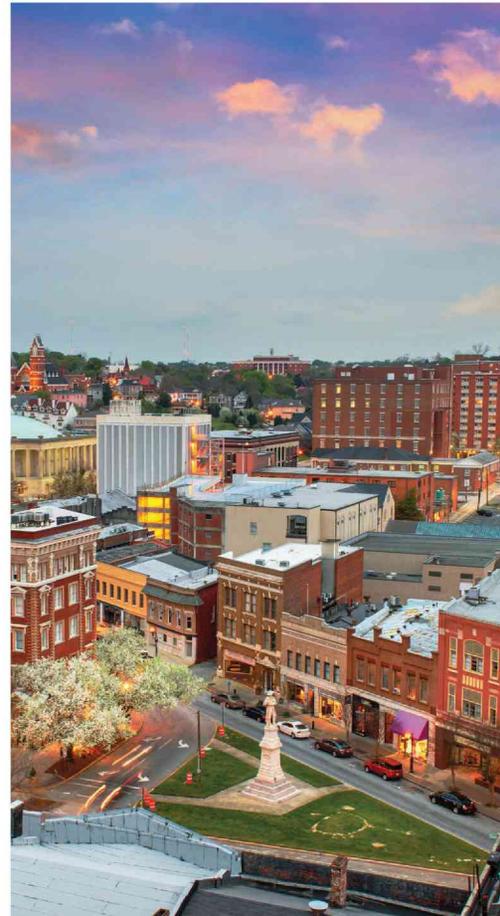




CoBank 2023 Sustainability Report

GROWING RURAL AMERICA





Letter From Our Board Chair and CEO

To our customers and stakeholders,

On behalf of our board of directors and management, we are delighted to share with you CoBank's 2023 Sustainability Report. As you may recall, in 2022, we transitioned our annual Corporate Social Responsibility Report to reflect the full extent of our focus on people, communities and the environment. This change underscored the bank's increasing emphasis on environmental, social and governance practices and our recognition of their impact on our continued ability to serve our customer-owners.

We were extremely gratified by the positive responses we received. Many of you told us that you appreciated the forward-thinking nature of the new report, our commitment to transparency and our open communication with stakeholders. Our customers in particular appreciated our public pledge to continue supporting them as they chart their own sustainability journeys, placing the highest emphasis on our mission of service to rural America.

CoBank's sustainability programs continue to grow and evolve. In 2023, we developed a sustainability-linked loan product currently available to interested customers. We believe this product will be yet another valuable financial resource and tool for our customers. We have also expanded the data included in this report to align with best practices for sustainability reporting.

We continue to collaborate with our board, our customer-owners, our Farm Credit colleagues and our associates to promote social and economic health and vitality in rural communities across the nation. We're especially proud of our recent efforts in support of young, beginning and small farmers and the underserved, including Native American communities.

In the following pages, you will read more about these and other efforts and their positive impacts on all of our stakeholders. We look forward to your comments and feedback as we strive to demonstrate continuous improvement and ever-increasing value.

We remain grateful for the trust you place in CoBank, and we are privileged to collaborate with so many to support the U.S. rural economy and give back to our rural communities. We understand the value of that trust and privilege and are committed to earning it every day—in everything we do.



KEVIN STILL
Board Chair

THOMAS HALVERSON
President & CEO

Report Overview

CoBank's 2023 Sustainability Report provides insight and information about our sustainability strategy and initiatives from January 1, 2023, to December 31, 2023. Throughout this report, we address ESG issues, emphasizing topics we have prioritized based on the impact that CoBank has on the environment and society as well as the impacts of those topics on our business. Unless otherwise noted, metrics and other data are reported as of December 31, 2023.

REPORTING FRAMEWORKS

We have reported with reference to the Global Reporting Initiative Standards (2021) for the first time.

Reporting "with reference" to the GRI Standards means we have used selected GRI Standards or parts of their content. For this reporting approach, GRI requires us to include three main features in our report:

- Provide a GRI content index, which is included in the appendix.
- Publish a "Statement of Use," which states the version of the GRI Standards we have used, our level of reporting and our reporting period.
- Notify GRI.

In this report, we also share our alignment with the United Nations Sustainable Development Goals. Further information about CoBank can be found in our companion 2023 Annual Report.

For more information about our sustainability programs, please visit our website at cobank.com.

DISCLAIMER

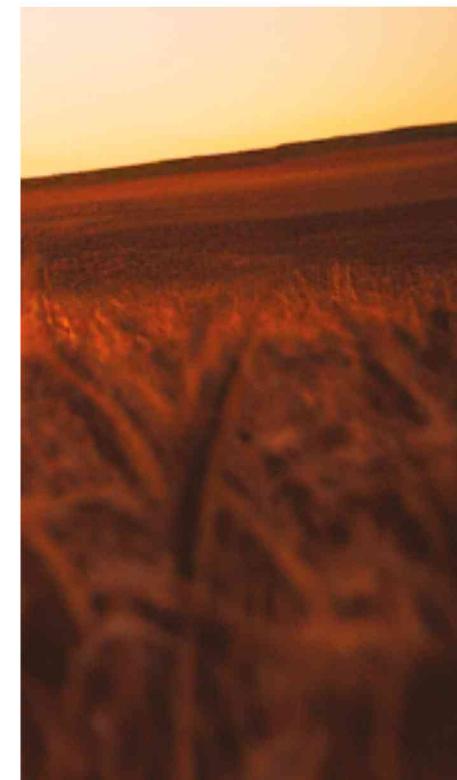
CoBank's 2023 Sustainability Report (Report) is intended to provide a nonexhaustive and general overview of CoBank's sustainability efforts in 2023. The Report is for informational purposes only. The statistics and financial information contained herein have not been audited and were derived from a variety of internal and external sources. CoBank assumes no responsibility or obligation to update or revise any of the statements, statistics or financial information contained herein, regardless of whether they are affected by the results of new information, future events or otherwise.

CoBank's sustainability strategy disclosed herein is aspirational. No guarantees are made that the strategies can be successfully implemented. Further, the Report discloses CoBank's current intent regarding its sustainability policies, which are not intended to nor can be relied on to create legal rights or obligations.

The Report does not constitute an offer to sell securities or loans of CoBank or the companies named herein and should not be construed as consisting of investment advice. Additionally, the Report uses certain terms, including the term "materiality," to reflect issues of great importance to CoBank and its stakeholders. Used in this context, this concept is different from, and should not be confused with, the concepts of "material" and "materiality" as construed in accordance with securities laws or as used in the context of financial statements and reports.

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About CoBank

CoBank is a cooperative bank serving vital industries across rural America. We provide loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. We also offer wholesale loans and other financial services to affiliated Farm Credit associations serving more than 77,000 farmers, ranchers and other rural borrowers in 23 states around the country. CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture, rural infrastructure and rural communities. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.



OUR MISSION

As an integral member of the Farm Credit System, our mission is to serve as a relevant and dependable provider of credit and other value-added financial services and support to agriculture, rural infrastructure and other related industries for the benefit of rural America.

OUR CORE VALUES

CoBank associates and board members are committed to core values that are essential to achieving our mission and vital to delivering our value proposition.

- Integrity
- Diversity, Equity and Inclusion
- Personal Excellence and Accountability
- Teamwork
- Mission Enrichment

OUR COOPERATIVE FOUNDATION

CoBank is a cooperative bank, owned by our customer-owners. We serve farmer-owned cooperatives in the agricultural sector, electric cooperatives that deliver affordable power to rural communities, and cooperative service providers in the communications and water industries. As a cooperative, CoBank adheres to the seven cooperative principles that serve as guideposts for cooperatives all over the world, including 1) voluntary and open membership; 2) democratic member control; 3) member economic participation; 4) autonomy and independence; 5) education and training for members; 6) cooperation among cooperatives; and 7) concern for community.

Our board of directors and management executive team are committed to delivering tangible economic value to our customer-owners through patronage distributions and growing that value over time. We safeguard an appropriate return on customer-owners' investments and minimize financial risk by being a profitable and economically sound bank. The positive impact of our cooperative structure is both immediate and long-term. As a cooperative, we have a vested interest in supporting the sustainability of our customer-owners to meet the needs of future generations.

PATRONAGE DISTRIBUTIONS

In accordance with the Farm Credit Act, cooperatives and other eligible borrowers are required to purchase equity in CoBank as a condition of borrowing. Patronage distributions represent a return on that equity. All patronage payments and retirements of equity require the prior approval of our board of directors. Patronage payments can be made only if the bank is in compliance with minimum regulatory capital requirements and if preferred stock dividends for the immediately preceding period have been paid in full.

Over the past five years, CoBank has distributed approximately \$3.6 billion in cash patronage, along with returning \$461 million of bank equity, to its customer-owners. These distributions have supported the strength of our customers and the U.S. rural economy.

BOARD MEMBERSHIP

Our board consists of 17 directors: 14 directors elected by our customers from six voting regions around the country, two appointed directors and two outside, independent directors with no customer or Farm Credit affiliations. The six voting regions are the Northwest, West, Central, Mid Plains, East, and South. Each region has its own unique characteristics and respective industries that are represented by the elected directors from that area. As CoBank serves the entire U.S., all directors are expected to represent the entire shareholder base in their decision making approach.

Many of our board members have experience serving on the boards or management teams of CoBank's member institutions, bringing valuable insight and perspective into the boardroom that helps guide the strategy of the bank and decision-making by management.

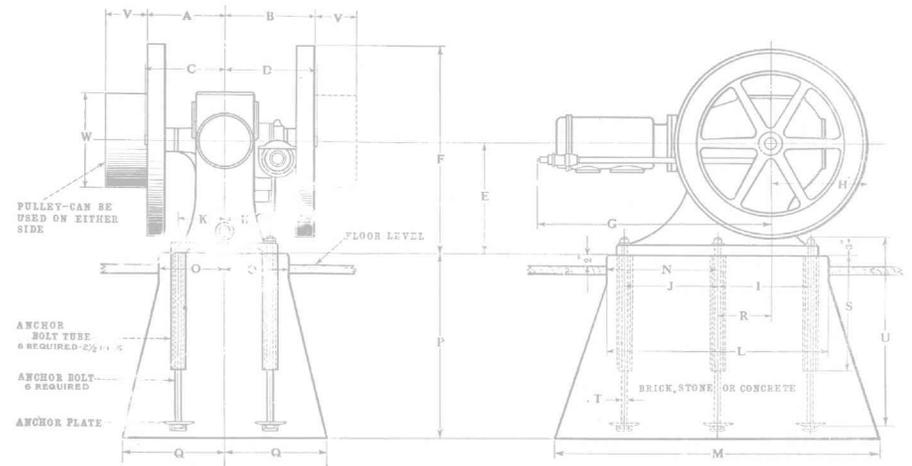
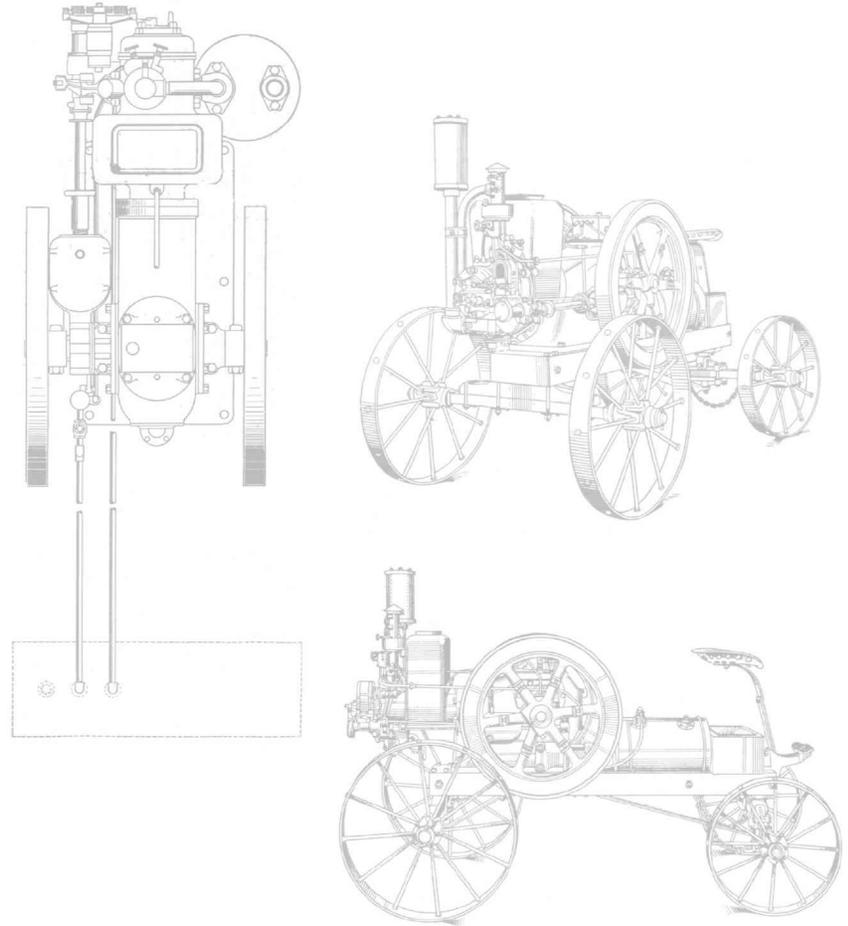
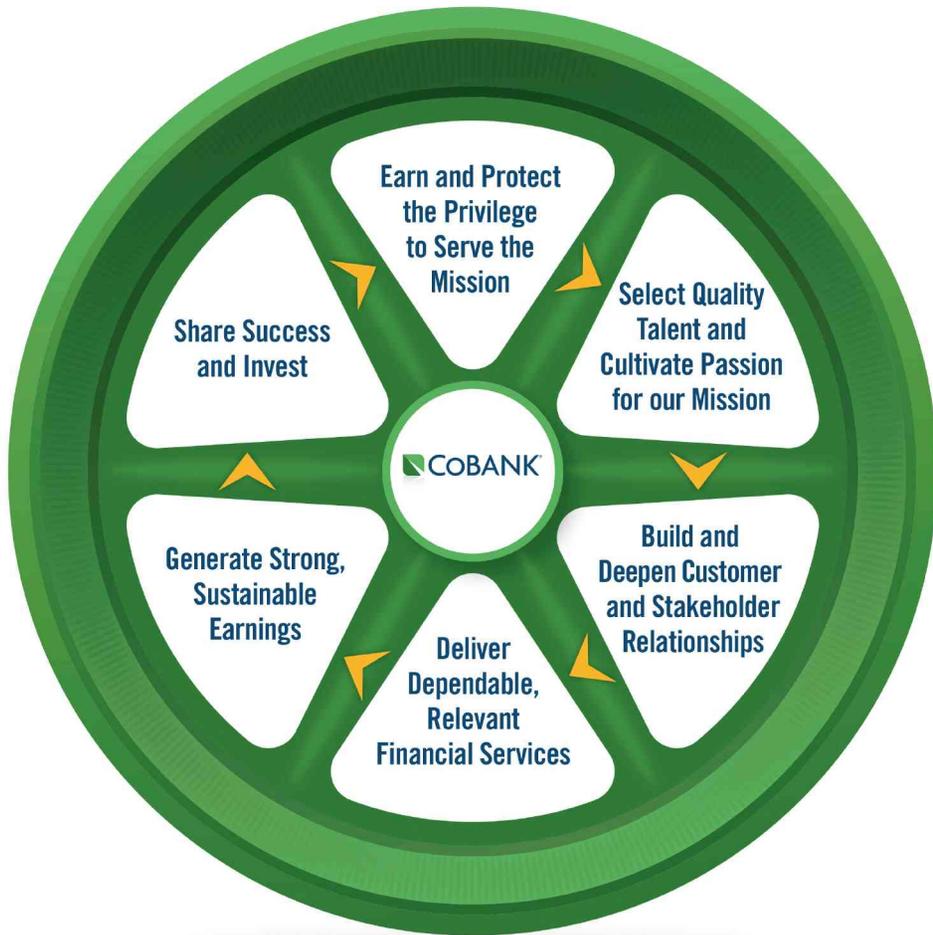
Resources:

- See board of directors on page 20 for more information about our board composition and diversity.



STRATEGIC BUSINESS OBJECTIVES

Our strategic business objectives form the foundation that supports every business decision and action taken by our board, our management and our associates. CoBank organizes its SBOs using the "flywheel" concept pioneered by business researcher Jim Collins. We fulfill our mission and elevate our performance through the strong and consistent execution of these strategies.



SUSTAINABILITY AT A GLANCE



CORPORATE GIVING

\$10.1 million

in total 2023 charitable contributions

>\$86 million

in joint Sharing Success contributions since program inception in 2012

1%

on average of budgeted net income committed annually to charitable giving



DIVERSITY, EQUITY AND INCLUSION

\$1.7 million

in 2023 charitable contributions supporting DEI

9

Associate Resource Groups help us build a workplace where all associates feel a sense of belonging

47%

female

among associates as of 12/31/2023

22%

minorities



SUSTAINABILITY AND THE ENVIRONMENT

\$8.8 billion

renewable energy portfolio commitments as of 12/31/2023

100%

of Scope 1 and Scope 2 emissions offset by purchase of carbon removal units in 2023

52%

of our 2023 electricity was attributable to renewable wind energy purchased through renewable energy credits



COOPERATIVE ADVOCACY AND INDUSTRY SUPPORT

\$3.3 million

in loans, leases and grants to 32 startup companies and seven cooperative development centers through Co-op Start in 2023



RURAL DISASTER RELIEF

>\$4.5 million

in disaster relief contributions in the past five years



RESEARCH AND HIGHER EDUCATION

>\$1.8 million

in charitable contributions to land-grant and other universities and colleges in 2023

