



ANNUAL REPORT



Bank Iowa®

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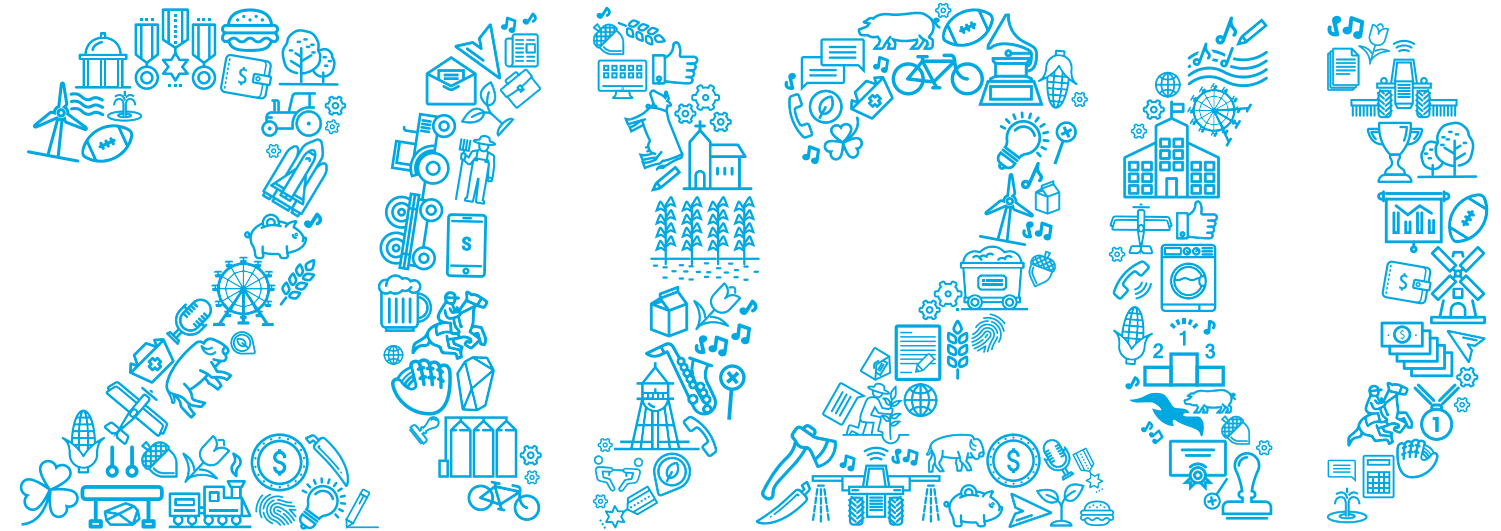


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About The Cover

The icons created for the 2020 annual report cover were inspired by the 23 distinct Iowa communities we are proud to serve.

Altoona: Ferris wheel

Home to family-owned Adventureland.

Charter Oak: acorn

The city's name comes from a surveyor who stored his papers in an oak tree.

Clarinda: hamburger

Clarinda is known as the birthplace of the modern-day hamburger.

Colfax: fountain

Tourists once flocked to Colfax's mineral springs to improve their health.

Denison: award

Home of Donna Reed, known for her roles in Academy Award winning films.

Essex: train

The Chicago, Burlington and Quincy railroads were the first to be built in Page County.

Fredericksburg: buffalo

Visitors can hand-feed buffalo at a sprawling ranch in Fredericksburg.

Fremont: rocket ship

Home of former NASA engineer Steve Bales, who helped control the Apollo 11 lunar landing.

Gilmore City: limestone

Known as Iowa's limestone capital, the Gilmore City Limestone is a geologic formation that preserves fossils dating back to the Carboniferous Period.

Humboldt: wrestlers

Former professional wrestler Frank Gotch calls Humboldt home.

Johnston: military metals, baseball glove

Home of Camp Dodge and former Dragon's pitcher, Trey Onder.

Lawler: clover

The town celebrates its rich heritage at the Lawler Irish Festival every summer.

Manilla: tug of war

A tug-of-war contest decided the town name, inspiring Manilla's slogan, "The town people pull for."

New Hampton: nurses hat

Home of actor Sarah Utterback, who starred as a nurse on the television series *Grey's Anatomy*.

Newton: washing machine

Maytag Washing Machine Company was founded in Newton in 1893, giving Newton the moniker "Washing Machine Capital of the World."

Oskaloosa: sweet corn

The Main Street Annual Sweet Corn Serenade brings 3,000 people to Oskaloosa for fresh-cooked sweet corn and live music.

Pella: tulips

Pella's annual Tulip Time Festival set the world record in 2010 for 2,600 people dancing in wooden shoes.

Red Oak: microphone

Johnny Carson, former host of The Tonight Show, has lived in several Iowa communities, including Red Oak.

Schleswig: beer stout

Schleswig was named after the hometown of many German settlers who published the town's first newspaper in German.

Shenandoah: trees

Once referred to as the "Seed and Nursery Center of the World," Shenandoah is the birth place of the Earl May Seed Company.

Villisca: bike

Villisca hosts the annual Southwest Iowa Gravel Grinder (SWIGG), a bike race for all levels of difficulty.

Waucoma: chili pepper

Waucoma hosts an annual chili cook off with all proceeds going to the town's local fire department.

West Des Moines: gymnastics vault

Home of several U.S. Gymnastics notables, including coach Liang Chow, Shawn Johnson and Gabby Douglas.

A LETTER FROM CEO JIM PLAGGE

2020 was indeed a challenging year with the emergence of COVID-19, impacting all of Bank Iowa's stakeholders. But even more significantly, we lost our co-founder, Harry Barr, who passed away on July 1 at the age of 84. Harry was truly a one-of-a-kind gentleman...an aviation pioneer, entrepreneur, family man and quiet encourager. The following pages further describe Harry's legacy. He is greatly missed by his family, friends and business associates.

