



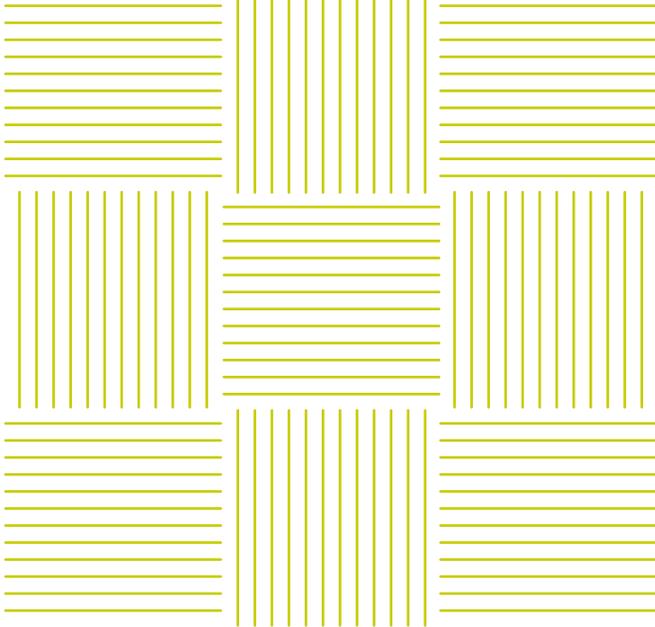
POWERED BY PURPOSE

Planting Possibility



AgriBank 2025
Annual Report





Who We Are

AgriBank supports local Farm Credit Association lenders, and, together, our cooperative network helps fulfill the Farm Credit mission to support rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow.



AgriBank is part of the customer-owned, nationwide Farm Credit System. Under Farm Credit's cooperative structure, AgriBank is primarily owned by local Farm Credit Associations, which provide financial products and services to rural communities and agriculture. AgriBank obtains funds and provides funding and financial solutions to those Associations. AgriBank and those Associations compose the AgriBank District. The District covers a 15-state area stretching from Wyoming to Ohio and Minnesota to Arkansas. For more information, visit www.AgriBank.com.



Farm Credit supports rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow. It has been fulfilling its mission of helping rural America grow and thrive for more than a century with the capital necessary to make businesses successful and by financing vital infrastructure and communication services. For more information, visit www.FarmCredit.com.

Copies of AgriBank, FCB's annual and quarterly reports and the AgriBank District annual and quarterly unaudited financial information are available free of charge upon request to:

AgriBank, FCB | 30 E. 7th St., Suite 1600 | St. Paul, MN 55101-4914
(651) 282-8800 | FinancialReporting@AgriBank.com

The reports are also available through AgriBank's website at www.AgriBank.com. The quarterly reports are available approximately 40 days following the end of each calendar quarter, and the annual reports are available approximately 75 days following the end of the calendar year.

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Dear Shareholders

As we reflect on 2025, we are reminded that our purpose—supporting Farm Credit Associations in the 15-state AgriBank District and, ultimately, the farmers and ranchers who feed the world—remains both our foundation and our compass.

This report’s theme, *Powered by Purpose, Planting Possibility*, captures both our steady performance and forward-looking optimism. *Powered by Purpose*, we focus relentlessly on the success of our 11 Association-owners, working collaboratively with them to fulfill our shared Farm Credit mission to support rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow. *Planting Possibility*, we strive to position the Bank and District, along with farmers, ranchers, and other customers, for continued resilience, growth, and success.

Powered by Purpose: Strong Performance and Progress

Over the past five years, the AgriBank District has delivered a strong annual growth rate averaging 9 percent, reflecting the capacity of the Bank and our Association-owners to fulfill our mission. To sustain this high growth level, AgriBank continues to prioritize disciplined capital optimization, leveraging multiple tools to ensure we have the flexibility and strength to support future opportunities.

Over the past five years, the AgriBank District has delivered a strong annual growth rate averaging 9 percent, reflecting the capacity of the Bank and our Association-owners to fulfill our mission.



Jeff Swanhorst
Chief Executive
Officer, AgriBank

Chris Roberts
Chair, AgriBank

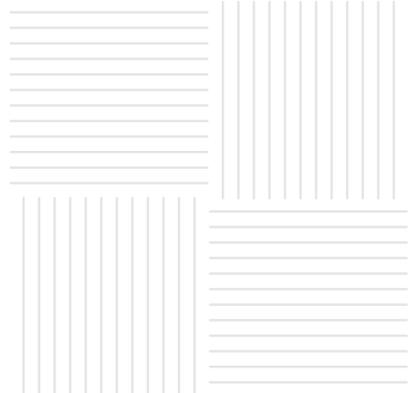


Our recent financial performance reflects our ability to manage strong growth. In 2025, AgriBank delivered solid financial results and advanced multiple initiatives to support Associations in a dynamic operating environment. Our performance, which is marked by strong profitability, credit quality, and liquidity and capital, reflects the disciplined underwriting and prudent risk management of our Association-owners.

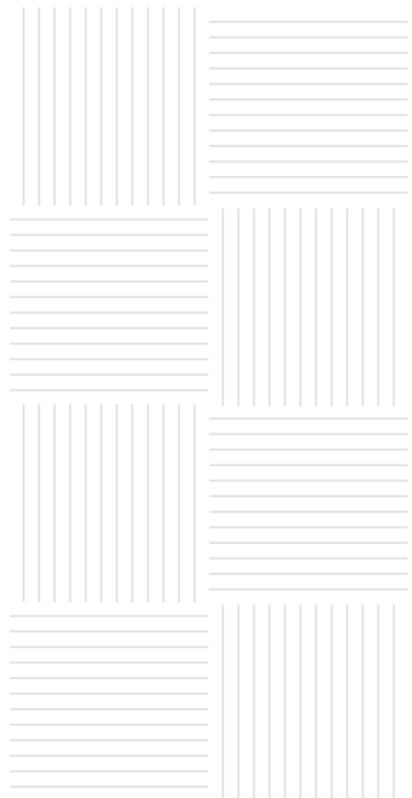
- Net interest income was \$1.2 billion for the year, up \$143.8 million, or 13.5 percent, compared to the prior year
- Total credit quality remains strong, with a slight decline in the retail loan portfolio across various sectors. AgriBank’s portfolio included 99.2 percent of loans classified as acceptable as of December 31, 2025, compared to 99.4 percent at December 31, 2024.
- Total loans were \$177.9 billion at December 31, 2025, up \$13.3 billion, or 8.0 percent, compared to December 31, 2024. This increase was attributable to strong growth in our wholesale portfolio as Associations continue to fulfill the Farm Credit mission. We also experienced growth in our retail portfolio from expanded participation in asset pool programs.
- Total capital remained strong at \$10.5 billion as of December 31, 2025, up \$1.0 billion, or 10.8 percent, compared to December 31, 2024
- AgriBank shared this financial success by returning \$675.0 million in earnings to our Association-owners in the form of cash patronage distributions

During 2024 and 2025, AgriBank conducted a comprehensive Funding Bank Model Strategic Review. This collaborative analysis, conducted with leaders from the Bank and all 11 of our Association-owners, affirmed the strength of our business model, which defines the respective roles of the Bank and our Association-owners, as well as our financial relationship. The review also identified opportunities to further optimize the model and enhance the products and services AgriBank offers for the benefit of our Association-owners.