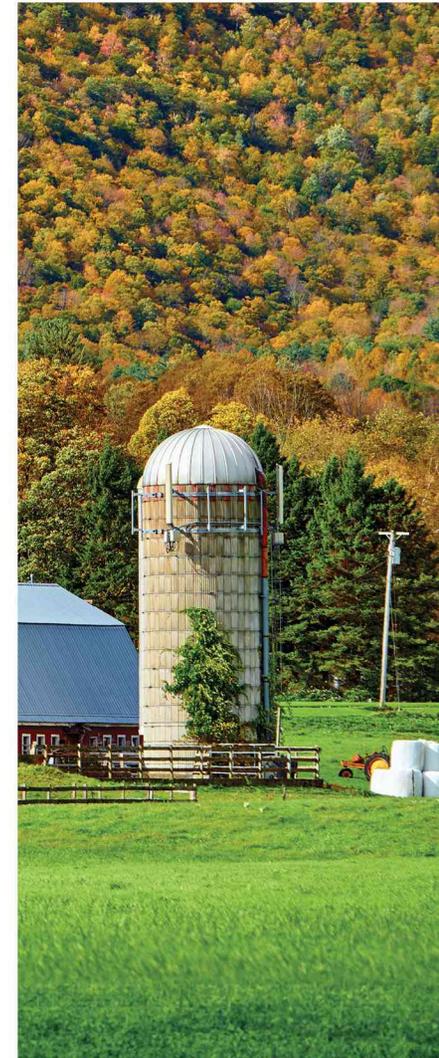
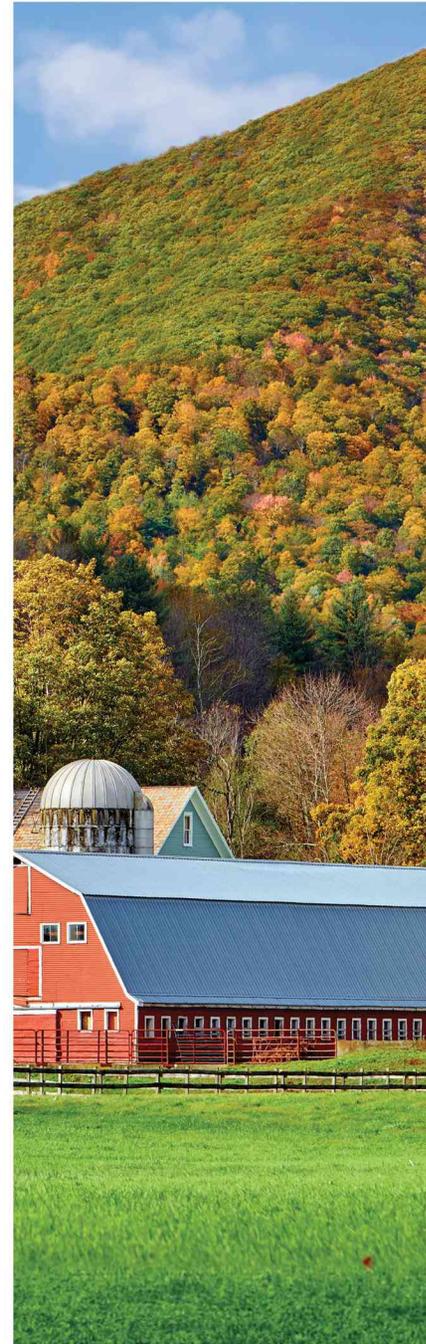
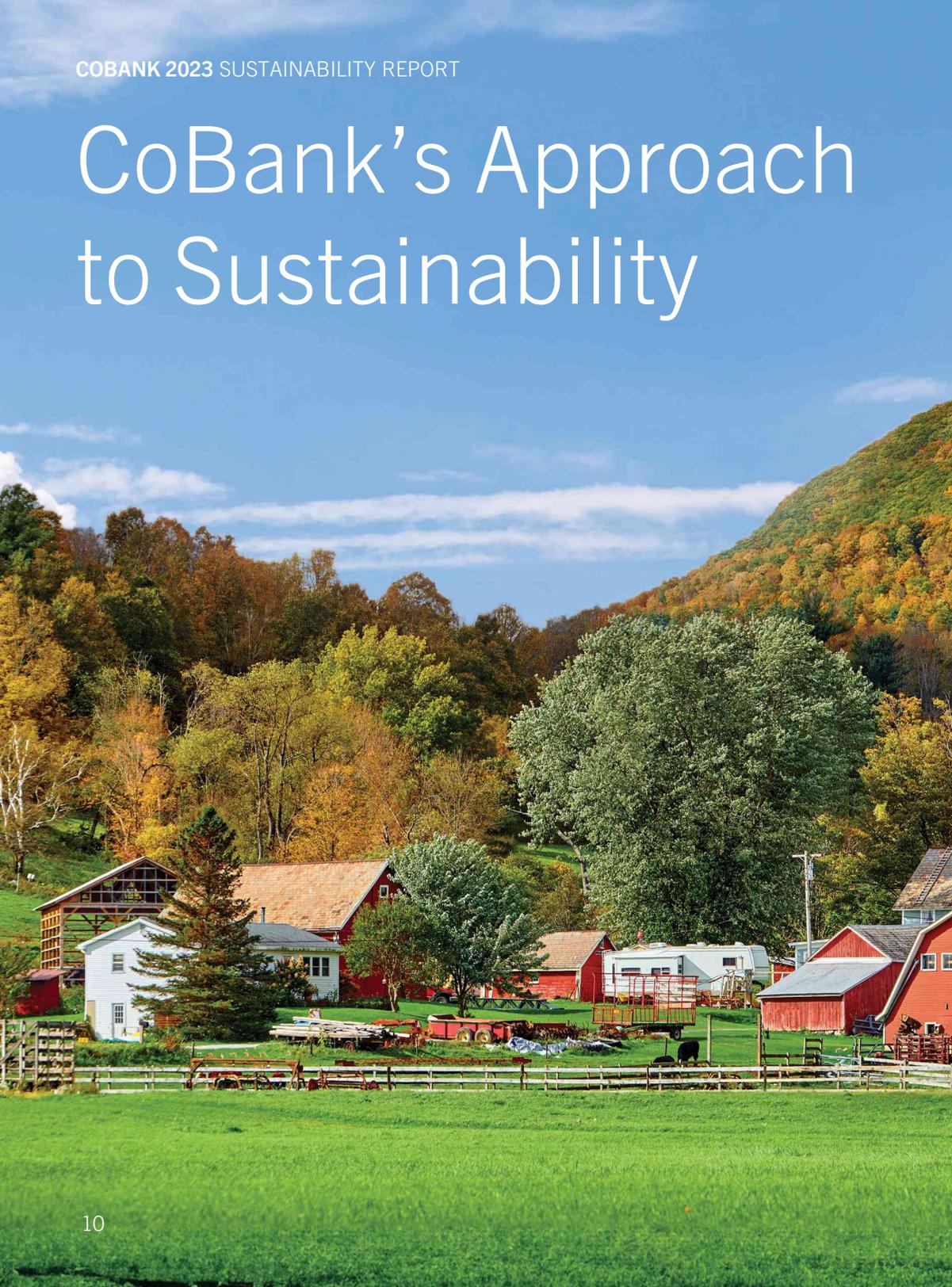


RURAL COMMUNITY DEVELOPMENT

>\$300 million

committed to 18 Rural Business Investment Companies to encourage economic development and employment in rural communities since 2014

CoBank's Approach to Sustainability



We center our sustainability program around four pillars:



STRENGTHENING OUR COMMUNITIES



SUPPORTING OUR PEOPLE



STEWARDSHIP OF THE ENVIRONMENT



SERVING WITH INTEGRITY

These pillars support our mission of service to agriculture, rural infrastructure and similar businesses that benefit rural America. They were identified by CoBank as broad areas that cover the sustainability subject matter on which we have the most impact.

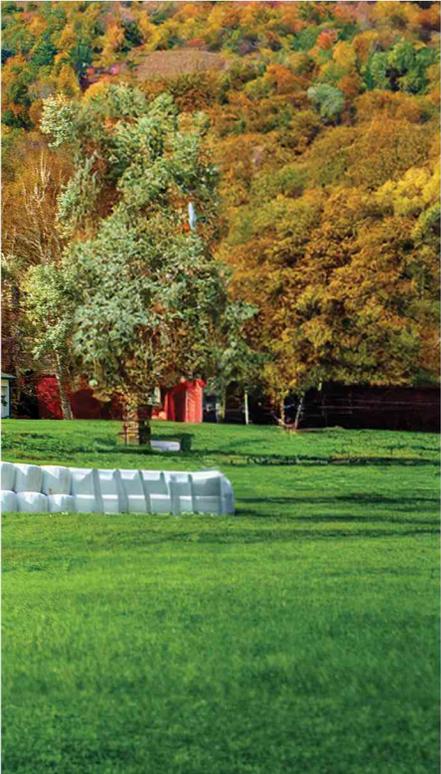
COBANK’S SUSTAINABILITY STRATEGY

CoBank’s sustainability strategy is one of constant evolution and refinement. In 2022, the bank created the foundation for its sustainability programs. In 2023, we built on that foundation by identifying strategic themes that align with the desires and expectations of our stakeholders and provide the greatest opportunity for impact. Focusing on these themes helps guide our sustainability activities, ensuring that our greatest efforts are spent in support of what matters most for our customers, business relationships and CoBank’s operations. These themes also guided the creation of our 2023 Sustainability Objectives, included on page 17.

Each of our strategic themes falls under one of our four sustainability pillars. Our priority topics, which represent our main areas of concentration in developing and executing our sustainability programs in a given reporting period, correspond to these strategic themes.

The following table shows this alignment across our sustainability strategy along with the corresponding UNSDGs.

The UNSDGs are a voluntary framework of 17 global goals and targets designed to accelerate progress toward a more sustainable world. They have become a common touchstone in tracking sustainability progress since their publication in 2015. We have highlighted examples of our work in these areas throughout this report, as signified by the relevant UNSDG icon.



PILLARS	STRATEGIC THEME	2023 PRIORITY TOPIC	UNSDG GOALS
 Strengthening Our Communities	Support Customer Journey Promote Rural Development Collaborate with Farm Credit System Sustainable Products & Services	Community Engagement Charitable Donations and Volunteerism Sustainable Financing	       
 Supporting Our People	Empower Employees	Diversity, Equity and Inclusion	    
 Stewardship of the Environment	Manage Climate Impact	Management of Scopes 1 and 2 Emissions	      
 Serving with Integrity	Promote Responsible Governance Operationalize Sustainability at CoBank	Cooperative Governance Structure Transparent and Consistent Reporting	 



2023 PRIORITY TOPICS

CoBank has identified seven priority topics that support our strategic themes. In an effort led by our Chief Sustainability Officer and our Sustainability Advisory Group, CoBank conducted extensive research to identify, validate and rank our seven priority topics.

Our priority topics serve two main purposes: they allow us to understand the significant impacts our organization has on the economy, environment and people amid dynamic circumstances as well as to assess the impacts on our business and our stakeholders.

LIST OF PRIORITY TOPICS



COOPERATIVE GOVERNANCE STRUCTURE

- Maintain cooperative ownership and governance structures that align the interests of the organization with those of its members.
- Ensure clearly defined roles and responsibilities and effective communication channels throughout CoBank for cooperative members.



SUSTAINABLE FINANCING

- Provide financing to support customer efforts to improve environmental sustainability and reduce the environmental impacts of customers' operations.
- Include environmental sustainability considerations in overall risk ratings and pricing/loan terms.



TRANSPARENT AND CONSISTENT REPORTING

- Provide consistent, clear and comparable information on financial and sustainability performance through annual financial statements or sustainability reports.



MANAGEMENT OF SCOPES 1 AND 2 EMISSIONS

- Manage greenhouse gases produced directly by CoBank's operations, classified as Scope 1, and indirectly through our purchased energy, classified as Scope 2.



DIVERSITY, EQUITY AND INCLUSION

- Foster a diverse, inclusive and equitable workplace at every level by providing equal employment opportunities for people with diverse backgrounds, including cultural, economic and professional qualities and identities including race, sex, disability and other factors.



COMMUNITY ENGAGEMENT

- Engage with local communities to understand their needs and develop meaningful, innovative solutions.
- Provide equitable opportunities to support the success and quality of life of all community members.



CHARITABLE DONATIONS AND VOLUNTEERISM

- Provide philanthropic support to local communities in the form of donations, grants and volunteer time.
- Support employee volunteerism in local communities.

We arrived at our priority topics using a materiality assessment process, which we describe below. Our priority topics reflects the current expectations of our stakeholders and organization. They are subject to change each year based on emerging circumstances, while our four sustainability pillars and strategic themes ensure consistency across our long-term sustainability strategy.

Resources:

- See CoBank's Sustainability Strategy on page 11 for our Four Pillars of Sustainability and page 12 for our Strategic Themes.
- See Sustainability Governance on page 19 for information about our Sustainability Advisory Group and Sustainability Team.

MATERIALITY ASSESSMENT

In 2022, CoBank conducted a formal sustainability materiality assessment in collaboration with the Farm Credit System. A materiality assessment analyzes and identifies the sustainability issues across ESG themes that have the most significant positive and negative impacts for an organization. In our assessment, "materiality" referred to significant impacts on the economy, environment and people and not to financial materiality. We evaluated CoBank's impacts by communicating directly with key internal and external stakeholders and leveraged peer benchmarking and sustainability research, working within the GRI framework.

In our 2022 materiality assessment, our stakeholders included:

- Employees
- Customers
- Our board of directors
- Investors
- Rating agencies
- Government and regulatory agencies
- Our affiliated Farm Credit Associations

To compile stakeholder feedback, we conducted interviews and administered surveys. We applied the feedback we received to matrices that plotted material topics based on perceived significance of positive or negative impacts. By analyzing the matrices, we arrived at our most significant areas of sustainability focus in 2022. These included CoBank's most significant potential and actual impacts on the economy, environment and people as well as the sustainability-related topics that are most impactful in the short and long term to CoBank's business.

In 2023, we built on this work to refine our significant areas of sustainability focus and select our priority topics. Our Sustainability Advisory Group assessed whether the impact of any material topics had changed in 2023, by reviewing peer disclosures through a benchmarking exercise. In addition, Sustainability Advisory Group members discussed the material topics from both their own perspectives as associates of CoBank and the perspectives among the stakeholders they represent. This reassessment showed that the impact, either on the business or on the economy, environment and people, did not change in 2023 for each material topic.

Taking our assessment process one step further in 2023, the Sustainability Advisory Group and members of our Executive Leadership Team ranked our set of material topics. They included those that had a medium to high impact on the economy, environment and people in our materiality matrix to arrive at our seven priority sustainability topics for 2023. This prioritization focuses our efforts to address and manage our impacts as well as guides our reporting, measurement, investment and work for our sustainability strategy.

The Sustainability Team also agreed to evaluate two new topics as part of future priority topic assessments: 1) Rural America and Agriculture Ecosystem Engagement, and 2) Climate Awareness. Rural America and Agriculture Ecosystem Engagement refers to spreading awareness of and developing partnerships with stakeholders on the topic of sustainability. Climate Awareness includes conducting regular research into the evolving climate landscape to strengthen and grow CoBank's capabilities for enhancing climate awareness among its stakeholders. These topics emerged in multiple stakeholder conversations, leading us to identify them as possible priority topics to include in our future activities.

SUMMARY OF OUR MATERIALITY ASSESSMENT PROCESS

Assessment Step	Understand	Identify	Engage	Rank	Analyze	Review
Details	Evaluate how CoBank's mission, cooperative ownership, Farm Credit System membership and sectors affect our selection of priority topics.	Compile likely material topics defining our impacts on environmental, social, economic and human rights issues using sustainability research and stakeholder input.	Collect stakeholder feedback on the impacts of material topics.	Rank topics using stakeholder feedback and impact matrices to determine list of priority topics.	Incorporate findings from the materiality assessment into the sustainability strategy and business initiative planning.	Conduct a periodic reassessment using stakeholder engagement to identify whether our list of material and priority topics has changed.

Resources:

- See 2023 Priority Topics on page 13 for our priority topics list.



MANAGEMENT AND IMPACT OF PRIORITY TOPICS

The management approach and significance of the impacts of our priority topics are described below:

PRIORITY TOPIC	MANAGEMENT OF TOPIC	IMPACT
Cooperative Governance Structure	Federally chartered by the Farm Credit Act of 1971 and managed by the board of directors.	The cooperative governance structure provides economic value to our customer-owners through patronage distributions.
Sustainable Financing	Managed through CoBank’s Banking Divisions, which are supervised by the Chief Banking Officer.	Sustainable financing supports our customer-owners’ sustainability journeys, which vary depending on a variety of factors.
Transparent and Consistent Reporting	Managed through consultation with executive management, the Sustainability Advisory Group and respective banking divisions in the organization to reach consensus on which information to report within an acceptable set of reporting standards.	Transparent and consistent reporting allows stakeholders to review and provide feedback on our sustainability efforts. This allows us to evaluate our focus areas and adapt to evolving stakeholder interests, as needed.
Management of Emissions and Operational Impact: Scopes 1 and 2	The Sustainability Team evaluates methods to manage CoBank’s GHG emissions. Methods are implemented with the approval of executive management.	Proactive management of CoBank’s enterprise emissions reduces the impact of our business operations on the environment.
Diversity, Equity, and Inclusion	Human Resources implements policies and programs to support DEI initiatives at the bank.	An inclusive environment allows CoBank associates to thrive in their respective jobs, which leads to accomplishing more together. An inclusive environment can also attract strong talent that can benefit the overall business.
Charitable Donations and Volunteerism	CoBank’s dedicated CSR Team reviews and approves every charitable contribution. The team reports on grants and activities each quarter to CoBank’s executive team and board of directors. Individual and group volunteer activities are offered in every banking center location.	CoBank’s charitable giving and volunteerism activities make life better in the communities where our associates and customers live and work.
Community Engagement	CoBank’s CSR Team partners with our associates, customer-owners and community members to identify how to best engage with the communities we serve.	CoBank’s deep involvement in our communities helps us better understand—and thus better serve—all of our stakeholders. We regularly rely on the local expertise of our customers to help identify organizations and causes that are making the biggest impact in rural America.

2023 SUSTAINABILITY OBJECTIVES

We established sustainability objectives for 2023 to focus on achievable and strategic aims that align with our priority topics and advance our sustainability strategy. We are proud of our results, and we continue to build on these achievements by establishing objectives each year.

SUSTAINABILITY STRATEGIC THEME	PRIORITY TOPIC	2023 SUSTAINABILITY OBJECTIVE	RESULTS
Promote Rural Development	Charitable Donations and Volunteerism	Continue to contribute 1% of budgeted net income on average to charitable giving.	Donated \$10.1 million in total 2023 charitable contributions.
Promote Rural Development	Charitable Donations and Volunteerism	Increase associate volunteerism.	Donated more than 2,500 hours of associate volunteer service.
Promote Rural Development	Community Engagement	Support rural Americans access to basic needs through partnerships'.	Encouraged investment in Navajo Rural Electrification through matching fund contribution.
Promote Rural Development	Community Engagement	Langston University HBCU Scholars Pilot	Provided scholarships, coaching and mentoring and internship opportunities.
Empower Employees	Diversity, Equity and Inclusion	Create programs to provide internal career opportunities and professional growth.	Introduced the Go, Reach for Opportunities at Work program to CoBank associates.
Manage Climate Impact	Management of Scopes 1 and 2 Emissions	Continue to offset our Scopes 1 and 2 GHG emissions with carbon credits.	Purchased carbon credits from Truterra to reduce our Scope 1 and Scope 2 GHG emissions to net zero.

SUSTAINABILITY STRATEGIC THEME	PRIORITY TOPIC	2023 SUSTAINABILITY OBJECTIVE	RESULTS
Manage Climate Impact	Transparent and Consistent Reporting	Evolve CoBank’s stress testing framework by evaluating the bank’s balance sheet resilience to climate-related risks and assess climate-related risks in CoBank’s commercial loan portfolio via a systematic evaluation framework with targeted focuses on physical and transition risks.	<p>Coordinated with CoBank’s Credit Approvals Group to assess the credit risk impact of a specified weather event on the balance sheet over a 3-year horizon.</p> <p>Performed market analysis to create the foundation for a qualitative climate-related risk evaluation that covers both physical and transition risks. Partnered with banking professionals across the organization to (1) isolate the evaluation to specific industries within each lending division’s portfolio, (2) refine definitions and thresholds that are intuitive and meaningful to the bank as a whole, (3) qualitatively assess each lending division’s specified industries, and (4) aggregate similar industries to reflect segment-level (agribusiness and infrastructure) risks.</p>
Sustainable Products and Services	Sustainable Financing	Develop a Sustainability-Linked Loan product.	Designed a sustainability-linked loan product to support customer sustainability efforts by providing adjustable rates based upon performance against agreed upon indicators.
Support Customer Journey	Sustainable Financing	Engage with customers to understand and support their sustainability objectives.	Held in-person meetings with customers to discuss sustainability strategies and objectives. Publications from CoBank’s Knowledge Exchange Division were developed to provide industry insights on a variety of sustainability topics.

SUSTAINABILITY GOVERNANCE

CoBank commits to transparent and rigorous oversight of our sustainability strategy to ensure the highest level of responsible business conduct and compliance with relevant laws and regulations.

Our governance framework provides oversight of our sustainability strategy, performance and reporting activities. Our thorough approach to sustainability governance includes:



Board oversight of sustainability topics



Risk management, including identifying and assessing climate-related risks



Executive-level responsibility



Integration of sustainability matters into business decision-making and strategic planning

COBANK'S SUSTAINABILITY GOVERNANCE STRUCTURE

CHIEF SUSTAINABILITY OFFICER

Responsibility for managing CoBank's impacts on the environment and society rests with the CSO. The CSO is responsible for the overall direction of our sustainability strategy as well as oversight of our work to integrate sustainability priorities throughout our business.

SUSTAINABILITY ADVISORY GROUP

Chaired by the CSO, the Sustainability Advisory Group provides support, guidance and oversight of our sustainability framework and related initiatives. The Sustainability Advisory Group, composed of leaders from Banking divisions, Finance, Human Resources, Credit and Risk, meets periodically to review progress on all sustainability initiatives to ensure the successful implementation of the sustainability strategy.

