CoBANK

GROWING RURAL AMERICA

2020 CORPORATE SOCIAL RESPONSIBILITY REPORT

OVERVIEW

As a mission-based cooperative lender and member of the Farm Credit System, CoBank is committed to being a good corporate citizen. The bank 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.

2-7 | CORPORATE GIVING

- $13.2 million in charitable contributions in 2020, including commitments for future years
- Joint contributions of nearly $56 million by CoBank and its customers to charitable organizations through Sharing Success since 2012

8-11 | SUPPORT FOR AGRICULTURE AND LOCAL FOODS

- $96.6 billion retail and wholesale agribusiness portfolio
- Nearly $2 million contributed to local food and urban agriculture programs over the past five years

12-17 | COOPERATIVE ADVOCACY AND INDUSTRY SUPPORT

- $3.2 million to support cooperative advocacy and industry organizations across the U.S. in 2020

18-21 | DIVERSITY AND INCLUSION

- Eight Associate Resource Groups promote an inclusive workplace and support the bank's diversity and inclusion efforts
- $500,000 in 2020 to support organizations dedicated to promoting racial equity and social justice

22-25 | RESEARCH AND HIGHER EDUCATION

- Multi-year grants to land grant and other universities focused on agricultural research and education
- Financial support for university centers focused on the study and advancement of cooperatives

26-29 | RURAL COMMUNITY DEVELOPMENT

- Major investments in rural equity funds and public-private partnerships designed to bolster investment and job growth in the U.S. rural economy

30-33 | RURAL DISASTER RELIEF

- Nearly $3.6 million in disaster relief contributions in the past five years

34-37 | SUSTAINABILITY AND THE ENVIRONMENT

- $4.2 billion renewable energy portfolio
- One of the nation's leading financiers of renewable energy projects

KEY FACTS

HEADQUARTERS

Greenwood Village, Colorado

EMPLOYEES

CoBank employed 1,136 associates as of 12/31/2020

RECOGNITION

For the 10th consecutive year, *Global Finance* magazine named CoBank one of the 50 safest banks in the world

$159 BILLION ASSETS

CoBank is one of the largest private providers of credit to the U.S. rural economy

15 BANKING CENTERS

Throughout America

TO OUR CUSTOMERS AND OTHER STAKEHOLDERS

When reflecting on the year 2020, it is certain that all of us will do so from widely different perspectives. Many will describe it as a year of enormous personal and professional challenges. Others will remember it as a remarkable point in history. Our nation has been impacted by economic hardship, a global pandemic and civil unrest. We have also witnessed countless demonstrations of indomitable human strength and spirit.

Throughout all this, CoBank remains focused on its mission of service: providing strong, dependable financial resources for agriculture and the other vital rural industries we serve. Despite extraordinary challenges in the marketplace, the bank delivered another year of exceptional financial performance. As a cooperative financial institution, we are committed to ensuring that our customer-owners share in our success. Patronage distributions for eligible customers will total $728 million, the highest level in the history of the bank.

The bank also continued to invest in the strength and vitality of rural communities through its corporate citizenship programs. In response to the pandemic, CoBank increased funding by $1 million for Sharing Success, generating a record $10.2 million in charitable contributions across rural America. It also invested $500,000 in civil rights organizations dedicated to promoting social justice and ending discrimination. In total, CoBank contributed more than $13.2 million to support critical programs addressing disaster relief, diversity and inclusion, education, healthcare, hunger and more. The bank contributed an additional $3.2 million in commercial sponsorships to a wide variety of industry organizations important to our customers.

As we look to the future, CoBank's board and management team will continue to focus on growth and the prudent investment in our business that enables us to generate lasting value for our customer owners. Just as importantly, we will continue our efforts to create economic and social opportunity and to make a positive difference in the communities we serve.

KEVIN G. RIEL
Board Chair

THOMAS HALVERSON
President and
Chief Executive Officer

KEVIN G. RIEL
Board Chair

THOMAS HALVERSON
President and CEO

CORPORATE GIVING

Together with its customers, CoBank supports hundreds of local food banks and other organizations working to feed those in need. One of these is Denver-based We Don't Waste, an innovative food recovery organization that gathers excess food from caterers, restaurants and others, and places it in the hands of the hungry. In the process, We Don't Waste keeps more than 6 million pounds of healthy, quality food out of landfills every year.

IN RESPONSE TO THE COVID-19 PANDEMIC, THE BANK INCREASED ITS 2020 SHARING SUCCESS FUND, GENERATING A RECORD $10.2 MILLION IN DONATIONS.

As a mission-based cooperative lender, CoBank believes in giving back to the communities where our customers and associates live and work. In 2020, the bank made a total of $13.2 million in charitable contributions, including commitments for future years.

Corporate giving at CoBank takes many forms, including:

SHARING SUCCESS

CoBank's Sharing Success program matches the charitable contributions of the bank's customers. It is a tangible demonstration of cooperation among cooperatives and commitment to community. Since 2012, combined Sharing Success contributions have totaled nearly $56 million. In response to the COVID-19 pandemic, the bank increased the 2020 Sharing Success fund, generating a record $10.2 million in donations to more than 1,330 organizations.

SUPPORT FOR RURAL VETERANS

For five years, CoBank has partnered with No Barriers USA to support rural veterans. Through the No Barriers Warriors program, CoBank sponsors opportunities for rural veterans with disabilities to participate in multiday expeditions in Colorado's Rocky Mountains, challenging participants to overcome both physical and emotional challenges.

While the pandemic forced the cancellation of in-person expeditions in 2020, CoBank's support enabled No Barriers to develop a new, virtual experience for veterans. The six-week curriculum included activities, presentations and facilitated discussions. More than 150 veterans participated, continuing the Warriors' tradition of fostering camaraderie and creating positive change. While No Barriers hopes to resume in-person expeditions in 2021, the online program will continue to offer expanded opportunities to reach more veterans across the country.

BOARD AND ASSOCIATE PROGRAMS

Every year, each member of CoBank's board of directors designates $25,000 in contributions from the bank to nonprofit organizations. In addition, CoBank associates are able to direct a $500 contribution. In 2020, donations made through these programs totaled more than $1 million.

CoBank associates can also designate a portion of each paycheck to the United Way, a national nonprofit focusing on education, health and financial stability. In 2020, associates donated more than $200,000 through our workplace giving program. In addition, the bank matched associate contributions to organizations addressing needs created by the pandemic and to those promoting racial equity and social justice. Through these programs, CoBank and its associates jointly contributed more than $190,000 to 164 nonprofit organizations.

CoBank encourages its associates to contribute their time and expertise by offering an annual paid day off to volunteer. The bank honors those who demonstrate outstanding community service through volunteerism with its annual Volunteer Service Award. Award winners are selected by a committee of their peers and each receives a $5,000 contribution from the bank to the charity they support.

SPECIAL CONTRIBUTIONS

Each year, CoBank considers special contributions based on requests from customers and other stakeholders, or in response to external events. In 2020, the bank continued its partnership with the Foundation for Rural Service to sponsor the Virtual Living Room program. Virtual Living Rooms blend technology, U.S. Department of Veterans Affairs resources and local support to encourage veteran use of advanced medical technologies. These comfortable, private spaces are housed in public facilities allowing veterans to connect to skilled physicians and other providers through telehealth and other online resources. CoBank is the exclusive sponsor of the Virtual Living Room program.

CORPORATE GIVING

COBANK PANDEMIC RELIEF

In 2020, the COVID-19 pandemic created unprecedented challenges around the world. In the United States, a lack of adequate health infrastructure, the emotional and psychological impacts of the pandemic, and loss of life tested rural and urban communities alike. At the same time, impact to industry and job markets across the country created substantial economic challenges.

Recognizing the impact of the pandemic on nonprofit organizations and other institutions that provide a wide range of vital services to people in need, CoBank's board of directors committed more than $1.4 million to COVID-19 relief efforts. The bank's charitable response included:

- A $1 million increase to the Sharing Success program for 2020.
- A $200,000 grant to the National Rural Health Association.
- A $150,000 contribution to the University of Colorado Anschutz Medical Campus and University of Colorado Hospital.

"CoBank has found that one of the most impactful ways to deploy our charitable funds is to do so in partnership with our customers," said Tom Halverson, CoBank's president and chief executive officer. "By increasing funding to Sharing Success, we were able to rely on our customers' local insights to identify the most critical needs in their communities. Ultimately, more than $1.4 million in combined Sharing Success contributions went to support organizations and programs responding to the pandemic."

CoBank's grant to the National Rural Health Association (NRHA) helped fund the creation of the Rural COVID-19 Technical Assistance Center (TAC), a collaborative effort to provide technical assistance and share information across rural healthcare systems. Experts at NRHA and partner organizations are working with rural hospitals and clinics, state offices of rural health, NRHA members and others to provide information about critical financial resources available through the CARES Act, Payroll Protection Program, Federally Qualified Health Center grants, Rural Health Clinic grants and more.

"Before COVID, 48% of rural hospitals operated on a negative margin," said Alan Morgan, chief executive officer of NRHA. "The cancellation of elective and non-emergent services to cope with the pandemic has pushed many organizations over the edge into financial catastrophe. By providing information about available programs and resources, NRHA is hoping to provide a financial lifeline to these critical facilities."

COBANK HAS FOUND THAT ONE OF THE MOST IMPACTFUL WAYS TO DEPLOY OUR CHARITABLE FUNDS IS TO DO SO IN PARTNERSHIP WITH OUR CUSTOMERS.