A key outcome of the review has been to enhance our financial planning and analysis to ensure that AgriBank and our Association-owners have access to the most reliable information possible for business planning and decision-making. Accordingly, the AgriBank Finance department has expanded to include a dedicated financial planning and analysis/strategic finance team. And, as part of our commitment to increased transparency and integration of financial forecasting and budget planning with Association finance teams, we expanded our communications regarding the 2026-2028 plan outlook, baseline assumptions, and sensitivities to better collaborate with our Association-owners throughout the planning cycle.



Our performance, which is marked by strong profitability, credit quality, and liquidity and capital, reflects the disciplined underwriting and prudent risk management of our Association-owners.



Another key outcome has been progress toward fostering greater collaboration across the Farm Credit System. For example, we engaged another System Bank to assess opportunities to collaborate on cash management products and services with the goal of offering end customers innovative solutions while leveraging economies of scale beyond the AgriBank District. In addition, we began exploring other collaboration opportunities with System Banks such as aligning treasury strategies, exploring opportunities in technology sharing and increasing loan participations to improve our patronage rate to our Association-owners.

The Funding Bank Model is a living framework—through the collaborative efforts of the Bank and Association-owners, we will continue to review and adjust the model to meet evolving challenges and opportunities. This work will continue to guide enhancements to our asset-liability strategies, capital management, funding, asset pool usage, pricing, service-delivery approaches and more in the years ahead. We will continue to listen intently to our Association-owners to determine how we can provide financial value to them even more effectively.

Adjustments to the Funding Bank Model reflect our commitment to accessibility and openness. Through the Stakeholder Engagement Framework, in 2025, our board and leadership teams continued to meet with their Association-owner counterparts and other business partners beyond the District. This engagement included joint AgriBank-Association board meetings, staff participation in various District and System workgroups, and regular meetings of District chief executive officers and other key leaders. A District delegation participated in a New York-area educational trip that included meetings with the Federal Farm Credit Banks Funding Corp., Google and J.P. Morgan. Touchpoints such as these strengthen collaboration and produce actionable insights that shape our ongoing strategic planning. They also reinforce what we know to be true—the most durable strategies are those we build together.

Planting Possibility: An Eye on the Horizon

Looking ahead, AgriBank will continue to partner with our Association-owners and other System institutions to sow seeds for the long-term success of Farm Credit and rural America.

Through a refreshed, more expansive strategic planning process, we are looking further into the future than ever. In 2025, we introduced a longer-term planning horizon, which is anchored by our 10-year visioning initiative, “Leading the Way to 2036.” This approach, which includes longer-term financial modeling, recognizes that meaningful transformation, whether cultural, financial, or technological, requires a multi-year perspective and deep collaboration with others. AgriBank remains grounded in our purpose while actively evolving to meet the District’s future needs.

The Funding Bank Model is a living framework—through the collaborative efforts of the Bank and Association-owners, we will continue to review and adjust the model to meet evolving challenges and opportunities.





As detailed in our 2026–2028 Business Plan, multiple initiatives are under way to position AgriBank and the District for the future. The plan reflects our longer-term outlook and focuses on several key areas:

Premier People & Culture—We are advancing Resilient & Ready action plans that strengthen succession planning, talent development, workforce transitions, and resource capacity. We are also sharpening our total rewards strategy to enhance value for employees and remain competitive in the marketplace. These efforts reinforce AgriBank’s goal of being a top employer, enhancing our ability to retain and attract high-performing talent who are essential to delivering exceptional service to the District.

Strong Operations—We will continue to advance the implementation of PLANT (Premiere Loan Accounting & Next-gen Technology), modernize our data governance and analytics capabilities, and enhance technology resiliency. We are also exploring artificial intelligence applications and other innovations to boost operational efficiency, provide for better decisioning, and position the Bank for future demands.

Leading Funding Bank—AgriBank will expand work to enhance asset-liability strategies, evolve cash-management products, refine financial forecasting and sensitivity modeling, and articulate a more compelling and well-understood financial value proposition for our Association-owners. This includes pursuing supplemental revenue opportunities, where appropriate, and optimizing capital to support increased commercial lending activity and District growth, especially Association-owner growth within their own territories.

Cooperative Collaborator—Maintaining and enhancing our strong and effective Association relationships remains a central priority. We will continue building a comprehensive financial planning and analysis function to strengthen coordination with Association finance teams, further expand transparency around assumptions and sensitivities, and support Districtwide alignment. Our goal is for stronger collaboration as well as greater clarity and confidence in the value AgriBank delivers.

AgriBank’s disciplined capital planning processes will continue to guide our efforts to maintain strong capital, exceed regulatory expectations, and prudently support the District’s growth. Capital is a scarce resource, and we are implementing multiple strategies to ensure we have the appropriate capital position to carry out our mission. We aim to support our Association-owners in making loans to every creditworthy borrower.

Maintaining and enhancing our strong and effective Association relationships remains a central priority.

Navigating Headwinds with Confidence

Across these areas, we recognize the challenges ahead, including interest-rate volatility, political and economic uncertainty, and financial stress for some producers. In particular, we recognize that the agriculture sector faces pressure driven by lower commodity prices, elevated input costs, and financial unpredictability, which could gradually erode credit quality. AgriBank, in collaboration with our Association-owners, is ready to proactively address these challenges through disciplined capital planning and strong risk management practices.

Our shareholders and other stakeholders can rest assured that we are laying the groundwork for continued strength and opportunity. AgriBank:

- Reported 2025 financial performance that reflects reliability, resilience and strategic clarity
- Listens to and understands the needs of our Association-owners and is investing in solutions that matter
- Builds for the future, guided by a long-term view and a commitment to innovation
- Remains committed to being a trusted partner dedicated to the best interests of the District and the Farm Credit System

Thank you for your continued partnership, collaboration and trust. Together, we will continue to support rural communities and agriculture with reliable, consistent credit and financial services...today, tomorrow and well into the future.



Chris Roberts
Chair, AgriBank, FCB



Jeffrey R. Swanhorst
CEO, AgriBank, FCB

February 27, 2026

AgriBank's disciplined capital planning processes will continue to guide our efforts to maintain strong capital, exceed regulatory expectations, and prudently support the District's growth.