SUSTAINABILITY TEAM

The Sustainability Team, led by the CSO, holds the primary responsibility for formulating the sustainability strategy. It serves as a center of excellence to support all business functions in the implementation of initiatives falling within our sustainability framework.

SUSTAINABILITY STRATEGY OVERSIGHT

The board Executive Committee reviews and provides input to the board and management on the development and implementation of the bank's policies, strategies and initiatives relating to ESG matters.

The board delegates the management and reporting of CoBank's sustainability program to the CSO. The CSO reports to the board quarterly to provide updates on sustainability initiatives, including reporting. The board performs a final review of the Report before it is published.



COBANK 2023 SUSTAINABILITY REPORT

BOARD OF DIRECTORS

As a customer-owned financial cooperative, CoBank is governed by a board of directors represented by the rural industries we serve. Our board of directors brings diverse backgrounds and skills that benefit our organization, as illustrated in the table below (as of 12/31/2023).

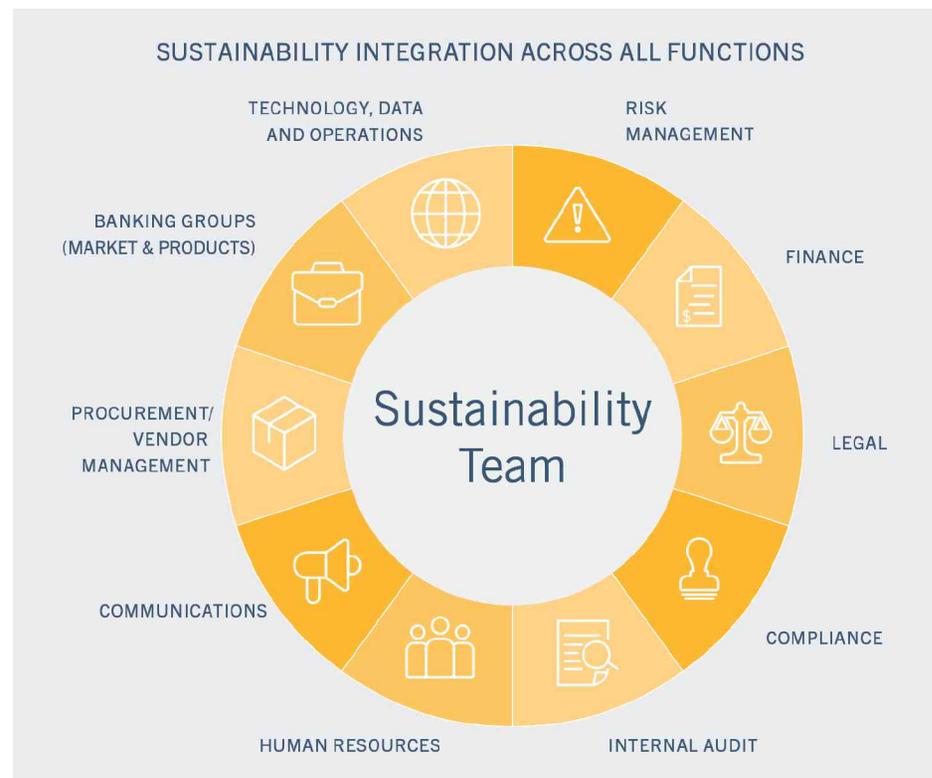
NAME	POSITION	GENDER	YEAR SERVICE BEGAN	OCCUPATION	COMMITTEE MEMBERSHIP	REGION
Kevin A. Still, 66	Chair	Male	2002	Agribusiness Cooperative Management	CHR E	Central
Jon E. Marthedal, 67	First Vice Chair	Male	2013	Farming	E G	West
Brandon J. Wittman, 53	Second Vice Chair	Male	2018	Electric Cooperative Management	CHR E	Northwest
Duane R. Anderson, 59	Director	Male	2021	Agribusiness Management	A	Mid Plains
Matthew W. Beaton, 56	Director	Male	2022	Farming	R	East
Robert M. Behr, 69	Director	Male	2013	Retired, Agribusiness Cooperative Management	CHR	South
Michael S. Brown, 65	Director	Male	2017	Retired, Commercial Banking	A	
Russell G. Brown, 65	Director	Male	2017	Retired, Community Banking	G	East
William M. Farrow, III, 68	Director	Male	2007	Retired, Commercial Banking	G	
David J. Kragnes, 71	Director	Male	2009	Retired, Farming	G	Central
Michael W. Marley, 61	Director	Male	2020	Farming	A	Mid Plains
Robert (Mac) N. McLennan, 53	Director	Male	2022	Electric Cooperative Management	R	Central
Gary A. Miller, 63	Director	Male	2020 Also 2006-2017	Electric Cooperative Management	A	South
Catherine Moyer, 48	Director	Female	2010	Rural Communications Management	CHR	
Scheherazade S. Rehman, 60	Director	Female	2019	Professor, International Business & Finance	R	
Edgar A. Terry, 64	Director	Male	2016	Farming	R	West
Sureena S. Bains Thiara, 55	Director	Female	2023	Farming, Crop Insurance Service	R	West

Appointed
 A - Audit
 E - Executive
 R - Risk
 G - Governance
 Elected
 CHR - Compensation & Human Resources
 Committee Chair

Our Governance Committee Charter describes the process for evaluating director compensation, expenses, professional development, qualifications, conduct, nomination and election, independence and resolution of conflicts of interest. The committee reviews and directs the process for an annual self-evaluation of board committee performance, which includes the Executive Committee responsible for sustainability oversight. The committee reviews its charter periodically and recommends changes as needed.

SUSTAINABILITY INTEGRATION

Our Sustainability Team manages the integration of our sustainability program into the diverse functions in our organization. This integration supports the effective implementation of our sustainability strategy through a centralized management approach.



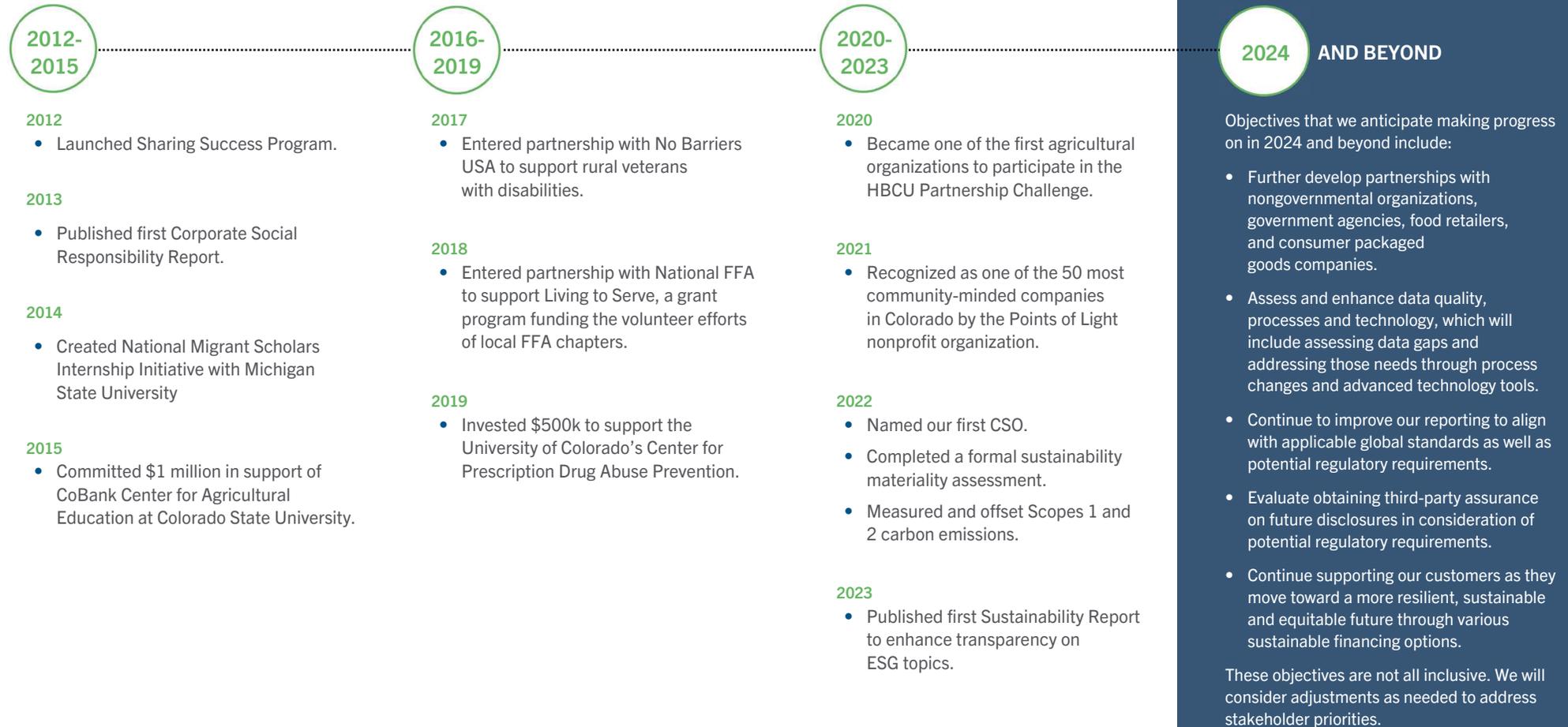
Resources:

- See [Our Cooperative Foundation](#) on page 7 for more information about how our board represents customer-owner perspectives.
- See the [Governance](#) section of CoBank's corporate website for more information about our board of directors, board committees and governance processes.

CONTINUING GROWTH OF OUR SUSTAINABILITY PROGRAM

CoBank's longstanding commitment to sustainability reflects our culture of continuous improvement. Our sustainability program has evolved over recent years from an emphasis on our social impacts to encompassing much broader impacts. Our expansion of sustainability leadership roles and responsibilities in 2022 stimulated significant advancement in our sustainability program. We're committed to ensuring that our sustainability governance, reporting, processes and data collection and analysis continue to mature.

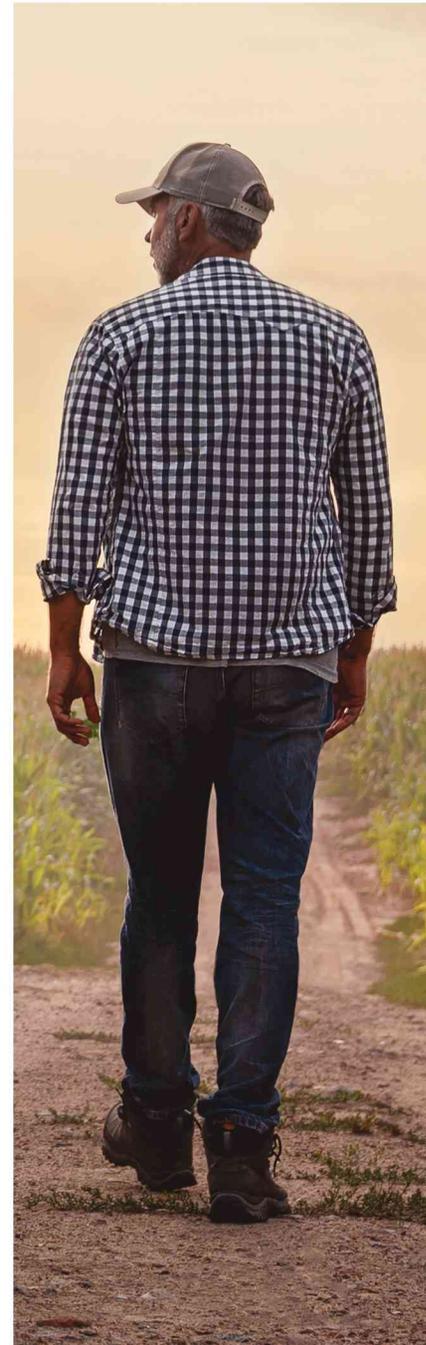
OUR SUSTAINABILITY PATH



Strengthening Our Communities



As a mission-based cooperative lender and member of the Farm Credit System, CoBank is committed to serving as a good corporate citizen. We engage in a variety of corporate social responsibility programs primarily focused on rural America and work together with rural communities and industries to ensure the vitality of these areas.



CORPORATE GIVING AND VOLUNTEERISM

CoBank is an active supporter of causes and programs that support people and communities in need as well as the industries we serve across rural America. In 2023, we donated more than \$10.1 million in charitable contributions, including commitments for future years.

In addition to financial contributions, the bank encourages its associates to share their time and talents with organizations that are working hard to improve the quality of life in the places they live and work. Every associate receives eight paid hours to volunteer either individually or in groups. In 2023, CoBank associates completed more than 2,500 hours of volunteer service. Hundreds of volunteers built gardens, cleared trails, constructed homes, distributed food, tutored kids and so much more.

CoBank is proud of the commitment our associates demonstrate every day. Although we come from diverse geographies and backgrounds, our work and citizenship efforts remain focused on our shared mission.

**\$10.2
million**

combined 2023 contributions of CoBank and its customers through Sharing Success

**>\$86
million**

joint Sharing Success contributions since program inception in 2012

Nearly
\$600,000

in 2023 contributions through the CoBank Cares: Give program (100% participation)

\$425,000

in 2023 board-directed contributions (100% participation)

Average of
1%

of budgeted net income committed annually to charitable giving

HOW WE DEFINE AND ENGAGE WITH COMMUNITY

At CoBank, we often talk about “commitment to community,” “investing in our communities,” and “strengthening our communities.” But what exactly does community mean to us? By its broadest definition, CoBank’s community includes our customers, directors and associates as well as the people and places that make up rural America.

We are a cooperative and a mission-based lender. Embodied in that mission is a commitment to supporting the thriving cooperatives, strong agricultural producers, affordable and dependable rural infrastructure, and vibrant charitable, educational and civic organizations that we believe are the building blocks of rural America.

We recognize that, as members of this community, we must work in partnership with our customer-owners, affiliated associations and other public and private organizations to improve economic, social and educational opportunities. Only by acting together can we achieve our goal of helping our rural communities grow and prosper to make life better every day for everyone.





CoBank's Corporate Giving programs include:

BOARD-DIRECTED GIVING

CoBank's board of directors plays an important role in our efforts to deepen our commitment to the communities we serve. Each board member designates \$25,000 annually in contributions to organizations consistent with CoBank's business and charitable philosophies. Supported causes include agricultural and cooperative education, healthcare, homelessness, hunger relief, and social and economic development programs in rural communities. In 2023, CoBank's board-directed giving totaled \$425,000.

COBANK CARES

The CoBank Cares program provides opportunities for associates to be a force for good in their communities. Each year, every associate directs a \$500 donation to the charity of their choice through CoBank Cares: Give. In 2023, contributions totaled nearly \$600,000, supporting approximately 850 charitable and civic organizations. The breadth and variety of these organizations reflects the wide array of interests and enthusiasms of our associates.

Through CoBank Cares: Help, every associate is granted a paid day off to volunteer in their community. In addition to individual volunteerism, the bank organized and encouraged group volunteer activities at its headquarters and banking centers across the country, resulting in significant increases in volunteerism.

In 2023, associates participated in more than 20 volunteer events. In total, CoBank volunteers donated more than 2,500 hours of service.

SPECIAL CONTRIBUTIONS

Recently, CoBank joined partners across the country to launch free, anonymous, online mental health and well-being services to provide a nationwide safety net of confidential and on-demand support to farmers, ranchers and farm families. Spearheaded by the Farm Foundation, the Farm Family Wellness Alliance is a groundbreaking solution harnessing the best resource to build farm family wellness—access to a community, including a network of farmers and ranchers who understand the challenges and rewards that come with the agricultural way of life.

Members of this landmark alliance include CoBank, the Farm Credit Council, Farm Foundation, American Farm Bureau Federation, Iowa Farm Bureau, CHS, Land O'Lakes, National Farmers Union, 4-H, FFA, Agriculture Future of America, Togetherall and Personal Assistance Services.

Farm Credit Council President and CEO Todd Van Hoose said, "Farm Credit recognizes the challenges America's farmers and ranchers face, especially related to mental health and stress. Fewer resources exist in rural areas as compared to urban areas. This free, anonymous and safe access to mental health support offers assistance in a way nothing has before for rural Americans. We appreciate Farm Foundation's leadership in bringing this resource to fruition."

OUR SHARING SUCCESS PROGRAM

CoBank's signature Sharing Success program doubles the impact of our customer-owners by matching their charitable contributions. In 2023, more than 670 customers contributed more than \$5.1 million—which CoBank matched for a total impact of \$10.2 million. Each year, we profile an organization that has tapped into Sharing Success to make a difference in their local community. This year we spoke with Caledonia, Michigan-based Caledonia Farmers Elevator.

CFE is a farmer-owned cooperative specializing in feed, grain, livestock nutrition and crop production. Serving Michigan farmers and communities for more than 100 years, CFE provides quality products, exceptional service and responsible stewardship of the resources entrusted to them. CFE has participated in Sharing Success since 2016, providing contributions to local fire departments and agricultural education programs. In 2023, CFE used its match to support Dairy Discovery, a nonprofit organization providing interactive education for children and their parents about agriculture, nutrition and the dairy industry.

Dairy Discovery began as a way for founder Annie Link to help people connect with her family-owned dairy farm.

"I had this idea about helping people to experience the farm firsthand—the way apple growers engaged their communities by letting people pick their own apples. We started doing community education and outreach and quickly realized just how much people didn't know about the dairy industry. There is a big gap between consumers and their food, and it leaves a lot of room for misinformation. We wanted to give people an inside look at a modern dairy farm in a way that was fun, educational, sustainable and transparent."

Dairy Discovery offers hands-on tours and camps at Swisslane Farms. Children between the ages of three and 15 can participate in one- or multi-day camps that let them experience the life of a modern dairy farmer. Preschool campers name, feed and care for calves. They mix food for and get to milk cows. Older campers train and care for calves, participate in a calf show and experience many of the different jobs on the farm. There is also a "Camp for Champs" that allows disabled campers to experience the farm via a handicapped-accessible barn, wagon and other facilities. An emphasis on modern production practices teaches visitors the importance of technology on the farm and its role in helping farmers improve their businesses and the lives of their cows.

"The team [members] at Dairy Discovery play a really important role as ambassadors for agriculture," said CFE's Chief Executive Officer, Joel Stoepker. "Swisslane Farms is a long-time member of our co-op, and we've seen firsthand the value of the experiences they provide. Kids—and their parents too—get so much joy out of it, and they learn so much. That's important for our co-op, our members and our community."

"We're proud to be a part of this important program and grateful to CoBank for helping us make an even bigger impact," continued Stoepker. "Through Sharing Success, we take the lead in supporting important local programs, and CoBank partners right alongside us. You can't get better than that from a financial partner!"



SUPPORT FOR AGRICULTURE

CoBank is one of the nation’s largest agricultural lenders. We play a vital role in supporting the U.S. farm economy—providing farmer-owned cooperatives and other agribusinesses with loans, lines of credit, export financing and other financial services. We also serve as a funding bank for 16 affiliated Farm Credit associations, which collectively provide financing for approximately 77,000 farmers and ranchers in 23 states around the country. CoBank’s support of agriculture goes beyond traditional financial services. We provide investments in agricultural education and leadership training as well as Young, Beginning and Small farming programs, and we support local and urban food systems.

AGRICULTURAL EDUCATION AND LEADERSHIP

CoBank is proud to partner with the National FFA organization to support the next generation of farmers and ranchers. In the past decade, we have contributed \$3 million to FFA at local, state and national levels. Recent support includes sponsorship of the Living to Serve Platform, which provides funding for service-learning projects through a competitive grant application process.

YOUNG, BEGINNING AND SMALL FARMING PROGRAM

CoBank partners with Farm Credit associations to support financial and educational opportunities for YBS producers. In 2023, the bank invested \$225,000 in AgWest Farm Credit’s New Producer Grant Program, which awards \$15,000 in startup funds to motivated agricultural and aquatic producers who have a vision and a sound plan for their business but lack the funds to put those plans into action. In November, AgWest awarded 30 grants to new producers in Alaska, Arizona, California, Idaho, Montana, Oregon and Washington.