2020 was also a year that provided many opportunities to live out our values: **Be People Centered. Bring Your Best. Enable Great Things. And Think Big**.....all of which Harry most definitely embodied. Our teams rose to the challenge and these values were displayed in many ways:

- The immediate pivot to having more than 50% of our team members work from home, while still meeting and exceeding the expectations of our clients. This may have seemed daunting, however, engagement among our team members increased by 15% over the prior year.
- The rollout of the Family Care Compensation and Pandemic PTO programs in the first week of the COVID-19 shutdown to provide our team members with the needed flexibility and financial security to care for their families.
- The rapid development of a PPP (Paycheck Protection Program) loan process through which we originated 972 PPP loans totaling \$87 million. The loans were a financial lifeline for small and large businesses, farmers and non-profit organizations. The PPP loans also served as a tremendous business development opportunity, as some financial institutions were slow or absent in providing PPP loans.
- A record volume of residential mortgage loan originations, more than doubling our previous record volume in 2019.
- With the acquisition of First State Bank of Colfax in late 2019, we officially welcomed Colfax team members and new Colfax area bank clients to Bank Iowa in 2020. Our work included a core system conversion and an interior renovation of the location in early 2020. The team in Colfax was welcoming of this change and many of them have voiced their excitement about the new opportunities Bank Iowa will bring not only to the Colfax community, but also for their careers and work culture.
- Bank Iowa's new brand position and integrated marketing campaign, "**Let's make it happen™**," launched in March 2020 leading to increases in brand awareness throughout the state. In 2020, the marketing department won 7 awards, bringing their total to 26 over the last three years. Please see pages 28-29 to learn how the marketing team has taken on the

Let's make it happen spirit in all they do.

- Among the unexpected developments in 2020 was a significant increase in illicit actors engaged in fraudulent schemes to exploit vulnerabilities created by COVID-19. Our mitigation efforts were ramped up and we were successful in shielding many of our clients from fraud losses.
- The Helping Hand Initiative (see page 8) and involvement in numerous organizations assisted community members and organizations with pandemic support.
- Communication with all team members was vital, especially in the first few months of COVID. Our creation of the Friday Video proved to be an effective medium, and we are continuing to use it.

As a result of these efforts by our teams, I'm pleased to report strong financial results including record levels of profitability and growth. Bank Iowa Corporation (BIC) earned \$14.5 million in 2020, exceeding our previous highest earnings of \$12.5 million in 2018.

The balance sheet expanded substantially in 2020, with total assets increasing by 20% to nearly \$1.7 billion, an all-time high. Loans grew by \$128 million (13%) to \$1.148 billion. Of this amount, \$66 million was in the form of PPP loans at year end. Some of these PPP loans represented lending opportunities to new clients, but the bulk of the PPP loans displaced other borrowings by our existing clients. Problem loans declined by 25% during the year, mainly due to improvements in the ag economy. Non-performing loans increased slightly but remain at very manageable levels with corrective plans in place.

“Harry Barr was truly a one-of-a-kind gentleman...an aviation pioneer, entrepreneur, family man and quiet encourager.”

Deposits also showed substantial growth. Banks serve as conduits for governmental fiscal stimulus, and often these stimulus funds are at least temporarily retained by the recipients. Further, economic and social uncertainty often cause consumers and businesses to park money in FDIC-

“I'm pleased to report strong financial results including record levels of profitability and growth.”

insured institutions rather than in alternative investments.

As a result of these dynamics and our business development initiatives, which were minimal in 2020 due to COVID-19 restrictions, deposits grew by \$232 million (19%) to \$1.463 billion. These additional deposits funded the loan growth, as well as a \$161 million increase in our investment portfolio.

Tier 1 capital improved to a record level of \$134 million. Total capital, including unrealized gains of \$12 million in the investment portfolio, also grew to a record level of \$146 million.

Net interest income increased by 6.5%, mainly as a result of loan growth. PPP loan fee income also contributed to this increase. Non-interest income grew by 50%, entirely as a result of the record volume of residential mortgage loans originated in 2020.

In addition to a successful year financially, we underwent two routine regulatory exams – a Federal Reserve Compliance & CRA (Community Reinvestment Act) Exam and a Federal Reserve Safety & Soundness Exam. The compliance exam validated that Bank Iowa maintains an effective consumer compliance risk management program with board and management providing satisfactory oversight. The CRA exam verified that Bank Iowa is meeting the credit needs of our communities based on an analysis of lending and community development activities. Finally, the Federal Reserve Safety & Soundness Exam concluded that Bank Iowa is operating in a safe and sound manner.

To our shareholders, clients, team members, and other stakeholders, we deeply appreciate your support and confidence in Bank Iowa. We strive every day to live out our purpose: **Empower People. Inspire Success. Foster Growth.**



James L. Plagge
CEO





Bank Iowa’s 270+ team members celebrated the life and achievements of the bank’s co-founder Harry Barr, who passed away July 1, 2020, at the age of 84.

Harry was a man of adventure and action,” said Bank Iowa President and CEO Jim Plagge. “He quickly answered the call when there was work to do or a cause that needed assistance. If he saw something that needed to be done, he either did it himself or mobilized and empowered a team of people to make it happen. His influence is a huge part of our culture and the values we work to live out.”

Barr, along with J. Robert Duncan and his father Donald Duncan, founded Bank Iowa in 1976 with the purchase of their hometown bank in Clarinda, Citizens State Bank. That \$25 million bank is today a \$1.7 billion family-owned bank with 25 locations across the state of Iowa.

Barr served on the bank and holding company boards since its founding,

and was a steady, encouraging force supporting the bank’s growth and development over nearly 50 years. He most recently served as a contributor to the bank’s strategic plan development, an initiative that set the trajectory for the bank’s continued year-over-year growth.

HARRY BARR’S PASSING LEAVES A LEGACY OF ENTREPRENEURSHIP AND EMPOWERMENT

Ours isn’t your typical bank story. In fact, when Bank Iowa founders Harry Barr, Donald Duncan and J. Robert Duncan first got together, it wasn’t because they wanted to create a bank. They wanted to start an aviation company. And that’s exactly what they did in Clarinda, Iowa, more than half a century ago.

It was from that entrepreneurial ambition and smart business leadership that one of Iowa’s most successful banks would eventually flourish. That same spirit helps us understand the real needs of today’s businesses, farmers, families and entrepreneurs all across Iowa.

From ambitious beginnings that date back to 1976 to becoming one of the largest family-owned community banks in Iowa, Harry Barr remained an unwavering motivator through it all. Barr’s approach to life and the values he lived by continue to inspire the values ingrained in Bank Iowa’s culture today: **Think Big, Bring Your Best, Enable Great Things and Be People-Centered.**

Bank Iowa Corporation continues to be owned by the Duncan and Barr families, and their community-centric principles can be felt in every interaction we have with the people and places for which we exist.