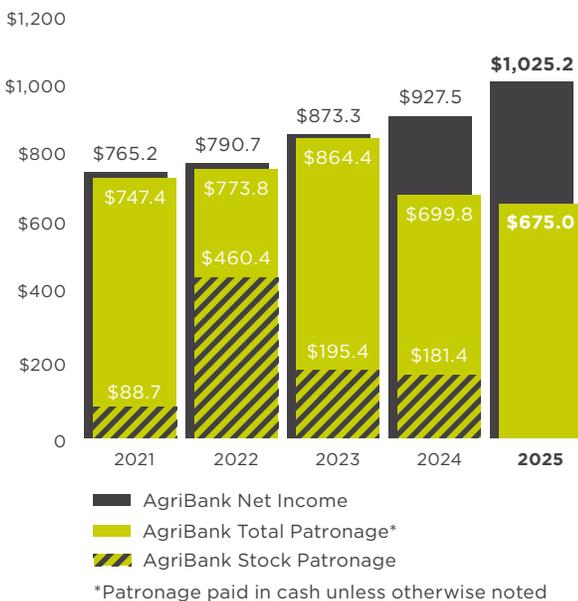
Performance Highlights

Consistent net income generates strong patronage

- AgriBank returned \$675.0 million in earnings to our owners in cash patronage distributions—sharing our financial success with our Association-owners, partnering with them to optimize capital, and meeting all regulatory minimums and buffers
- Net income of \$1.0 billion was driven primarily by continued strong net interest income
- Return on assets of 52 basis points, which exceeded our target of 50 basis points, driven mainly by greater income from the wholesale loan and asset pool portfolios along with continued disciplined management of expenses

AgriBank Net Income and Patronage

MILLIONS OF DOLLARS

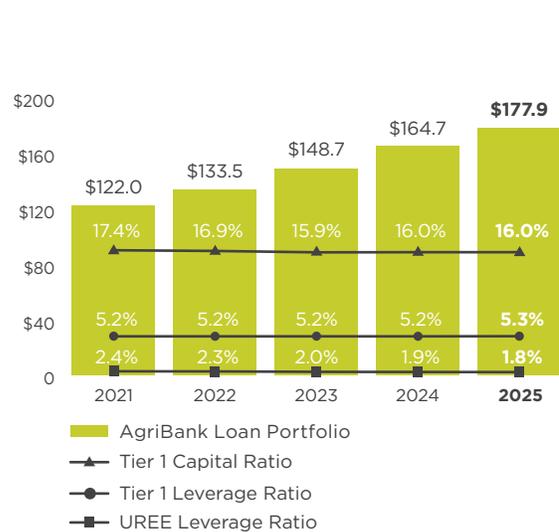


Association-owner loan growth boosts AgriBank loan portfolio

- Reflecting growth in wholesale loans to Association-owners and increases in the retail loan portfolio, the AgriBank loan portfolio increased 8.0 percent from the previous year to \$177.9 billion, with acceptable credit quality loans remaining strong at 99.2 percent
- We optimize capital by first retaining what we need to meet our capital targets and then distributing the remainder as cash patronage, resulting in tier 1 and unallocated retained earnings or equivalents (UREE) leverage ratios that both align with our capital plan targets. Total regulatory capital far exceeded requirements, reflecting continued robust capital levels.
- Asset pool programs continued to expand, efficiently leveraging District capital, driven by the Bank and Associations fulfilling the Farm Credit mission to provide reliable, consistent credit and financial services

AgriBank Loan Portfolio and Ratios

BILLIONS OF DOLLARS OR %

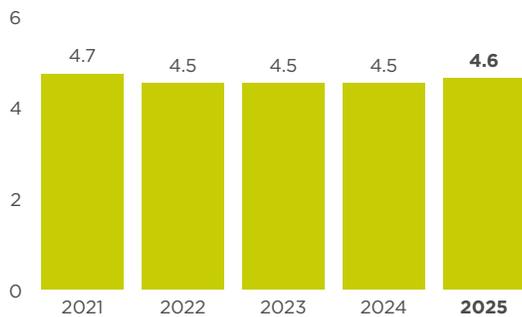


Strategic investments position AgriBank for long-term success

- Stability of the AgriBank net operating rate reflects highly efficient and scalable operations, while making investments in many strategic and operational initiatives
- We continued a balanced focus on disciplined management of operating expenses while keeping a steadfast commitment to operational strength and making strategic investments in people and technology

AgriBank Net Operating Rate

BASIS POINTS

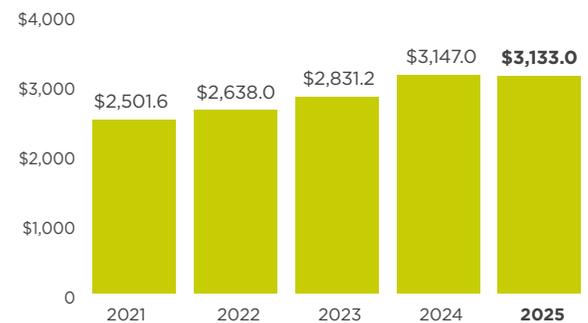


Strong earnings reflect continued District financial strength

- Strong District earnings were driven by growing net interest income, which was partially offset by provision for credit losses as the District navigated agricultural economic headwinds and political uncertainty
- The District remains focused on modernizing systems and advancing technology

District Net Income

MILLIONS OF DOLLARS

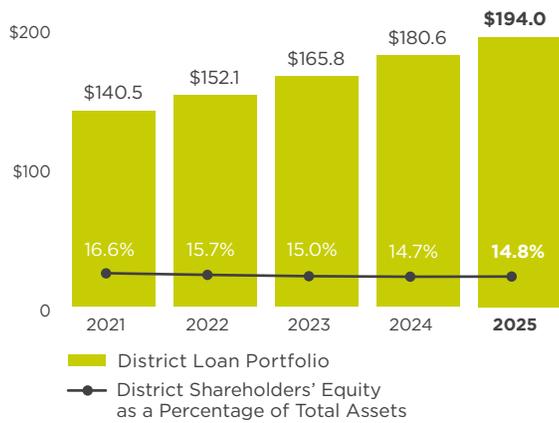


Association-owners benefit from prudent leveraging of District capital

- The District loan portfolio increased 7.4 percent from the previous year to \$194.0 billion, driven by Association-owners fulfilling the Farm Credit mission to support customers with reliable, consistent credit
- Associations returned \$1.2 billion of patronage to customers in 2025
- District shareholders' equity as a percentage of total assets was 14.8 percent, reflecting continued robust capital levels

