunities.

NachhaltigkeitsInvest, an internationally diversified mixed fund, satisfies these very requirements. With a performance of 7.8 % over the past twelve months, it has confirmed its role as a high-performing and sustainable investment option.

The fund volume grew by 5.3 % to €194.0 million, clearly demonstrating the continued confidence in sustainable financial products.

€194 million

+5.3 %

Fund volume

Since its launch in 2009, the fund has recorded total growth of 84 %, impressively demonstrating that sustainability and long-term value appreciation go hand in hand.

Global success – financial solutions for SMEs

International networking presents new challenges for SMEs, while also opening up significant growth opportunities. Last year, companies in East Westphalia increasingly focused on strategic currency management, export financing and risk minimisation in order to secure their global competitiveness.

As a partner to small and medium-sized enterprises, Volksbank in East Westphalia offers customised treasury and trading solutions that support the success of international business models.

€754 million +52.8 %

Transaction volumes

Demand for structured export financing and hedging strategies continued to grow during the reporting period. Foreign exchange trading developed particularly dynamically, with a transaction volume of €754 million (+52.8 %).

This strong growth underscores the growing importance of professional hedging strategies in volatile markets.

The cooperative bank supports its internationally-active customers with individual financing models, liquidity management and currency hedging in order to systematically exploit the opportunities offered by global markets.

Growth in pension provision and hedging

The importance of long-term provision continues to grow: new business in life insurance rose by 10.3 % to an appraisable total of €77.6 million. This development reflects growing customer confidence in stable and future-proof insurance solutions.

What is more, growth also continued in the property insurance business, with premium volume rising by 7.3 % to €4.1 million. This development highlights the increased need for protection in light of economic and climate challenges. By contrast, the number of new building society savings contracts dropped by 24.9 % to €244.0 million. This reflects the changed conditions on the real estate and interest rate markets.

Real estate market is stabilising

The real estate market showed initial signs of market adjustment in 2024. While purchase prices remained largely stable, factors such as location quality and energy efficiency are continually gaining in importance. Improved subsidy programmes and dropping interest rates have led to a noticeable upturn in demand.

The two successful real estate subsidiaries of Volksbank in East Westphalia, Geno Immobilien GmbH and Volksbank Immobilien GmbH, further expanded their market presence and brokered 257 properties – an increase of 34 units.

The purchase price volume rose by 43.9 % to €87.3 million. For the first time in years, the share of new builds brokered grew, accounting for around one third of sales.

One outstanding project was the Krullsbachaue development in Gütersloh-Isselhorst, which was successfully co-developed by Geno Immobilien GmbH. All remaining units found buyers in 2024, contributing to the positive annual results.

Proximity connects – modern financial services locally

Volksbank in East Westphalia links people with financial services – personally, digitally and locally.

With 48 branches and 46 self-service locations, it maintains a comprehensive presence throughout the region. Its location strategy is based on the continuous analysis of usage, profitability and building fabric. Ongoing investments are being made in busy branches, while structures are being optimised and some locations are being merged or adapted.

In 2024, modernisation work was carried out in Bielefeld-Senne, Herzebrock and Versmold-Peckeloh.

After two years of construction, an energy-efficient and climate-friendly model branch, with modern advisory concepts and sustainable building technology, was completed in Hille. With this approach, Volksbank is ensuring a future-proof and customer-oriented branch network.

Steady growth and high member loyalty

Volksbank in East Westphalia expanded its customer base further and now has 304,542 customers, including 188,568 members.

The significant increase of 4,097 new members is particularly encouraging and clearly demonstrates the ongoing trust in the cooperative business model.

This growth underscores the appeal of a regionally-rooted bank that combines financial stability, co-determination and exclusive member benefits.