“Harry’s influence is a huge part of our culture and the values we work to live out.”

An accomplished pilot, Barr flew many models of jets, helicopters and airplanes, including his P-51 Mustang fighter. He was one of the first pilots certified to fly Learjets when they were introduced in the 1960s. Among his adventures in the skies were flying helicopters in support of the Minuteman missile construction project in the panhandle of Nebraska, as well as aerial firefighting in Alaska.



HELPING HAND

It became evident in early 2020 that the COVID-19 pandemic would not only create new challenges for team members and businesses across the state, but also for non-profits that work to lift up the communities we call home. In May 2020, the bank rolled out the Helping Hand

Initiative to identify those in need through a crowdsourced program. The bank put out a call for community members to nominate organizations in their areas in need of a helping hand. Collectively, Bank Iowa donated over \$20,000 to the following organizations:

- Crossroads of Pella, Ltd
- Essex Child Care Center
- First United Methodist Church
- Girl Scouts of Greater Iowa
- Goodwill of Central Iowa
- Humboldt Public Library/ Library Foundation
- Lied Public Library
- Mahaska County YMCA
- Pella Historical Society and Museums
- Red Oak Food Pantry and Shenandoah Food Bank
- St. Joseph Community School
- Turkey Valley Elementary
- Turkey Valley Food Service Director
- The Well Eatery
- WESCO Industries Inc.
- West Des Moines Community School District
- Younker 8 at Unity Point
- Upper Des Moines Opportunity



Our family owners graciously supported the bank's Family Care Compensation and Pandemic PTO (PAPTO) plans, allowing us to provide more than 1,000 hours of Pandemic PTO to 28 team members in 2020. Ownership's appreciation for everyone's hard work

during this difficult and uncertain time, especially with the high volume of work in many different areas around the bank, was a clear demonstration of living our value of **Being People-Centered**.

LIVING OUR VALUES THROUGH COVID-19

PANDEMIC PTO



PPP

As a result of the pandemic, the U.S. Government created the Paycheck Protection Program (PPP), a loan designed to provide a direct incentive for small businesses to keep their workers on payroll.

In 2020 alone, Bank Iowa completed 972 PPP loans totaling \$87.3 million in loan balances. The program has continued with even more volume in 2021. Through the first three months of 2021, Bank Iowa originated 2,007 PPP loans totaling \$40.9 million. The bank is projecting to reach 2,500-3,000 loans before the program runs out of funds or reaches the new May 31, 2021 deadline.

The bank's lending team has worked around the clock to manage this large volume in our efforts to **Enable Great Things** for business clients.

LET'S MAKE IT HAPPEN™



The Bank Iowa marketing team looked to develop a brand promise that uniquely fit the bank and would allow us to tell a story that differentiates Bank Iowa from the competition. In the pursuit to solidify a brand promise, the marketing team cross-examined all positioning statements against their credibility, sustainability and most importantly, meaningfulness to all audiences.

With an emphasis on clients, communities and culture, as well as research that focused on these audiences, Bank Iowa's new brand promise, **Let's Make it Happen**, emerged.

"When I started at Bank Iowa in 2017, I wanted to truly learn what made us different from all of the other community banks out there," said Josh Fleming, VP of Marketing. "To do that, we talked to our team members, community leaders and our clients. We also conducted brand awareness research that gave us an understanding of not only how well known we were, but what we were known for."

Fleming says the true differentiator the marketing team discovered was that all of our team members have an inherent desire to make it happen for our clients, our communities and each other. Whether that's a small business loan, a donation to the little league team or helping our fellow team members grow professionally, Bank Iowa is uniquely positioned to make it happen.

Bank Iowa's board members and the senior leadership team were encouraged with this direction for the brand as it was a direct extension of one of the bank's core values: **Enable Great Things**.



“We aim to turn dreamers into doers.”

Bringing a Messaging Campaign to Life

The folks in our marketing department would be the first to tell you that launching a new marketing campaign on the eve of a pandemic may not have been the most fortunate of timing. However, with the bank running television commercials on news channels when people were spending more time at home, this actually turned out to be a positive for the bank's brand awareness goals.

The television commercials featured the bank's own Mark Phillips, VP of

Treasury Management, as the "Bank Iowa lender" riding on the back seat of a tandem bicycle with a variety of "dreamers." The dreamers outlined their hopes and ambitions and Mark delivered the line everyone with a dream wants to hear, **"Let's make it happen."** The marketing team went with the tandem bike concept as it has a direct correlation to our purpose statement; **Empower People. Inspire Success. Foster Growth.** The dreamer, always seated in front, was in charge of their own direction, while the banker

was always seated in the back to be a guiding advisor for the dream.

Additional creative was developed for radio, print, online and social media to make sure anyone with a dream of starting or building on to their farm or business might consider Bank Iowa for their needs. We aim to turn dreamers into doers.



Bank Iowa's return to television started with videos shot in front of a green screen.



The commercials showed viewers an animated "blue world" where dreamers reveal their dreams.



Each commercial ended by revealing the green screen, and the dreamer and banker walking off screen to "make it happen."



In April 2020, Bank Iowa announced that **Brian Carolan** had been promoted to regional president of the Lawler region of Bank Iowa. He succeeds Renea Huinker, who retired after a 36-year career with Bank Iowa.

"We thank Renea for her strong contributions to Bank Iowa over the years and wish her a long and happy retirement," said Jim Plagge, CEO of Bank Iowa. "Brian has been an excellent leader and community advocate as a lender and we see great things continuing for both him and our teams in Lawler, New Hampton, Fredericksburg and Waucoma."

A 2000 graduate of Turkey Valley High School, Carolan earned his bachelor's degree from the University of Northern Iowa in 2004 and has worked in banking ever since. He moved back to his home area in 2013 to begin working with Bank Iowa.

Carolan has served the Bank Iowa region in a leadership role for the last seven years. As senior lender, he has led the recruitment and development of a talented lending team. Under his direction, the region is poised for strong loan growth in the years to come. Carolan will continue to carry the senior lender responsibilities with the assistance of the bank's credit department.

In July 2020, Bank Iowa announced **Chad Leighty** had been promoted to regional president of the Denison region of Bank Iowa. He succeeds Scott Brus, who retired after a 35-year career with Bank Iowa.