Medical staff at Colorado's UCHealth have worked tirelessly to meet the needs of patients, families and caregivers during this unprecedented pandemic.

In addition, NRHA is coordinating with nonprofit organizations and manufacturers to help rural healthcare providers obtain stable and reliable sources of personal protective equipment—a challenge that has been ongoing since the earliest days of the pandemic.

"It is clear that collaboration is critical in responding to this pandemic," said Morgan. "The TAC continues to provide all resources at our disposal to help manage continuously changing priorities and to develop a stronger infrastructure for our rural communities."

CoBank's contribution to the University of Colorado Anschutz Medical Campus helped the organization to prepare its response to the COVID-19 epidemic in Colorado and throughout the region. Funding from CoBank and other benefactors allowed the campus' leading researchers to explore and define new possibilities for the prevention and treatment of the virus and provided resources to prepare and protect the hospital's doctors, nurses and other frontline team members.

"This is the most important challenge our generation of healthcare will face," said Richard Zane, MD, chair of the Department of Emergency Medicine at the University of Colorado and the lead for UCHealth's novel coronavirus response and vaccination efforts. "The philanthropic support received from CoBank and other generous donors has given UCHealth the flexibility to allocate resources to the greatest needs of our patients, families and caregivers during this unprecedented pandemic. It will also position us to learn as much as possible from this crisis and to better prepare for future public health challenges."

In addition to these contributions, the bank established a $50,000 fund to match COVID-19-related donations by its associates. CoBank employees responded generously, utilizing the full amount of the fund within weeks. As a result, the bank increased the available match to $100,000.

"In a year when so many have faced unimaginable challenges, CoBank associates rose to the occasion time and time again to help those less fortunate," said CoBank's Halverson. "I am constantly inspired by their personal generosity and demonstration of the cooperative spirit."

CoBank partnered with the National Rural Health Association and its CEO Alan Morgan to help establish the Rural COVID-19 Technical Assistance Center (TAC), which helps rural healthcare systems to collaborate and share pandemic-related information.

Dr. Richard Zane, the lead for UCHealth's novel coronavirus response and vaccination efforts, says that the pandemic "is the most important challenge our generation of healthcare will face."

CORPORATE GIVING

SHARING SUCCESS

Nearly 90 years ago in a small garage in Savannah, Georgia, Judge Victor Jenkins established the Jefferson Athletic Club for Boys. Inspired by his love of athletics and the belief that boys in his community would benefit from positive, organized activities, Jenkins began the club as a neighborhood boxing program. Throughout his lifetime, the judge expanded the club's athletic offerings and acted as a mentor, counselor and friend to each participant. Today, the re-christened Jenkins Athletic Club (JAC) is a community institution, providing safe, accessible athletic facilities and programs for the youth of Savannah.

Water Utility Management, the largest private water utility company in Georgia and a CoBank customer, has been supporting JAC for years through financial contributions and through the volunteer service of Don Smith, the utility's vice president. Smith, who serves as president of JAC's executive board, practically grew up at the club.

"I started in middle school," said Smith. "I played a lot of basketball and they offered a really high-quality program. I had such a great experience that I came back in my college years as both a coach and referee. But the club was about more than basketball for me. To this day, some of my best friends are people that I connected with through JAC."

One of those friends is Billy Covington, who has been the club's executive director for more than 27 years.

"I started at JAC when I was 10 years old, and it had a huge impact on my life," said Covington. "The club has always tried to instill responsibility into the kids who participate, and it certainly did that for me. I stayed out of trouble. I was able to start for my high school basketball team and I even got into college on a basketball scholarship. I attribute all of that to my time at JAC, and I could name about 100 other people who have similar stories."

Today JAC is open to boys and girls, ages 5 through 12. During basketball season, the organization serves nearly 500 children per week. In addition to basketball, JAC also offers t-ball, swimming, volleyball, flag football and more. During the summer, the club provides an all-day camp for low-income children.

DURING BASKETBALL SEASON, THE JENKINS ATHLETIC CLUB SERVES NEARLY 500 CHILDREN PER WEEK.

While basketball is the club's most popular program, JAC also offers t-ball, swimming, volleyball, flag football and more.

"Most of our summer camp participants are on scholarship, and we never refuse a child because of a parent's inability to pay," said Covington. "We can do that because of the generosity of our members, and the loyal supporters who are dedicated to carrying on Judge Jenkins' legacy."

"JAC is a haven for kids," said Smith. "It teaches them the value of sportsmanship and teamwork and helps them to develop strong values including commitment, perseverance and leadership. Giving every kid a chance is something that is important to me personally and to Water Utility Management. That's why we continue to be such strong supporters of the club."

For the past several years, Water Utility Management has taken advantage of CoBank's Sharing Success program to double its financial contributions to JAC, helping to give the organization a "complete face lift."

"Our partnership with CoBank has not only benefitted our business, but it has also enabled us to increase our support to JAC," said Smith. "JAC is not a huge organization and we run on a very tight budget, so the matching dollars from CoBank have really made a difference. Thanks to our joint contributions, every square inch of the club has been painted and we've been able to do some much needed maintenance and upgrades to the facility."

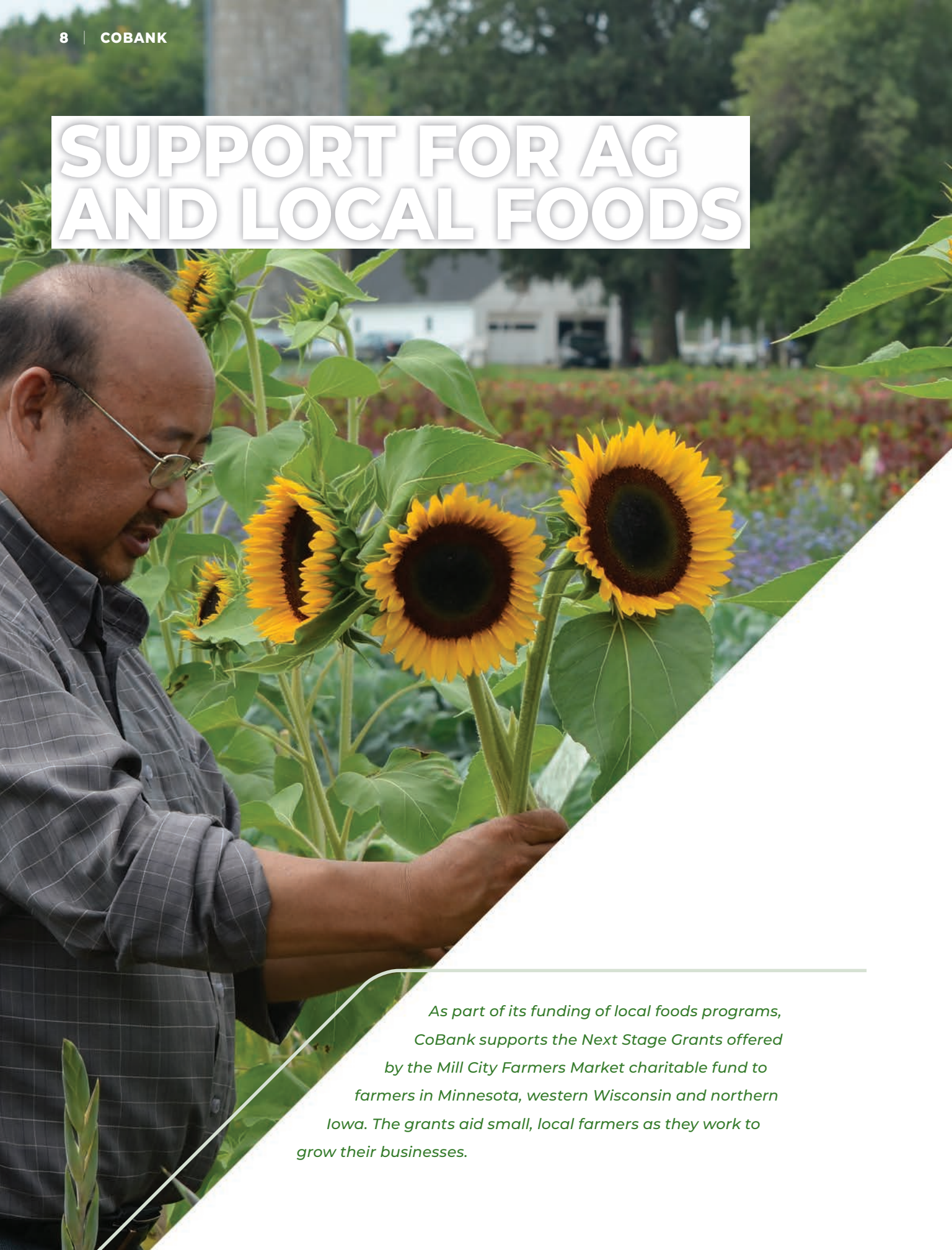
No matter which causes or organizations they choose to support, Smith encourages all CoBank customers to take full advantage of Sharing Success.

"There are so many people and organizations in need—especially this year," said Smith. "A little bit of money can go a long way and those matching dollars from CoBank make a world of difference. I really want to thank CoBank for making the Sharing Success program available, and for taking the time to learn more about their customers and the programs they support. It's a great reflection on the bank and a demonstration of their commitment to give back to rural America."

The Jenkins Athletic Club has been serving Savannah's youth since 1933 by providing a safe and fun environment to pursue the fundamentals of athletics and life skills.

Patrick Graham, Don Smith, and Billy Covington (left to right) all participated in JAC programs as children. Today, they give back to the club by serving on its executive committee.