Sustainable commitment to East Westphalia

With total funding of more than €1.7 million, our company once again impressively demonstrated its regional responsibility in 2024. Of this amount, €799,000 went directly to associations, institutions and charitable projects. What is more, the bank also supported regional initiatives with €635,000 in sponsorship measures. The bank's own foundations supported voluntary work, in the amount of €168,000. In addition, the crowdfunding platform enabled numerous projects with a total value of €204,000 to be realised, to which the bank contributed €51,000.

Dividend/appropriation of profits

2.5 % dividends	€1,745,907.70
Allocation to statutory reserves	€5,000,000.00
Transfer to other revenue reserves	€6,000,000.00
Carried forward to new account	€36,266.17
Balance sheet profit	€12,782,173.87

The Supervisory Board

Michael Mersch Tax Consultant (Chairman of the Supervisory Board)

Heinrich Meier (Deputy Chairman of the Supervisory Board)

Marc Bollmeyer Managing Director

Jürgen Both Graduate Business Engineer

Lena Achtermann Employee Representative

Christina Blankert Employee Representative

Christina Blankert | Employee Representative

Kirsten Generotzky Managing Director

Markus Hüllmann Managing Director

Alexander Ihde Managing Director

Frank Josting Graduate Mechanical Engineer

Thomas Kahmann Managing Director

Frank Kögel Managing Director

Holger Lätzsch Employee Representative

Thorsten Lutzke Auditor, Tax Consultant

Michael Mühlmeier Employee Representative

Carola Nüßing Managing Director

Jürgen Peterburs Managing Director

Katrin Reckeweg-Krüger Tax Consultant

Katja Saalfeld Employee Representative

Klaus-Martin Schlichting Employee Representative

Joachim Scholz Lawyer

Marcus Sill Independent Certified Undertaker

Christian Theiß Employee Representative

Ernst-Dieter Thorwesten Managing Director

Dr Holger von dem Emde Managing Partner

Ulrich Wellpott Tax Consultant

Eric Winkelmann Employee Representative

Patrick Witte Employee Representative

Dr. Heiner Wortmann Auditor and Tax Consultant

Supervisory Board Report

The Volksbank East Westphalia Supervisory Board can look back at a successful 2024 financial year.

Despite the challenging economic environment and the demanding merger process, the bank successfully generated significant growth momentum.

The past year was marked by intensive preparations and the successful completion of the merger, which has now created a future-proof cooperative bank with a stable foundation for further growth.

Following the successful merger of the two banks, the Supervisory Board was constituted on 20 August 2024 and commenced its regular work.

The Supervisory Board set up four committees (Credit, Risk, Human Resources and Audit) from among its members. These committees met regularly and passed the resolutions required by the Articles of Association. The entire Supervisory Board was reported to from the meetings of the committees.

In the year under review, the Supervisory Board was informed by the management board regarding the questions incumbent on it under the statutes, articles of association and rules of procedure, at regular intervals, and it assumed its monitoring functions and took decisions within its field of competence. This also included dealing with the audit, pursuant to Section 53 of the German GenG.

The Supervisory Board meetings of Volksbank Bielefeld-Gütersloh took place on 18 May 2024, 9 April 2024 and 7 May 2024. Supervisory Board meetings of Volksbank Herford-Mindener Land were held on 29 February 2024 and 16 May 2024. Three further ordinary meetings of Volksbank in East Westphalia were held on 20 August 2024, 12 November and 4 December 2024.

In the joint meetings, the Management Board informed the Supervisory Board on business developments, significant business transactions and projects targeted at securing 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.

During the meetings, the Management Board kept the Supervisory Board and the committees informed about the course of business and the Bank's net assets, earnings, financial position, and risks. 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.

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 in 2024 as part of the self-assessment, in accordance with section 25d, Par. 11 Sentence 2 no. 3 and 4 KWG (there have been no personnel changes since then). 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.

These annual financial statements for 2024 and the management report were audited by Genoverband e.V. The audit results will be reported on in the meeting of representatives.