"Scott's contributions to Bank Iowa over the last three decades have put Bank Iowa in a great position in the Denison area," said Jim Plagge, CEO of Bank Iowa. "Chad's experience in agriculture lending and his business development background will continue to serve the bank well as he leads our teams in Denison, Manilla, Charter Oak and Schleswig."

A 1999 graduate of South Dakota State University, Leighty earned his bachelor's degree in agricultural business with an emphasis in economics. Prior to joining Bank Iowa, Leighty served as market president for Peoples Trust and Savings Bank for four years and later served as branch manager and lender for Iowa Savings Bank.

Leighty joined Bank Iowa in 2019 as regional senior lender. Through his role, he has led the development of a talented lending team and new business development efforts. Under his direction, the region plans to continue to grow the bank's footprint by looking for new opportunities to serve and reach the surrounding communities.



In June 2020, Bank Iowa appointed **Dustin Caldwell** as the director of information technology (IT) housed at Bank Iowa Corporation in West Des Moines. Caldwell previously served as chief information officer (CIO) at First American Bank.

"We are excited to have Dustin join our senior leadership team," said Jim Plagge, CEO of Bank Iowa. "His experience in improving operational efficiency and executing on the achievement of department goals will allow us to further Bank Iowa's vision to serve our clients, community and team members."

A 2001 graduate of Drake University, Caldwell earned a bachelor's degree in IT and Management. Upon graduating, he served in a leadership role at Liberty Bank as a vice president of IT and later as CIO for First American Bank.

For Bank Iowa, Caldwell manages the strategy and direction of the IT department. He facilitates partnerships in banking and information services, project manages both internal and external projects, maintains technology infrastructure and offers support to various departments across the company.

At the time of hiring, Caldwell said, "I am thrilled to have the opportunity to work alongside a great team to find ways to grow the company's success and potential. I look forward to making a positive and sustainable impact within Bank Iowa and to contribute to the bank's overall success."

Caldwell is off to a great start, having already developed strategic plans and budgeting, he's also aligned his staff to support bank initiatives and goals now and into the future.

MORTGAGE TEAM

“The Bank Iowa Mortgage team exceeded volume and fee goals by 230% and 300% respectively, while increasing profit margin by 27bps.”



Todd Smith, VP,
Mortgage Director



Dan Adams, MLO



Cindy Bednarczyk, MLO



Mindy Casterton-Humpal, MLO



Jeremy Croghan, MLO



Dale De Jong, MLO



Amy Donahe, MLO



Brian Ettleman, MLO



Dirk Hellige, MLO



Kristin Marten, MLO



Nichole McKiernan-Struve, MLO



Zach Meiners, MLO



Connie Mellott, MLO



Andy Newman, MLO



Brad Parker, MLO



Nevada Richards, MLO



Matt Sailer, MLO



Melinda Tischer, MLO



Matt Ysbrand, MLO

Not pictured:
Carol Ricker, Mortgage
Operations Manager
Kelli Houston, Closing Manager
Susan Pierson, Underwriter
Katie Brown, Processor
Julie Sayaxang, Processor
Chris Geer, Processor
Summer Walker, Closer
Wes Monroe, Closer

“They bring their best.
They enable great things.”
-Todd Smith, VP, Mortgage Director

While the 2020 year brought great challenges to everyone, it also brought significant opportunity for our mortgage loan originators (MLO) and our support teams. With rates the lowest they had been in years, the bank exceeded volume and fee goals by 230% and 300%, respectively, while increasing profit margin by

27bps. With 1,223 loans totaling \$235 million and an increase of 167% increase in loan volume, our mortgage team shattered the bank's previous performance record set in 2019 (535 loans totaling \$88 million.) Bank Iowa hasn't always been known for mortgages, but under the leadership of Todd Smith, VP, Mortgage Director,

that perception has changed. The amount of hours and effort put in by mortgage team members is a clear reflection of living our values; they Brought Their Best and Enabled Great Things.

REGIONAL HIGHLIGHTS

OSKALOOSA



Oskaloosa, Pella, Newton, Fremont, Colfax

- Completed remodel of new Colfax location in early 2020 (see photo below)
- Broke regional records for MLO production with more than \$35 million in volume
- Leader of first round PPP loan production with 226 loans
- Large deposit growth exceeded budget goals by more than \$65 million

DENISON



Denison, Manilla, Charter Oak, Schleswig

- Hired a dedicated MLO/consumer lender, allowing ag and commercial lenders to focus on business development
- Provided PPP loans to hundreds of clients in need throughout the region
- Scott Brus and Cheryl Rath retired, each with 35 years of loyal service to the bank
- Seamlessly and successfully transitioned Chad Leighty into his new role as regional president

HUMBOLDT



Humboldt, Gilmore City

- Successfully navigated COVID-19 closure and safe practices for the public and staff while maintaining customer contact and service
- Assisted in several business expansions for the region
- Continued support of the Humboldt market area
- Facilitated PPP loans for a multitude of clients in the greater Humboldt area

CLARINDA



Clarinda, Villisca

- Successfully completed the new building project and moved in Spring 2020
- Took a proactive regional approach to understanding all pandemic monetary relief plans available to our customers and communities
- Made extremely diligent efforts to reach out, prepare, compile and follow up on PPP applications and funding
- Became educated and more proficient with CRM for our ag/commercial lenders, mortgage lenders, retail staff and referrals for all team members

DES MOINES



West Des Moines, Johnston, Altoona

- Opened a record number of checking and savings accounts for new and existing customers
- Mortgage loan officers originated an all-time high of \$131 million in residential loans
- Commercial loan staff originated a record of \$138 million in new loan exposure, and Des Moines ended the year with a breakthrough in loan balances of \$350 million
- Originated \$35 million in PPP loans for more than 100 customers

SHENANDOAH



Shenandoah, Red Oak, Essex

- Seven staff members participated in the bank's early retirement program, allowing improved efficiency at the regional level and we have successfully back-filled these positions
- Despite the pandemic, the region had almost 1,000 hours of community volunteer hours in 2020
- Serving the community through leadership roles are: John McBride, Iowa Western Community College Board of Trustees; Darrin Bouray, Shenandoah Day Care Board and Shenandoah Community School board, Roger Vial, Downtown Urban Renewal Board, and Industrial Development Board Acorn

LAWLER



Lawler, New Hampton, Fredericksburg, Waucoma

- Residential real estate numbers were up significantly for 2020, and Bank Iowa led the market locally by closing more than \$17 million in loans in 2020 on a goal of \$7.7 million
- The region played an important part of the bank-wide success of the PPP loans, having several lenders and staff work on the inputting process into the SBA portal for the bank while serving their own customers
- Reorganized staff to allow for greater clarity of job duties, as well as efficiencies, regionally and bank-wide
- Prospecting efforts continued during the pandemic, allowing the region to reach goals and position 2021 for success



When your purpose is to Empower People, Inspire Success and Foster Growth, you don't let a pandemic get in the way.