SUPPORT FOR AG AND LOCAL FOODS



As part of its funding of local foods programs, CoBank supports the Next Stage Grants offered by the Mill City Farmers Market charitable fund to farmers in Minnesota, western Wisconsin and northern Iowa. The grants aid small, local farmers as they work to grow their businesses.

COBANK INVESTS IN COOPERATIVE DEVELOPMENT, YBS FARMING PROGRAMS, AND LOCAL AND URBAN FOOD SYSTEMS.

As one of the nation's largest agricultural lenders, CoBank plays a vital role supporting the U.S. farm economy. CoBank provides farmer-owned cooperatives and other agribusinesses with loans, lines of credit, export financing and other financial services. Our customers are a key part of the value chain in every ag sector, as are CoBank's affiliated Farm Credit associations, which serve farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank's support of agriculture goes beyond traditional financial services to include investments in local cooperative development; Young, Beginning and Small (YBS) farming programs; and local and urban food systems.

Examples of programs receiving CoBank funding include:

CO-OP START

A program that helps emerging and existing small agricultural cooperatives through innovative financing, business mentorship and training. Since its inception, CoBank has approved loans or leases totaling $2.25 million for 19 customers through the program. Under the Co-op Start umbrella, the bank also established a new pilot program designed to invest in start-up organizations that have the potential to provide significant economic benefits to producers and rural communities. Through the pilot, start-up organizations that have raised up to $50,000 in equity, and are sponsored by a Cooperative Development Center, may apply for a grant to assist with activities such as feasibility studies, technical services and marketing. Preference for this competitive grant program is given to farmer-owned cooperatives, but the program is open to other businesses that demonstrate a positive impact on rural America. Nearly $125,000 in grants were approved in the 2020 pilot, which has been renewed for 2021. Those wishing to learn more should contact their CoBank relationship manager or regional Cooperative Development Center.

FARMSTART

A program conducted in partnership with Farm Credit East and Yankee Farm Credit, two of CoBank's affiliated associations. FarmStart supports individuals looking to launch businesses in agriculture, forest products and commercial fishing in the northeastern United States. Since its inception, the program has made nearly 320 investments totaling more than $15.3 million. Recent investments include funding for Steadfast Farms, a veteran owned and operated game bird farm located in Connecticut, and Calabash Gardens, a Vermont-based organic farm specializing in saffron production.

FOODCORPS

A national organization whose AmeriCorps service members teach hands-on food education in schools across the country. FoodCorps provides vital access to nutritious food and enhances the capacity of schools in more than 70 rural communities. FoodCorps helps build strong rural communities by connecting local farmers to schools, increasing the demand for healthy, local food. CoBank's most recent grant will enable FoodCorps to expand its programming to five additional states.

D.C. CENTRAL KITCHEN (DCCK)

A nonprofit "social enterprise" in Washington, D.C. that uses food as a tool to develop and operate social ventures that break the cycle of hunger and poverty. DCCK prepares adults with high barriers to employment for culinary careers and creates good, living-wage jobs for its program graduates. DCCK also prepares healthy school meals for low-income schoolchildren, sourcing fresh produce from local farmers in the area.

SUPPORT FOR AG AND LOCAL FOODS

GOFARM HAWAI'I

For more than eight years, GoFarm Hawai'i has offered a successful beginning farmer training program at the University of Hawaii College of Tropical Agriculture and Human Resources. The hands-on, science-based curriculum is open to any adult in the state who is interested in gaining the knowledge, experience and confidence needed to contribute to Hawaii's food security and economy through production agriculture.

While the program has seen impressive growth and progress, the need to develop the next generation of Hawaii's farmers is greater than ever. The state currently imports up to 90% of its food, creating significant concern about food insecurity and the consequences for the islands' 1.4 million residents and estimated 250,000 (pre-pandemic) daily visitors if food supplies were disrupted. These concerns have only grown in the wake of economic and social challenges created by the COVID-19 pandemic.

"The pandemic crisis has reinforced how crucial it is to develop a more sustainable local food system," said Janel Yamamoto, director, GoFarm Hawai'i. "That awareness has created greater interest in farming and a higher demand for training, but it has also forced us to adapt our programming. Currently, all classroom, consulting and business training for GoFarm Hawai'i is conducted virtually and we have extremely strict guidelines in place for any field-related classes. We've also experienced funding challenges as our partners and collaborators have seen a reduction in their own resources as well as competing priorities for their philanthropic dollars."

In response to these challenges, CoBank partnered with American AgCredit (AAC), one of its affiliated Farm Credit associations, to support GoFarm Hawai'i with a five-year grant totaling $2 million.

"As members of the Farm Credit System, the largest single provider of credit to American agriculture, AAC and CoBank are committed to the vibrancy of agriculture throughout the territories that we serve—including Hawaii," said Curt Hudnutt, president and CEO of AAC. "The mission of GoFarm Hawai'i aligns strongly with that of Farm Credit and we are thrilled to support their efforts to further expand their programming."

"Everyone in American agriculture understands the need to grow and develop the next generation of farmers and ranchers," added Bill Davis, executive vice president of CoBank's Farm Credit Banking Group. "It is absolutely critical for the industry

GOFARM HAWAI'I HAS A PROVEN AND SUCCESSFUL MODEL FOR ENGAGING BEGINNING FARMERS.

Creating a successful and sustainable local food system is critical for the state of Hawaii, which currently imports up to 90% of its food.

and for the country as a whole. But for those who don't come from a farming background, it can be difficult to get started. GoFarm Hawai'i has a proven and successful model for engaging beginning farmers and, together with our partners at AAC, we are delighted to be a part of their continued success."

With support from the CoBank and AAC grant, GoFarm Hawai'i will continue providing its successful consulting and technical assistance services, as well as educational workshops. In addition, the organization plans to promote economic opportunity by increasing its efforts to educate new and prospective farmers about access to capital, revenue opportunities and business viability. It will also support the development of collaborative efforts that strengthen the state's entire agricultural community, including food hubs, cooperative models, access to health insurance and services for veterans in agriculture.

"The potential for small, local farmers in Hawaii is absolutely tremendous," said Yamamoto. "And helping new farmers to realize that potential creates value and opportunity for us all. Building a stronger, more resilient local food system will help to prepare us for future challenges, ensure better access to healthy, nutritious food for the vulnerable and strengthen our communities. We are tremendously grateful for the vision of CoBank and AAC and their willingness to partner with us to invest in the future of agriculture in Hawaii."

GoFarm Hawai'i teaches soil-based sustainable farming practices. Participants learn about various production methods including organic and conventional farming.

GoFarm Hawai'i's beginning farmer training programs provide multiple levels of certification, but all participants leave with a greater understanding of what it takes to be a successful commercial farmer.

COOPERATIVE ADVOCACY AND INDUSTRY SUPPORT

CoBank's support of local, regional and national industry organizations is part of the bank's broader mission in rural America.

COBANK IS AN ACTIVE SUPPORTER OF ORGANIZATIONS THAT PROMOTE THE PUBLIC POLICY INTERESTS OF COOPERATIVES AND INDUSTRY SECTORS SERVED BY THE BANK.

In addition to its philanthropic programs, CoBank is an active supporter of organizations that promote the public policy interests of cooperatives and industry sectors served by the bank. In 2020, the bank contributed $3.2 million to these organizations in support of our broader mission in rural America.

COOPERATIVE INDUSTRY ORGANIZATIONS SUPPORTED BY COBANK

NATIONAL

Association of Cooperative Educators

Cooperation Works

Cooperative Communicators Association

Cooperative Development Foundation

Farm Credit Council

International Co-operative Alliance

National Cable Television Cooperative (NCTC)

National Cooperative Business Association

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

REGIONAL AND LOCAL

Agricultural Cultural Council of California

Alabama Council of Cooperatives

Alabama Rural Electric Association

Alaska Power Association

Arkansas Electric Cooperative Accountants Association

Association of Illinois Electric Cooperatives

Association of Louisiana Electric Cooperatives

Association of Missouri Electric Cooperatives

California Center for Cooperative Development

Central Minnesota Managers Association

Colorado Rural Electric Association

Cooperative Council of North Carolina

Cooperative Network

Eastern North Dakota Cooperative Managers' Association

Electric Cooperatives of Arkansas

Electric Power Association of Mississippi

Florida Electric Cooperatives Association

Federation of Southern Cooperatives

Florida Council of Cooperatives

GEMC Accounting Association

GEMC Suppliers' Group

Georgia Rural Electric Managers Association

Grand Canyon State Electric Cooperative Association

Idaho Consumer-Owned Utilities Association

Illinois Cooperative Council

Illinois Grain and Feed Association

Indiana Cooperative Development Center

Indiana Electric Cooperatives

Indiana Statewide Association of Rural Electric Cooperatives

Iowa Association of Bookkeepers for Cooperatives

Iowa Association of Electric Cooperatives

Iowa Institute for Cooperatives

Kansas Cooperative Council

Kansas Electric Cooperatives

Kansas Livestock Association

Kansas Rural Electric Cooperative Accountant's Club

Kentucky Association of Electric Cooperatives

Kentucky Council of Cooperatives

Louisiana Council of Farmer Cooperatives

Michigan Electric Cooperative Association

Mid America Cooperative Council

Mid America Cooperative Education

Minnesota Rural Electric Association

Minnesota State Managers Association

Missouri Electric Cooperatives Managers Association

Missouri Institute of Cooperatives

Montana Agricultural Business Association

Montana Council of Cooperatives

Montana Electric Cooperative Association

Nebraska Cooperative Council

Nebraska Coop Managers Association

Nebraska Rural Electric Association

Neighboring Food Co-op Association

Nevada Rural Electric Association

New Mexico Rural Electric Cooperative Association

North Carolina Association of Electric Cooperatives

North Dakota Association of Rural Electric Cooperatives

North Dakota Co-op Managers' Association

Northeast Association of Electric Cooperatives

Northeast Cooperative Council

Northern Minnesota Managers' Association

Northwest Agricultural Cooperative Council

Northwest Cooperative Development Center

Northwest North Dakota Cooperative Managers' Association

NREA Suppliers Group

Ohio Cooperative Development Center

Ohio Rural Electric Cooperatives

Oklahoma Agricultural Cooperative Council

Oklahoma Association of Electric Cooperatives

Oklahoma Electric Cooperative Accountants' Association

Pennsylvania Rural Electric Association

South Dakota Association of Cooperatives

South Dakota Cooperative Managers' Association

South Dakota Rural Electric Association

Southern Minnesota Managers Association

Tennessee Association of Utility Districts

Tennessee Council of Cooperatives

Tennessee Electric Cooperative Association

Texas Agricultural Cooperative Council

Texas Electric Cooperatives

Texas Rural Electric Women's Association

Texas Statewide Telephone Cooperative, Inc.

