



THE DIFFERENCE IS

**STABILITY.**



**Bankers Trust**<sup>®</sup>

Member FDIC

2023 ANNUAL REPORT

THE DIFFERENCE IS

# STABILITY.

As important as what did happen in 2023 is what didn't. Despite higher interest rates, inflation and bank failures, **Bankers Trust remained a haven of stability for the families, businesses and communities we serve.** Service, resilience and confidence have been our differentiators for 106 years, primarily due to our remarkable workforce, those who came before us, and our family ownership, which enables long-term focus without the pressures of short-term shareholder returns.

Similar to other banks, our reputation is based largely on our strength and stability as demonstrated through financial performance, operational resilience, strategic focus and social responsibility. However, **the Bankers Trust Difference also includes who we strive to serve** — from those with lower incomes who aspire to own a home and experience stability, to the affluent who aspire to grow their wealth and transfer it to their loved ones and community — and responding quickly with relevant products and services.

I am proud of our Cedar Rapids team, as we emerge from our 20<sup>th</sup> anniversary year with the strongest group we've ever had. Camaraderie is a key part of our success in collaborating and providing an exceptional customer experience, which enabled us to achieve **\$75 million in new commercial loans and \$44 million in new commercial deposits in 2023.**

For the second year in a row (and only the fourth time in our history), **Bankers Trust recorded earnings above \$60 million. Total assets increased to \$6.6 billion**, primarily due to our nearly \$375 million in loan growth in 2023. Whatever the future holds, and whatever the market throws our way, we promise to provide the kind of stability you can depend on.

TOTAL ASSETS GREW TO

**\$6.6**  
BILLION

NET INCOME

**\$63.9**  
MILLION

COMBINED ASSETS ROSE BY

**\$495**  
MILLION

**“Stability coupled with camaraderie makes for an extraordinary competitive advantage. Our clients benefit from a team of experts who genuinely enjoy collaborating with each other and are passionate about what they can achieve together for the businesses, families and communities we are honored to serve.”**

**Jack Gonder**

Eastern Iowa  
Market  
President



THE DIFFERENCE IS

# COMMUNITY.

As the largest privately held community bank in Iowa, Bankers Trust serves the banking, lending and wealth management needs of individuals and businesses of all sizes. In addition to supporting our customers, we are committed to helping make our communities stronger. To do that, we donate \$1 million to charitable organizations each year, and our team members rolled up their sleeves to volunteer more than 13,000 hours in 2023. We're proud to play an active role in helping our communities grow and thrive.

**It's part of the Bankers Trust Difference.**

**Tara Dumolien**

Commercial Relationship Manager



# 2023 COMMUNITY INVESTMENTS

**\$1 MILLION**   
DONATED TO NEARLY 200 NONPROFITS

**\$635,000+**   
RAISED FOR LOCAL UNITED WAYS

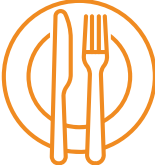
**13,000+**   
TOTAL EMPLOYEE VOLUNTEER HOURS

**90+**   
EMPLOYEES SERVE ON  
**190+**  
NONPROFIT BOARDS  
OR COMMITTEES



**5-YEAR  
COMMITMENT**

**\$84 MILLION**   
IN COMMUNITY DEVELOPMENT  
AND LENDING INVESTMENTS

 **30,000+**  
MEALS PACKAGED  
FOR MEALS FROM  
THE HEARTLAND

TO OFFERING HOMEBUYER  
EDUCATION CLASSES  
TAILORED TO BLACK,  
INDIGENOUS, PEOPLE OF  
COLOR (BIPOC) AND LOW-  
AND MODERATE-INCOME  
INDIVIDUALS IN ALL MARKETS

## COMMERCIAL

The Commercial Division supported customers through industry chaos and a challenging interest rate environment in 2023. During a time when many banks put the brakes on lending, our steady and stable approach contributed to another strong year in loan production, with \$281 million in net loan growth and total loan production of \$1.34 billion. The team continued advancing projects that enhance our processes and procedures, allowing us to better scale as the bank grows and continue investing in our customer experience throughout all stages of the loan process.

A combination of Bankers Trust's long-term approach, stability and team members' expertise provided confidence for customers following the banking crisis in March. The Treasury Management team quickly promoted our Insured Cash Sweep product to customers wanting additional FDIC protections. As a result of Treasury's continued client-centric focus, the team brought on 169 new customers in 2023, despite industry turmoil.

Technology and innovation remain key priorities, with continued emphasis on helping commercial accounting teams become more efficient and sophisticated through a suite of banking tools. Treasury customers increased their corporate card spending by 43% in 2023 on the heels of a successful rollout of the Integrated Payables product and virtual cards. Clients continue to benefit as the team works to stay ahead of trends and provide new, innovative products to manage and support their growth.