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 have received and critically reviewed the management report, the separate non-financial report pursuant to Section 289b of the German Commercial Code (HGB) (sustainability report), and the report on the statutory audit of the annual financial statements. The proposal for the appropriation of the net income for the year, by including the profit carried forward, complies with the regulations of the statutes.

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 while auditing the annual financial statements; no such discrepancies occurred.

The der Genoverband e.V. confirmed the independence of the employees involved in the audit to us.

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 recommends to the meeting of representatives to adopt the annual financial statements as of 31.12.2024 submitted by the Management Board and to pass the proposed appropriation of the net income for the year.

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

Bielefeld, in May 2025



Michael Mersch
Chairman

“Despite the complex merger work, we have successfully managed our business for our customers and members.”

Co-CEOs Michael Deitert and Andreas Kämmerling at their first joint annual press conference.

An Overview of the Year

616.3

+ 5.9 %

Construction financing in €million

7.28

- 0.5 %

Customer deposits in €billion

10.28

- 0.5 %

Balance sheet total in €billion

3.7

+ 12.0 %

Securities in €billion

7.2 ^{+ 3.8 %}

Receivables from customers in €billion

304,542

Customers

188,568

Members

1,327

Employees

78

Apprentices

Outlook 2025

Modernisation of current account models: uniform, fair, advantageous

In 2025, Volksbank is updating its current account models to make sure they can master the future challenges and harmonise structures following the merger. More than 170,000 accounts will be gradually converted to the new, transparent and customer-oriented model. Customers will benefit from clear terms and conditions and an attractive loyalty programme. In phase one, the new model will be introduced internally to employees, before the gradual migration of all accounts begins in phase two. The cooperative philosophy remains unchanged: the closer the relationship with the bank, the greater the financial advantage – right up to free account management.

Investments in modern and sustainable locations

Our financial institution pursues a clear strategy for growth and sustainable development at all locations, for example in Bad Oeynhausen. In Volmerdingsen, a state-of-the-art service and advisory centre, with an air heat pump and

photovoltaic system is being built, and it is set to be completed by autumn 2025. On Detmolder Straße, the existing branch will be replaced by a new building that will also include eleven residential units. Completion is scheduled for the first quarter of 2026. The Eidinghausen branch is undergoing extensive modernisation. In addition to a new self-service area and modern consultation rooms, an event room for up to 150 people is being created. An innovation hub will also offer space for creative work, including for external guests.

Impetus for urban development and diversity

WilhelmEins on Jahnplatz is setting an important tone for urban development. With its successful combination of tradition and modernity, the building enhances the appeal of the Wilhelmstrasse district. At the same time, the “Volksbank Lobby” and “Frische Mische” at the Kesselbrink headquarters are developing into established venues for events, culture and gastronomy – another valuable contribution by Volksbank in East Westphalia to revitalising and valorising the city centre.

Time for East Westphalia: commitment to the region and the environment

In 2025, we will launch the new employee programme “Time for East Westphalia” and provide our employees with 1,000 social days for voluntary work.

At the same time, a tree will be planted in East Westphalia for each employee – a total of 1,327 trees – as a sustainable contribution to climate protection and strengthening the regional environment.

Cooperatives strengthen the future – globally and locally

The UN has declared 2025 the “International Year of Cooperatives” – a strong signal of the special role cooperative principles plays in a sustainable economy.

“Cooperatives offer solutions to many global challenges. They promote entrepreneurship, secure market opportunities and make an important contribution to reducing poverty,”

emphasised UN Secretary-General, António Guterres, at the World Cooperative Congress in November 2024. Volksbank in East Westphalia is continuing the tradition of its predecessor institutions, which have actively shaped the region for more than 160 years, and is continuously developing the cooperative idea.

A solid strategy for challenging times

Volksbank in East Westphalia is cautiously optimistic about economic development in 2025. The economic recovery remains sluggish, geopolitical uncertainties are weighing on corporate investment, and the industry is facing challenges from high energy costs and increasing competitive pressure.