The Electric Cooperatives of South Carolina

Tri-State Generation & Transmission Association

Utah Council of Farmer Cooperatives

Utah Rural Electric Association

Virginia Cooperative Council

Virginia, Maryland & Delaware Association of Electric Cooperatives

Washington Rural Electric Cooperative Association

Wisconsin Electric Cooperative Association

Wisconsin State Managers' Association

Wyoming Rural Electric Association

Yampa Valley Electric Association

OTHER INDUSTRY ORGANIZATIONS SUPPORTED BY COBANK

NATIONAL

Ag Export Coalition

Agricultural Retailers Association

AgSafe

AIIM International

American Agri-Women

American Cable Association

American Coalition for Ethanol

American Cotton Shippers Association

American Council on Renewable Energy

American Jersey Cattle Association

American Pistachio Growers

American Sugar Alliance

American Sugarbeet Growers Association

American Water Works Association

American Wind Energy Association

Association of Grain Regulatory Officials

Cotton Growers Warehouse Association

Council on Food, Agricultural and Resource Economics

Dairy Cares

Ecological Farming Association

Equipment Leasing and Finance Association

The Fertilizer Institute

Global Dairy Platform

Global Farmer Network

Growth Energy

Independent Alliance of Telephone Companies (INDATEL)

International Dairy Foods Association (IDFA)

National Association of Credit Specialists

National Association of Insurance Commissioners

National Association of State Departments of Agriculture

National Association of Water Companies

National Association of Wheat Growers

National Business Economic Issues Council

National Cattlemen's Beef Association

National Chicken Council

National Coalition for Food and Agriculture Research

National Corn Growers Association

National Cottonseed Products Association

National Grain & Feed Association

National Hmong American Farmers

National Milk Producers Federation

National Rural Economic Developers Association

National Rural Lenders Association

National Rural Water Association

National Sorghum Producers

National Sustainable Agriculture Association

North American Export Grain Association

North American Millers' Association

Produce Marketing Association

Public Lands Council

Renewable Fuels Association

Renewable Fuels Foundation

Rural Electric Management Development Council

Rural LISC

Smart Electric Power Alliance

Solar Energy Industries Association

Telergee Alliance

Truth About Trade and Technology

United Dairy Industry Association

United Fresh Produce Association

U.S. Dairy Export Council

U.S. Grains Council

U.S. Meat Export Federation

U.S. Pea & Lentil Trade Association

U.S. Poultry & Egg Association

U.S. Soybean Export Council

U.S. Telecom Association

Utilities Telecom Council

Young Professionals in Agriculture

Women in Agribusiness

WTA – Advocates for Rural Broadband

REGIONAL AND LOCAL

Ag Lenders Society of California

Agribusiness Association of Kentucky

Agribusiness Club of Washington

Agribusiness Council of Indiana

Agribusiness Council of Wichita

Agricultural Business Council of Kansas City

Agricultural Council of Arkansas

Alabama Cable Telecommunications Association

Alaska Telephone Association

Alliance for the Future of Agribusiness in Nebraska

Alliance of Indiana Rural Water

Almond Alliance of California

Arkansas Rural Water Association

Arkansas Telecommunications Association

Association of Regional Water Organizations

Butler County Farm Bureau Association

CalCom

California Association of Grower Gins

California Association of Winegrape Growers

California Avocado Commission

California Cattlemen's Association

California Certified Organic Farmers

California Citrus Mutual

California Cotton and Growers Association

California Farm Bureau Federation
California Farm Water Coalition
California Fresh Fruit Association
California Holstein Association
California Irrigation Institute
California League of Food Processors
California Rural Water Association
California Sustainable Winegrowing Alliance
California Warehouse Association
California Water Alliance
California Women for Agriculture
Carolina-Virginias Telephone Membership Association
CFA Society of Colorado
Citrus Research Board
Colorado Association of Wheat Growers
Colorado Fruit & Vegetable Growers Association
Colorado Independent CattleGrowers Association
Colorado Livestock Association
Colorado Rural Water Association
Colorado Society of CPAs
Colorado Telecommunications Association
Colorado Water Congress
Connecticut Farm Bureau
Dairy Herd Improvement Association
West Delta Council
District 11 Agri-Women
Dried Fruit Association of California
Empire State Forest Products Association
Evergreen Rural Water of Washington
FarmHer
Florida Association of Special Districts
Florida Citrus Processors Association
Florida Fruit & Vegetable Association
Florida Rural Water Association
Food Producers of Idaho
Georgia Agribusiness Council
Georgia Grain and Feed Association
Georgia Rural Water Association
Georgia Telecommunications Association
Governor's Forum on Colorado Agriculture
Grain and Feed Association of Illinois
Hawaii Rural Water Association
Idaho Grain Producers Association
Idaho Wine Commission
Idaho Rural Water Association
Illinois Telecommunications Association
Independent Water & Sewer Companies of Texas
Indiana Farm Bureau
Indiana Rural Water Association
Indiana Telecommunications Association
Iowa Agribusiness Association
Iowa Communications Association
Iowa Corn Growers Association
Iowa Renewable Fuels Association
Kansas Agribusiness Retailers Association
Kansas Grain and Feed Association
Kansas Rural Water Association
Kentucky Agricultural Council
Kentucky Center for Agriculture and Rural Development
Kentucky Telephone Association
Louisiana Member Services Association
Louisiana Rural Water Association
Louisiana Telecommunications Association
Maine Forest Products Council
Maryland Rural Water Association
Michigan Agri-business Association
Midsouth Grain Association
Mid-South Managers' Association
Mid-West Electric Consumers Association
Minnesota AgriGrowth Council
Minnesota Agri-Women
Minnesota Grain and Feed Association
Mississippi Rural Water Association
Montana Telecommunications Association
National Association of Water Companies,
New England Chapter
Nebraska Agribusiness Association
Nebraska Ethanol Industry Coalition
Nebraska Grain and Feed Association
Nebraska Public Power District
Nebraska Telephone Association
NESI-SES Association

New England Farmers Union
New Mexico Cattlegrowers' Association
New Mexico Rural Water Association
New York State Agricultural Society
New York State Telecommunications Association
New York Wine and Grape Foundation
North Carolina Agribusiness Council
North Dakota Grain Dealers Association
Northeast Agribusiness and Feed Alliance
Northeast Elevators Managers Association
Northeastern Association of State Departments of Agriculture
Northwest Public Power Association
Ohio Agribusiness Association
Ohio Rural Water Association
Ohio Telecom Association
Oklahoma Cotton Council
Oklahoma Grain & Feed Association
Oklahoma Rural Water Association
Oklahoma Telephone Association
Oklahoma Wheat Growers Association
Oregon Association of Water Utilities
Oregon Telecommunications Association
Pacific Egg & Poultry Association
Pacific Northwest Grain & Feed Association
Panhandle Grain and Feed Association
Pennsylvania Telephone Association
Plains Cotton Growers, Inc.
Plains Ginners Association
Rocky Mountain Agribusiness Association
San Joaquin Valley Winegrowers Association
South Carolina Telecommunications and Broadband Association
South Carolina Rural Water Association
South Dakota Agribusiness Association
South Dakota Association of Rural Water Systems
South Dakota Grain and Feed Association
South Texas Country Elevators Association
Southeastern Grain & Feed Association
St. Louis Agribusiness Club
Telecommunications Association of the Southeast
Telephone Association of New England
Tennessee Feed and Grain Association
Tennessee Telecommunications Association
Texas Cattle Feeders Association
Texas Cotton Association
Texas Cotton Ginners Association
Texas Grain and Feed Association
Texas Grain Sorghum Association
Texas Rural Water Association
TriState Telecommunications Association
Utah Rural Telecom Association
Virginia Council of Farmers
Virginia Rural Water Association
Washington Association of Wheat Growers
Washington Independent Telephone Association
Western Agricultural Processors Association
Western District Power Accountants Association
Western Growers Association
Western Telecommunications Alliance
Western United Dairies
Wine Market Council
Wisconsin Agri-Business Association
Wisconsin State Telecomm Association
Wyoming Telecommunications Association

DIVERSITY AND INCLUSION

Farm Credit is the first agricultural organization to participate in the HBCU Partnership Challenge. In 2020, CoBank and other Farm Credit institutions joined Rep. Alma Adams and other leaders to meet with members of Congress and advocate for greater investment in HBCUs.