“CoBank and our Farm Credit partners are passionate about agriculture,” said Brenda Frank, executive vice president of farm credit banking for CoBank. “We understand that the financial barriers can be significant for new producers, and we applaud AgWest for developing this innovative new program that provides vital resources and a pathway to success for young, beginning and small producers. We congratulate the 2023 grantees and look forward to their future accomplishments.”

LOCAL AND URBAN FOOD SYSTEMS

CoBank is proud to partner with The Good Acre, the largest food hub in Minnesota. The Good Acre supports farm and food entrepreneurs across the region, promoting economic well-being and a more sustainable, resilient and community-centered food system. Through its Local Emergency Assistance Farmer Fund, The Good Acre supports small-scale emerging farmers in and around the Twin Cities by helping them expand into wholesale markets. LEAFF guarantees the purchase of a specific dollar amount of produce from program participants during the farm season. Thanks to an investment by the Minnesota state legislature, produce purchased through LEAFF is funneled into K-12 schools and hunger relief programs, significantly increasing access to fresh, healthy local food. CoBank has committed to \$50,000 over the next two years to help The Good Acre grow its operations, which will increase its capacity to serve farmers and the community.



SUPPORTING AG INNOVATION AT GRAND FARM

In February 2023, four Farm Credit institutions partnered to provide more than \$1 million in funding support for Grand Farm and the development of a 140-acre Innovation Campus near Casselton, North Dakota. Spearheaded by Fargo-based AgCountry Farm Credit Services, the Farm Credit coalition also includes CoBank, Compeer Financial and Farm Credit Services of America.

Established in 2019, Grand Farm is a network of growers, technologists, corporations, startups, educators, policymakers and investors. It is a place for stakeholders to come together to solve the biggest challenges facing agriculture by leveraging technology and focusing on innovative and sustainable solutions. The Innovation Campus will welcome agriculture professionals from around the world, allowing them to collaborate, demonstrate and research the latest in ag technology. The campus's first building, the Innovation Shop, will open in May 2024.

"As we look to the future, it will be a challenge to feed ten billion people in the next 30 years," said William Aderholt, director of Grand Farm. "Grand Farm drives inspiration, research and testing of ideas and opportunities to overcome that challenge. Our partners and ecosystem empower and strengthen this work. The Grand Farm Innovation Campus will accelerate solutions that give growers tools and products that increase efficiency and automation supported by data-driven decisions and use input."

"American farmers are the most productive in the world," said Preston Kranz, regional vice president with CoBank. "But it is vital that we continue to invest in this success. Accelerating costs and labor shortages make the development of new labor- and cost-saving equipment vital to the future of agriculture. Grand Farm and the Innovation Campus will be a catalyst for these advancements and a place where producers and researchers come together to develop real-world solutions."

In early 2022, North Dakota Governor Doug Burgum announced a \$10 million matching grant to Grand Farm from the North Dakota Department of Commerce. That investment created significant excitement in the region's agricultural sector. Dan Chrest, vice president, digital strategy & innovation for AgCountry Farm Credit Services, began attending Grand Farm meetings and events to learn more about the opportunity. The more he learned, the more he believed this was a significant opportunity for the Farm Credit System.

"For several months, I immersed myself in learning what Grand Farm was really trying to accomplish," said Chrest. "I soon learned that this was a solid effort with strong support from the state of North Dakota and the regional agricultural community. With investment from tech giants like Microsoft and solid buy-in from the industry, it was clear that Grand Farm had the momentum to accomplish great things."

Chrest points out that Grand Farm differs from other innovation hubs in some significant ways.

"Grand Farm isn't just theoretical," said Chrest. "Things are really happening at ground level and in-field. Due to its nonprofit structure, it creates a safe space for the industry to come together, collaborate and solve real challenges in agriculture. There is no sense of competition or attempt to keep things secret. At the heart of Grand Farm is a very collaborative spirit, and AgCountry knew we wanted to be a part of it. We are grateful that CoBank, Compeer and Farm Credit Services of America all felt the same way. Each organization stepped up and allowed us to make a truly significant investment on behalf of the Farm Credit System."



COOPERATIVE ADVOCACY AND INDUSTRY SUPPORT

Cooperatives are a vital part of the U.S. economy, especially in rural America where they help create economic opportunity and build stronger, more resilient communities.

Owned and controlled by their members, cooperatives are part of the fabric of rural life, and CoBank is proud to serve them as a vital financial resource.

To foster their efforts, we work with local, regional and national organizations that promote the public policy interests of cooperatives and the industry sectors we serve. We support a wide array of cooperative education and advocacy organizations through membership, financial contributions and the service and expertise of our associates. We believe our efforts in this area are an important part of our broader mission to serve rural America.

Organizations that receive CoBank support include but are not limited to:

- Association of Cooperative Educators
- Cooperation Works
- Cooperative Communicators Association
- Cooperative Development Foundation
- Farm Credit Council
- International Cooperative Alliance
- National Cable Television Cooperative
- National Cooperative Business Association CLUSA
- National Council of Farmer Cooperatives
- National Renewables Cooperative Organization
- National Rural Electric Cooperative Association
- National Society of Accountants for Cooperatives
- NTCA - The Rural Broadband Association
- Touchstone Energy Cooperatives
- U.S.A. Cooperative Youth Council

CO-OP START

Co-op Start is a CoBank program that helps emerging and existing small agricultural cooperatives through innovative financing, business mentorship and training. In addition to the loans and leases offered through Co-op Start, CoBank established a grant program that invests in startup organizations that have the potential to provide significant economic benefits to producers and rural communities. Through the Co-op Start Equity Match program, startup organizations that raise up to \$50,000 in equity and are sponsored by a Cooperative Development Center may apply for a grant. This grant assists with various activities—including feasibility studies, technical services and marketing. This program is open to all businesses that demonstrate a positive impact on rural America; however, the program is very competitive, and farmer-owned cooperatives are given top preference. Since its inception, Co-op Start has provided nearly \$3.3 million in loans, leases and grants to 32 startup companies and seven cooperative development centers. In 2023, grantees received a total of \$225,000 through the program.

COOPERATIVE EDUCATION

In addition to our support of university centers focused on the study and advancement of cooperatives, CoBank provides funding for workshops, seminars and other educational opportunities that allow cooperative professionals to enhance their understanding of the cooperative business model and develop their leadership skills.

For example, CoBank is a longtime supporter of the University of Wisconsin Center for Cooperatives and a sponsor of its annual Consumer Cooperative Management Association conference. CCMA is the national annual conference for food cooperative directors, management, staff and sector allies. In 2023, 80 food cooperatives from across the country attended the event to participate in training including best practices for business operations and local procurement and engaging member-owners and the community.



DIVERSITY, EQUITY AND INCLUSION IN THE COMMUNITY

CoBank supports organizations that connect us to diverse groups, working to bring new skills and perspectives into an evolving marketplace. We continuously strive to act as an accountable role model for diversity and inclusion in our own communities, within the Farm Credit System and across the industries we serve.

In 2023, the bank contributed \$1.7 million to organizations that support our DEI goals. Several of these gifts focused on the vital role of higher education in securing a prosperous future for individuals and families in underserved communities.

AMERICAN INDIAN COLLEGE FUND

CoBank recently committed \$300,000 to the American Indian College Fund. Over the next three years, these funds will support up to 60 American Indian and Alaska Native students with scholarships of \$4,500 per student each year. While preference will be given to applicants studying banking, finance or agriculture, all native students are eligible and encouraged to apply.

College Fund President and CEO Cheryl Crazy Bull said, “On behalf of the College Fund, I want to thank CoBank for this wonderful partnership that will help students obtain degrees that are so important to the financial well-being of our communities and the important relationship that we have with land and its resources.”

NATIONAL MIGRANT SCHOLARS INTERNSHIP INITIATIVE

For more than nine years, CoBank has partnered with the National Migrant Scholars Internship Initiative to provide paid internship opportunities for children of migrant farm workers who are first-generation college students. Our 2023 contribution of \$150,000 will help NMSI provide participating students with financial support, experiential learning and professional development opportunities that will help prepare them for future careers.

THURGOOD MARSHALL COLLEGE FUND

The bank also continued its partnership with the Thurgood Marshall College Fund. CoBank’s annual grant of \$150,000 funds the CoBank Agriculture Scholarship that is open to juniors and seniors studying agriculture and related majors at any TMCF partner school. TMCF partners with 47 member schools, including Historically Black Colleges and Universities and Predominantly Black Institutions.

CoBank is committed to continually growing and developing our DEI programs, building on our legacy of stewardship and continuing to promote change for the common good.





POWERING THE NAVAJO NATION

The Navajo Nation extends more than 27,000 square miles of reservation land in Arizona, Utah and New Mexico. Across the reservation, approximately 13,500 Navajo households do not have access to electricity—a hardship that undoubtedly contributes to a higher rate of unemployment and lower health outcomes. To combat this disparity and connect Americans living on Navajo lands to the electric grid, the Navajo Tribal Utility Authority launched the Light Up Navajo mutual aid project in 2019.

The effort connects groups of line workers from electric utilities around the country who volunteer their time and expertise, running community power lines and wiring individual homes. NTUA provides lodging and food for the volunteers, many of whom traveled cross-country to support this cause. In 2023, CoBank’s board of directors approved a \$350,000 contribution to NTUA, establishing a matching grant that will encourage others to donate to this critical effort.

LIFE ON THE RESERVATION

Fulfilling daily needs and tasks without electricity is time-consuming and costly. For some families, this means driving three hours round-trip to buy gasoline or propane to run a generator. For others, it means driving 90 minutes to the grocery store and buying food for as long as an ice chest will keep it fresh. Already, Light Up Navajo has shown the positive impacts a home with electricity can have, including peace of mind for parents.

Marlanda Dugi is a mother of five boys whose house was recently connected with electricity. Speaking in Navajo, Dugi said, “Now that we have electricity, the boys don’t have to worry about where they are going to plug in their phones or how they are going to cook dinner. The boys will also be able to do their homework without worrying about flashlight batteries dying.”

Dugi first applied for Light Up Navajo in 2012 and on November 1, 2023, she finally turned the lights on. “Daily life will be a lot easier—and we are especially excited to have Christmas lights at home for the very first time,” Dugi said.

PEOPLE HELPING PEOPLE

Each year, electric cooperatives and other power companies send crews to the Navajo Nation to lay power lines and electrify individual homes. The one- to three-week sessions offer development opportunities for beginning line workers as well as opportunities for tenured line workers to work in new terrain. At the same time, the volunteer crews learn new techniques from the NTUA linemen, who share how they adapt to the unique conditions on the reservation.

“Light Up Navajo is an initiative with a common purpose—to help improve the standard of lives for Navajo families living without electricity. It creates partnerships with entities that believe in that purpose—extending electricity to American families who have been waiting for electric power,” said NTUA General Manager Walter Haase.

“We know families want to live without the worry of basic life-essentials,” he continued. “Through strong partnerships, we can erase those burdens and make life easier.”

“CoBank is honored to support this opportunity. Most of our customer-owners and associates have never known life without access to reliable electricity. Those living on the Navajo Nation deserve that same access. Electricity is an essential public service fundamental to health, education, safety and prosperity for every community,” said Tom Halverson, president and CEO of CoBank.

Those interested in contributing to Light Up Navajo can visit [NTUA.com](https://www.ntua.com) to learn how to make financial or in-kind contributions or sign up to volunteer.



FOOD ACCESS AND HUNGER RELIEF

The U.S. has one of the most productive agricultural systems in the world, exporting more food than any other country—yet our own communities are not immune to hunger. Many groups, including families with children and communities of color, experienced an uptick in food insecurity due to COVID-19. Despite the end of the pandemic, food insecurity has continued to increase due to inflation and other economic headwinds.

Ironically, people living in the "bread baskets of America"—the rural communities that grow our nation's food supply—are often disproportionately affected by hunger because of economic challenges, infrastructure limitations, transportation issues, and other factors.

Food access and hunger relief have been a significant part of CoBank's charitable giving programs for many years. In both rural and urban communities, our customers and associates actively support programs that provide food to hungry people while also addressing the multiple and complex issues that lead to food insecurity. Contributions through our corporate giving, Sharing Success and associate giving programs help food banks, schools, shelters and other local charities to:

- Increase the amount of shelf-stable food available for distribution.
- Purchase fresh fruit and vegetables and other farmer-grown products.
- Create mobile food pantries that bring good food directly to communities in need.
- Support Meals on Wheels programs for the elderly and home bound.

In addition, we support programs that develop school and community gardens that allow people to grow their own food, increase their understanding of nutrition and create a sense of community and our well-being.

In 2023, CoBank and our customers contributed more than \$1 million to support local food banks and pantries. Another \$200,000 specifically supported school backpack programs. Finally, CoBank provided a challenge grant of nearly \$60,000 to Denver Urban Gardens. DUG is widely known throughout the Denver metro area for its efforts to reduce barriers to fresh, healthy and organic food by providing access to space, knowledge and resources for anyone wishing to grow their own. CoBank's challenge grant will encourage others to invest in a DUG effort to evaluate how best to share their methods and success with other communities facing the same issues.

"Replication is a key focus for CoBank's charitable efforts," said Sherry Johnson, director of corporate social responsibility at CoBank. "With our focus on rural America, we often contribute to small, local programs. But these small programs have some big ideas that can help other communities facing the same or similar issues. We love it when we can help them spread that knowledge so that others can avoid reinventing the wheel and achieve positive results faster."

FEEDING THE ROCKY MOUNTAIN REGION

For more than 18 years, CoBank and our associates have been strong supporters of Food Bank of the Rockies. The largest hunger relief organization in the Rocky Mountain region, Food Bank of the Rockies distributes more than 181,500 meals every day. It coordinates with more than 800 hunger relief partners throughout Colorado and Wyoming, acting as a distribution hub for food, essentials and logistical resources. Food Bank of the Rockies also operates its own direct programs, providing food through mobile pantries and programs that serve kids and older adults.

“Addressing hunger and food insecurity in general is a critical public health issue,” said Jennifer Lackey, Food Bank of the Rockies’ chief development officer. “As the country continues to face economic challenges and food prices continue to rise, so do the number of food-insecure households in our community and across the U.S. That’s why partners like CoBank are so important to Food Bank of the Rockies. Year after year, we have relied on its consistent support to help us fulfill our mission.”

CoBank’s support for Food Bank of the Rockies has served many purposes. Past donations have enabled the food bank to increase the amount of fresh fruit and vegetables it offers to partner agencies. In recent years, the bank has issued a series of challenge grants that increased donor engagement by matching online donations. In 2023, CoBank committed \$100,000 to Food Bank of the Rockies’ summer matching gift campaign. Through strategic donor outreach, Food Bank of the Rockies multiplied that gift, generating nearly \$1.2 million through more than 6,800 donations.

In addition to financial contributions, CoBank has provided Food Bank of the Rockies with labor and expertise through volunteer service. Michael Tousignant, sector vice president in CoBank’s corporate finance group, has served on the food bank’s board of directors for five years.

“Working with and on behalf of Food Bank of the Rockies has been an honor and a privilege,” Tousignant said. “Every single person I’ve met—from the board to the staff to the volunteers—shares a passion for the organization and a commitment to nourishing our neighbors. And it’s great to see that same passion and commitment from our CoBank volunteers. Last year, in one volunteer event alone, CoBank associates packed more than 600 boxes for distribution in our community. That’s more than 41,000 pounds of food equating to more than 33,000 meals. As a board member and a part of the CoBank team, I can’t tell you how proud I am of this relationship.”



RESEARCH AND HIGHER EDUCATION

At CoBank, we believe research and higher education play a vital role in the future of rural America. We provide support to land-grant universities and other institutions to encourage the development of the next generation of American farmers, ranchers and rural business leaders. The programs we fund foster knowledge and innovation, which benefit the rural industries we serve—including agriculture, energy and international trade in commodities. We also work with university partners to conduct research on the social and economic issues impacting rural communities, improving the quality of life and promoting success for generations to come.

Just as importantly, we work with educational institutions to develop the next generation of CoBank leaders. We offer scholarships to students studying banking, finance, agricultural economics and other fields that are vital to the future success of CoBank and the Farm Credit System. On college campuses across the country, CoBank team members are telling our story, sharing our mission and encouraging the best and the brightest to consider a career with Farm Credit.

CoBank supports grants to universities and colleges that are consistent with our corporate citizenship programs and objectives. We do so through a multimillion-dollar, donor-advised fund, established with the Cooperative Development Foundation. Grants made through CDF support include:

- Scholarships for promising students studying agribusiness, finance, business administration and related disciplines.
- Endowments of professorships supporting research and instruction in fields including commodities and agricultural economics.
- Financial support for university centers focused on the study and advancement of cooperatives.
- Support for vocational training programs to help produce the technicians and other skilled service people who are vital to rural industries and communities.

In 2023, CoBank supported scholarship opportunities at Langston University and other HBCUs, providing HBCU students the opportunity to pursue their education while reducing the cost of their studies. The bank also provided scholarships to students studying agriculture, banking and finance at institutions across the country.

Recently, CoBank made a contribution of \$60,000 to Illinois State University's Mennonite College of Nursing to support a two-year pilot program to provide nurse-led pop-up health clinics in partnership with rural American Legion posts and other trusted locations in central Illinois counties. The clinics will provide basic primary care and preventative services, improving access to healthcare for veterans, farmers and other underserved groups.

“Exposing nursing students to this unique opportunity will help them view rural healthcare as a viable career path,” said Judy Neubrander, dean of the College of Nursing. “The program will provide a unique experiential learning environment for nursing students to utilize telehealth technology and expose them to rural healthcare issues and solutions.”



EXPANDING YBS EDUCATION AT OKLAHOMA STATE UNIVERSITY

For more than two decades, CoBank and our Farm Credit partners have championed agricultural education at Oklahoma State University. Our financial support has helped establish both the Bill Fitzwater Cooperative Chair and the Oklahoma Farm Credit Chair. The bank has participated in capital campaigns to fund OSU's Foundation Seed building, the Purebred Beef Center and the New Frontiers Ag Hall. We have provided scholarships in agricultural economics and hosted OSU students in our internship program. We are also delighted to have a number of OSU graduates on our staff.

Most recently, CoBank has partnered with OSU to expand its Extension program. A \$500,000 grant to the university's Diverse, Small, Beginning Farmer and Rancher Support Fund has enabled OSU to hire a full-time Extension Specialist who will create impactful new programs. Future offerings may include workshops targeted to specific audiences, focused production boot camps and elevated for rural horticulture programs.

"Only a very small percentage of people in the U.S. have direct experience in agricultural production," said Dr. Damona Doye, associate vice president of Oklahoma Cooperative Extension Service. "A dwindling number of people have childhood memories of summers helping out on a farm or ranch. Many retiring and established producers do not have children interested in succeeding them on the farm. Growing the number of potential farmers and helping aspiring producers to succeed is critical to rural economies and food security."

"Having a dedicated person who wakes up every morning thinking about how Extension can better serve new and beginning farmers will help expand and stabilize our educational programming efforts with young and beginning farmers and ranchers," continued Doye. "It will also add opportunities to explore and develop new programs designed for diverse populations within our state and region."

Josh Campbell, a Ph.D. candidate in agricultural education at OSU, has taken on this challenging new role.

"Agriculture has always been part of my life," said Campbell. "Some of my best childhood memories are from the time spent working with my grandfather in his garden. I did not enter college initially thinking I would pursue a career in agriculture, but as I became more aware of the many career opportunities, I was drawn to Extension and the possibility of combining my love of agriculture with my interest in education and community service."

Campbell, who had significant experience working in Extension, was drawn to the position by the opportunity to focus more broadly on serving beginning farmers and ranchers across Oklahoma.

"Having served as a County Extension professional, I have worked with many beginning farmers and ranchers and am aware of the challenges they face," said Campbell. "I believe I can develop educational resources to help navigate these challenges. I also hope to support my Extension colleagues around the state as we strive to better serve Oklahoma's beginning farmers and ranchers—something that is crucial for the future strength of American agriculture."