District Loan Portfolio and Equity Position

BILLIONS OF DOLLARS or %

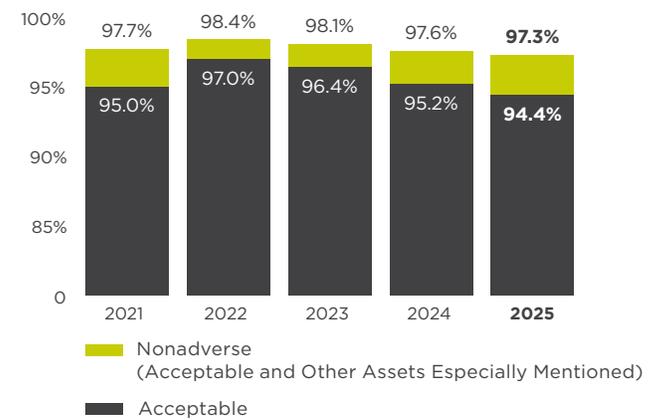


District credit quality continues to be strong

- The District portfolio had 97.3 percent nonadverse loans, again showcasing portfolio strength
- District credit quality reflects the continuously shifting economic environment for agriculture
- Credit quality has declined slightly in recent years but remains strong. District Associations continue to work with borrowers to navigate through this environment of low crop prices, elevated input costs and trade uncertainties.

District Credit Quality

NONADVERSE LOANS %





Board of Directors

Standing: George Stebbins (Englewood, Ohio); Matthew Walther (Centerville, Ind.); Jeff Austman (Forrest, Ill.); Jennifer Zessin (Madison, Neb.); Chris Roberts, Chair (Olive Branch, Miss.); Mike Timmer (Hopkins, Mich.); Brandon Robbins (Cookeville, Tenn.); Ivar Chhina* (Bellevue, Wash.); Nick Vande Weerd, Vice Chair (Brookings, S.D.); Mark Pierce (DeKalb, Mo.); Randy Peters (McCook, Neb.); Donald Blankenship (Murfreesboro, Tenn.)

Seated: Rollin Tonneson (Souris, N.D.); Stan Claussen (Montevideo, Minn.); Laura Braun (Ovid, Mich.)

Inset: Steven Cunningham* (Glenview, Ill.); Tim Rowe (Elwood, Neb.)

*Appointed directors; all others elected



Executive Leadership Team

Left to Right: Jeremy Renger, Chief Risk and Information Officer; Jim Jones, Chief Credit Officer; Barbara Kay Stille, Chief Operations and Strategy Officer; Jeff Swanhorst, Chief Executive Officer; Brad Hoffelt, Chief Financial Officer

Inset:** Thomas Hitchcock, Chief Legal Officer and General Counsel; Lori Mueller, Chief Human Resources Officer

**Promoted to Executive Leadership Team effective January 1, 2026



District Associations

Farm Credit Associations in the AgriBank District provide farmers, ranchers and other rural borrowers in their local communities with the capital they need to make their businesses successful.

AgriBank supports our Association-owners, which serve rural communities and agriculture in the 15 states of the AgriBank District. Under our cooperative structure, the farmers, ranchers and agribusinesses Farm Credit serves own these Associations, which in turn are the primary customers and owners of AgriBank.



AgCountry Farm Credit Services, ACA
1900 44th St. S.
Fargo, ND 58103
(701) 282-9494
www.agcountry.com



Farm Credit Services of America

Farm Credit Services of America, ACA
5015 S. 118th St.
Omaha, NE 68137
(402) 348-3333
www.fcsamerica.com



AgHeritage Farm Credit Services, ACA
119 E. Third St., Suite 200
Little Rock, AR 72201
(800) 299-2290
www.agheritagefcs.com



Farm Credit Services of Mandan

Farm Credit Services of Mandan, ACA
1600 Old Red Trail
Mandan, ND 58554
(701) 663-6487
www.farmcreditmandan.com



Compeer Financial, ACA
2600 Jenny Wren Trail
Sun Prairie, WI 53590
(844) 426-6733
www.compeer.com



FARM CREDIT OF WESTERN ARKANSAS

Farm Credit Services of Western Arkansas, ACA
5177 US Highway 64 W
Russellville, AR 72802
(479) 968-1434
www.myaglender.com



FCS FINANCIAL

FCS Financial, ACA
1934 E. Miller St.
Jefferson City, MO 65101
(573) 635-7956
www.myfcsfinancial.com



FARM CREDIT SOUTHEAST MISSOURI

Farm Credit Southeast Missouri, ACA
1116 N. Main St.
Sikeston, MO 63801
(573) 471-0342
www.farmcreditsemo.com



Farm Credit Illinois, ACA
1100 Farm Credit Drive
Mahomet, IL 61853
(217) 590-2200
www.farmcredital.com



GreenStone FARM CREDIT SERVICES

GreenStone Farm Credit Services, ACA
3515 West Road
East Lansing, MI 48823
(800) 968-0061
www.greenstonefcs.com



farmCREDIT MID-AMERICA

Farm Credit Mid-America, ACA
12501 Lakefront Place
Louisville, KY 40299
(502) 420-3700
www.fcma.com

Five-Year Summary of Selected Financial Data

AgriBank, FCB

(in thousands)