**\$281**  
MILLION

NET LOAN GROWTH

**169**

NEW TREASURY CLIENTS

**43%**

INCREASE IN CORPORATE CARD  
SPEND BY TREASURY CUSTOMERS

## CONSUMER

Bankers Trust's reputation for exceptional service and unshakable stability created a safe financial harbor for its 41,000+ Consumer customers during another year of relatively high interest rates, inflation and uncertainty.

The Retail and Private Banking teams' focus on long-term customer relationships helped hold consumer deposits steady at \$1.9 billion, which is higher than pre-pandemic levels. We also welcomed many new customers to the Bankers Trust family, which now has 68,500 deposit accounts, a 5% increase during the past year. This increase is due in part to the bank's unique Benefits Banking Loyalty Program that offers the best rates and waived fees to customers who have full relationships with the bank.

Consumer Lending and in-house mortgage volumes increased to \$577 million, which is the highest level ever at Bankers Trust, and an important part of having an overall diversified lending portfolio. While every loan is important, we are especially proud of the significant increase in our number of loans to low- and moderate-income individuals and first-time homebuyers.

Our Consumer team continues providing a level of service that is not only appreciated by customers, but defies the industry's trend around customer satisfaction with their banking relationship. Bankers Trust's Net Promoter Score (NPS) — which measures enthusiasm for recommending a company to friends and family members — increased to 71, which is more than double the banking industry average of 30.

# 71

NET PROMOTER SCORE

BANKING INDUSTRY AVERAGE IS 30

# \$1.9 BILLION

TOTAL CONSUMER DEPOSITS

# 29%

INCREASE IN CONSUMER  
LENDING BALANCES



## WEALTH MANAGEMENT

High interest rates, a turbulent fixed income market and ongoing talk of possible recession turned customers to the stability and trusted expertise of Bankers Trust's Wealth Management teams. The division continued its long-term focus on enhancing the customer experience by better defining service standards across our client base and ensuring both sales and support teams will manage future growth with the high standards we are known for. This commitment to supporting customers' wealth goals contributed to increased opportunities across our business lines, in addition to strong internal referrals and client retention.

All teams under the Wealth Management umbrella — Private Client Services, Retirement Plan Services, Institutional Custody and BTC Trust Company of South Dakota — met their sales goals and delivered strong growth in 2023. The teams added \$200 million in new assets, and assets under administration (AUA) ended the year at \$20.4 billion.

Our consistent approach continues to prove successful and earned special recognition. For the first time ever, Bankers Trust is now ranked fifth in wealth management fiduciary/custody asset size in the Midwest, according to Chicago Federal Reserve District rankings.

<b>NOT FDIC- INSURED</b>	May lose value Are not deposits
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**\$20.4**  
BILLION

**IN ASSETS UNDER  
ADMINISTRATION**

**5<sup>TH</sup>**  
LARGEST

**IN CHICAGO FEDERAL  
RESERVE DISTRICT**

**TOP 10%**

**OF ALL BANKS IN THE COUNTRY  
THAT HAVE FIDUCIARY DIVISIONS**



# BTC CAPITAL MANAGEMENT

An SEC Registered Investment  
Adviser Affiliate of Bankers Trust

BTC Capital Management celebrated its 20<sup>th</sup> anniversary in 2023. This milestone marked yet another year of surpassing goals by putting clients first and successfully managing continual ups and downs in the markets. The firm's strength, stability and risk-based approach for investment management and advisory needs gave clients confidence through this year's turbulent market. As a result, BTC Capital Management exceeded its sales goals and now holds \$3.8 billion in assets under management for institutions, bank partners and individuals served by Bankers Trust's Wealth Management team.

Equity markets provided a strong year for customers, while fixed income markets took investors on a wilder ride. All in all, the BTC Capital Management team worked seamlessly with our Wealth Management partners to both support the bank's goals and serve customers' needs throughout the changing investment environment. And, once again, the team's continued focus on a risk-aware, long-term approach rooted in fundamentals — along with providing the highest-quality client service — resulted in 98% customer retention.

<b>NOT FDIC- INSURED</b>	May lose value Are not deposits
----------------------------------	------------------------------------

**\$3.8**  
BILLION

**ASSETS UNDER MANAGEMENT**

**98%**

**CLIENT RETENTION**

**20**  
YEARS

**BTC** CAPITAL  
MANAGEMENT™

## PREMIER WORKPLACE

Individually and collectively, our team members bring Bankers Trust's **Core Values of Community, Customers, Employees, Inclusion and Shareholders** to life every day through the way we approach service, innovation and decision making.