In the next three years, Campbell plans to work with Extension educators to better understand the questions they receive from farmers. Using this information, he will build new resources and tools to better assist educators, farmers and ranchers. He also hopes to build strong partnerships between beginning farmer and rancher-serving organizations across the state to develop collaborative educational initiatives that best serve this important audience.





RURAL COMMUNITY DEVELOPMENT

CoBank supports rural community development by acting as a dependable source of credit for our customers and the vital industries they serve. We also support the rural economy by investing in equity funds that enhance the flow of capital to rural businesses. We make these investments in partnership with our customers, fellow Farm Credit institutions, and commercial and community banks. The U.S. Department of Agriculture licenses the funds CoBank supports as Rural Business Investment Companies. RBICs invest in organizations that create growth and job opportunities in rural areas.

Since 2014, CoBank has committed more than \$300 million to 18 independently managed RBICs, encouraging opportunities in our country’s often under-resourced rural communities.

“Investing in rural communities is an integral part of CoBank’s mission,” said Dave Dornbirer, vice president of mission investments for CoBank. “The success of our farmers, ranchers, agribusinesses and utility service providers is integrally tied to the well-being and prosperity of the communities they call home. By ensuring that rural America has the financial capacity to meet the changing demands of business and community, we are doing our part to help these communities grow and thrive.”

In addition, CoBank and our partners support bond investments in community facilities with a primary focus on rural healthcare. Since 2012, CoBank and partner Farm Credit organizations have facilitated over \$400 million of community facilities bond investments, and the bank has more than \$100 million in potential investments in the pipeline. These investments provide vital debt capital to projects that likely would not receive private funds without Farm Credit participation.

Fund	Fund Size (\$ in millions)	Established	Investment Focus	Target Geography
Advantage Capital Agribusiness Partners	\$ 154.5	2014	Agribusiness	National
Innova Ag Innovation Fund IV	31.3	2016	Venture Capital AgTech	National
Open Prairie Rural Opportunities Fund	81.0	2017	Agribusiness	National
Midwest Growth Partners II	113.5	2018	Agribusiness	National
Blue Highway Growth Capital Fund	41.8	2019	Diversified Industries	Northeast/Mid Atlantic
Pharos Capital Partners IV-A	204.3	2019	Rural Healthcare	National
Lewis & Clark RBIC Fund II	88.0	2019	Venture Capital AgTech	National
Rural American Fund RBIC III	41.8	2020	Agribusiness	National
Azalea Capital RBIC Fund*	106.5	2020	Diversified Industries	Southeast
AGR Partners RBIC Fund	85.8	2022	Agribusiness	National
RuralWorks Impact Partners I*	43.4	2022	Diversified Industries	Northeast/Upper Midwest
Midwest Growth Partners III	170.0	2022	Agribusiness	National
Generation Food Rural Partners I*	38.9	2022	Venture Capital AgTech	National
Innova Ag Innovation Fund VI*	40.6	2023	Venture Capital AgTech	National
Kinetic Broadband Opportunity Fund*	114.8	2023	Rural Broadband	National
LaSalle Capital RBIC*	77.8	2023	Food Manufacturing	National
Lewis & Clark RBIC Fund III*	70.4	2023	Venture Capital AgTech	National
Total	\$ 1,504.5			

*Fundraising

FUELING RURAL GROWTH

Blue Highway is a woman-owned investment firm that is fueling rural growth, innovation and technology. The firm is a licensed RBIC and trusted partner of CoBank. It provides growth capital for rural-based businesses, encouraging economic development and employment opportunities in communities that are often underserved.

Blue Highway was established in 2019 and invests up to \$5 million of structured growth equity in small companies in mostly rural areas, especially those that may not qualify for traditional private capital. Through its investments, it not only gives rural businesses a chance to grow and thrive but provides economic relief to regions that need it most.

“We started with a rural footprint in parts of Maine, Pennsylvania and upstate New York, but we quickly started to gain national recognition too,” said Christine Jones, co-founder and managing partner of Blue Highway. “This type of growth is exciting. We want to offer financial assistance to various companies, especially the ones that align with our values.”

In 2020, Blue Highway connected with Aryv, a ride service company that caters to rural customers needing transportation to medical appointments. Unlike other ride-service companies that typically focus on urban customers, Aryv’s sole focus is on rural customers in various states, including Arizona, Connecticut, Florida, Texas and Wisconsin.

“We originally founded the company as a side job, but soon began seeing holes in the system and realizing just how imperative our services were to rural community members,” said Kevin Knuteson, CEO of Aryv. “For many of our riders, these appointments were not optional—people were relying on rides to get to and from medical appointments and treatments like chemotherapy or dialysis. If your ride doesn’t show up, that could mean a trip to the hospital or worse. We couldn’t let that happen.”

Blue Highway saw great potential in Aryv.

“Unfortunately, there is a lot of waste in the transportation services industry. Aryv found inconsistencies within the system and began creating solutions in its own technology platform to address the issues,” said Jones. “And we were excited to help fund their vision. The company is growing in a responsible way, gradually expanding into new locations to offer its crucial services.”

Amongst its improvements, Aryv offers a tracking app for riders and their loved ones, ensuring that the journey is successful. It also runs credentials on every driver.

Studies have shown that 80% of people who are released from the hospital don’t have a reliable ride home—making transportation a huge social determinant of health. Blue Highway and Aryv are working together to fix a transportation system that was not set up for rural community members.

“Rural America faces uncertain access to specific necessities, and transportation is oftentimes at the top of the list. Through the investment funds that CoBank and the Farm Credit System help facilitate, we can play a vital role to fund and grow these businesses—ensuring that rural communities are involved in upcoming innovation and technology,” said Dave Dornbirer, vice president of mission investments for CoBank.

CoBank is proud to partner with Blue Highway and its customer, Aryv, to bring reliable transportation to all parts of the country—giving peace of mind to people in rural America.





RURAL DISASTER RELIEF

Extreme weather is an unpleasant fact of life. Hurricanes, fires, floods, tornados and blizzards impact people every year, putting lives and livelihoods at risk. The rural communities served by CoBank are especially prone to these natural disasters, which can strike suddenly and destroy everything in their path. Operations, infrastructure, crops and livestock are all susceptible.

When disasters strike, CoBank actively collaborates with customers and Farm Credit institutions to support relief efforts for people and businesses. The bank's disaster relief contributions have totaled more than \$5.1 million over the past ten years.

CoBank partners with large organizations such as the American Red Cross, a nonprofit organization established nearly 140 years ago. With its national network of donors, partners and volunteers, the Red Cross has a unique capacity to be on the ground almost immediately following a disaster, supporting the most immediate needs of impacted communities and remaining to provide assistance as they work to recover and rebuild.

Just as importantly, we partner with small, local organizations that support rural communities facing difficult circumstances. CoBank relies heavily on our customers, who are members of these communities, to help us identify local support organizations. Our customers offer us unique insight into the most urgent needs and help direct us to organizations providing the most critical and immediate services.

Local disaster relief contributions include funding for:

- Industry-specific relief funds
- State Farm Bureau foundations
- Community foundations
- Local chapters of human services organizations, such as the Salvation Army and United Way
- Local churches
- Civic organizations, such as the Lions and Rotary Clubs

Together with our partners, CoBank works to alleviate suffering during emergencies, providing financial assistance for shelter, food, water, supplies and comfort during unimaginably difficult circumstances. In 2023, we have responded to tornados in Mississippi, wildfires in Nebraska, and flooding in Vermont and other eastern states.

“When rural communities face hardship, we are fortunate to have the financial resources and relationships that allow us to respond promptly and effectively to alleviate suffering,” said Tom Halverson, CoBank’s president and CEO. “CoBank is proud to have provided millions of dollars in disaster relief contributions, supporting our customers, their members and employees, and the communities they call home. These efforts not only provide for immediate needs, such as food and shelter; they also support long-term social and economic efforts to promote recovery and to revitalize impacted communities.”

FARM CREDIT EAST CARES

In July 2023, prolonged heavy rainfall caused catastrophic flooding across much of Vermont, Connecticut, Massachusetts and parts of New York. Coming on the heels of a damaging frost a few months earlier, the storm was a blow to the agriculture industry, with more than \$16 million in reported losses in Vermont.

Farm Credit East, the Enfield, Connecticut-based financial cooperative, serves farmers, fishermen and forest products producers in eight Northeast states. Following the July floods, the organization announced that it would provide up to \$250,000 in relief through its Farm Credit East Cares program.

Sara Pulver is a credit representative with Farm Credit East and saw firsthand much of the damage.

“Crops and fields were flooded not only with the rain but the runoff coming from the mountains,” said Pulver. “The extent of the damage almost seems unreal. Towns were completely cut off from the main roads, and people desperately needed help.”

In addition to its donations to charitable relief organizations, Farm Credit East Cares offered \$500 individual grants to impacted farmers and forest product producers.

“This was really a return to the roots of our program,” said Craig Pollock, senior vice president and coordinator of Farm Credit East Cares. “Farm Credit East Cares was established in 2012 after the Northeast agriculture community was devastated by Hurricane Irene. At the time, we didn’t have a mechanism in place to respond. Our employees’ desire to help our customers and communities led to the founding of Farm Credit East Cares, which was started with seed money from Farm Credit East and CoBank.”

The very first effort of Farm Credit East Cares was a \$500 direct grant program for farmers.

“We knew our role was not to be a replacement for insurance or governmental efforts,” continued Pollock. “But we also knew that many people just needed a helping hand for pressing needs such as groceries, personal items and general necessities.”

More than a decade after its launch, the third direct grant program of Farm Credit East Cares was well received by customers. Chandler Goodhue, also a credit representative at Farm Credit East, says that although the grants were small, they were greatly appreciated.

“I spoke to one of our customers who received a grant,” said Goodhue. “He had estimated losses of nearly \$300,000, but he passed that \$500 on to his employees. He knew that he and his family had resources to fall back on, but many of his employees did not. He was so grateful for the helping hand and the chance to look out for others.”

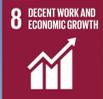
CoBank, a fellow member of the Farm Credit System, supported Farm Credit East with a \$50,000 contribution toward its flood relief efforts.

“CoBank was our first supporter when we established Farm Credit East Cares,” said Pollock. “It has a strong sense of commitment to the community and often partner with us in our efforts. It’s great to know that we share the same goals and values. We both keep the good of the rural community foremost in our minds and are committed to providing support in times of need. We could not do this important work without its continued support.”

Since its inception, Farm Credit East Cares has provided more than \$1.5 million in donations to farm families and organizations assisting producers affected by disaster events; to charitable organizations such as the American Red Cross, United Way and food banks; and to local, regional and state not-for-profits focused on agricultural youth or local agriculture promotion.



Supporting Our People



CoBank's associates are essential to delivering our mission of serving rural America. We strive to create a workplace that serves the best interests of our associates. We create a work environment and a culture where each person is respected, valued, heard and included, generating a feeling of belonging that inspires all associates to perform at their best.



OUR CULTURE

CoBank is committed to building an inclusive culture where all associates feel respected, valued, heard and included. We value engagement with our team members and ensure that associates' thoughts and perspectives are considered in our goal-setting, strategy-creating and decision-making processes. We know we can accomplish far more as a team than as individuals.

Our Human Capital Plan is a framework we created to guide our efforts to attract, retain and develop the best talent. It includes our Talent Philosophy and Talent Management Model. Our philosophy focuses on:

Performance:

Setting high expectations and standards

Core Values:

Demonstrating our values through our interactions

Differentiation:

Developing and recognizing the contributions of all associates

Accountability:

Ensuring responsibility for building and supporting successful diverse teams

Transparency:

Increasing clarity of expectations and feedback

Our Talent Management Model promotes diversity in our workforce, equitable outcomes and inclusion in the workplace.

OUR TALENT MANAGEMENT MODEL

Talent Acquisition

- Sourcing
- Employer brand enhancement
- Selection
- Recruiting with a diversity focus
- Assessment

Learning and Development

- Onboarding
- Capabilities development
 - Leadership
 - Professional
- Technical
- Managing change
- Specialized development programs

Performance Management

- Expectation setting
- Self and manager assessment
- Calibration
- 360-degree feedback for select leaders
- Enterprise Leader assessment and development

Total Rewards

- Live Well
- Compensation structure and market positioning
- Pay equity analysis
- Pay for performance
- Incentive plans

Talent Strategy and Planning

- Succession planning and talent review
- Coaching and mentoring
- Development planning and career growth
- Early career talent and development

Workplace Transformation

- Hybrid and flexible work
- Listening
- Analytics and reporting
- Human Resources technology

Change Management

- Change awareness
- Change management competencies
- Change project support
- Communications

Diversity of workforce, equitable outcomes and inclusion in the workplace are the underpinning of our Talent Management Model

Our talent management model ensures that our associates receive opportunities to grow and develop at the different stages of their careers. Our model considers our associates' needs in professional development, productivity and motivation, work/life balance, total rewards, and DEI. The model drives the efforts and programs that support our associates' engagement and well-being.





ASSOCIATE ENGAGEMENT

Associate engagement has been a major focus at CoBank for nearly 20 years and is a critical measurement of our success. To gain a better understanding of associates' perspectives as well as their feedback, we conduct an annual engagement survey with the Gallup organization. In 2023, 87% of CoBank associates took part in the CoBank Associate Engagement Survey.

CoBank strives for continuous improvement in employee engagement, and our 2023 survey results showed overall improvement in satisfaction levels. CoBank employees noted marked improvement in the areas of understanding the bank's mission and purpose and demonstrating to all associates that their opinions count.

We continue to work to create a culture of listening to our associates. We conduct multiple pulse surveys to gather feedback on our critical initiatives. These surveys inform our decisions about associate benefits, inclusion and workplace flexibility.

CoBank works to foster consistent and meaningful communication between our leadership and associates. We conduct town hall meetings quarterly to provide our associates with significant business updates. Senior leadership regularly meets with their teams to discuss business priorities, expectations and results.

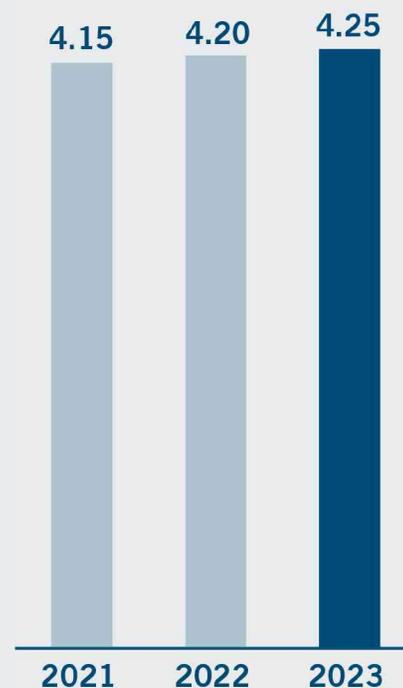
The Enterprise Leadership Team, a group of our senior executives who connect with our different departments to ensure bank strategy cohesion, meets formally in person twice per year and frequently in virtual events.

This ensures that our associates and departments are aligned on bank strategy and priorities while having the opportunity to provide input and feedback to drive our efforts. Our Enterprise Leaders are called upon for input prior to making important bank decisions that often involve our human capital.

We have also been working to build a community for our People Leaders—individuals who have employee management responsibilities. This includes creating transparency and communication on important people leadership topics, such as compensation education, advance notice on all associate communications and leadership development opportunities.

We welcome our new hires to CoBank through a formal New Associate Orientation that highlights our mission as part of the Farm Credit System and educates our associates about our role in food security and service to rural America.

**COBANK ASSOCIATE ENGAGEMENT
GRAND MEAN SCORE, 2021-2023
(1-5 SCALE)**



It also features bank leadership presentations and an opportunity to meet much of the Enterprise Leadership Team and Management Executive Committee members. We also encourage associate engagement through our "Mix and Mingle" events, which provide an informal environment to get to know other CoBank associates and further the connection to our culture.

LIVE WELL

Live Well is a multifaceted program designed to support our associates and their families across all dimensions of wellness: physical, mental, financial and career.

The key features of Live Well include:

- Health plans that provide strong well-being and preventive care benefits.
- A retirement program that helps build future financial security through a generous 401(k) plan.
- Income protection in case of serious illness, injury or death, including life insurance and disability benefits.
- Competitive paid time off, including gender-neutral parental bonding leave, family medical leave and vacation to create opportunities to pause, unwind and recharge.

Mental health continues to be an important focus for CoBank. The employer-paid mental fitness app, Calm, helps manage stress and burnout. We now extend app access to the dependents of our associates. CoBank also creates opportunities for our associates and their families to build connections with each other through social events like company-sponsored family days.

Among our traditional benefits are medical plan options that feature progressive, consumer-driven, high-deductible plans with a bank-provided health savings account subsidy to help support the medical needs of associates and their families. Additional tax savings opportunities are available through dependent care flexible spending accounts and

limited purpose flexible spending accounts. Dental, vision and life insurance, and short- and long-term disability coverage round out the health and well-being offerings.

To support the bank's commitment to operationalizing diversity and inclusion, we continue to review our benefit offerings to ensure that they are designed to meet the diverse needs of our workforce. CoBank offers transgender-inclusive healthcare options that include coverage for medical visits, behavioral health services and laboratory services as well as reconstructive surgical procedures related to gender reassignment.

CoBank strives to support the various needs of associates as they look to grow their families, providing benefits that include adoption assistance, cryopreservation, infertility treatment coverage, parental leave and surrogacy assistance.

Two of our most important financial well-being benefits are:

- A 401(k) plan that provides a market-competitive employer match with immediate vesting as well as an additional employer nonelective contribution that vests after five years.
- Nonqualified retirement plans to supplement retirement benefits for a select group of associates.

We value and support our military associates who are serving in the reserves while employed by CoBank. We include their military pay received while on duty as CoBank earnings for calculating their short-term incentives.

To showcase the total value of our benefits program and to drive associate engagement, CoBank provides all associates with an annual, personalized total rewards statement.



HYBRID AND FLEXIBLE WORK

CoBank has created a model for hybrid work that has resulted in 98% of our roles being classified as hybrid. In addition, CoBank has formally launched part-time work arrangements. These solutions will enable us to continue to be an employer of choice, particularly as many employers are returning to the office with a more rigid approach.

The bank holds "Connection Days" monthly as opportunities for associate to meet and socialize in the office. These days are centered around our DEI signature events and also provide associates an opportunity to meet informally with leaders in the bank. Given that approximately one-third of our associates started during or after the pandemic, these days provide an opportunity to further enhance our work culture through opportunities to connect and engage in person.

DIVERSITY, EQUITY AND INCLUSION

CoBank is a stronger organization when we bring together individuals and teams—with different skills, backgrounds, perspectives and experiences—to solve complex problems and better serve our customers. As of December 31, 2023, 1,199 associates were employed at our headquarters near Denver, Colorado, and in our regional banking centers across the country. Our workforce identified as approximately 53% male and 47% female, with minorities representing approximately 22% and veterans 1.3% of our associates. We utilize a multifaceted approach to continuously improve the diversity of our workforce and ensure a workplace where all associates feel respected, valued, heard and included.