As of December 31,	2025	2024	2023	2022	2021
Statement of Condition Data					
Loans held to maturity (Note 3)	\$177,887,238	\$164,659,006	\$148,370,212	\$133,470,781	\$121,994,112
Allowance for loan losses	73,456	39,641	31,992	31,739	37,558
Net loans held to maturity	177,813,782	164,619,365	148,338,220	133,439,042	121,956,554
Loans held for sale (Note 3)	—	—	355,219	—	—
Net loans	177,813,782	164,619,365	148,693,439	133,439,042	121,956,554
Investment securities	24,000,515	23,160,944	22,112,428	20,093,923	18,392,628
Other assets	3,894,030	4,150,651	5,617,136	2,929,803	2,067,414
Total assets	\$205,708,327	\$191,930,960	\$176,423,003	\$156,462,768	\$142,416,596
Obligations with maturities of one year or less	\$66,084,102	\$57,461,220	\$54,591,694	\$43,567,311	\$40,197,641
Other obligations with maturities greater than one year	129,138,502	125,006,619	113,248,131	105,709,901	95,213,040
Total liabilities	195,222,604	182,467,839	167,839,825	149,277,212	135,410,681
Perpetual preferred stock	—	—	250,000	250,000	250,000
Capital stock and participation certificates	7,030,989	6,530,024	5,845,718	4,664,821	3,826,290
Allocated retained earnings	—	—	—	—	1,377
Unallocated retained earnings	3,717,737	3,367,515	3,139,865	3,139,365	3,139,203
Accumulated other comprehensive income (loss)	(263,003)	(434,418)	(652,405)	(868,630)	(210,955)
Total shareholders' equity	10,485,723	9,463,121	8,583,178	7,185,556	7,005,915
Total liabilities and shareholders' equity	\$205,708,327	\$191,930,960	\$176,423,003	\$156,462,768	\$142,416,596
For the year ended December 31,					
Statement of Income Data					
Net interest income	\$1,206,239	\$1,062,456	\$985,156	\$854,444	\$779,788
Provision for credit losses	59,000	27,000	19,000	(6,000)	1,000
Other expense (income), net	122,039	107,998	92,862	69,747	13,577
Net income	\$1,025,200	\$927,458	\$873,294	\$790,697	\$765,211
Key Financial Ratios					
For the Year					
Return on average assets	0.52 %	0.51 %	0.53 %	0.53 %	0.57 %
Return on average shareholders' equity	10.31 %	10.56 %	11.28 %	11.36 %	11.13 %
Net interest income as a percentage of average earning assets	0.62 %	0.59 %	0.60 %	0.58 %	0.59 %
Net charge-offs as a percentage of average loans	0.02 %	0.01 %	0.01 %	0.00 %	0.00 %
At Year End					
Shareholders' equity as a percentage of total assets	5.10 %	4.93 %	4.87 %	4.59 %	4.92 %
Allowance for loan losses as a percentage of loans	0.04 %	0.02 %	0.02 %	0.02 %	0.03 %
Debt to shareholders' equity (:1)	18.4	19.1	19.4	20.6	19.2
Common equity tier 1 capital ratio	16.0 %	16.0 %	15.5 %	16.3 %	16.8 %
Tier 1 capital ratio	16.0 %	16.0 %	15.9 %	16.9 %	17.4 %
Total capital ratio	16.1 %	16.1 %	16.0 %	16.9 %	17.5 %
Tier 1 leverage ratio	5.3 %	5.2 %	5.2 %	5.2 %	5.2 %
UREE leverage ratio	1.8 %	1.9 %	2.0 %	2.3 %	2.4 %
Permanent capital ratio	16.0 %	16.0 %	15.9 %	16.9 %	17.4 %
Net Income Distributed					
For the Year					
Patronage distributions:					
Cash	\$674,978	\$518,404	\$669,011	\$312,782	\$658,678
Stock	—	181,404	195,410	460,434	88,692
Allocated retained earnings	—	—	—	131	653
Total patronage distributions	\$674,978	\$699,808	\$864,421	\$773,347	\$748,023
Preferred stock dividends	\$—	\$—	\$17,188	\$17,188	\$17,188

Management's Discussion and Analysis

AgriBank, FCB

The following commentary is a review of the financial condition and results of operations of AgriBank, FCB (AgriBank, the Bank, we, us or our) and provides additional specific information. The accompanying Financial Statements and Notes to the Financial Statements also contain important information about our financial condition and results of operations.

Farm Credit System

The Farm Credit System (the System) provides loans, leases and financial services to farmers, ranchers, farmer-owned cooperatives, other agribusinesses and rural homebuyers across all 50 U.S. states and Puerto Rico. This focus on rural communities and agriculture is the reason Farm Credit was established over 100 years ago, and the System has been delivering on that mission ever since.

While the System has a national footprint, lenders are local—as of January 1, 2026, 55 independently owned and operated Farm Credit Associations provide services in local communities. Each Farm Credit Association is a cooperative that is owned by its members and has employees and a board of directors who have a deep understanding of agriculture in their area. This expertise enables them to understand the industry sectors they finance and provide an unparalleled level of knowledge and service to customer/owners.

Combined, Farm Credit organizations provide over \$438 billion in loans and leases. Farm Credit provides more than 46 percent of the credit used by U.S. agriculture. This capital helps over 609 thousand customer/owners buy or lease land and equipment, build facilities, purchase inventory, export products, operate farms and businesses, and much more. Farm Credit also offers cash management services, crop insurance, credit life insurance and other financial services. Farm Credit finances agricultural cooperatives and communications, electric, power and water providers that deliver essential infrastructure services to maintain vibrant rural communities.

Farm Credit Associations receive funding through one of four System Banks, including AgriBank. System entities have specific lending authorities within their chartered territories. We, and the other System Banks, raise funds primarily by issuing debt securities with a broad range of maturities and structures through the System's agent, the Federal Farm Credit Banks Funding Corporation (the Funding Corporation). These bonds are insured by the Farm Credit System Insurance Corporation (FCSIC or the Insurance Corporation). System Banks and Associations are subject to examination and regulation by an independent federal agency, the Farm Credit Administration (FCA).

The Farm Credit System 2025 Annual Information Statement, issued by the Funding Corporation, includes additional information about the System, its funding activities and its combined financial results. You can obtain a copy of that report by contacting the Funding Corporation or visiting www.farmcreditfunding.com.

AgriBank

AgriBank is part of the customer-owned, nationwide Farm Credit System. Under Farm Credit's cooperative structure, AgriBank is primarily owned by local Farm Credit Associations, which provide financial products and services to rural communities and agriculture. AgriBank obtains funds and provides funding and financial solutions to those Associations. AgriBank and those Associations compose the AgriBank District. The District covers a 15-state area stretching from Wyoming to Ohio and Minnesota to Arkansas.

Our primary purpose, established by the board and management, is to expertly and reliably obtain funds and prudently provide funding and financial solutions to District Associations. Prudent lending standards and unwavering attention to risk management have resulted in a strong balance sheet. This balance sheet facilitates ongoing access to the financial markets, offering funding in the form of loan products with a wide variety of maturities, repricing and repayment options to District Associations. District Associations share in the positive benefits of a strong Funding Bank through consistent access to capital, a broad array of financial products they use to serve their customer/owners, and an appropriate return on their investment through patronage distributions.

Risk Management

Risk is inherent in our business, necessitating that sound risk management practices be a fundamental component of our operations. Some of the major types of risk in our business are:

- Credit risk is the risk of loss arising from a borrower or counterparty failing to perform on an obligation.
- Interest rate risk is the risk that changes in interest rates may adversely affect operating results and financial condition.
- Liquidity risk is the risk of loss arising from the inability to timely meet operating and funding needs without incurring excessive costs.
- Operational risk is the risk of loss resulting from inadequate or failed internal processes or systems, errors by employees or external events.
- Reputational risk is the risk of loss resulting from events, real or perceived, that shape the image of the Farm Credit System or any of its entities.

These and other risks, and the methods we use to manage them, are discussed throughout this Annual Report.