Our team members are key to the bank's reputation, stability and success. That's why we continued investing in our **Premier Workplace** strategic priority, which reinforces a culture where team members are encouraged to speak up and share ideas for how we can improve the employee experience.

Acting on feedback from our last employee engagement survey, we rolled out initiatives to help us more transparently share information regarding total rewards with team members and support cross-functional growth and development. Both updates are foundational for retaining employees and creating succession plans for top talent across the organization. Through our Bankers Trust **Leadership Academy** for emerging leaders and the bank's **Ready Leader** program for mid-level leaders, we ensure team members pursuing professional development opportunities have the tools and resources they need to succeed.

**Sarah Netolicky**

Private Banking Officer



# CULTURE AND ENGAGEMENT

Our internal committees also stepped up to support employee interests, values and community involvement in innovative ways. Here are a few examples:



## DIVERSITY, EQUITY AND INCLUSION

Conducted 30+ educational and impactful “culture jolts,” engaging all departments in meaningful discussions around recognizing and celebrating differences.



## EMPLOYEE EVENTS

Reached 95% of team members through 11 different events, several of which included team members’ families.



## EMPOWER

Hosted annual signature event focused on the importance of allyship and advocacy in the workplace for 100+ employees.



## GO GREEN

Revamped the Giving Garden to improve the nutritional variety of foods donated to local food pantries, bringing total donations to 1,200+ pounds. Also distributed 350+ reusable dish sets to employees.



## NEXT GEN

Collected 1,800 personal hygiene items in bankwide drive to support public school students in need.



## WELLNESS

Offered 14 events focused on various aspects of holistic health and well-being for team members.

# STATEMENTS OF CONDITION

	DECEMBER 31, 2023	DECEMBER 31, 2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 197,970,554	158,334,785
Securities available-for-sale	984,744,403	901,027,215
Loans	5,120,119,434	4,744,346,017
Allowance for credit losses	(71,973,095)	(69,456,495)
<b>NET LOANS</b>	<b>5,048,146,339</b>	<b>4,674,889,522</b>
Premises and equipment, net	50,666,709	46,436,734
Accrued interest receivable	27,315,674	23,084,813
Other assets	274,167,936	284,638,355
<b>TOTAL ASSETS</b>	<b>\$ 6,583,011,615</b>	<b>6,088,411,424</b>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
Deposits	\$ 5,040,830,911	4,778,123,998
Short-term borrowings	795,015,880	642,868,983
Accrued expenses and other liabilities	173,137,846	168,507,175
<b>TOTAL LIABILITIES</b>	<b>6,008,984,637</b>	<b>5,589,500,156</b>
<b>TOTAL STOCKHOLDER'S EQUITY</b>	<b>574,026,978</b>	<b>498,911,268</b>
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b>\$ 6,583,011,615</b>	<b>6,088,411,424</b>

# STATEMENTS OF OPERATIONS

	YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022
Interest income	\$ 310,171,364	205,443,598
Interest expense	146,248,767	35,079,656
<b>NET INTEREST INCOME</b>	163,922,597	170,363,942
Provision for credit losses	5,500,000	9,600,000
<b>NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES</b>	<b>158,422,597</b>	<b>160,763,942</b>
<b>NON-INTEREST INCOME:</b>		
Service charges on deposit accounts	7,688,244	8,131,323
Wealth Management fees	20,777,390	20,198,987
Card fees	4,220,641	4,375,246
Other operating income	14,065,146	12,828,764
<b>TOTAL NON-INTEREST INCOME</b>	<b>46,751,421</b>	<b>45,534,320</b>
<b>NON-INTEREST EXPENSE:</b>		
Salaries and benefits	77,365,003	71,318,568
Occupancy expense	14,492,025	13,584,854
Professional and processing services	14,372,982	15,057,501
FDIC insurance expense	3,285,000	1,725,000
Other operating expense	17,075,080	19,891,855
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>126,590,090</b>	<b>121,577,778</b>
Income before income tax expense	78,583,928	84,720,484
Income tax expense	14,669,823	19,341,038
<b>NET INCOME</b>	<b>\$ 63,914,105</b>	<b>65,379,446</b>

Represents combined financials for Bankers Trust Company and BTC Capital Management.



# Bankers Trust<sup>®</sup>

Member FDIC



**BankersTrust.com**

1-800-362-1688

Headquartered in Des Moines, Iowa, Bankers Trust is the state's largest privately held community bank. In addition to the 12 branches serving Central Iowa, we have branches in Cedar Rapids, IA, and Phoenix, AZ, and an office in Omaha, NE. BTC Trust Company of South Dakota, a wholly-owned subsidiary of Bankers Trust, is based in Sioux Falls, SD. BTC Capital Management is an SEC-Registered Investment Adviser affiliate of Bankers Trust, based in Des Moines, Iowa.