Nevertheless, economic researchers are forecasting moderate growth, which could receive additional impetus from the financing package announced by the new federal government.

Despite the continuing challenging conditions, we remain confident. Our adaptability, robust business model and the trust of our customers ensure the sustainable development of the cooperative.

With strategic foresight and regional roots, our company will continue to exploit growth potential, even in a challenging market environment, and strengthen economic stability in the region.

Generational change on the Board of Management

Andreas Kämmerling will leave the bank and retire on 30 June 2025, when his contract expires. With more than 40 years of experience in cooperative financial institutions, including 16 years on the Management Board – twelve years as Spokesman of the Management Board of Volksbank Bad Oeynhaus-en-Herford, later Herford-Mindener Land, and most recently as Co-Chairman of the Management Board of Volksbank in East Westphalia – he has played a decisive role in shaping the bank. His commitment to the successful merger that laid the foundation for the Volksbank in East Westphalia's current strength was particularly influential.

After his departure, the bank will be managed by a four-member board of directors. Michael Deitert takes over as sole CEO, and is supported by board members Thomas Mühlhausen, Oliver Ohm and Peter Scherf.

Annual Balance Sheet

as of 31.12.2024
(abbreviated form)

	2024	Previous year	Change
	€T	€T	€T
Assets			
Cash reserves	100,640	112,147	-11,507
Loans and advances to credit institutions	559,247	719,689	-160,442
Receivables from customers	7,225,845	6,958,540	267,305
Securities and participations	2,088,963	2,247,452	-158,489
Property, plant and equipment (incl. software)	157,339	146,174	11,165
Active deferred taxes	89,615	83,719	5,896
Other assets	60,910	66,425	-5,515
Balance sheet total	10,282,559	10,334,146	-51,587
Liabilities	€T	€T	€T
Liabilities to credit institutions	1,586,687	1,676,328	-89,641
Liabilities to customers	7,280,910	7,316,480	-35,570
Securitised liabilities	0	0	0
Provisions	131,187	112,858	18,329
Other liabilities	51,983	56,140	-4,157
Funds for general bank crises	601,401	560,403	40,998
Equity	630,391	611,937	18,454
Balance sheet total	10,282,559	10,334,146	-51,587

Profit and loss account

as of 31.12.2024
(abbreviated form)

	2024	Previous year	Change
	€T	€T	€T
Interest income	261,866	230,344	31,522
Interest expenses	-105,584	-72,278	-33,306
Current income from securities and investments	34,933	24,275	10,658
Commission result	60,259	61,470	-1,211
Other operating income	11,264	11,185	79
Personnel expenses	-91,534	-88,803	-2,731
Other administrative expenses	-52,531	-50,476	-2,055
Depreciation, amortisation and impairment losses on property, plant and equipment	-8,167	-8,734	567
Other operating expenses	-4,102	-3,772	-330
Valuation result	-19,863	7,861	-27,724
Surplus from ordinary activities	86,541	111,072	-24,531
Extraordinary result	0	0	0
Taxes	-24,811	-29,677	4,866
thereof: Income from deferred taxes	-5,896	7,651	-13,547
Allocations to funds for general bank crises	41,000	61,900	-20,900
Net profit for the year	20,730	19,495	1,235
Profit brought forward from previous year	52	74	-22
Transfer to earnings reserves	-8,000	-7,200	-800
Balance sheet profit	12,782	12,369	413

Relevant Auditing Association
Genoverband e.V.
Ludwig-Erhard-Allee 20
40227 Duesseldorf

The complete annual financial statements (balance sheet, profit and loss account and annex), and the management report with auditor's certificate from Genossenschaftsverband - Genoverband e.V., Düsseldorf, will be published in the electronic Federal Gazette after approval by the Representatives' Meeting.