COBANK IS COMMITTED TO BEING A ROLE MODEL FOR DIVERSITY AND INCLUSION IN THE COMMUNITIES WHERE WE LIVE AND WORK, WITHIN THE FARM CREDIT SYSTEM, AND ACROSS THE INDUSTRIES WE SERVE.

As an employer, CoBank strives to attract, develop, engage and retain talented individuals from varied backgrounds, cultures and experiences and to build a workplace where all associates feel a sense of belonging and inclusion.

CoBank's Associate Resource Groups (ARGs) are a critical component of these efforts. ARGs allow associates to connect based on common interests, identities and goals. The bank has ARGs for African-American, young professional, Asian, Hispanic, veterans, LGBTQ, women and men employees.

CoBank also supports organizations that are giving voice to diverse groups and bringing new perspectives to the industries we serve. This support includes:

- Membership in professional and civic organizations targeted to diverse audiences.
- Support for industry events that raise the profile of diverse groups including annual conferences for farmers of color, young professionals and women in agriculture.
- Charitable contributions to organizations providing education and career advancement opportunities for people of color.

In June 2020, CoBank announced a series of donations following the death of George Floyd and the civil and social unrest that followed.

"We all experienced the national outpouring of grief and anger about the persistent problem of race discrimination in America," said board chair Kevin Riel. "Our board believes that CoBank has an opportunity to be part of the solution. As a result, CoBank committed $500,000 to organizations dedicated to promoting racial equity and ending discrimination."

Contributions included:

- $100,000 to the NAACP's Thurgood Marshall Institute (TMI). TMI is the organization's educational arm and works to support its public education and advocacy efforts.
- $100,000 to the Equal Justice Initiative to support teachers working to incorporate racial justice into their education plans.
- $100,000 to the Advancement Project to support empowerment of grassroots organizations addressing voting access for marginalized groups.
- $140,000 to the Thurgood Marshall College Fund to support scholarships for students studying agriculture or ag-related programs at historically Black colleges and universities (HBCUs) or predominantly Black institutions.

The bank engaged associates in its civil rights response by allowing its ARGs to direct $50,000 in charitable contributions. CoBank's eight ARGs together selected the following organizations for support:

- Asian Americans Advancing Justice.
- Black Women's Health Imperative.
- Family Agriculture Resource Management Services (FARMS).
- Marsha P. Johnson Institute.
- Minorities in Agriculture, Natural Resources, Related Sciences.
- National Black Justice Coalition.
- Southern Poverty Law Center.

In addition, CoBank matched the charitable contributions of individual associates. Together, CoBank and its employees donated more than $20,000 to 32 nonprofit organizations working in the areas of civil rights and social justice.

CoBank continues to grow and develop its Diversity and Inclusion programs, building upon our legacy of stewardship and continuing to promote change for the common good.

DIVERSITY AND INCLUSION

SUPPORT FOR HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

Supporting people of color in agriculture is part of Farm Credit's mission. In 2020, the system challenged itself to fulfill that mission by becoming the first agricultural organization to participate in the HBCU Partnership Challenge. Created in 2017 by Rep. Alma Adams and the bipartisan Congressional HBCU Caucus, the challenge seeks to strengthen public-private investment in historically Black colleges and universities (HBCUs), creating more career opportunities for HBCU graduates, and advancing diversity and inclusion across all sectors of U.S. employment.

In March, representatives from CoBank and other Farm Credit institutions joined Rep. Adams and leaders from education and industry to meet with members of Congress, advocating for greater investment in our nation's HBCUs. In October, they followed that effort with the first Farm Credit HBCU career and internship fair, and the announcement of the Launching Leaders program. Launching Leaders is a new initiative that encourages HBCU students and recent graduates to seek internships and employment within the Farm Credit System. The program offers a $3,500 stipend to HBCU students and alumni who intern with Farm Credit.

"HBCUs offer a wealth of talent, but many students simply aren't familiar with the Farm Credit System and the opportunities it presents," said Faye Tate, vice president of Diversity & Inclusion at CoBank. "CoBank's recruiting team has been actively looking for opportunities to connect with HBCU students and the new initiatives launched by Farm Credit will be a big part of those efforts."

Building on the work of Farm Credit, CoBank recently announced a partnership with the Thurgood Marshall College Fund (TMCF), a non-profit organization representing nearly 300,000 students attending 47 member-schools including historically Black colleges and universities, medical schools, and law schools. A $140,000 contribution established the CoBank Agriculture Scholarship, which is open to juniors and seniors studying agriculture-related majors at any TMCF member school. TMCF awarded the first scholarships in December.

Amiya Nesbit, one of the recipients, attends Alabama A&M University. "The CoBank scholarship will help me finish my undergraduate degree in food science," said Nesbitt. "I want to work as a product developer, creating new food products that are both healthy and delicious. Preventable

THE COBANK AGRICULTURE SCHOLARSHIP IS OPEN TO JUNIORS AND SENIORS STUDYING AGRICULTURE-RELATED MAJORS AT ANY TMCF MEMBER SCHOOL.

Amiya Nesbit is studying food science at Alabama A&M University. Nesbitt wants to create healthy, new food products that could help reduce the impact of preventable diseases on Black communities.

diseases like obesity, high blood pressure and heart disease plague Black communities, and many of these can be linked back to the food we eat. Making healthy food more available to low-income, urban communities will go a long way toward reducing the impact of these diseases and I want to be part of that."

Kristyn Mobley, who studies agricultural business at Florida A&M University, is also focused on the industry's role in creating healthy communities. "I want to help people who look like me to understand that they have a place in the field of agriculture and how essential it is to our future," said Mobley. "There is a direct correlation between agriculture and healthy eating. In my future career, I want to help underserved communities to create and maintain healthy ways of living and I'm grateful to CoBank for supporting me as I work toward these goals."

Laurence Price-Webb is studying mechanical engineering, with a focus on agriculture, at North Carolina A&T State University. Price-Webb, who has interned at John Deere, hopes to join the company's large agriculture business unit and become part of the team that improves agricultural manufacturing processes.

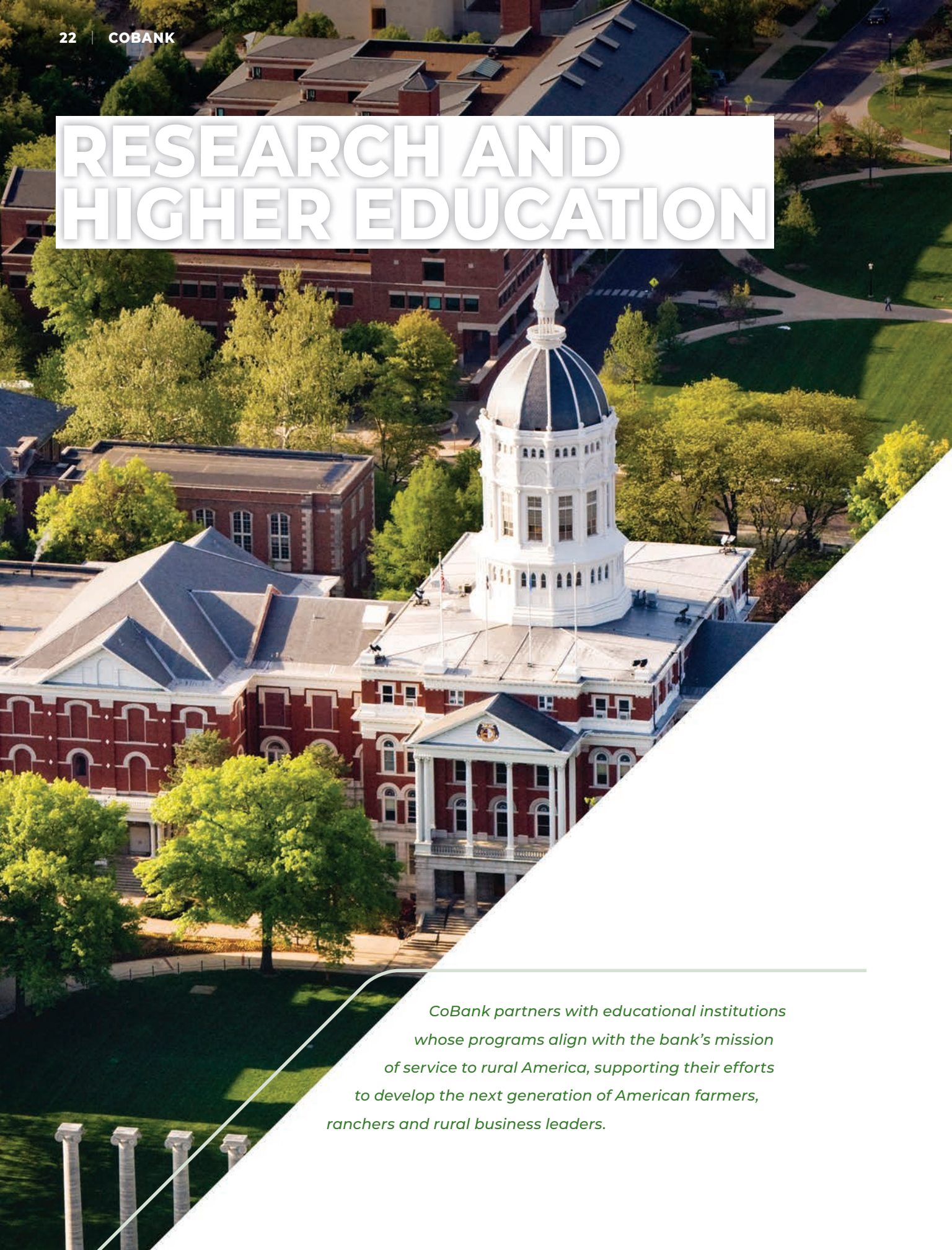
"When I graduate, I will be the first engineer in my family in five generations. I believe that the greatest thing we can do for agriculture and for farmers is to produce tools and processes that are formed for the future. I want to see agricultural tools built out of re-usable or renewable materials that reduce waste and lower the impact on our environment, while helping keep our crops and our farmers safe. The CoBank scholarship will be a great help to me as I continue to pursue my education."