COMMUNITY SERVICE

We believe the community that matters most is the one we're both a part of. As a community bank that supports 23 Iowa communities, we don't take that belief lightly. After all, when the locations we serve succeed, we succeed. And if we can play a role in helping to sustain or grow these communities, we feel like we've done our job.

But we don't stop there. We work in a culture that supports that belief. That's why our team members donate thousands of hours annually, supporting organizations that make our communities better places to live, start a business or grow a farm operation.



Bank Iowa supports Habitat for Humanity through \$800K in mortgage purchases.

Greater Des Moines Habitat for Humanity and Bank Iowa partnered to provide funding for Des Moines families to receive affordable mortgages in the metro. The financing from Bank Iowa amounted to nearly \$800,000, which directly impacted Habitat for Humanity's mission to help families build or improve the places they call home.

"Habitat for Humanity is about bringing people together to build homes, community and hope. We do that by working with low-income families to provide the opportunity to obtain home ownership or maintain the ownership of their current home. This partnership with Bank Iowa allows us to fulfill that mission," said Lance Henning, executive director of Greater Des Moines Habitat for Humanity.

According to Henning, the funds provided by Bank Iowa helped as many

as eight families in the Habitat for Humanity program, depending on the cost of the land and materials.

Habitat for Humanity not only seeks to advocate for affordable housing, but also focuses on financial education and budgeting for homeowners. Statistics show that homeownership provides greater stability for families, allowing heads of households to succeed in their work and children to perform better in school.

"It truly is an honor and a pleasure to assist in Habitat for Humanity's goal of providing housing for all residents of the communities that we serve. At Bank Iowa, our purpose is to Empower People, Inspire Success and Foster Growth. Through this partnership, we're able to achieve all three segments of that purpose statement," said Jim Plagge, president and CEO of Bank Iowa.



NEW HAMPTON AG-INDUSTRIAL TECHNOLOGY CENTER GETS A BOOST

A \$25,000 lead donation by Bank Iowa kickstarted a fundraising campaign for New Hampton High School that enabled the school to renovate its ag-industrial technology center. The independent ag bank recently commemorated the one-year anniversary of the project's completion as part of National FFA Week, which is held the

last week of February each year. Jim Russ, New Hampton High School's ag instructor, initiated the partnership as a part of a collaboration with various community leaders and Future Farmers of America (FFA) alumni to expand the school's original plans for the center. Following a yearlong renovation, the space hosts a variety of classes each

day for students. The classroom houses a series of advanced machinery and technology for students to learn and practice welding, woodworking and technology-based occupations. The new center is also home to the school's intracurricular FFA chapter.”
– Des Moines Business Record

Bank Iowa Lawler pledged \$25,000 to the new ag-industrial technology center at New Hampton High School. The New Hampton Community School District, FFA Alumni Chapter and the agriculture and industrial technology teachers of New Hampton High School raised money for the project, which was unveiled to the public on October 27, 2019.

Not only will local high school students receive vocational training in several different fields of work in the new center, but Northeast Iowa Community College (NICC) and ATEK Metal Technologies will also use the facility for professional training.

Special thanks to Emily Schwickerath from the Lawler region for spearheading this project and making it happen. To see this story told through video, visit <https://www.bankiowa.bank/news/communities/lawler/new-hampton-ag-industrial-center/>.



“It opens up a whole other area for students to pursue their dreams.”
-Jim Russ, New Hampton HS, Ag Education Instructor



BANK IOWA SUMMIT



The inaugural Bank Iowa Summit was held on President's Day, February 17, 2020, and was attended by 275 team members for a day filled with programs, inspirational speakers and a community service project benefitting the Food Bank of Iowa.

At Bank Iowa Summit, the winners of the first-ever Living Our Values Awards were announced. The awards came on the heels of Bank Iowa's Q1 2020 company-wide rollout of its purpose, vision and values statements.

Each of the award recipients demonstrated behaviors congruent with one or more of Bank Iowa's four core values: **Be People-Centered**, **Bring Your Best**, **Enable Great Things** and **Think Big**.



SUMMIT SWAG

The following team members were honored:

The **Be People-Centered** award went to **Sheri Moritz** from Bank Iowa's Humboldt office. Moritz was recognized for her ability to lead with compassion while celebrating effort as often as outcomes. Moritz has a true open-door policy and sets ambitious, yet attainable, goals that empower her team. Her commitment to prioritizing the needs of others sends an important message to the community Bank Iowa serves.

The **Bring Your Best** award went to **Haillie Reicks** from Bank Iowa's Lawler office. Reicks is adept at anticipating needs and delivering exceptional experiences, whether it's for fellow team members or bank clients. Reicks' willingness to go above and beyond no matter the ask demonstrates her integrity and commitment to Bank Iowa's values.

The **Enable Great Things** award went to **Calvin Bandstra** from Bank Iowa's Oskaloosa office. Bandstra's award recognized his positive attitude, exemplary work ethic and the overall spirit of community banking. Bandstra's dedication to Bank Iowa and its clients knows no bounds.