Our prudent and disciplined approach to risk management includes an enterprise risk management structure established to identify emerging and existing risks and evaluate risk implications of the decisions and actions of AgriBank and others. Enterprise risk management enables us to:

- Effectively assess, prioritize, monitor and report key organizational risks, enhancing our ability to achieve our business objectives
- Embed a risk-aware culture and risk appetite throughout AgriBank
- Identify and implement strategies to mitigate risk where appropriate
- Ensure we are adequately compensated for the risks that we take

Our board oversees risk management by adopting policies to guide the organization's risk governance framework and by monitoring performance against established risk limits. Management's first-line roles establish controls to guide the day-to-day risk management activities of the organization within the risk limits and framework approved by our board. The various risk, controls and compliance oversight functions established by management are the second-line roles. We maintain an independent internal audit function as the third line to monitor risk management and policy compliance to assure that management control functions are operating within the board-approved policies. The Vice President of Internal Audit reports to the board through the Audit Committee. Our board, through various committees, monitors this risk framework. This structure and board oversight promotes effective risk management of major types of risk and fosters the establishment and maintenance of an effective risk culture throughout the Bank. To enhance financial reporting governance and internal controls, we have voluntarily adopted an integrated audit with respect to internal controls over financial reporting. We mirror the material provisions of the Sarbanes-Oxley Act of 2002, including section 404, *Management Assessment of Internal Control over Financial Reporting* (ICFR). This also supports the Farm Credit System-level attestation, as well as a strong control environment through awareness, documentation and testing of key controls for all significant processes supporting ICFR. In addition, our independent auditor provides an opinion on the effectiveness of our ICFR program.

Forward-Looking Information

This Annual Report includes, and our representations may from time to time make, projections regarding financial information and statements concerning future economic performance and events, plans and objectives relating to management, operations, products and services and assumptions underlying these projections and statements. These projections and statements represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These projections and statements may address, among other things, business strategy, competitive strengths, goals, market and industry developments and the growth of our businesses and operations. The words "anticipate," "believe," "estimate," "expect," "intend," "outlook" and similar expressions, as they relate to AgriBank or its management, are intended to identify forward-looking statements. Such statements reflect the current views of AgriBank with respect to future events and are subject to certain risks, uncertainties and assumptions, including the risk factors described in this Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or our outlook may vary materially from those described herein as anticipated, believed, estimated, expected or intended.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. The information contained in this Annual Report, including without limitation, the information under "Management's Discussion and Analysis" identifies important factors that could cause such differences, including, but not limited to, a change in the agricultural economy (national, regional or otherwise), overall

economic conditions, changes in interest rates, and the effect of new legislation or government regulations or directives. The information in this report is based on current knowledge and are subject to many risks and uncertainties including, but not limited to:

- Political (including trade policies, environmental policies, and civil unrest), legal, regulatory, financial markets and economic or other conditions and developments in the United States and abroad
- Economic fluctuations, including inflationary indicators, in the agricultural, international, rural and farm-related business sectors
- Weather-related, disease and other adverse climatic or biological conditions that periodically occur and can impact agricultural productivity and income
- Changes in U.S. government support of the agricultural industry (including government support payments) and the System as a government-sponsored enterprise, as well as investor and rating agency reactions to events involving the U.S. government, other government-sponsored enterprises and other financial institutions
- Actions taken by the Federal Reserve and U.S. Treasury in implementing monetary policy
- Cybersecurity risks, including a failure or breach of our operational or security systems or infrastructure, or those of our third-party vendors or other service providers
- Credit, interest rate and liquidity risk inherent in our lending activities
- Disruptive technologies impacting the banking and financial services industries or implemented by our competitors which negatively impact our ability to compete in the marketplace
- Length and severity of an epidemic or pandemic
- Changes in our assumptions for determining the allowance for credit losses and fair value measurements
- Industry outlooks for agricultural conditions
- Price, supply and demand within the gas and oil industry

Refer to additional discussion in the Risk Factors section at the end of this report.

Financial Overview

AgriBank's strong 2025 financial results reflect the resilience and effectiveness of our Funding Bank model, which demonstrates the financial strength and operating performance of our Association-owners. This strength translates into lasting value for our customer/owners and reflects our commitment to the Farm Credit mission to support rural communities and agriculture. Our financial results reflect our focus on the Funding Bank Model, which optimizes Bank profitability and capital and maintains a District view of success rooted in cooperative principles.

While the Funding Bank Model has served us well, we continue to improve upon it through targeted strategic review outcomes that strengthen financial planning and analysis, enhance transparency around assumptions and improve alignment across the District. This year, working collaboratively with our Association-owners, we advanced forecasting, capital planning, and asset-liability strategies to ensure flexibility and strength to support future growth. AgriBank's growth directly correlates to the success of Association-owners in supporting the needs of farmers, ranchers and other eligible borrowers. As Associations meet borrower demand, AgriBank meets Association funding requirements. AgriBank remains well-positioned to continue meeting those needs, which is our principal role under our Funding Bank Model.

We continue to follow our financial framework, which focuses on operational strength and disciplined cost management combined with appropriate levels of net income and capital consistent with our inherent risk. Under this framework, our 2025 return on average assets ratio was 52 basis points, in excess of our 50 basis point target.

Net income was \$1.0 billion, an increase of 10.5 percent from the prior year, primarily driven by higher spread income on retail loans in our asset pool portfolio and on our wholesale loan portfolio due to an increase in loan volume. These factors were somewhat offset by decreased spread income on investment securities due to the mix of investment securities. The benefit of equity financing in net interest income increased compared to the prior year due to higher levels of equity partially offset by a decline in interest rates.

Refer to the Results of Operations section for further discussion.

Total loans were \$177.9 billion at December 31, 2025, a 8.0 percent increase from the prior year, primarily attributable to wholesale loan growth and increases in retail loans from expanded participation in asset pool programs.

Our loan portfolio credit quality remained strong at 99.2 percent acceptable under the FCA's Uniform Classification System at December 31, 2025, compared to 99.4 percent at December 31, 2024. This strong credit quality reflects the overall strength of

District Associations and their underlying portfolios of retail loans, which they pledge as collateral on their wholesale lines of credit with us. The credit quality of our retail loan portfolio (accounting for approximately 15 percent of our total loan portfolio) decreased slightly to 94.9 percent acceptable at December 31, 2025, compared to 95.7 percent acceptable at December 31, 2024. The slight decrease in the acceptable percentage was primarily attributable to limited deterioration in the economic performance of loans in asset pool portfolios primarily in the crops sector. Refer to the Loan Portfolio section for additional discussion about how other factors may impact our loan portfolio performance.