Business area of the Volksbank in East Westphalia

For us, proximity means being there for you, on site.

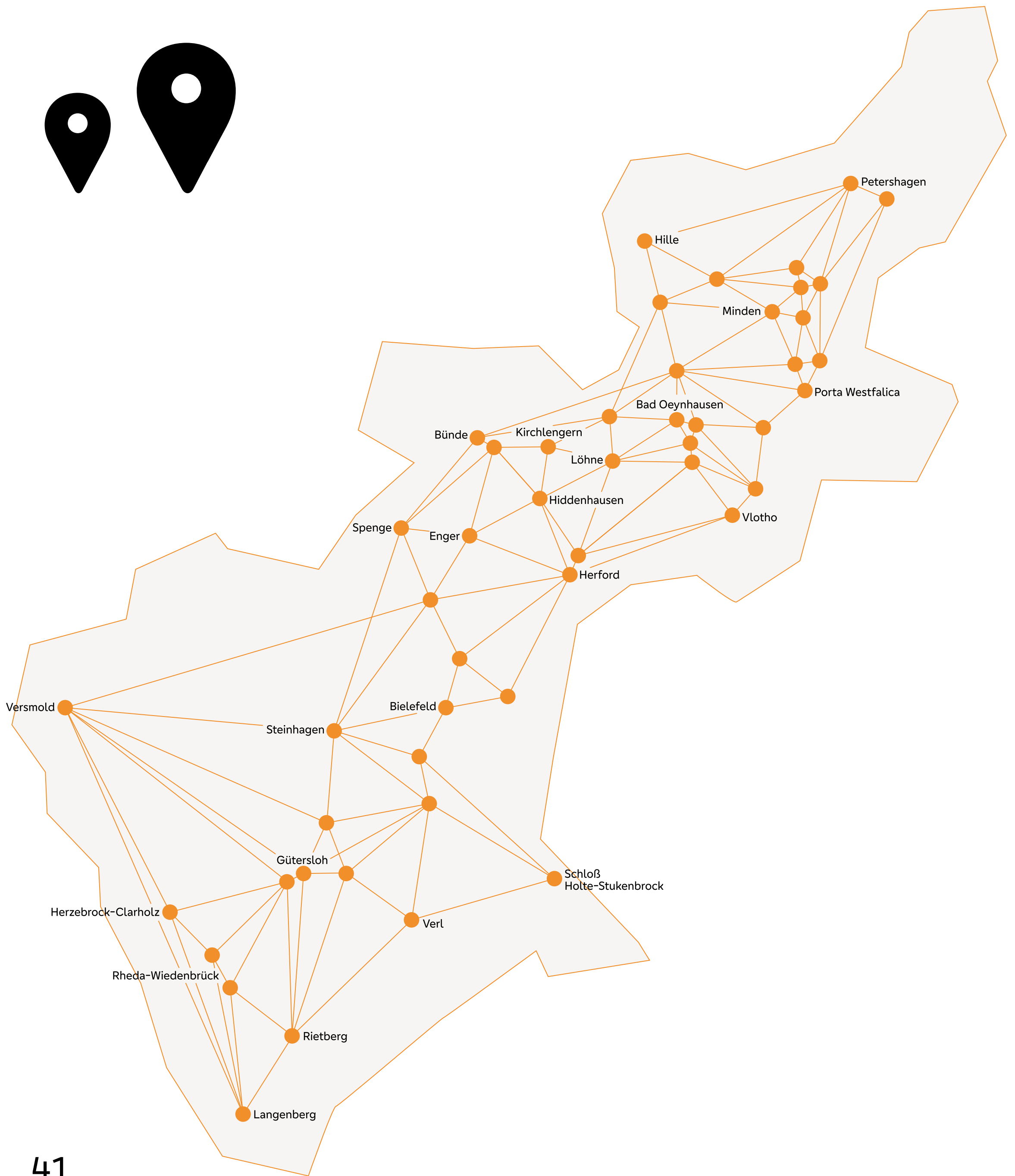
Our network of offices covers the whole of East Westphalia. The new building in Hille, which opened in 2024, is a prime example of this: we are showing our colours. For the sustainable use of resources and for the people in the region.