Additional scholarships will be awarded in the spring of 2021.

Kristyn Mobley is studying agricultural business at Florida A&M University. Kristin wants to "help people who look like me to understand that they have a place in the field of agriculture."

Laurence Price-Webb is studying mechanical engineering at North Carolina A&T State University. Price-Webb hopes to focus on sustainability in agricultural tools and manufacturing processes.

RESEARCH AND HIGHER EDUCATION



CoBank partners with educational institutions whose programs align with the bank's mission of service to rural America, supporting their efforts to develop the next generation of American farmers, ranchers and rural business leaders.

THE BANK SUPPORTS INSTITUTIONS THAT ARE FOSTERING KNOWLEDGE AND INNOVATION THAT BENEFITS RURAL INDUSTRIES.

At CoBank, we believe that research and education play a vital role in the future of rural America. The bank supports land grant universities and other institutions that are developing the next generation of American farmers, ranchers and rural business leaders by fostering knowledge and innovation that benefits rural industries—from agriculture to energy to international trade in commodities. In addition, the bank works with university partners that are conducting research into the social and economic issues impacting rural communities.

For this purpose, CoBank established the CoBank Advised Fund with the Cooperative Development Foundation (CDF). The multi-million-dollar fund provides grants to universities and colleges whose programs are consistent with the bank's corporate citizenship programs and objectives.

"CoBank is proud to partner with CDF to support our commitment to higher education," said CoBank President and Chief Executive Officer Thomas Halverson. "Research and education continue to play an important role in our corporate citizenship programs. The donor-advised fund allows us to make financial contributions that are invested by the Foundation and distributed over time as we identify institutions and programs that align with our priorities and those of the industries we serve."

CoBank's support for research and higher education includes funding of:

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

In the past five years, CoBank has supported more than 60 universities and colleges including, but not limited to:

Arkansas State University, Auburn University, California Polytechnic University, California State University, Colorado State University, Cornell University, Georgia State University, Illinois State University, Indiana University, Iowa State University, Kansas State University, Michigan State University, Minnesota State University, Montana State University, Morehouse College, New Mexico State University, North Carolina State University, North Dakota State University, Ohio State University, Oklahoma State University, Oregon State University, Purdue University, South Dakota State University, Texas A&M University, Texas Tech University, University of Alaska, University of California, University of Colorado, University of Georgia, University of Idaho, University of Illinois, University of Kentucky, University of Michigan, University of Minnesota, University of Missouri, University of Nebraska, University of Tennessee, University of Wisconsin, Utah State University, and Washington State University.

RESEARCH AND HIGHER EDUCATION

THE UNIVERSITY OF MISSOURI GRADUATE INSTITUTE OF COOPERATIVE LEADERSHIP

The University of Missouri's Graduate Institute of Cooperative Leadership (GICL) serves as a resource for the nation's agricultural cooperatives, providing research, education and engagement programs that help cooperative leaders to grow professionally.

GICL creates a unique, reciprocal relationship with its stakeholders: connecting directly with the industry and using real-world experiences to develop new concepts and research ideas that are tested in a collaborative environment. Its research-based findings generate new theories and frameworks that become the basis for GICL's educational programs. The institute then shares that learning with industry partners, students and academic peers through storytelling, presentations and case studies.

GICL's programming includes:

- **The GICL Summer Institute,** an annual training program that serves senior-level cooperative managers from across the country. Participants "acquaint themselves with the cooperative model, and develop the leadership and management skills required by the evolving global agricultural marketplace." Specific topics addressed in the institute's curriculum include strategic planning, board-management relations, executive development, cost analysis, conflict resolution and resource allocation.
- **The GICL Board Chair/CEO Conference,** a biennial event that focuses on the shared responsibilities of cooperative boards and executive managers in developing governance, capital acquisition and member engagement strategies. The conference helps participants to enhance and improve their cooperatives and better serve their member-owners.
- **Customized executive education programs and workshops.** GICL offers small group workshops that engage global academic partners and cooperative leaders. Participants address specific cooperative issues, drawing on research and developing practical solutions.
- **Student education.** Graduate and undergraduate students learn from the work of GICL faculty and staff in the classroom and participate in the institute's research and outreach programs.

For more than 30 years, Dr. Mike Cook has led GICL as the institute's executive director. A recognized industry expert, Cook served as the CEO of an agricultural cooperative before pursuing his

EFFORTS TO RAISE FUNDS FOR THE NEW POSITION RECEIVED OVERWHELMING SUPPORT, INCLUDING A $150,000 COMMITMENT FROM COBANK.

The University of Missouri is home to the Graduate Institute of Cooperative Leadership (GICL). Since 1971, GICL has served as a resource for the nation's agricultural cooperatives, providing education and resources to help cooperative leaders grow professionally.

academic career and has served as a director on 40 boards. The Cooperative Hall of Fame inducted Dr. Cook into its ranks in 2012 for his contributions to the cooperative community.

Cook has been the driving force behind GICL, and it was obvious to the university's leadership that his eventual retirement would have a significant impact on the institute.

"The university is committed to continued leadership in cooperative research and education programs, including GICL," said Cook. "We know that it will be essential to create a seamless shift in leadership, so we began working on transition plans last year, including creation of the GICL Distinguished Fellowship. Our goal was to engage someone who could collaborate with the current GICL team, and prepare to serve as our executive director following my retirement."

Efforts to raise funds for the new position received overwhelming support from the cooperative community, including a $150,000 commitment from CoBank. In January, Dr. Keri Jacobs joined the university as the GICL Distinguished Fellow. Dr. Jacobs, who previously served as the Iowa Institute for Cooperatives Endowed Economics Professor at Iowa State University, is an experienced educator, researcher and extension specialist. She has conducted training and analysis specific to the cooperative model, board governance and financial and equity management.

"GICL's educational programs are the cornerstone of the institute's value," said Jacobs. "In the very near future, our industry's brightest emerging leaders may not have backgrounds in agriculture or hear about cooperatives in their formal education. They may not have an opportunity to explore cooperatives' roles in shaping our societies and contributing to our economy. GICL will play an important role in continuing cooperative education and I am delighted to join them and to help expand the institute's successes in talent development."

"CoBank has been a long-time supporter of GICL," said Cook. "The bank's current and past CEOs have served on our board of trustees and more than 200 of its employees have attended our summer institute. I am personally grateful to CoBank for its support and I know it will continue to be an important resource for the university and for Dr. Jacobs in the years to come."

Dr. Mike Cook has been executive director of the University of Missouri's Graduate Institute of Cooperative Leadership (GICL) for more than 30 years. He is a recognized industry expert and a member of the Cooperative Hall of Fame.

Dr. Keri Jacobs joined the university in January 2021, as the GICL Distinguished Fellow. Dr. Jacobs, an experienced educator, researcher and extension specialist, previously served as the Iowa Institute for Cooperatives Endowed Economics Professor at Iowa State University.

RURAL COMMUNITY DEVELOPMENT

CoBank delivers tens of billions of dollars in debt capital each year to agribusiness, rural infrastructure providers and Farm Credit associations that serve farmers and ranchers throughout the country.

COBANK INVESTS IN EQUITY FUNDS THAT ENHANCE THE FLOW OF CAPITAL TO RURAL BUSINESSES.

Together with our customers, Farm Credit institutions, commercial and community banks and other investors, CoBank invests in equity funds that enhance the flow of capital to rural businesses, spurring economic development and creating wealth and job opportunities in rural areas. Our investments include:

ADVANTAGE CAPITAL AGRIBUSINESS PARTNERS

A $155 million Rural Business Investment Company (RBIC) focusing on growing rural economies by supporting the food and agriculture value chain. To date, the fund has invested over $128 million in 16 companies.

AZALEA CAPITAL RBIC FUND

The first RBIC directing growth capital in later-stage companies located throughout the southeastern United States. The new fund will build a portfolio around select consumer and industrial durable industries.

BLUE HIGHWAY GROWTH CAPITAL FUND

A $41 million RBIC supported by CoBank, five Farm Credit associations, commercial banks and other investors. Blue Highway targets investments in small, middle market, high growth companies in the Northeast and Mid-Atlantic regions. It has invested nearly $10 million in three companies.

INNOVA AG INNOVATION FUND IV

A $31 million fund that invests in early stage companies developing advanced technology solutions for farmers and agriculture-related businesses. To date, the fund has invested $10.6 million across 24 companies.

LEWIS & CLARK RBIC FUND II

An $88 million, St. Louis-based RBIC investing in an AgriFood growth strategy, focusing on technology-enabled agribusinesses, primarily in the Midwest. It has completed two investments totaling $9 million.