Strong capital levels ensure we are well-positioned to manage the cyclical characteristic of the agricultural market, as well as the challenges and uncertainty of the overall economic environment. Total capital remained strong at \$10.5 billion as of December 31, 2025, an increase of \$1.0 billion compared to December 31, 2024. This increase was driven by strong net income and the issuance of capital stock, consistent with our capital plan. These increases were partially offset by cash patronage declared. Our capital reflects strong risk-based regulatory capital measures while also meeting the non-risk-based regulatory capital leverage ratios. Refer to the Shareholders' Equity section for further discussion.

Economic Conditions

Interest Rate Environment

In the January 2026 meeting, the Federal Open Market Committee (FOMC) maintained the target range for the federal funds rate at 3.50 percent to 3.75 percent and noted that even though job gains have remained low, the unemployment rate has shown some signs of stabilization and economic activity is expanding at a solid pace. The FOMC released its quarterly economic projection (referred to as the "dot plot") in the December 2025 meeting. The median of the dot plot showed 25 basis points of total cuts in 2026 and 25 basis points of total cuts in 2027 and the long-term fed funds rate at 3 percent. The pace of rate cuts will depend on incoming data, the evolving economic outlook, and the balance of risks between Fed's dual mandate - maximum employment and price stability.

The headline Consumer Price Index (CPI) continued its downward trend with year over year change of 2.7 percent in December. Core CPI also moved lower to 2.6 percent in December. Monthly payroll numbers remained weak with approximately 180 thousand jobs added for the period from January through December of 2025.

The U.S. gross domestic product grew by 4.3 percent in the third quarter of 2025 and is expected to grow by 2.1 percent in 2026. Broader economic activity while robust appears to be slowing down. The labor market remains fragile with unemployment rate at 4.4 percent, and the outlook for hiring remains cautious.

The U.S. Treasury yield curve has steepened due to concerns around inflation and fiscal deficits. Geopolitical risks show no signs of abating with ongoing conflicts in the Middle East, Europe and South America.

We manage interest rate risk consistent with policies established by the board of directors and limits established by AgriBank's Asset/Liability Committee (ALCO). Many factors can impact our net interest income, including strategic interest rate risk management in collaboration with District Associations. Management expects financial performance will remain relatively consistent under most interest rate environments over the next 12 months. We have moderate interest rate risk in an environment in which interest rates fall quickly (refer to the Interest Rate Risk Management section).

Agricultural Conditions

On February 5, 2026, the U.S. Department of Agriculture's Economic Research Service (USDA-ERS) released its initial forecast of the U.S. aggregate farm income and financial conditions for 2026 and updated its 2025 forecast. The revised 2025 net farm income forecast of \$154.5 billion represents a \$27.0 billion increase from the 2024 level, up 21.2 percent, driven by increasing direct government payments and animal and animal product cash receipts, which more than offset rising expenses. When adjusting for inflation, the 2025 net farm income forecast is \$28.4 billion, or 22.0 percent, above the 10-year average (2015-2024) net farm income in 2026 dollars. The initial 2026 net farm income projection of \$153.4 billion represents a decrease of \$1.2 billion, or 0.7 percent, from the revised 2025 net farm income forecast, and if realized, would be \$24.3 billion, or 18.8 percent, above the 10-year average net farm income in 2026 dollars.

USDA forecasts net farm income will hold near \$154.0 billion for the second consecutive year driven by expectations of higher direct government payments and cash farm-related income that offset the increase in expenses, a downward dollar value of inventory adjustment, and the forecasted decline in cash receipts for animal and animal products. Federal direct government payments are projected to total \$44.3 billion in 2026, a \$13.8 billion, or 45.2 percent, increase from 2025. The increase is largely driven by a \$12.8 billion increase in Price Loss Coverage program payments due to lower crop prices and program modifications authorized by Public Law 119-21 (commonly known as the "One Big Beautiful Bill Act"). Ad hoc government assistance payments are forecast to remain

elevated at \$23.9 billion, primarily consisting of payments from the Farmer Bridge Assistance Program and the Supplemental Disaster Assistance from the American Relief Act of 2025. Animal and animal products cash receipts are forecast to decline by \$17.0 billion, down 5.8 percent, as expectations for lower cash receipts for eggs and milk more than offset increases for cattle and calves. Cash receipts for crops are forecast to increase by \$2.8 billion, a 1.2 percent increase, mainly due to increases of receipts from corn. Total production expenditures are forecast to increase by \$4.6 billion in 2026, a 1.0 percent increase. USDA projects a decline in feed costs and manufactured inputs, while higher livestock and poultry expenses, labor, property taxes, and marketing, storage, and transportation costs all lead to an overall increase in production expenses.

USDA expects that some deterioration of the farm sector balance sheet will occur in 2026. Farm sector working capital is projected to decrease by \$14.3 billion, a 9.2 percent decline, while solvency ratios weaken for the third consecutive year. The farm sector debt-to-asset ratio is projected to increase slightly from 13.5 percent in 2025 to 13.8 percent in 2026, the highest level since 2021, but that would still be well below the 22.2 percent peak that occurred in 1985, and it would be below any year of the 1980s and 1990s.

Soybean prices rallied in November 2025 on the White House announcement of a trade truce with China, which included Chinese purchase commitments of U.S. soybeans. U.S. soybean prices were above prior year levels during the final quarter of 2025, despite the lower export projections for the marketing year and expectations for a record-large Brazilian soybean crop that will be harvested in early 2026. USDA's estimate for U.S. soybean production in 2025 exceeded expectations, while a reduction in the U.S. soybean export forecast for the 2025/2026 marketing year increased the U.S. soybean ending stocks forecast by 60 million bushels in the January 2026 World Agricultural Supply and Demand Estimates (WASDE) report. The soybean market will remain more susceptible to political risks given the market's export dependency and expanding Brazilian production. Corn prices held near the \$4.00 per bushel price at the farm-level during the fourth quarter of 2025, which was roughly in line with previous quarter and prior year levels. Corn exports have been strong, but the record-large 2025 corn crop forecast limited upward price movement. The January 2026 USDA Crop Production report confirmed that the 2025 U.S. corn crop was the largest on record, with the estimate exceeding market expectations. USDA raised its corn feed and residual use estimate in the January 2026 WASDE report and increased the export forecast in the February 2026 WASDE report; however, the record-large corn production estimate is projected to lead to the biggest corn ending stocks estimate in seven years. The large supply is expected to limit the upside price potential for corn into the 2026 planting season. Based on crop price futures and Corn Belt-based land-grant university crop budgets as of early 2026, crop producers are expected to continue facing challenging market conditions in 2026, with mixed returns ranging from moderate losses to small gains. However, the strengthened Title I commodity safety net programs should provide stronger underlying support for row crop producers than in recent years.