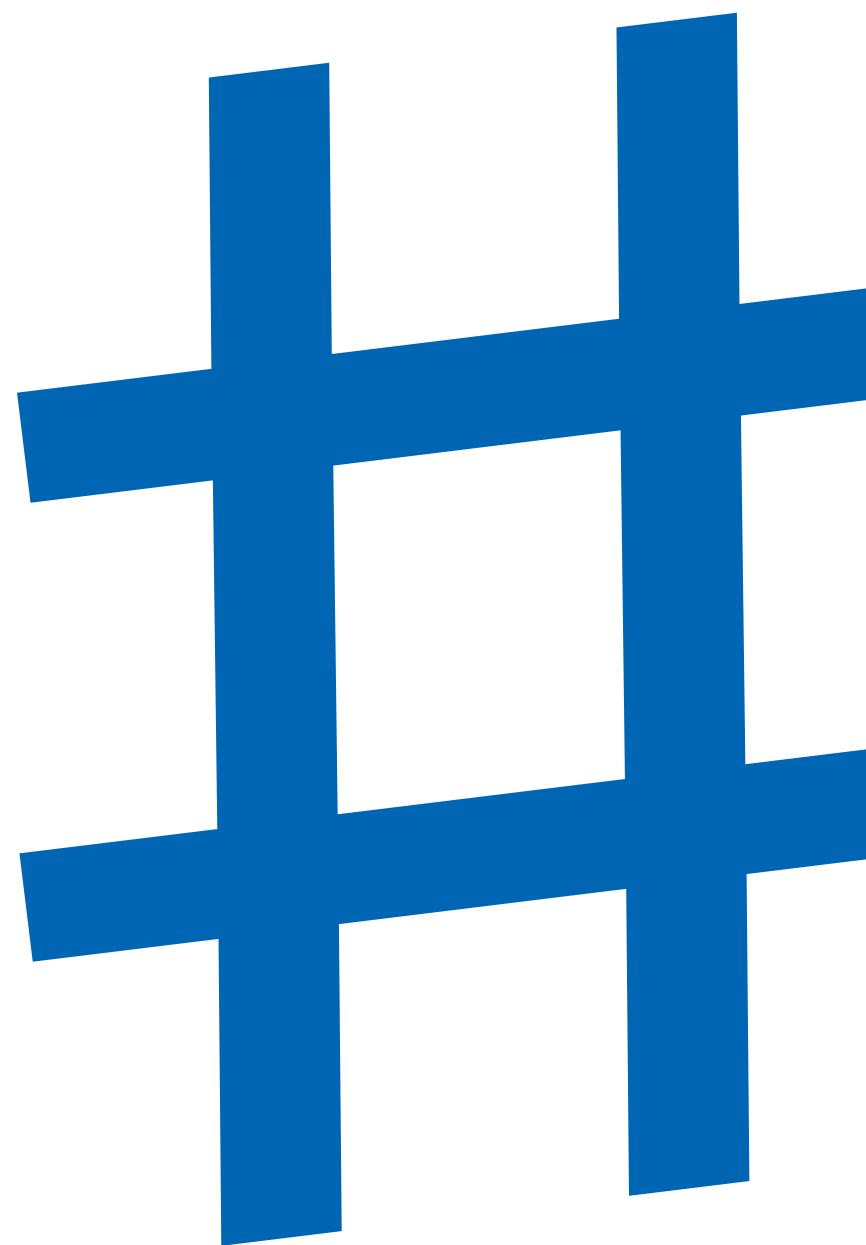
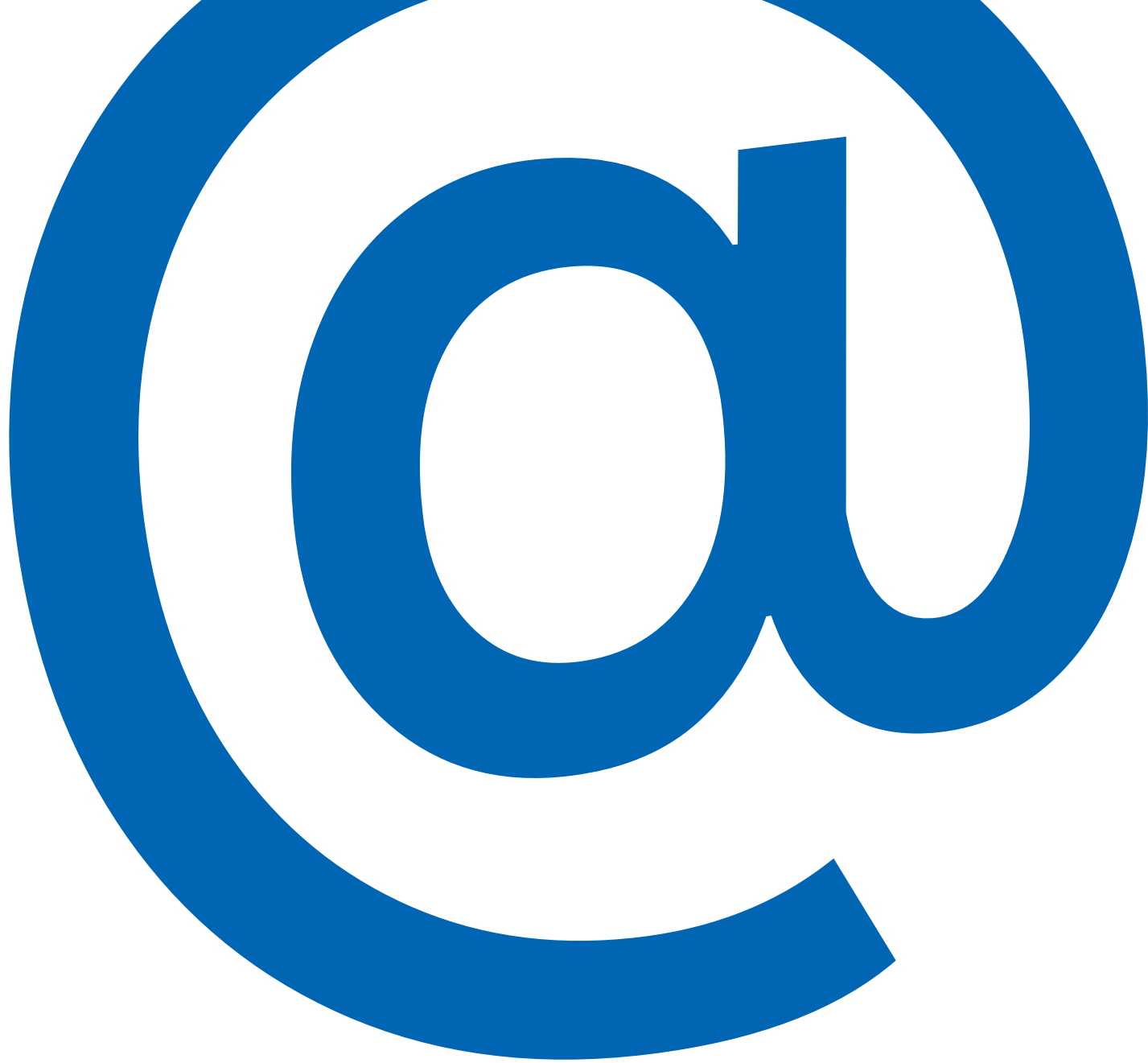
48

Competence centres and offices

46

Self-service locations





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