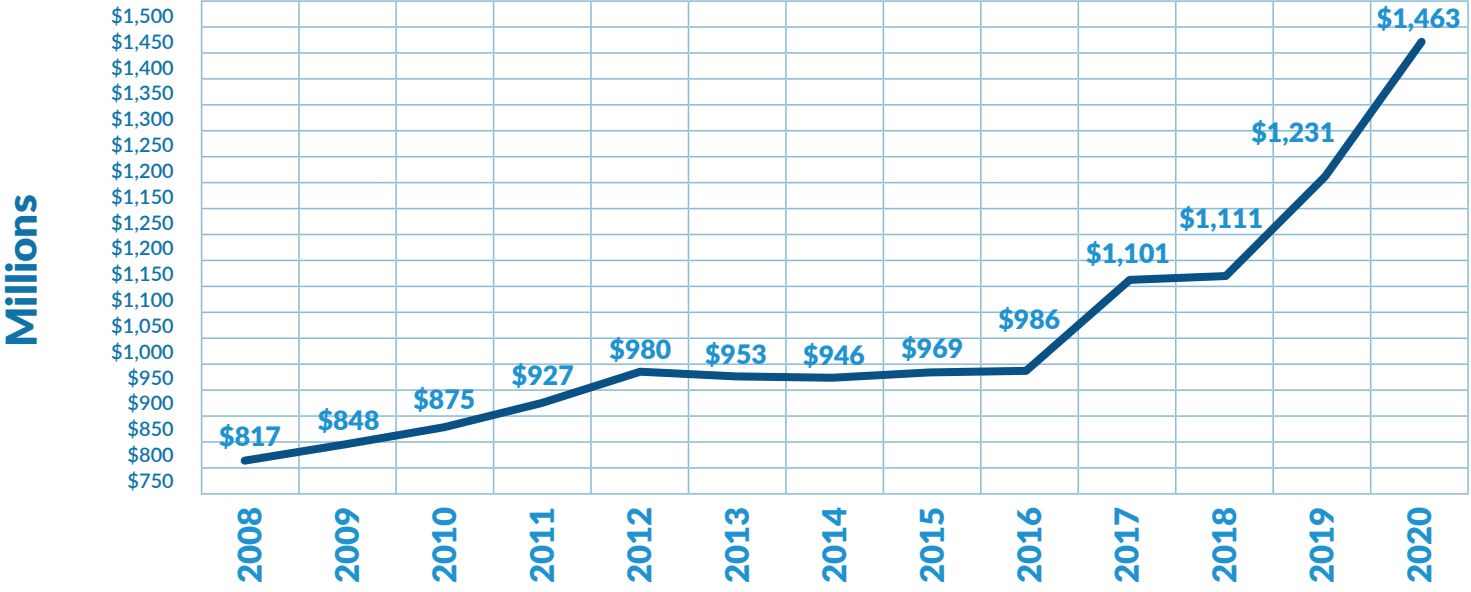
Whether he is working around an existing client's schedule or introducing the bank to new clients, Bandstra has the mindset of an owner. He inspires his fellow team members with his ability to skillfully balance decisiveness with empathy. Bandstra was also named Community Service Award winner, having volunteered more than 450 hours serving the community in 2019.

The **Think Big** award went to **Nick Griffin** of Bank Iowa's Des Moines office. In a recent bank project, Griffin drew on his creative talents to ensure clients' needs were met. Griffin doesn't allow challenges to stop him from pursuing goals or working to improve internal processes. He actively seeks opportunities to demonstrate Bank Iowa's values any way he can.

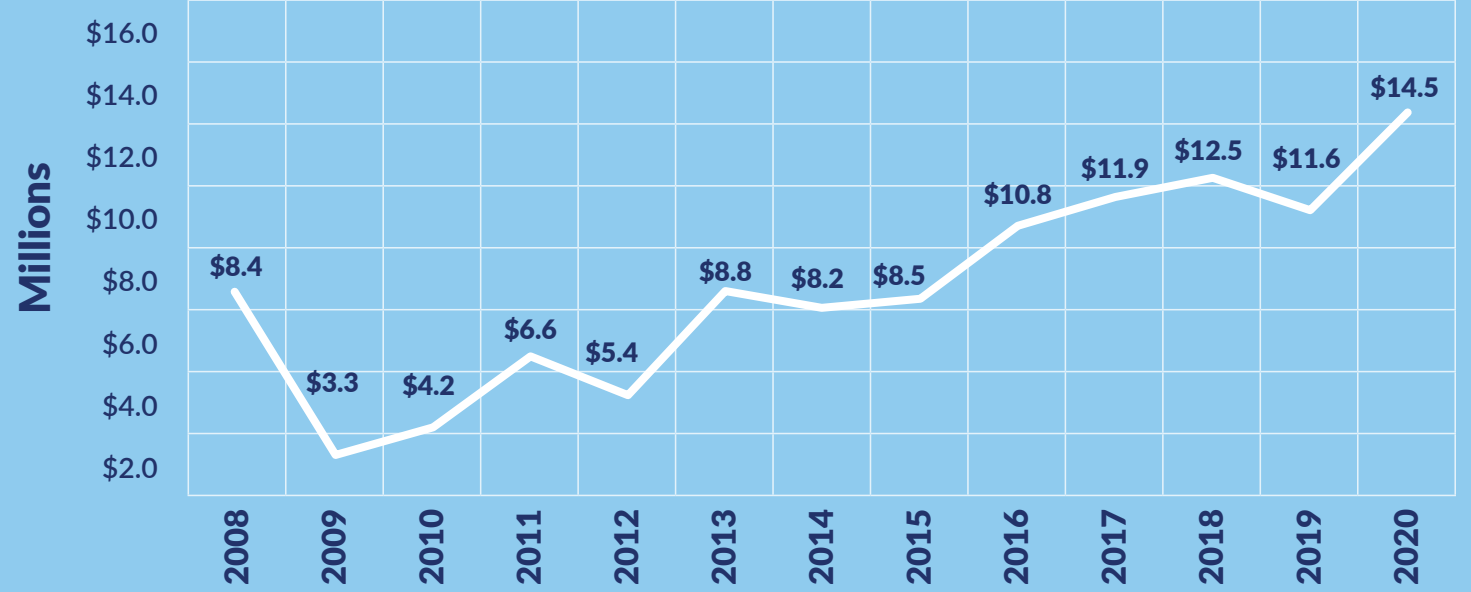
Also recognized at the Bank Iowa Summit event was the Shenandoah region for volunteer service exceeding 2,500 hours in 2019, an average of eighty hours per team member. In honor of this traveling award, Bank Iowa donated \$500 in the Shenandoah region's name to a charity of their choice.