ASSOCIATE RESOURCE GROUPS

CoBank’s Associate Resource Groups are a critical component of our diversity and inclusion efforts allowing associates to connect based on common interests, identities and goals and to share educational and allyship opportunities with their colleagues. Our ARGs also strengthen associate engagement and feedback as well as our recruitment, retention and community relations efforts. Our nine ARGs are:

- Ability ARG
- Ally ARG
- Asian ARG
- Hispanic ARG
- Pan African ARG
- PRIDE LGBTQ+ ARG
- Veterans ARG
- Women ARG
- Young Professionals ARG



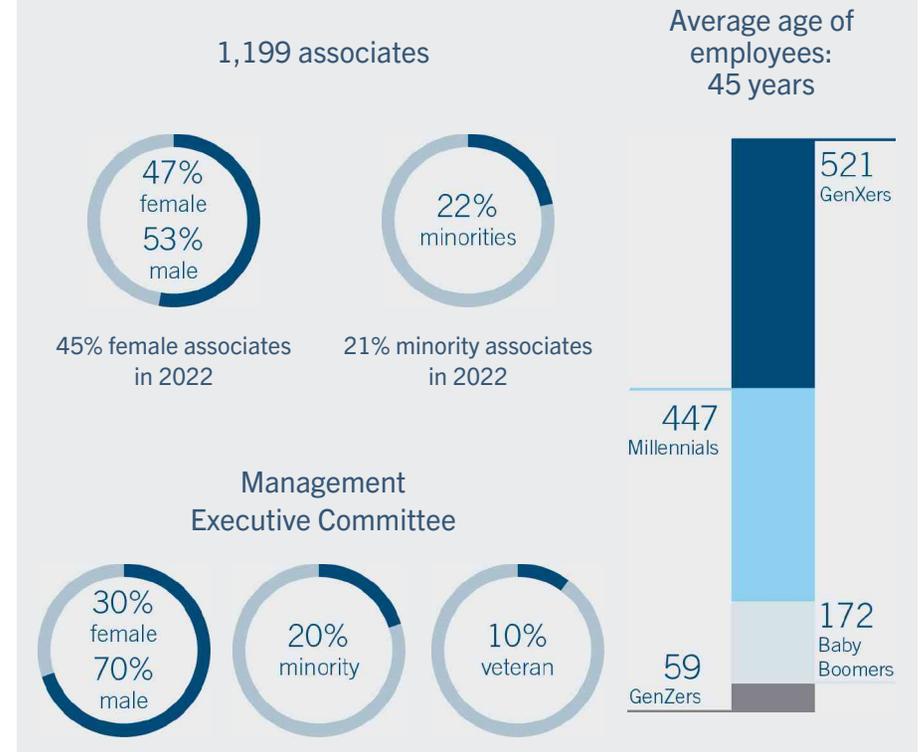
Approximately 600 associates, over half of our total workforce, participated in at least one of our ARGs in 2023. CoBank established our first eight ARGs in 2018.

To further our mission to promote DEI in the workplace, we introduced the Ability ARG in October 2023 in recognition of National Disability Employment Awareness month. The Ability ARG’s mission is to promote the visibility, professional development, recruitment and retention of people with disabilities. The Ability ARG also provides a community to our associates who have friends or family members with disabilities and those who wish to be allies to this community.

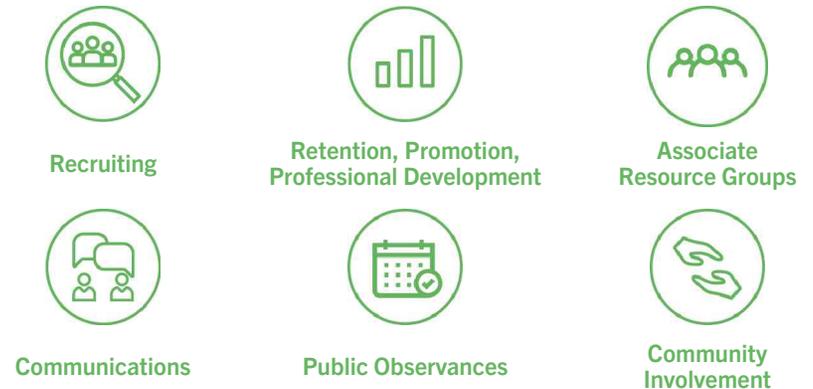
The Colorado Neurodiversity Chamber of Commerce highlighted CoBank as the business of the week for our efforts in creating a neuro-inclusive environment, including the launch of our new Ability ARG.

In 2023, we also initiated leadership development opportunities for the leaders of our ARGs, which included a team-building retreat in Colorado, as well as an ARG Lead Summit. The programming of these events aimed to build their leadership skills in the ARGs and to support their development as future leaders at CoBank.

COBANK’S GENDER, ETHNICITY AND GENERATION DEMOGRAPHICS AS OF DECEMBER 31, 2023



COBANK’S DEI STRATEGY FOCUS AREAS



PUBLIC OBSERVANCES AND COMMUNITY INVOLVEMENT

Throughout the year, our DEI efforts include a number of public observances and community involvement activities sponsored by our ARGs. Participation is open to all of CoBank's associates to promote allyship and inclusion. Examples of these events include:

- Ability ARG: Launch meeting - Danny Combs, Colorado Neurodiversity Chamber of Commerce
- Ally ARG: Panel discussion with panelists from each ARG to discuss the value of allyship
- Asian ARG: Denver Dragon Boat Festival
- Hispanic ARG: Hispanic Heritage Month
- Pan African ARG: Black History Month
- PRIDE LGBTQ+ ARG: Participation in the Denver PRIDE Parade and festival
- Veterans ARG: Place at the Table display for Memorial Day
- Women ARG: Colorado Women's Chamber of Commerce Most Outstanding Women in Business event
- Young Professionals ARG: Focus on financial literacy and mental health

CORPORATE EQUALITY INDEX

In 2023, CoBank participated in the Human Rights Campaign Corporate Equality Index CEI. The CEI is the nation's foremost benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality.

CoBank received a score of 85 out of a possible 100 in its inaugural year in the index, reflecting a number of corporate policies and programs that include:

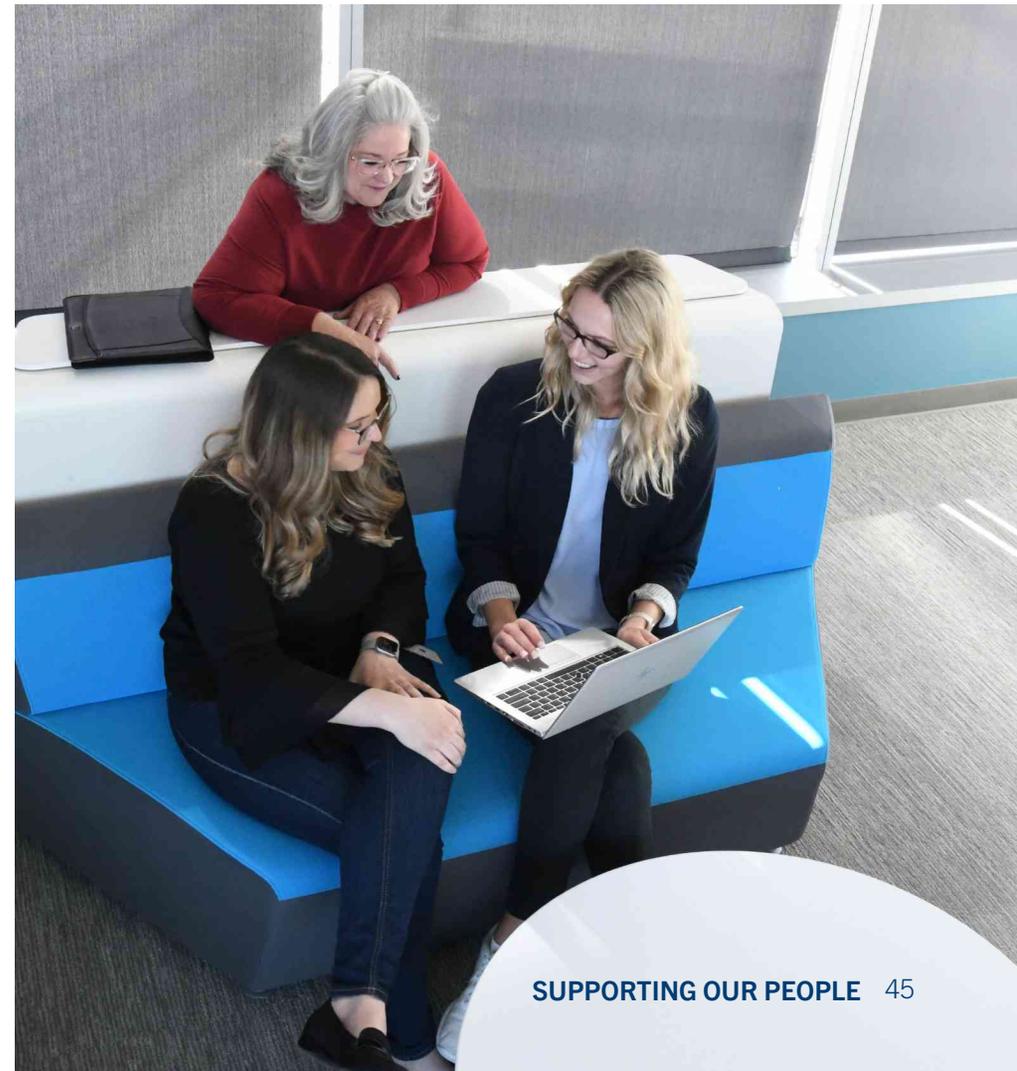
- LGBTQ+ specific benefits and related benefit guide
- Transgender-inclusive benefits
- CoBank's PRIDE ARG
- LGBTQ+ community outreach
- CSR efforts to provide financial support to the LGBTQ+ community

COMMUNICATION

Communication of our DEI efforts is crucial in our strategy to educate, raise awareness and create advocacy on important issues. We communicate through different forums such as external speakers, listening sessions, ARG Roundtables, monthly DEI updates to leadership and DEI-related content on The Source, CoBank's internal communications platform for employees.

RECRUITMENT

CoBank strives to hire the most qualified, best and diverse talent to achieve our mission of service to rural America. Our hiring managers are encouraged to consider diverse pools of candidates for each open position.





STRATEGIC PARTNERSHIPS

Our diversity recruitment strategy is supported in part through our strategic partnerships with universities. CoBank has established key university relationships with Langston University (an HBCU), University of Colorado at Denver (a Hispanic-Serving Institution and Asian American and Native American Pacific Islander-Serving Institution) and Colorado State University (a Land Grant University) to attract new associates for our internships and early-career hiring program. Efforts at our universities include a multi-pronged approach of classroom visits, on-campus career fairs and interviews as well as university-specific programs to increase visibility and the value proposition of CoBank as an employer of choice.

Our ARGs are also facilitating new relationships and helping CoBank further connect with underrepresented populations. We have partnerships with diversity organizations that provide access to their talent pools, including RecruitMilitary, Disability Solutions, Prospanica, INROADS, PRIDE, Out and Equal, and Hiring our Heroes.

EARLY-CAREER TALENT

As we plan for the future, CoBank is expanding efforts to attract, develop, retain and grow early-career talent—promising young professionals who are the future leaders of our business. Creating a pipeline for new talent not only prepares us for impending retirements but encourages our focus on career advancement for our mid-to-senior level associates. One of the ways we accomplish this is through the Credit Advancement Program, which develops well-rounded, consistently trained credit analysts through hands-on experience and training with individual banking groups. Associates who have recently completed undergraduate and graduate degrees are assigned an 18-to-24-month rotational schedule, committing a number of months to several credit support or banking group roles, before graduating to a credit analyst position or similar role in the organization. This program has been a very strong provider of diverse talent to CoBank, and we are capitalizing on this success by expanding rotational opportunities throughout our organization. Additionally, CoBank doubled the size of our internship program with a greater focus on conversion into full-time roles.

CAREER DEVELOPMENT PRIORITIES

In 2023, we implemented a new rotational development program in CoBank's Operations Team. These associates will be rotating through teams in the Paralegal, IT, Operations and Legal Loan Processing departments.

Ensuring a pipeline of talent for our most critical customer-facing role, Relationship Manager, is a top development focus. The RMD program facilitates the successful promotion of credit staff into Relationship Manager positions. RMD participants complete a 6-to 24-month formal training curriculum, working closely with an internal mentor and gradually transitioning from credit analysis to working directly with our customers in a lending capacity.

Associates are selected for participation in the program by the lending unit leaders and receive individualized coaching and support from Human Resources and the credit and lending unit managers.

RETENTION, PROMOTION AND DEVELOPMENT

CoBank fosters the retention and development of our talent through many avenues. We have dedicated significant effort to associates' career development, mentorship, opportunity and promotion transparency in 2023.

Mashenka Lundberg

CoBank's chief legal officer and general counsel has been named one of the 2023 Top 25 Most Powerful Women in Business by the Colorado Women's Chamber of Commerce.

COBANK UNIVERSITY AND LEARNING OPPORTUNITIES

CoBank University is a comprehensive learning and development program that incorporates both original, internally developed content and the procurement of highly recognized external content for learning delivery. The online platform enables associates to explore and track their learning, and the facility and systems are used to enable flexible learning. CoBank University's training facility includes technology upgrades that enable in-person learning, remote learning and hybrid learning models.

The primary focus of CoBank University is to ensure that associates have the skills needed for the future operations of the bank while preparing them for evolving technology and leadership demands. Launching an internally developed course on psychological safety has been a significant addition to the already robust learning library, as it ensures that our leaders continue to create a safe and open environment for all associates. External course additions chosen for their proven effectiveness include The Multipliers of Leadership, the 6 Practices for Effective Leadership and the 7 Habits For Aspiring Leaders.

In addition to internal education opportunities from CoBank University, associates are also eligible for tuition reimbursement to help them attain undergraduate and advanced degrees. We continue to offer Inclusive Leader training to all people leaders as well as Disrupting Everyday Bias for all associates and new hires. CoBank University plans to continue refining and modernizing learning options for emerging learning needs.

BEHAVIORAL COMPETENCIES

CoBank developed organizational behavioral competencies for all associates, differentiated by role level, to help guide individuals to understand their strengths and development areas. The competencies build upon themselves as an associate moves up in the organization. In addition to assisting development and coaching conversations between an associate and their manager, these tailored competencies have been incorporated into our 360-degree feedback process.

MENTORSHIP

CoBank's mentorship program plays a key role in our development efforts. Mentorship programs have the potential to improve productivity and career satisfaction in the workplace. More than 400 associates have participated in the program to date, and we currently have more than 100 active mentor/mentee pairs.

GO, REACH FOR OPPORTUNITIES AT WORK

In response to our associates' desire for more visibility into career opportunities and paths for career development, the bank created the program entitled Go, Reach for Opportunities at Work.

GROW takes a holistic approach to supporting CoBank's ability to attract, retain, reward and develop its talent. It contains two main components: 1) GROW Job Architecture is a common methodology to create a consistent and systematic framework for managing roles, job families and functions, levels and career growth and 2) GROW Careers is an online tool that allows our associates more visibility into career development and growth opportunities. The GROW program is intended to improve transparency that associates desire to provide growth and development opportunities that will result in increased retention of our talent.

GROW CAREERS IS AN ONLINE TOOL THAT EMPOWERS ASSOCIATES TO TAKE OWNERSHIP OF THEIR CAREER GROWTH AT COBANK.

Create skills profile

Build skills profile to create matches with current job openings and existing roles.



Leverage skills

See how skills align with positions across the bank, not just in one functional area.



View opportunities

The tool will match associates with open roles that align with their skills.



Explore and grow

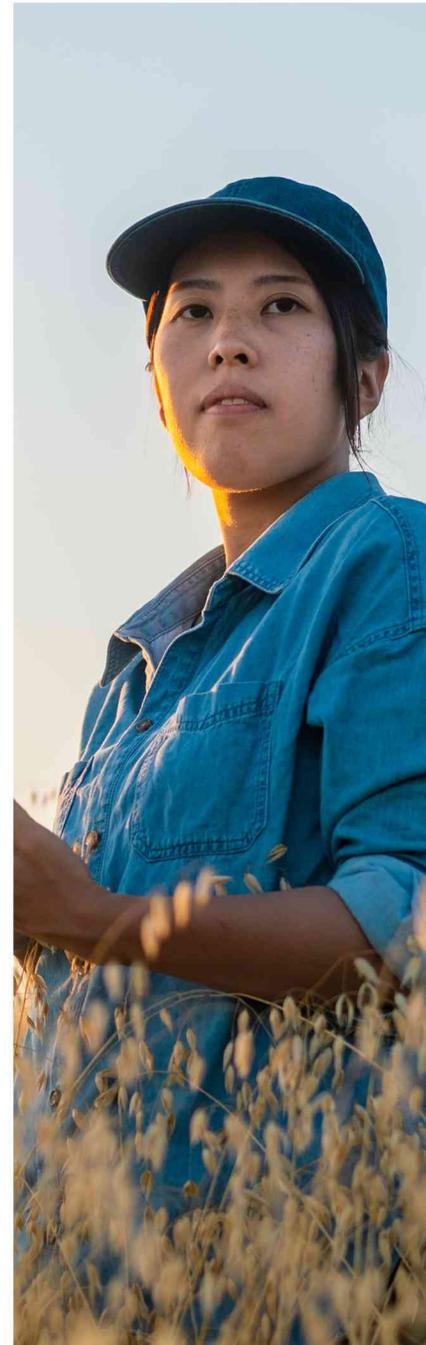
Learn about the skills required for any existing position and what development is needed to be eligible for any role.



Stewardship of the Environment



CoBank recognizes environmental stewardship that has been a longstanding attribute of U.S. agriculture. America's farms and farm businesses depend on healthy soils, plentiful fresh water and predictable growing seasons. With our long-standing support for environmental sustainability, we address our own operations and strengthen our customers' ability to protect the environmental resources that are integral to our shared value.



52%

reduction in 2023 Scope 2 emissions (market-based) achieved by sourcing zero-emissions wind power through renewable energy credits

100%

of Scope 1 and Scope 2 emissions (market-based) in offset through purchased farm-based carbon sequestration offsets in 2023

\$8.8 billion

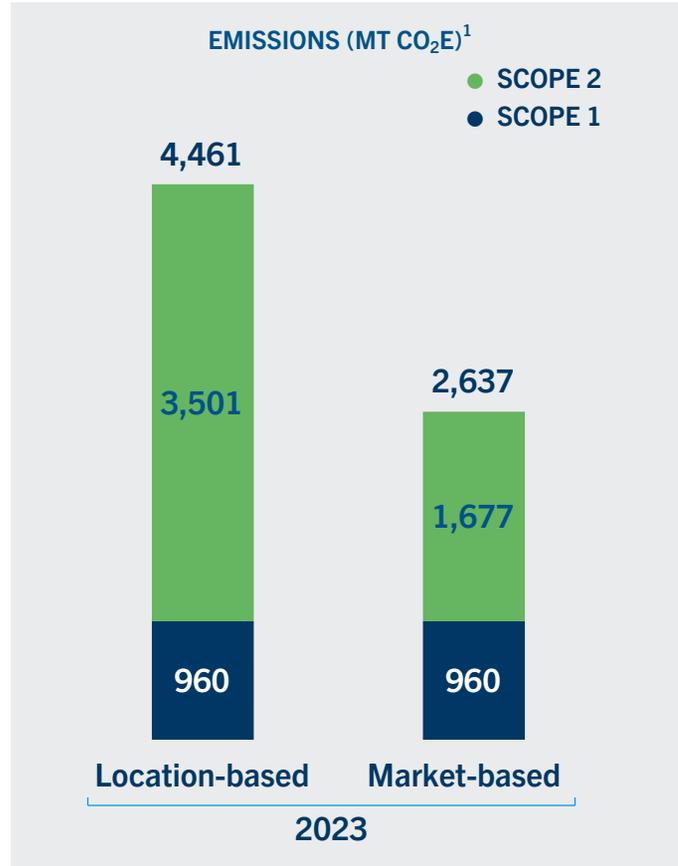
renewable energy loan/lease portfolio—CoBank is one of the largest U.S. underwriters of renewable energy projects

OUR STEWARDSHIP

Achieving the long-term resilience of agricultural production depends on stewardship of the natural landscapes where food is grown. As a bank mandated to provide financial support to our rural infrastructure, agribusiness and cooperative customers in a wide variety of industries, each with its own environmental impacts and goals, we impact the environment directly through our operations and indirectly through our financial activities. Our approach to environmental stewardship centers on managing the environmental impacts of our operations and preserving the environment through financing and customer solutions.

Environmental issues such as GHG emissions and conserving natural resources affect the business decisions of organizations across our value chain. In recognition of this, we intensified our focus on environmental stewardship in 2023 by dedicating resources to understanding and managing environmental risks and opportunities, and measuring our carbon footprint. In the coming years, we'll be working even more closely with customers to develop innovative financing solutions that support their efforts to promote a healthy environment and enable resilience amid the impacts of decarbonization-related risks and climate change.