MIDWEST GROWTH PARTNERS

A $41 million private equity fund investing in growth-oriented companies in the upper Midwest, providing succession planning liquidity and growth capital for established businesses. The fund's portfolio totals over $27 million.

OPEN PRAIRIE RURAL OPPORTUNITIES FUND

An RBIC that targets debt and equity investments in growth and later-stage companies across the agribusiness value chain. To date, the fund has invested $27 million across nine companies.

MIDWEST GROWTH PARTNERS II

A $113.5 million RBIC that directs investment capital throughout the upper Midwest to growth opportunities benefitting rural-based companies in the agribusiness sector. Thus far, it has invested $48 million across seven companies.

PHAROS CAPITAL PARTNERS IV-A

An RBIC focused on growth investments in health care service providers that will increase access to services, improve patient outcomes and/or lower the cost of care in rural communities. CoBank and eight other Farm Credit institutions have committed a total of $101 million to the fund.

RURAL AMERICAN FUND III RBIC

A new fund targeting $40 million and focusing investments in later-stage companies operating in the upstream portion of the food/ag value chain.

In addition, CoBank and its partners support bond investments in agriculture and community facilities with a primary focus on rural healthcare. Since 2012, CoBank and partner Farm Credit organizations have facilitated over $300 million of community facility bond investments and the bank has more than $100 million in potential investments in its pipeline. These investments provide vital debt capital to projects that likely would not receive private funds without Farm Credit participation.

RURAL COMMUNITY DEVELOPMENT

OPEN PRAIRIE RURAL OPPORTUNITIES FUND

For more than 20 years, Open Prairie, a private equity fund management firm headquartered in Illinois, has been making capital investments in and providing strategic counsel to growth-oriented companies located in our nation's rural communities.

In 2018, CoBank and its fellow Farm Credit institutions committed $7.5 million to the creation of the Open Prairie Rural Opportunities Fund, a private equity fund licensed by the U.S. Department of Agriculture as a Rural Business Investment Company (RBIC). Like other RBICs, the Rural Opportunities Fund was created for the purpose of building economic opportunity and increasing prosperity in rural communities by investing in local businesses and creating or retaining jobs. With additional commitments from commercial and community banks and other investors, the Rural Opportunities Fund now exceeds $81 million.

"Open Prairie has a passion for rural America," said Jason Wrone, a partner in the firm. "It's where our roots are. It's also an incredibly underserved market. Many investment firms concentrate on the coasts, but we know there is no shortage of good ideas in America's heartland.

"Our team has more than 200 years of combined experience in the agriculture sector—experience that is valued and appreciated by our partners and the companies in which we invest," continued Wrone. "The combination of our team's intellectual capital and expansive network across the agricultural and financial value chains helps us uncover opportunities that other investors aren't even looking for and gives us a competitive advantage in securing quality investments for our funds."

One such opportunity is Shenandoah Valley Organic (SVO), an organic meat company headquartered in Harrisonburg, Virginia. Corwin Heatwole, a life-long chicken farmer who wanted to help ensure the success and endurance of the independent, generational family farm, founded SVO in 2014.

Heatwole began by reaching out to other family farmers, asking them what their dream business partnership looked like. Without exception, they told him they wanted to "own our chickens and control our farms." Heatwole began partnering with these farmers, offering them fair compensation for their hard work and the freedom to make decisions for their own businesses. The result was the Farmer Focus business model and brand.

THE OPEN PRAIRIE RURAL OPPORTUNITIES FUND WAS CREATED FOR THE PURPOSE OF BUILDING ECONOMIC OPPORTUNITY AND INCREASING PROSPERITY IN RURAL COMMUNITIES.

Shenandoah Valley Organic is an organic meat company founded by life-long chicken farmer, Corwin Heatwole.

Daryn and Abigail Martin own and operate Linville, Virginia-based Valley View Farm. Daryn has been a poultry farmer since childhood and has fond memories of helping his dad with walk-throughs and feeding the flocks. He grows for SVO because of the Farmer Focus business model. "Organic, farmer-owned and relaxed density housing are all very important to me," said Daryn. "I feel good about producing food with integrity and raising birds the way I feel is best."

"By shifting decision making and ownership back to the hands of farmers, the Farmer Focus business model creates a sustainable livelihood for generational family farmers," said SVO's Heatwole. "It's a concept that resonates with consumers and farmers alike, and has led to our rapid growth. But to sustain that growth, we needed to make substantial investments in our equipment and processes."

SVO was introduced to Open Prairie in the summer of 2019 when the company was looking for additional financing to increase processing capacity and expand the Farmer Focus brand.

"Open Prairie's focus on rural opportunities and the deep expertise of the partners and their investors made it a natural partner for us," continued Heatwole. "They understand the challenges rural businesses face and their years of experience in operating and financing rural businesses will be really beneficial to SVO as we continue to grow."

"SVO truly embodies the spirit of rural America, which made the investment attractive to us from a values perspective," said Open Prairie's Wrone. "They are focused on developing and maintaining strong relationships with growers, and preserving smaller, independent family farms. They are also committed to implementing innovative technologies to produce high quality, organic products. Now, more than ever, consumers are focusing on the quality and origins of their food. That commitment is really at the heart of the Farmer Focus brand and positions SVO strongly with today's health and environmentally-conscious consumers."

Daryn and Abigail Martin own and operate Valley View Farm in Linville, Virginia. Daryn says poultry farming has "run through his veins" since childhood. It's a skill he hopes to pass on to his son, Oliver.

Roy and Carol Barnhart operate Nature Run Farm in McGaheysville, Virginia. The Barnharts grow for Farmer Focus because they've "always had an interest in doing things naturally."

RURAL DISASTER RELIEF

In January 2020, following two devastating tornadoes in the state of Tennessee, CoBank matched a $25,000 contribution by Farm Credit Mid-America to the Foundation of Middle Tennessee to support the Emergency Response Fund.

IN 2020, COBANK AND ITS CUSTOMERS RESPONDED TO DEVASTATING WIND STORMS IN THE MIDWEST, HURRICANES IN THE SOUTHEAST AND WILDFIRES IN THE WEST.

Natural disasters such as blizzards, earthquakes, floods, hurricanes, tornados and wildfires impact communities across the country and around the world. They damage property and affect both lives and livelihoods. And while rural communities are no more susceptible to disaster than their urban counterparts, smaller populations and limited resources can make recovering from such incidents more challenging. That is why rural disaster relief has become an important part of CoBank's corporate citizenship efforts.

The bank has formed a strategic charitable relationship with the American Red Cross, a nonprofit organization established nearly 140 years ago. The mission of the Red Cross is to prevent and alleviate human suffering in the face of emergencies. Thanks to a wide network of volunteers, employees and donors, they are often first on the ground after a disaster, providing shelter, food, water, relief supplies and comfort. In the past five years, CoBank has contributed nearly $2 million to support the disaster relief efforts of the American Red Cross.

The bank also partners with its customers to support rural communities facing difficult circumstances. CoBank customers are members of the communities they serve. When disasters strike, they offer unique insight into the most urgent needs and can direct the bank to the organizations that are providing the most critical and immediate services. In 2020, CoBank and its customers responded to devastating wind storms in the Midwest, hurricanes in the Southeast and wildfires in the West.

CoBank's management and board of directors are firmly committed to our continued support of rural disaster relief efforts. In 2020, they authorized more than $830,000 to support impacted communities across the country.

"CoBank is committed to serving our customers and their communities in good times and in bad," said Kevin Riel, chair of CoBank's board of directors. "Each year the bank responds to a wide variety of disasters with financial support for organizations that are helping people to rebuild their lives. I am always moved by the strength and determination of our rural communities as they respond to these devastating events, and I know I speak for everyone at CoBank—and for each member of our board—when I say how very proud we are to play even a small role in these efforts."

RURAL DISASTER RELIEF

MIDWEST DERECHO

On August 10, several Midwest states were ravaged by a rare weather event known as a derecho. A derecho is a fast moving and destructive inland windstorm accompanied by heavy rain or thunderstorms that can produce damage similar to that of a tornado or hurricane. The 2020 derecho raged across nearly 800 miles for 14 hours. The storm produced wind gusts of greater than 70 miles per hour, with some locations reporting gusts equivalent to a category 4 hurricane.

The derecho caused destruction from North and South Dakota to Ohio. Though the impact was widespread, the state of Iowa saw some of the most significant effects, including wide-scale utility disruptions, destruction of residential and commercial property, and severe damage to more than 10 million acres of crops. According to the National Oceanic and Atmospheric Administration (NOAA), damage from the storm, including agricultural impacts, totaled $7.5 billion, exceeding the impact of most of the tropical storms and hurricanes that made landfall in the United States in 2020.

In the wake of the storm, CoBank reached out to customers and partners in the impacted states to offer its support and to identify those providing aid. As is often the case, one of the first relief organizations on the ground was the American Red Cross. Nearly 420 Red Cross volunteers and disaster workers responded, providing food, water, shelter and other relief services in affected communities. In Iowa and Illinois, the organization provided more than 55,000 meals, distributed nearly 20,000 relief items and provided more than 3,500 overnight stays in hotels or shelters.

CoBank partnered with several of the nation's leading cooperatives serving agriculture and rural communities to provide financial assistance for the recovery effort. CHS, CoBank, Farm Credit Services of America, and Land O' Lakes, Inc. jointly contributed $200,000 to the American Red Cross.