FINANCIAL CHARTS & DATA

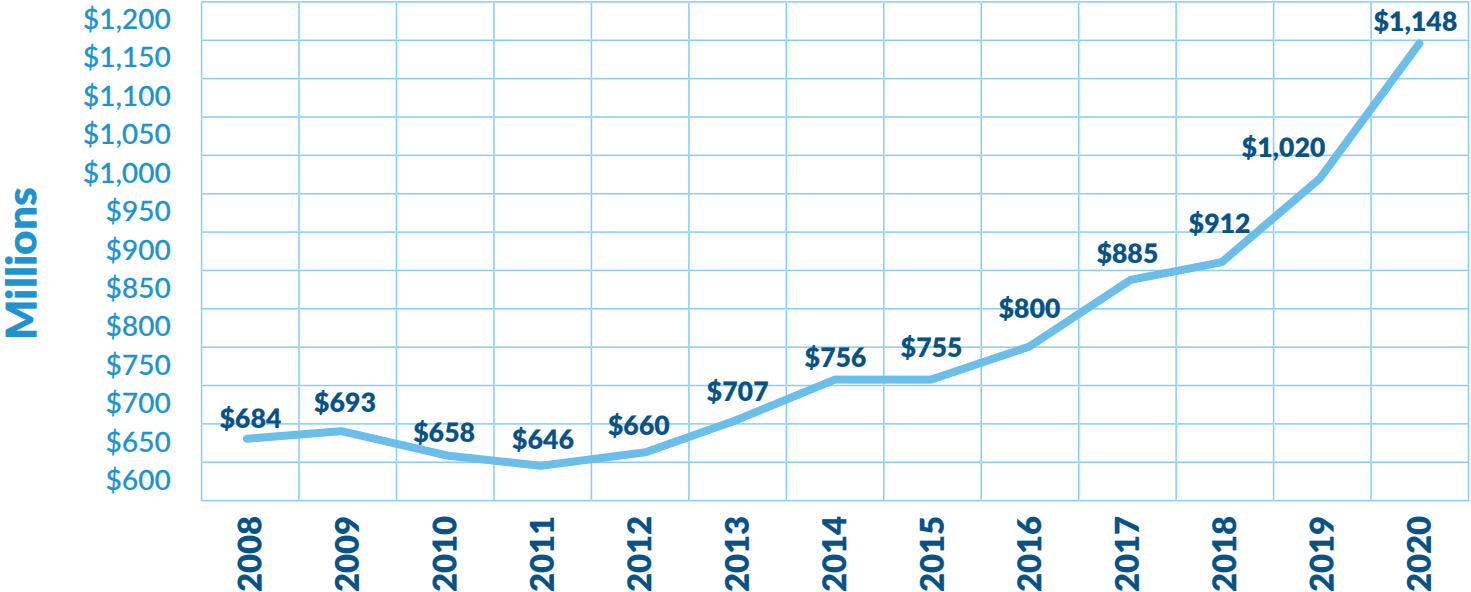
TOTAL DEPOSITS



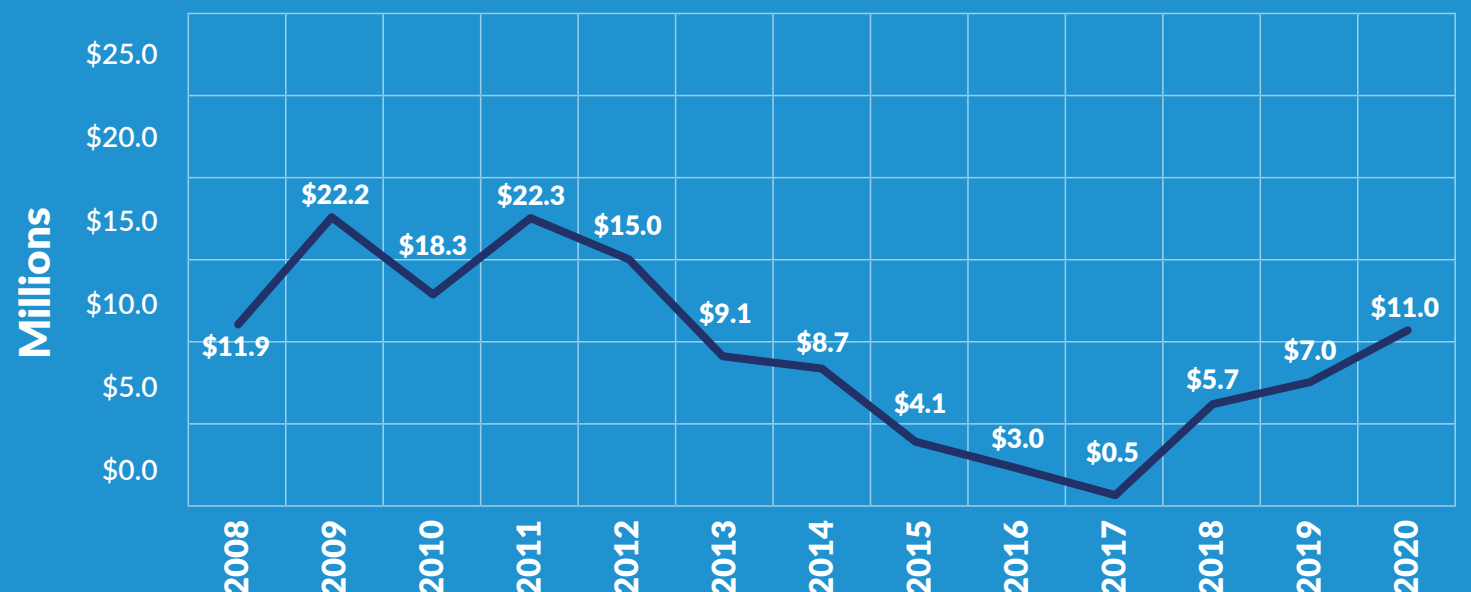
CONSOLIDATED NET INCOME



TOTAL LOANS



TOTAL NON-PERFORMING LOANS



BOARD OF DIRECTORS

“These experienced and passionate directors possess both complementary and diverse skill sets, backgrounds and expertise that support the bank and the people we serve...