We have also set the groundwork for understanding our direct Scope 1 and indirect Scope 2 GHG emissions impact. In time, we intend to greatly enhance our data intelligence capabilities, which will allow us to more effectively measure our environmental impact and provide greater transparency to our stakeholders.



¹ See Appendix 1: GHG Inventory Methodology for information about how emissions were calculated.

COBANK'S ENVIRONMENTAL IMPACT ECOSYSTEM

1 CARBON SEQUESTRATION BY FARMERS/TRUTERRA

Carbon offsets purchased by CoBank represent carbon permanently removed from the atmosphere, resulting in improved soil health and agricultural resilience.

2 GRANTS FOR SUSTAINABLE AGRICULTURE (OR OTHER ENVIRONMENTAL) PRACTICES

Many CoBank-supported universities and colleges are contributing to the advancement of sustainable agriculture practices.

3 CONTRIBUTIONS TO RURAL COMMUNITY DEVELOPMENT

Many of the civic and charitable organizations CoBank supports are integrating sustainability into their efforts to improve the quality of life in rural America.

4 PRESERVATION

CoBank customers have used the Sharing Success program to support sustainability efforts such as wildlife habitat preservation.

5 RENEWABLE ENERGY CREDITS

A portion of CoBank's purchased electricity comes from zero-emission wind power through renewable energy credits.

6 COBANK'S LEED-CERTIFIED BUILDING

CoBank's LEED-certified headquarters includes best-in-class environmentally-friendly and energy-efficient features.

7 RENEWABLE POWER FINANCING

CoBank is one of the largest U.S. providers of renewable energy financing.



MANAGEMENT OF SCOPE 1 AND SCOPE 2 EMISSIONS

CoBank commits to doing our part to reduce the impact of our operations on climate change. In 2023, we continued to comprehensively analyze the GHG emissions associated with our business operations. Previously, we had completed an inventory of our Scope 1 and Scope 2 CO₂e emissions in alignment with the World Resources Institute’s Greenhouse Gas Protocol Corporate Accounting and Reporting Standard to establish a baseline year of 2022. CO₂e reflects the measurement of GHG emissions of various types in the amounts at which they would have the equivalent global heating effect to CO₂. We continue to measure our CO₂e emissions annually by location and emission source, and we’re in the process of developing a strategy to reduce our carbon footprint while still serving our mission.

COBANK 2023 CO ₂ E EMISSIONS ¹		
	2022 ²	2023
SCOPE 1 Direct emissions from natural gas heating for office spaces, diesel fuel for generators, refrigerants, corporate fleet vehicle emissions and leased jet emissions	953 MT CO ₂ e	960 MT CO ₂ e
SCOPE 2 Indirect emissions from purchased energy, primarily electricity for office spaces	1,423 MT CO ₂ e (market-based)	1,677 MT CO ₂ e (market-based)
CO ₂ emissions reduced through purchased carbon offsets	2,376 CO ₂ e	2,637 CO ₂ e
Net Scope 1 and Scope 2 emissions	0 MT CO₂e	0 MT CO₂e

¹ See Appendix 1: GHG Inventory Methodology for information about how emissions were calculated.

² 2022 Scope 1 and Scope 2 emissions have been restated. 2022 calculations originally included an estimate for Q4. The reported numbers above are actuals for 2022 and 2023.

RENEWABLE ENERGY CREDITS

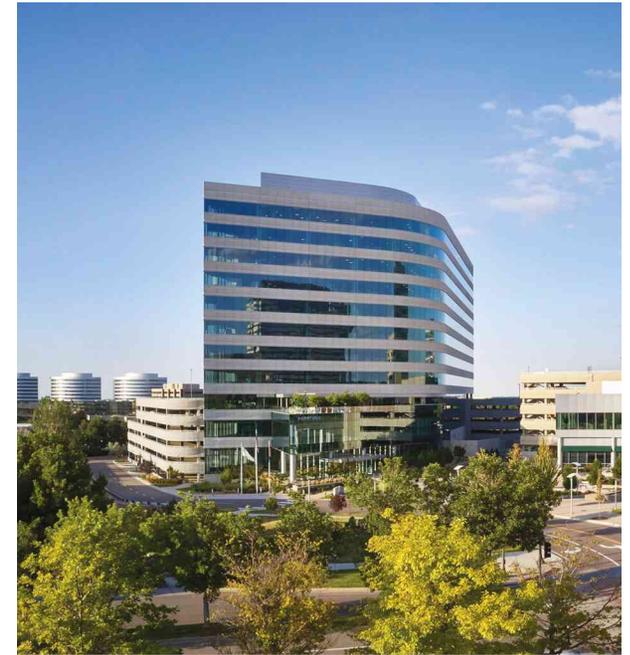
For more than ten years, we have purchased a large portion of our electricity from zero-emission renewable energy sources, which we obtain indirectly using unbundled renewable energy credits. In 2023, our market-based Scope 2 emissions were 52% lower than our location-based emissions, a difference facilitated by our purchase of RECs for electricity generated by clean wind power.

The location-based method measures emissions using the local average emissions generated by use of the electric grid in a specific area. The market-based approach shows emissions the company is responsible for through its purchasing decisions, which includes contracts such as RECs. Market-based emissions thus factor in companies’ decision-making, revealing its potential decrease of emissions in comparison to location-based emissions.

CARBON CREDITS SUPPORTING AGRICULTURE

We are a proud partner of Truterra, the leading farmer-driven sustainability program in the U.S. with projects aimed at improving soil health and stewardship of agricultural land. For the second consecutive year, we purchased Truterra carbon offsets based on carbon sequestration resulting from soil-based regenerative agriculture management practices. By purchasing Truterra carbon credits, we offset our 2023 Scope 1 and market-based Scope 2 emissions to net zero emissions while supporting the resilience and health of partner farms.

CoBank’s complete carbon footprint also includes Scope 3 emissions, the indirect emissions resulting from our operations from sources that we don’t own or control. CoBank will continue to monitor and evaluate these indirect emissions as we continue our sustainability journey.



BUILDING ENVIRONMENTALLY FRIENDLY PRACTICES INTO HOW WE WORK

We are proud to work in our 11-story headquarters building for its sustainable design features and operations. Built in 2015, the building received LEED Silver certification in recognition of its environmentally sound building strategies and practices. Other ways we’re adopting and encouraging environmentally friendly practices in our workplace include:

- Operating a bank-wide recycling program.
- Purchasing hybrid vehicles for our business fleet.
- Providing 376 EcoPasses to our Denver associates so that they can lower their commute emissions by traveling to work using city buses and light rail rather than personal vehicles.

SUSTAINABLE FINANCING

CoBank supports our customers in their transition to adopting more sustainable business practices and sourcing clean and renewable energy for their businesses. We are proud to be one of the largest financiers of renewable energy projects in the U.S.

SUSTAINABILITY-LINKED LOAN PRODUCT

Many of our customers also seek to reduce their own environmental impacts, and they look to CoBank for support in financing that transition. In 2023, we made our first sustainability-linked loan product available to our customers to support sustainable activity and growth. Based on the sustainability-linked loan principles of the Loan Syndications and Trading Association, our product provides incentives to customers that meet key performance indicators KPIs agreed upon between CoBank and the customers. Sample KPIs include the share of renewable energy in a borrower's total energy consumption or the percentage of spend with diverse suppliers of goods and services.

The incentives can be structured in the form of a discounted interest rate on the loan or an interest refund at the end of the loan.

We plan to further collaborate with businesses serving rural America to finance their sustainability goals. Through the ongoing development of innovative sustainability-focused financial solutions, we plan to meet our customers' needs while recognizing environmentally friendly business practices.



IN THEIR OWN WORDS

A commitment to sustainability and stewardship, as each unique organization defines them, is fundamental to the ongoing health and prosperity of rural America and the businesses that support it. Farmers, ranchers, agricultural and infrastructure cooperatives, and other rural businesses are actively investing in sustainability. For some CoBank customers, these are new initiatives. Others have been building their programs for decades.

BASIN ELECTRIC POWER COOPERATIVE

“Basin Electric’s stewardship of the environment has been a guiding principle since its incorporation more than six decades ago. The cooperative has more than 20 years of experience and knowledge gained in carbon capture, utilization and storage. In renewables, we built and operate the largest wind project owned solely by a cooperative in the nation and have supported the largest wind portfolio of any generation and transmission cooperative in the nation.”

HEARTLAND CO-OP

“In 2020, Heartland formed our Conservation Agronomy Team in order to meet increasing demand from our members for help in adopting conservation farming practices. Heartland is a founding member of Iowa’s Agriculture Clean Water Alliance and has supported the promotion and adoption of conservation on Iowa’s farms for decades. Every farm in Iowa has unique challenges and unique operators, and it’s our team’s job to make conservation farming accessible to everyone.”

THE WONDERFUL COMPANY

“In the face of a rapidly changing climate, environmental sustainability is at the center of our work. We believe our company, in all its operations, must be a deeply responsible steward of the environment and lead by example to create a sustainable future.”

FINANCING RENEWABLE ENERGY

CoBank is a proud partner of rural power providers across America, and we remain responsive to our customers' growing demand for clean energy. Concerns about climate change are prompting our customers to increase the renewable power sources in their energy portfolios. While we serve our mission by financing rural power provided through diverse energy sources, our financial products and services play a vital role in helping the rural economy achieve its environmental sustainability goals.

Today, CoBank's energy portfolio includes \$8.8 billion in total commitments for renewable energy projects. That makes us one of the largest underwriters of renewable energy in the country—a leadership position we're committed to maintaining in the future.

SUPPORTING SUSTAINABILITY-FOCUSED PROGRAMS

We view our commitment to environmental sustainability as an integral part of good corporate citizenship. At CoBank, we aim to serve the communities where our employees and customers live and work by fulfilling their needs today while also ensuring a strong, healthy future. We support the resilience of our communities through our financial contributions and knowledge-sharing programs. In 2023, CoBank continued its support for the Beneficial Electrification League and its efforts to develop education and outreach programs for utilities and school districts, encouraging participation in a federally funded electric school bus rebate program.

Access to electric school bus fleets can help rural school systems create more sustainable communities and lower operating costs. CoBank's support is amplifying the joint efforts of BEL and electric cooperatives to educate rural school systems on how to access these resources for the benefit of their communities.

In addition, CoBank regularly partners with our customers through our Sharing Success program to fund organizations and projects that promote sustainability and responsible stewardship of environmental resources.

KNOWLEDGE-SHARING

CoBank also supports our customers' sustainability journeys through knowledge-sharing and collaboration. Our Knowledge Exchange Division periodically issues publications and holds webcasts that provide insights into sustainable practices as well as the unique sustainability challenges for the industries we support.

The Sustainability Team actively supports CoBank's Banking Divisions in customer discussions regarding their sustainability strategies. In addition, the Sustainability Team and other bank leaders are continuously collaborating with entities within the rural and agriculture ecosystem, including nongovernmental organizations, government agencies, food retailers, consumer packaged goods companies, etc. to explore a variety of collaboration options to further sustainable practices and programs our customers are considering and implementing.



CARING FOR THE URBAN FOREST

In 2023, CoBank partnered with customers, including WestRock, to support Trees Atlanta, a nonprofit that protects and improves Atlanta's urban forest through planting, conservation and education. Among the programs supported is the Youth Tree Team, a paid summer job training initiative that allows high school students to explore green jobs with hands-on experience while working alongside Trees Atlanta staff.

“As a global leader in sustainable paper and packaging solutions, our partnership with the Trees Atlanta Youth Tree Team aligns squarely with both of WestRock's strategic community priorities—developing a workforce for manufacturing and environmental sustainability. In addition to the Youth Tree Team playing an important role in maintaining Atlanta's urban tree canopy, students are also exposed to career opportunities in a variety of green fields, including manufacturing,” shared Mandy Burnette, director, corporate giving at WestRock. “We appreciate CoBank joining WestRock in support of Trees Atlanta and this important program for metro Atlanta's youth.”

Combined CoBank and customer contributions to Trees Atlanta totaled \$25,000 in 2023.

Serving With Integrity



CoBank prioritizes ethical conduct and good governance throughout our operations and within our sustainability strategy. We work with our stakeholders to ensure that their best interests are addressed through sound policies and procedures that support our sustainability journey.





Learn more about CoBank's policies and programs:

- Code of Ethics for Directors and Associates
- Privacy Policy

ETHICS AND STANDARDS OF CONDUCT

CoBank has a robust, long-standing Ethics and Standards of Conduct Program ESOC, which our board of directors oversees. CoBank's ESOC Officer reports annually to the board of directors on all aspects of the ESOC program, and Internal Audit reports quarterly to the board of directors' Audit Committee regarding Ethics Hotline activity.

As of January 1, 2023, the board enhanced the program through the adoption of a new Code of Ethics for directors and all associates, consistent with new Farm Credit Administration regulations. Our ESOC program follows the requirements established by FCA, and our written policies and procedures promote high ethical standards among our team members.

The Code of Ethics for Directors and Associates defines values and expectations for ethical conduct in our business activities, including expectations for appropriate professional conduct and how to identify, handle and report conflicts of interest and possible policy violations. It incorporates several core principles, such as the responsibility to maintain high ethical standards of care, honesty, integrity and fairness. It supplements other related policies, including the Associate Responsibilities and Conduct policy, which communicates CoBank's high standards of personal and professional conduct.

All new associates receive ethics training when they join the bank, and all associates receive regular training throughout the year. Director conduct similarly is governed by policy, and directors also receive ethics training. Training for associates and directors is presented through a combination of in-person and video programs. CoBank's policies also address the ethical behavior of vendors that provide services to CoBank. Service providers are required to act ethically when dealing with CoBank.

CoBank's Speaking Up policy establishes multiple, alternative channels of communication through which our associates may report issues or concerns, including a confidential Ethics Hotline operated by a third-party provider. To ensure that associates and the public are aware of how to report possible violations, we post the hotline number and reporting website both in internal and external locations.



CYBERSECURITY AND PRIVACY

With average loan volume of \$143 billion in 2023, CoBank handles a significant amount of customer data daily. It is a top priority that CoBank protects the customer information in our hands and manages those risks to the best of our ability.

CoBank is committed to maintaining the confidentiality of the information entrusted to us by our customers, partners and others that use our services or visit our systems. We utilize a defense-in-depth approach to data security and privacy, employing multiple layers of security to protect information. We also employ standards from the International Standards Organization and the National Institute of Standards and Technology Cybersecurity Framework as well as guidance from the Federal Financial Institutions Examination Council.

CoBank's security and privacy programs are overseen by the board of directors' Risk and Audit committees and a Security Steering Committee made up of senior members of CoBank's leadership. Our Corporate Security Officer manages our security program, and our Privacy Officer manages our privacy program.

Management regularly evaluates the effectiveness of the programs and monitors changes in standards and guidance. An important component of our regular evaluation is the series of operational audits periodically completed by our Internal Audit department to evaluate the effectiveness of our program, our control environment and compliance with CoBank Board Policy. All of this is subject to evaluation by our independent regulator, the Farm Credit Administration.

In the fourth quarter of 2023, the FCA approved a final rule on cyber risk management. The rule requires each Farm Credit System institution to develop and implement a comprehensive, written cyber risk management program. We are in the process of implementing CoBank's program, which will be in compliance with the final rule.

CoBank's security environment consists of layers of intrusion detection, intrusion prevention, anti-malware, threat monitoring, behavioral analysis, vulnerability detection and remediation, configuration management, and event monitoring. These controls are designed to minimize the potential for system or data compromise and to maximize the potential to identify attempts to exploit our systems. CoBank's Security Incident Response process responds to negative events to minimize any impact on the bank or our customers.

To ensure reliable and consistent banking services, we prioritize efforts to reduce business disruptions caused by unforeseen external events. CoBank operates a Business Continuity program that responds to business interruptions regardless of their scope or origin. Our five key objectives for business continuity and recovery are:

- Ensure the safety and well-being of associates.
- Protect critical information loss.
- Minimize interruption of service to customers.
- Minimize the financial impact from a disruption.
- Ensure proactive, ongoing and transparent communication to all stakeholders during a business disruption.

SUPPLIER DIVERSITY PROGRAM

At CoBank, we constantly strive to elevate our business performance and remain relevant to our customers and an evolving marketplace. One way we do this is by supporting organizations that connect the bank to diverse groups working to bring new skills and new perspectives to our industry and those we serve. Further expanding our commitment to DEI, we seek to proactively identify and include underrepresented communities in our procurement of goods and services. Fostering an inclusive supply chain brings a diversity of experiences and perspectives, enabling us to deliver innovative solutions for our customers and the communities we serve.

CoBank has partnered with a third-party vendor to support the bank's strategic diversity procurement initiatives. In addition to benchmarking CoBank's diversity spend to industry peers, quarterly data refreshes allow us to continuously monitor our progress. The vendor's diversity enrichment tool provides insights into areas of additional procurement opportunity to continue to improve our results.

Additionally, as we focus efforts to present diverse slates of suppliers in our proposal processes, our third party has the capability to help us identify diverse suppliers for consideration, as it has access to the most comprehensive database of diverse sustainable suppliers.

Our initial benchmark, which analyzed addressable spend¹ data from January 1, 2022, to December 31, 2022, revealed 8% of total diverse spend and 9.9% of diverse suppliers. The most recent annual period for the quarter ended December 31, 2023, reflected an increase to 9.5% of total diverse spend and 11.3% of diverse suppliers. CoBank strives to show continuous improvement in our year-over-year trend as we establish a strong foundation for future success. We anticipate achieving improvement through targeted participation with diversity organizations, including diverse suppliers in proposal activities, and educating our internal procurement teams on the importance of the program and their role in achieving greater supplier diversity.

TRANSPARENT AND CONSISTENT REPORTING

CoBank believes that transparency into our sustainability strategy serves our goal of maintaining high standards of business ethics. Consistent reporting of our sustainability journey supports our stakeholders' interests by informing them of our sustainability efforts and illustrating how our programs and policies have evolved and will continue to evolve.