"The Midwest derecho could not have come at a more difficult time," said Thomas Halverson, CoBank's president and chief executive officer. "The storm hit when rural communities across the nation were already being affected by

COBANK PARTNERED WITH SEVERAL OF THE NATION'S LEADING COOPERATIVES SERVING AGRICULTURE AND RURAL COMMUNITIES TO PROVIDE FINANCIAL ASSISTANCE FOR THE RECOVERY EFFORT.

In the state of Iowa alone, more than 10 million acres of crops saw severe damage as a result of the 2020 derecho.

unprecedented challenges due to the effects of COVID-19. CoBank was honored to do our part to help ease the most immediate suffering and even more proud to do so in partnership with our customers and Farm Credit colleagues."

Jay Debertin, president and CEO of CHS, noted, "The impact of this devastating storm on local cooperatives, farmers and rural America was significant. But the cooperative spirit is strong and the people in these communities are resilient. Those qualities will serve them well as they rebuild their businesses, their homes and their lives."

Mark Jensen, president and CEO of Farm Credit Services of America, said, "The derecho was devastating not only for ag producers, but also for the families, friends and neighbors in their communities. We're happy we could join with other cooperatives to support the important work of the American Red Cross to address the needs of entire communities in these challenging times."

Beth Ford, president and CEO of Land O' Lakes, Inc., said, "As a nearly 100-year-old, farmer-owned cooperative, we know that we do better when we look after our neighbors. Land O' Lakes was privileged to join other national cooperatives to do our part in supporting the vibrant, rural communities that continue to feed our country."

Though the devastation resulting from the derecho was tragic and unprecedented, recovery is underway and many communities continue to receive ongoing support from the Red Cross.

"The devastation across Iowa following the derecho was unprecedented and heartbreaking," said Jill S. Orton, regional chief executive officer, Nebraska Iowa Region, American Red Cross. "After the storm hit, Red Cross volunteers were on the ground to assist those who were affected. We have the ability to help communities respond to and recover from large-scale disasters due to the support we receive from organizations such as CHS, Land O'Lakes, Farm Credit Services of America, and CoBank. The recovery process in many communities is going to be a long, extensive process. This generous gift allows us to deliver help and hope to families and individuals who are picking up the pieces and determining how to move forward."

The National Oceanic and Atmospheric Administration (NOAA) estimates that damage from the 2020 storm totaled $7.5 billion.

Mark Jensen, president and CEO of Farm Credit Services of America, noted that "the derecho was devastating not only for ag producers, but for families, friends, and entire communities."

SUSTAINABILITY AND THE ENVIRONMENT

CoBank is proud to serve as the financial partner to electric cooperatives and other rural power providers across the United States that are making significant, forward-looking investments in renewable energy generation systems.

OUR ENERGY PORTFOLIO INCLUDES MORE THAN $4.2 BILLION IN OUTSTANDING LOANS AND LEASES FOR RENEWABLE ENERGY PROJECTS.

At CoBank, we believe that a commitment to sustainability and the environment is an integral part of good corporate citizenship. It's about making life better now in the communities where our employees and customers live and work, while helping to ensure a better, healthier future.

Through its Sharing Success program, CoBank regularly partners with its customers to fund organizations and projects that promote sustainability and responsible stewardship of environmental resources. Recent contributions have supported:

- The Rathbun Lake Protectors: a landowner outreach and education program that encourages conservation practices to protect and improve water quality in Iowa's Rathbun Lake.
- The Boone County Arboretum's "Arboretum on Wheels": an innovative learning laboratory providing environmental education to students in Greater Cincinnati and northern Kentucky.
- The purchase of the first all-electric school bus in the state of Missouri, which will serve the Knox County R-1 School District.

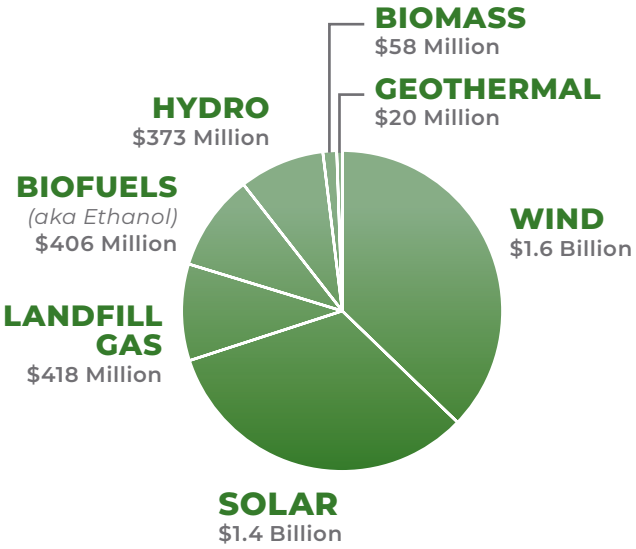
The bank also works diligently to reduce the environmental impact of its business operations. Our 11-story headquarters building is LEED Silver certified and incorporates best in class, environmentally friendly features including:

- Electric vehicle charging stations.
- Photo sensors that measure daylight and automatically adjust lighting levels to save energy.
- Water-efficient systems that reduce overall water usage.
- Digitally-controlled systems that allow more efficient heating and cooling.

The bank reduces its carbon footprint through the purchase of renewable wind generation credits to power its facilities and by providing its Denver associates with Eco-passes that allow them to commute to work using city buses and light rail.

CoBank includes environmentally friendly hybrid vehicles in its business fleet, and its Farm Credit Leasing subsidiary is making it easy and affordable for customers to add electric vehicles and charging stations through attractive leasing programs.

Finally, CoBank is proud to serve as the financial partner to electric cooperatives and other rural power providers across the United States that are making significant, forward-looking investments in renewable energy generation systems. Our energy portfolio includes more than $4.2 billion in outstanding loans and leases for renewable energy projects, making us one of the largest underwriters of renewable energy in the country.



SUSTAINABILITY AND THE ENVIRONMENT

ESVOLTA

Headquartered in Alisa Viejo, California, esVolta develops, owns and operates utility-scale battery energy storage projects. The company was founded and established in 2017 by Randolph Mann, when battery storage was still considered a novelty market. Just three years later, the technology is helping to ensure the flexibility and reliability of the nation's electrical grid and is a key solution to the integration of renewable energy.

esVolta partnered with CoBank and other financers in 2020 to secure funding for the construction and operation of eight new energy storage projects. Though esVolta was relatively new, the CoBank team had a long history of partnership with members of its leadership team.

"The company's CEO, Randy Mann, has more than 25 years of experience in the energy business," said Brian Goldstein, senior vice president, Project Finance for CoBank. "We had worked with Randy before, and with Krish Koomar, esVolta's chief financial officer, for over two decades. They have a business model in a space we believe is growing and they have the experience and passion to pull it together successfully."

"Battery storage has proven to be more than just a demonstration project," said Koomar. "But the continued growth of the space is dependent on large, institutional capital. CoBank is part of a select group of smart, sophisticated energy financers who have put the energy and effort into understanding the technology and commercial aspects of the business."

From the start, esVolta believed in lithium-ion-based technology and its ability to enhance the stability of the energy grid. They also believed the company could make a difference by enabling more efficient use of clean energy and complimenting the growing renewable sources in California.

"One of the challenges of renewable energy is that supply and demand are not always equal," said Mann. "Solar and wind power are governed by natural conditions and power isn't always generated at the exact time that consumers want to use it. This presents a challenge for utilities and CCAs (community choice aggregators). Public policy makers in states like California and Hawaii, responding to increasing consumer demand, have

ESVOLTA BELIEVED IN LITHIUM-ION-BASED TECHNOLOGY FROM THE START AND ITS ABILITY TO ENHANCE THE STABILITY OF THE ENERGY GRID.

esVolta's projects consist of stand-alone banks of lithium batteries that are connected to electric power grids via transformers.

set goals to eventually reach 100% renewable power. However, as the percentage of renewables on the grid increases, so does the challenge of dealing with their intermittent nature. Battery storage has the potential to overcome these challenges and has started to do so."

The integration of renewable energy is very important, but it is not the only benefit of energy storage. For this reason, esVolta's projects are not directly connected to solar or wind generation. Instead, the stand-alone banks of lithium batteries are connected to electric power grids via transformers. In addition to having long-term capacity off-take agreements with utilities and CCAs, esVolta buys and sells power to the grid, increasing capacity and reliability at times of peak need, without the need to build new, large-scale power plants.

"One of our goals is to ensure our projects fit within the surrounding environment," said Mann. "Some facilities are located in warehouses; others can even be housed in shipping containers, so their footprint is relatively small. They don't create the same 'visual noise' as other facilities or have significant impact on wildlife or other natural resources. In addition, our systems offer capacity and stabilization of the power grid while creating zero emissions. Essentially we are enabling the grid to be what everyone wants it to be: clean and reliable."

Going forward, Mann and Koomar see utility-scale energy storage becoming a core part of the utility grid structure. They predict "massive improvements in technology" as well as improvements in the business models used to finance, develop, construct, and manage these projects.

"The industry is still new, so there is still a lot of change in terms of demand, technology and regulation," said Mann. "But those things are already starting to create a tail wind that will allow the market to grow and scale. We appreciate our relationship with CoBank and their willingness to step up and invest in us now. It has been a very productive relationship for us, helping us to grow our business and do some good as we grow. We think there are a lot of exciting things to come and our relationship with CoBank will be a part of that."

esVolta's CEO, Randy Mann, has more than 25 years of experience in the energy business.

esVolta Chief Financial Officer Krish Koomar believes that the continued growth of battery energy storage depends on "smart, sophisticated energy financers."

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