Paige Duncan
Board Chair



J.B. Barr
Board Vice-Chair,
Physical Therapist
and Adj. Professor



James L. Plagge
President and CEO



John Hartford
Retired Bank Iowa
CLO/Credit Consultant



Jann Freed
Leadership Development
and Change Management
Consultant



Michael Blaser
Attorney, BrownWinick
Law Firm Agribusiness
Practice Group



Matthew Sells
President and CEO,
Shenandoah Medical
Center



Chris Minor
President and
CEO, SmartStory™
Technologies

BIC BOARD OF DIRECTORS



Paige Duncan
Board Chair



J.B. Barr
Board Vice-Chair,
Physical Therapist
and Adj. Professor



Robert Duncan
Chairman Emeritus,
Duncan Aviation and
Bank Iowa Co-founder



Harry Barr
Bank Iowa Co-founder
(in memoriam)



James L. Plagge
President and CEO



**Timothy (Tim) E.
Minton**
CPA/Farmer



Dale Heider
Engineer/Farmer



Michael Wilson
Retired President &
CEO, FHLB of
Des Moines

They enhance our ability to achieve long-term success, protect the interests of our shareholders, and most importantly, stay true to our core values and purpose.”
-Jim Plagge, President and CEO

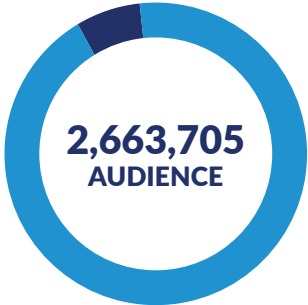
MARKETING AWARDS + HIGHLIGHTS

Bank Iowa’s marketing efforts in 2020 continued to place an emphasis on our communities, clients and culture. Pandemic or not, these three components remain centric to our campaigns as we persist on the path of trailblazing what marketing looks like for a bank.

● ONLINE & PRINT ● FACEBOOK
MENTIONS BY MEDIA TYPE



AUDIENCE BY MEDIA TYPE



PUBLICITY BY MEDIA TYPE



Brand Awareness Success

Bank Iowa conducted a research study that measured brand awareness among farmers and consumers. The commercial business segment was added to the study and measured for the first time in 2020 to provide metrics for both the brand’s current position and opportunities to create greater awareness within this segment. Bank Iowa’s brand awareness continued to score high among all segments measured for the four performance pillars: skillfulness, likeability, trustworthiness and value.

The timing of the study paired well with the new brand position rollout, [Let’s Make it Happen](#), which included advertisements targeting each of these client segments. The new campaign ran on TV, digital and video instream advertisements, radio, social media and in traditional print media – contributing to a 3 percent brand awareness lift seen in 2020, as well as garnering more than 15,000 visits to dedicated landing pages and an average of 14,000 views per commercial on social media channels.

On the heels of a successful brand position launch campaign were several community-focused campaigns led by the marketing department. Those included:

Virtual Easter Egg Hunt

As communities across Bank Iowa’s footprint began to cancel their annual Easter egg hunts due to COVID-19, the bank stepped up to provide an opportunity to hunt for eggs virtually on the fairly new Bank Iowa website, which launched in 2019. The campaign increased web traffic for the bank by 30 percent, likes on

Facebook by 479 percent and achieved an equivalent ad value of \$12,000 in PR ROI. Winners of the virtual Easter egg hunt received flowers from Bank Iowa’s floral shop clients across the state.

Helping Hand

COVID-19 presented an additional opportunity for Bank Iowa to provide a ‘helping hand’ to local non-profits in our communities. Nineteen deserving organizations across the bank’s geographic regions received funding from Bank Iowa for a total of \$20,000 in grants. Through the promotion and PR efforts with the campaign, Bank Iowa also acquired nearly 60,000 engagements that increased the communities’ awareness of the bank’s benevolent brand.

Can Do Cancer

October is National Breast Cancer Awareness Month and Bank Iowa wanted to show support for a local charity, Can Do Cancer, that benefits breast cancer patients in Iowa without getting lost among other brands telling a similar story. To do that, the iconic Bank Iowa blue logo switched to pink on all social media channels for the month of October to catch people’s attention. Bank Iowa pledged to donate \$1 to Can Do Cancer for every new like/follow on the bank’s social media during October. During those 31 days, likes and followers increased by six percent and the campaign reached more than 21,000 people on social media. The funds raised by Bank Iowa helped Can Do Cancer support breast cancer patients with meals for their families, house cleaning services and support groups for patients undergoing treatment.



Pictured Left to Right: Katlyn Brouwer, Creative Manager; Meghan Kearney, Marketing Specialist; Kennedy Van Rossum, Marketing Manager; Josh Fleming, VP of Marketing

Hard Work Recognized

The aforementioned marketing campaigns were among many to be recognized both locally and nationally in 2020. In conjunction with record growth for the bank as a whole, the marketing team won a record number of awards this past year. Among those awards were:

National American Banker’s Association

- 1st Place Integrated Marketing Campaign, Purpose, Vision, Values

AMA Iowa NOVA Awards

- 1st Place Advertising, FreeBird Checking
- 1st Place Branding, Purpose, Vision, Values
- 1st Place Copywriting, Eleanor Saves the Day

- 1st Place Integrated Marketing, Eleanor Saves the Day
- 1st Place Public Relations, PR ROI
- 2nd Place Website, New Website
- 2020 Marketing Executive of the Year, Josh Fleming

PRSA PRIME Awards

- 1st Place Integrated Communications, Purpose, Vision, Values
- 1st Place Internal Communications, Purpose, Vision, Values
- 1st Place Reputation Brand Management, Purpose, Vision, Values
- 1st Place Social Media, Virtual Easter Egg Hunt
- 1st Place Advertorial, FreeBird Checking
- 1st Place Multimedia, We Missed You Video

- 1st Place Best of Show, Purpose, Vision Values
- 2nd Place Reputation/Brand Management, Let’s Make it Happen
- 2nd Place Community Champion, Helping Hand

The compilation of these awards has allowed Bank Iowa to amass a total of 26 marketing awards won over the last three years. “The hard work and dedication that our 275 team members share for our clients, community and our culture makes for great story-telling,” said Josh Fleming, VP of Marketing. “Successful marketing campaigns only happen when brands have the credibility to support the narrative they tell, and we’re beyond fortunate to have 275 incredible people at the bank who are all champions for the Bank Iowa brand.”

THE RIDE TO YOUR DREAMS IS EASIER WITH THE RIGHT PARTNER

You have big dreams. Of owning your own home, growing a business or taking your farming operation to the next level. Making these dreams a reality is much easier with a partner who's along for the ride. A banking partner with the resources to make big things happen. Stop by your local Bank Iowa and let's talk about your dreams. Then...

*Let's make
it happen!*



OUR LOCATIONS

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