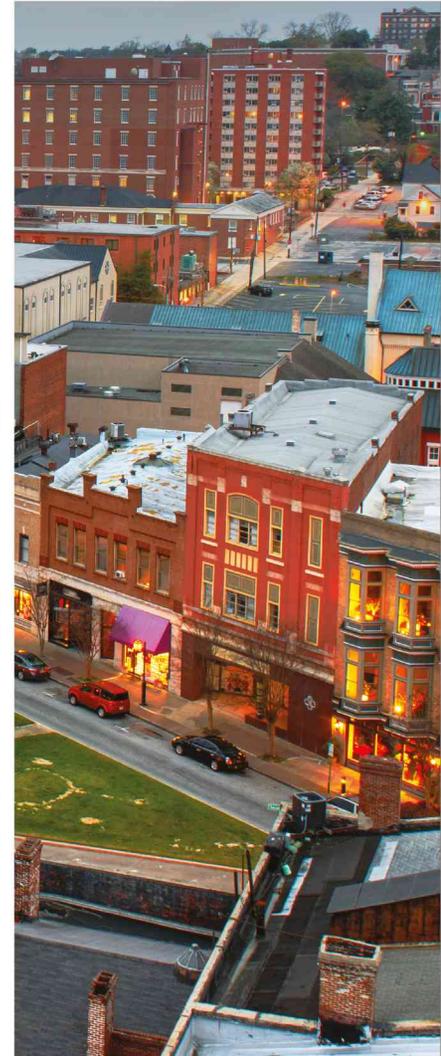
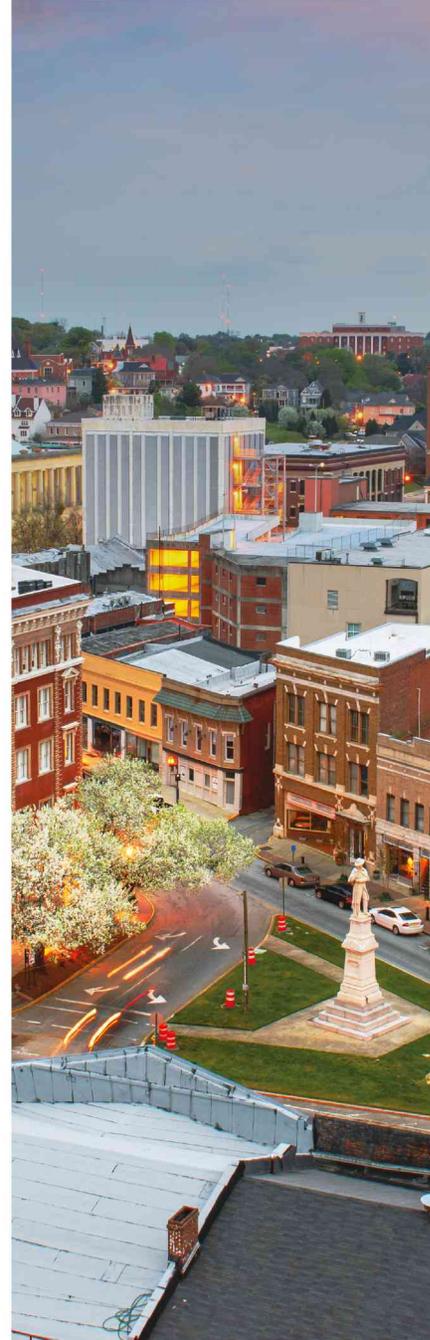
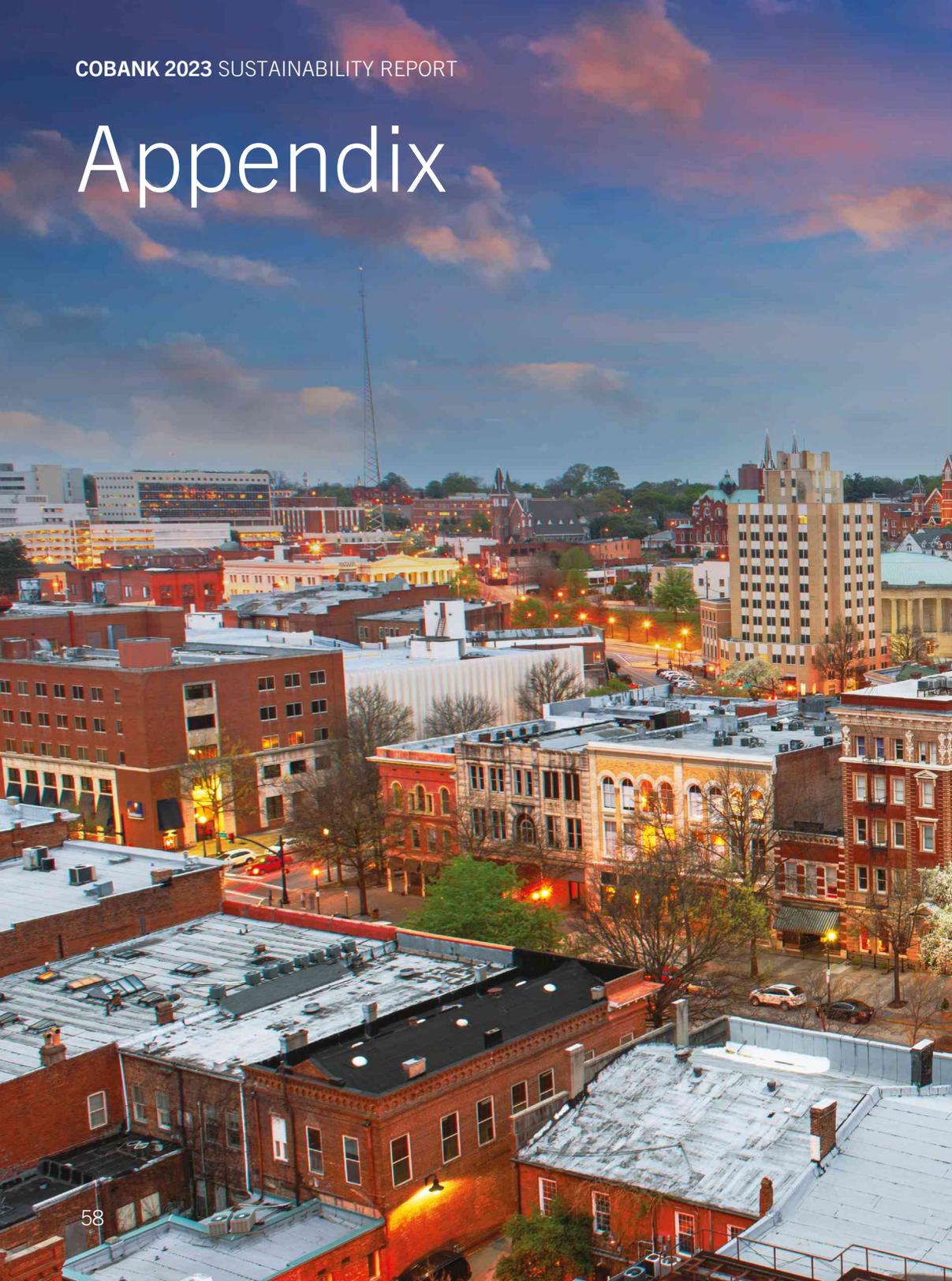
We apply the principles of a globally recognized sustainability reporting standard and other widely adopted frameworks in this annual sustainability report, and we reference their disclosures to align our sustainability-linked policies, performance and programs with reporting best practices. In 2023, we partnered with a third party to conduct a disclosure gap assessment against the GRI 2021 standards to evaluate additional content for our report. This assessment supported our decision to enhance the presentation of our sustainability approach and priority topic selection process.

The CSO, the Sustainability Advisory Group and our Corporate Communications Group are responsible for the comprehensive review of the content of CoBank's Report. The board of directors provides the final review and approval for the publication of our report.

We have developed our initial internal controls for our sustainability reporting process to ensure the accuracy and completeness of statements made and data included in our report. The Sustainability Team continues to review and update the controls as necessary to align with the evolution of our sustainability reporting.

¹ Addressable spend includes goods and services.

Appendix



TYPES OF GASES INCLUDED IN SCOPES 1 AND 2 EMISSIONS:

Gas	AR5 100-Year GWP
CO ₂	1
CH ₄	28
N ₂ O	265

Source: Intergovernmental Panel on Climate Change, Fifth Assessment Report AR5, 2014

COBANK SCOPES 1 AND 2 GHG INVENTORY 2023 METHODOLOGY

CoBank compiled a GHG emission inventory for January 1, 2023 through December 31, 2023. The GHG inventory aggregates comprehensive Scopes 1 and 2 emissions from 14 CoBank facilities.¹

The GHG inventory prepared for CoBank aligns with the World Resource Institutes' Greenhouse Gas Protocol Corporate Accounting and Reporting Standard 1. Scope 1 and Scope 2 emissions are included in this inventory, but Scope 3 emissions are excluded. Scope 2 emissions for CoBank's operations result from purchase of third-party electricity. As CoBank purchased RECs in 2023, Scope 2 emissions were calculated using the location-based and market-based approaches as outlined in the GHG Protocol.

All GHG emissions in this inventory are reported in carbon dioxide equivalents (CO₂e), which is a unit of measure that normalizes the global warming potential to that of an equivalent amount of CO₂. This inventory uses GWPs for carbon dioxide, methane and nitrous oxide from the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.

Per the GHG Protocol, an emissions base year recalculation will be triggered by certain changed circumstances. CoBank will recalculate its emissions base year if the cumulative effect of any of these changes meets or exceeds a significance threshold of 5% of base year emissions. CoBank may also choose to recalculate its base year for other reasons at its discretion, which will be documented in the Inventory Management Plan.

GHG BOUNDARY APPROACH

CoBank has elected to implement the operational control boundary in its GHG inventory. Scope 1 emissions are GHG emissions directly generated by a company's activities. Most Scope 1 emissions result from fuel combustion by stationary sources (e.g., space or water heaters) and/or mobile sources (e.g., cars, aircraft) and leaks of GHG gases with high global warming potential into the atmosphere. Where applicable, other direct process GHG emissions within a company's boundaries will also be included in Scope 1.

Scope 2 emissions are indirect emissions that result from the use of energy that is purchased from a third-party generator. The third-party generator, usually a utility or distributed generation company, claims the direct emissions resulting from energy generation as part of their Scope 1 emissions. These GHG emissions are also accounted for as indirect Scope 2 emissions by the consumer of the energy, as the consumer creates the demand to generate the energy it purchases. For most companies, Scope 2 emissions result from the use of purchased electricity. However, GHG emissions resulting from the use of purchased heating, cooling and/or steam are also included in Scope 2 where applicable.

¹ The 14 facilities of CoBank include Greenwood Village, Colorado (Headquarters); Atlanta, Georgia; Enfield, Connecticut; Fargo, North Dakota; Louisville, Kentucky; Lubbock, Texas; Minneapolis, Minnesota; Omaha, Nebraska; Rocklin (Sacramento), California; Spokane, Washington; St. Louis, Missouri; Washington, District of Columbia; Wichita, Kansas; and Singapore.



COBANK 2023 SUSTAINABILITY REPORT

Scope 3 accounts for all indirect emissions that occur across the value chain, both upstream and downstream of a company's operations. While these emissions potentially have the largest impact on a company's GHG footprint, only select ESG frameworks require disclosures of Scope 3 emissions at this time. Scope 3 emissions are excluded from this inventory.

Sources of inputs utilized while calculating Scopes 1 and 2 emissions

We sourced activity data used to calculate GHG emissions from corporate records, where available, and surveys sent to landlords of office spaces leased by CoBank to capture utility and other emission data that CoBank does not have access to.

For offices where data gaps exist and primary data was unavailable, we estimated emissions data using either proxies or default values.

Natural gas and other stationary combustion

We calculated stationary combustion emissions based on fuel usage. This data was provided by either CoBank or landlords at leased facilities or was estimated using supplementary default values and combustion emission factors from the Environmental Protection Agency's Center of Corporate Climate Leadership's GHG Emission Factor Hub.

Mobile source emissions

CoBank calculated vehicle emissions based on mobile fuel usage and, for on-road vehicles, distance traveled, using vehicle emission factors from the EPA's GHG Emission Factor Hub.

Fugitive refrigerant emissions

Fugitive emissions from fluorinated gases, typically used as refrigerants, are included in this GHG inventory. The most precise way to account for refrigerant leaks is to either measure them or obtain refrigerant recharge volumes from contractors hired to service the equipment.

As that data is often not available, we used a modified version of the GHG Protocol's Screening Method approach, which estimates annual refrigerant leakage for each type of equipment using default leak rates provided by the IPCC's Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories.

Location-based Scope 2 emissions

We based our GHG emission calculations on annual usage, either measured or estimated for each CoBank location, and used the national average emission factors obtained from the EPA's GHG Emission Factor Hub for U.S. offices and the International Energy Agency Emission Factors 2021 database for international offices for these locations. This approach assumes that all electricity is obtained from the grid.

Market-based Scope 2 emissions

To calculate GHG emissions for this category, we utilized residual mix emission factors obtained from Green-e® and applied them to all locations in the U.S. to calculate our market-based Scope 2 emissions. As no suitable residual mix emission factors are available for Singapore, following the GHG Protocol, we used grid-average factors to calculate market-based Scope 2 emissions for this location.

Where CoBank purchased RECs in a region, these RECs were subtracted from facilities' energy usage in the corresponding region. CoBank purchased a total of 3,556 RECs in 2021, 2022 and 2023, each amount equivalent to 1 MWh of energy. We subtracted this total from energy usage at the Greenwood Village, Colorado, office and applied a residual mix factor to the remaining energy usage.

Base year and rationale

CoBank selected 2022 as the base year because it is the earliest point in time that we collected data for Scope 1 and Scope 2 emissions.

CoBank's GHG emissions intensity ratio

GHG emissions intensity ratio for the organization: Scopes 1 and Scope 2 (market-based) MT CO₂e / Total Full-Time Employees

Total CO₂e per FTE Intensity Ratio: 2,637 MT CO₂e / 1,199 = 2.20

CoBank restatement of 2022 emissions

The 2022 Scope 1 and Scope 2 emissions in the 2022 Report included Q4 estimations. The 2022 Scopes 1 and 2 emissions have been restated with actual data for the entire year. The 2022 Scope 1 and Scope 2 actuals are:

- Scope 1: 953 MT CO₂e
- Scope 2 location-based: 3,246 MT CO₂e
- Scope 2 market-based: 1,423 MT CO₂e

The resulting updated measurement shows 10% fewer emissions for Scope 1 and Scope 2 market-based emissions and 4% fewer emissions for Scope 1 and Scope 2 location-based emissions.

Estimations

Our 2023 Scope 1 estimations were based on actual data from January 1, 2023, through December 31, 2023, combined with best estimates in accordance with the GHG Protocol:

- 82% of our Scope 1 data was based on estimations.

Diesel used in generators was a hybrid estimation using actual spend and generator run times correlated with the specific generator models' consumption.

All vehicle emissions were calculated from actual vehicle model types and distance traveled to estimate fuel usage with the combined fuel economy of the vehicle models.

Refrigerant recharge rates were estimated based on actual provided equipment types and their respective capacities.

Two sites estimated natural gas usage based on spend.

2023 Scope 2 estimations used methodologies stemming from actual data from January 1, 2023 to December 31, 2023 for proxies and in accordance with GHG Protocol standards:

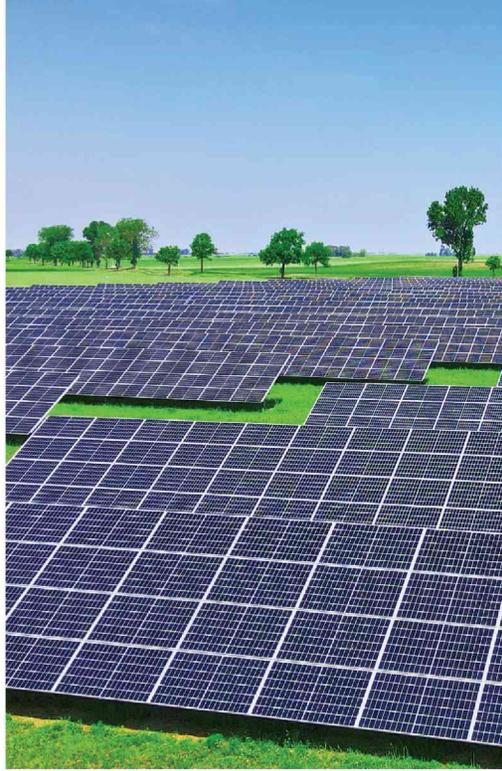
- For January-December 2023, 7% of location-based and 15% of market-based emissions were estimated.
- Three out of 14 of CoBank's leased office spaces could not provide actual electricity data, so proxy usage was assumed based on U.S. Energy Information Association Commercial Building survey data (average data method).



GRI CONTENT INDEX

ESG Metrics	Response/Location
Statement of use	CoBank has reported the information cited in this GRI Content Index for the period January 1, 2023, to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
GRI 2: General Disclosures 2021	
2-1 Organizational details	2023 Annual Report, pp. 16, 33, 94
2-2 Entities included in the organization's sustainability reporting	The entities included in the scope of this reporting include CoBank, ACB and its wholly owned subsidiaries, CoBank, Farm Credit Bank and Farm Credit Leasing. For more information, see p. 91, 2023 Annual Report.
2-3 Reporting period, frequency and contact point	The Report, published February 29, 2024, includes information representing our sustainability efforts and achievements from January 1, 2023, to December 31, 2023. CoBank publishes an annual sustainability report that covers information related to the prior calendar year. The reporting period for CoBank's annual financial report is the calendar year. For questions about the reported information, reach out to ESGTeam@cobank.com
2-4 Restatements of information	Appendix: CoBank Scopes 1 and 2 GHG Inventory 2023 Methodology
2-5 External assurance	External assurance was not received for this report.
2-6 Activities, value chain and other business relationships	There have been no significant changes in CoBank's activities, value chain or other business relationships. For more information, see pp. 33-47, 2023 Annual Report.
2-7 Employees	Supporting our People: Diversity, Equity and Inclusion.
2-8 Workers who are not employees	CoBank uses a third-party service provider to maintain details on our contract workers. Information on exact numbers is unavailable/incomplete.
2-9 Governance structure and composition	CoBank's Approach to Sustainability: Sustainability Governance CoBank's board members are nonexecutive members. For more information, see pp. 158-169, 2023 Annual Report.
2-10 Nomination and selection of the highest governance body	2023 Annual Report, p. 161 Director Qualifications and Election Policy
2-11 Chair of the highest governance body	2023 Annual Report, p. 166. The Chair of the board of directors is not a senior executive of the organization.
2-12 Role of the highest governance body in overseeing the management of impacts	CoBank's board uses a committee system to assist in fulfilling its oversight responsibilities. The board has established five standing committees: Executive, Compensation and Human Resources, Audit, Risk, and Governance. The primary purpose of the Executive Committee is to develop for board consideration recommendations that will implement the bank's strategic plan, provide advice and counsel to the board and management on policy matters relative to capital and finance, address other matters as necessary and act on behalf of the board between board meetings when necessary. For more information, see cobank.com. See CoBank's Approach to Sustainability: Sustainability Governance for information on the management of sustainability impacts.
2-13 Delegation of responsibility for managing impacts	CoBank's Approach to Sustainability: Sustainability Governance
2-14 Role of the highest governance body in sustainability reporting	Serving with Integrity: Transparent and Consistent Reporting
2-15 Conflicts of interest	2023 Annual Report, p. 158 Director Qualifications and Election Policy
2-16 Communication of critical concerns	Serving with Integrity: Ethics and Standards of Conduct

ESG Metrics	Response/Location
GRI 2: General Disclosures 2021	
2-18 Evaluation of the performance of the highest governance body	Governance Committee Charter
2-19 Remuneration policies	2023 Annual Report, pp. 168-169, 173-185
2-20 Process to determine remuneration	2023 Annual Report, pp. 168-169, 173-185
2-21 Annual total compensation ratio	Information unavailable/incomplete. CoBank does not currently have the appropriate data to determine this ratio.
2-22 Statement on sustainable development strategy	Letter from our Board Chair and CEO
2-23 Policy commitments	Serving with Integrity All policies and directives are approved by the board and Executive Committee.
2-24 Embedding policy commitments	Serving with Integrity; CoBank's Approach to Sustainability
2-25 Processes to remediate negative impacts	Serving with Integrity: Ethics and Standards of Conduct
2-26 Mechanisms for seeking advice and raising concerns	Ethics and Standards of Conduct
2-27 Compliance with laws and regulations	We are not aware of any significant instances of noncompliance with laws and regulations during the reporting period.
2-28 Membership associations	Strengthening Our Communities: Cooperative Advocacy and Industry Support; 2023 Annual Report, pp. 16
2-29 Approach to stakeholder engagement	CoBank's Approach to Sustainability: Materiality Assessment
2-30 Collective bargaining agreements	CoBank employees are not subject to collective bargaining agreements.
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	CoBank's Approach to Sustainability: 2023 Priority Topics and Materiality Assessment
3-2 List of material topics	CoBank's Approach to Sustainability: 2023 Priority Topics and Materiality Assessment
3-3 Management of material topics	CoBank's Approach to Sustainability: 2023 Priority Topics and Materiality Assessment
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	Our Cooperative Foundation; Sustainability At A Glance; Strengthening Our Communities: Corporate Giving and Volunteerism 2023 Annual Report, pp. 4-5, 34-40
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Stewardship of the Environment
305-2 Energy indirect (Scope 2) GHG emissions	Stewardship of the Environment
305-4 GHG emissions intensity	Appendix: CoBank Scopes 1 and 2 GHG Inventory 2023 Methodology
305-5 Reduction of GHG emissions	Stewardship of the Environment: Our Stewardship; Management of Scope 1 and Scope 2 Emissions
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	The organization has not identified any substantiated complaints concerning breaches of customer privacy.



CoBank 2023 Sustainability Report

GROWING RURAL AMERICA