Most animal sector market prices declined during the fourth quarter of 2025. The quarterly average hog price declined, following the normal seasonal pattern, but it surpassed the average price of the prior year. Fed cattle prices declined during the final quarter of 2025, but were also above prior year levels and remain historically high, given the declining cattle herd, continued import suspension of Mexican cattle due to the parasitic infestation in Mexico, and strong beef prices. Feeder cattle prices finished 2025 on a stronger note, reaching a new record high, with the quarterly average price up over 35 percent on an annual basis. The broiler composite price declined throughout the third quarter of 2025 and into October before trending back higher during the final two months of 2025, while wholesale egg prices declined during the second half of 2025 and were below prior year levels as the layer flock expanded from the early 2025 lows. Dairy prices and margins weakened during the second half of 2025 as the dairy herd expanded significantly during the first three quarters of 2025, increasing milk supplies. While many segments of the animal sector experienced some price declines during the latter part of 2025, the annual average prices remained elevated, while the lower feed cost environment was supportive for animal sector margins.

Many factors, including weather, trade, government and monetary policy, global agricultural production levels, and pathogenic outbreaks in livestock and poultry, may keep agriculture market volatility elevated. Implementation of cost-saving technologies, marketing methods, and risk management strategies will continue to cause a wide range of results among the respective agricultural producers.

Industry Conditions

We assess the outlook for commodities with the largest concentrations in the District loan portfolio. These outlooks are for the industry in general, and individual producers may perform better or worse than the industry as a whole.

Corn

The February 2026 USDA WASDE report estimates the 2025/2026 U.S. corn crop at 17.0 billion bushels, a 14.3 percent increase over the prior year and a new record-large level. USDA estimates 2025/2026 corn beginning stocks of nearly 1.6 billion bushels, a 12.0 percent decline, while record-high production resulted in an 11.5 percent increase in total supplies. USDA projects corn demand will reach a new record high level for the 2025/2026 marketing year based on a 15.5 percent increase in exports and a 13.7 percent increase in feed and residual use. Total corn demand is forecast to increase by 8.9 percent, resulting in a 37.0 percent increase in marketing year ending stocks. USDA projects the 2025/2026 average corn price to be \$4.10 per bushel, down \$0.14 per bushel from

the prior marketing year and down \$2.44 from the recent 2022/2023 marketing year high. Based on early 2026 crop price and cost expectations, many producers will continue to experience a challenging margin environment for the 2026/2027 marketing year.

Soybeans

The February 2026 WASDE report estimates a 2025/2026 soybean crop of 4.3 billion bushels, a 2.6 percent decline from the 2024/2025 crop driven by a nearly six million acre decline in harvested acreage, which more than offset the increase in the average yield. USDA estimates 2025/2026 soybean beginning stocks of 325 million bushels, a 5.0 percent decline, with total supplies estimated to be down by 2.9 percent for the 2025/2026 marketing year. USDA forecasts the smaller soybean supply estimate will be met with lower demand driven by a reduction in exports, which will only be partially offset by an increase in soybean crush. Soybean exports are projected to decline by 16.3 percent, while soybean crush is forecast to increase by 5.1 percent. Total U.S. soybean demand is projected to decline by 3.7 percent, bringing the 2025/2026 projected ending stocks to 350 million bushels, a 7.7 percent increase and the highest level in six years. USDA projects a \$10.20 per bushel average price for the 2025/2026 marketing year, up \$0.20 per bushel from the prior marketing year. Early 2026 soybean price and cost expectations indicate that soybean returns will be negative for the 2026/2027 marketing year.

Wheat

The February 2026 WASDE report projects a 2025/2026 total wheat crop of 2.0 billion bushels, nearly flat with the year prior. Beginning stocks are estimated to have increased for the second consecutive year, resulting in an estimated 4.8 percent increase in total wheat supplies for the 2025/2026 marketing year. Total demand for U.S. wheat is forecast to increase by 3.0 percent during the 2025/2026 marketing year, based on stronger export sales. The net result of the increasing supply and the smaller relative growth in demand is an 8.9 percent increase in projected total wheat ending stocks for the 2025/2026 marketing year. Based on the prices received to date and future price expectations, USDA projects the 2025/2026 average wheat price to be \$4.90 per bushel, down \$0.62 per bushel from the 2024/2025 average and the lowest level in six years. USDA projects the 2026 U.S. winter wheat seedings to be down by 0.5 percent from the 2025 acreage, declining to the lowest level in six years.

Cow-Calf

USDA estimates that the U.S. beef cow herd was down 1.0 percent annually at the start of 2026, the seventh consecutive annual decline and the lowest level since 1961. High beef prices, the lower feed cost environment, and declining feeder cattle supplies were supportive of feeder cattle prices and cow-calf returns in 2025. Higher feeder cattle prices are expected again during 2026 as the USDA's January 30, 2026, Cattle report showed continued declines in the calf crop and only a slight increase in beef cow replacement heifers. USDA estimates that the December 1, 2025, U.S. on-farm hay stocks increased slightly from the year prior, increasing for the third consecutive year. Improved drought conditions in cattle and hay regions in 2023 and 2024 led to an increase in hay stocks and lower hay prices in 2024 and 2025. The threat of drought remains a concern for the cow-calf sector, but the contracting feeder cattle supply and high beef prices are supportive for cow-calf operators, who are expected to be profitable again in 2026. The USDA-ERS January 2026 Livestock, Dairy, and Poultry Outlook forecasts that the Oklahoma feeder steer price will average \$357 per hundredweight (cwt.) in 2026, up from the estimated \$321.86/cwt. in 2025 and \$251.96/cwt. in 2024.

Cattle Feedlots

The February 2026 WASDE report estimates 2025 beef production of 26.1 billion pounds, down 3.6 percent from 2024 production and 8.1 percent below the recent 2022 high level. Beef production for 2026 is forecast to decline 0.3 percent to the lowest level since 2016. USDA estimates the 2025 average steer price made a new record high of \$224.37/cwt., and projects that another new high will be made in 2026 with the price averaging \$240.00/cwt. The 2025 calf crop was estimated to be 32.9 million head, down 1.6 percent from the 2024 crop, and the lowest level on record since at least 1977. Based on tighter cattle supplies and continued strength in beef prices, USDA expects fed cattle prices to remain high in 2026; however, higher feeder cattle costs could reduce feedlot margins relative to strong levels experienced during the past few years, especially if corn prices rally significantly.

Dairy

The February 2026 WASDE report projects a 1.3 percent increase in 2026 U.S. milk production following the 2.5 percent increase in 2025 production. Strong dairy producer margins from mid-2024 into the fall of 2025 supported a U.S. dairy herd expansion and strong milk production growth in 2025. The dairy herd began to show some minor contraction during the final quarter of 2025 as dairy product and milk prices declined, resulting in declining dairy producer margins. The February 2026 WASDE report projects the Class III milk price to average \$16.65/cwt. in 2026, down from the \$18.01/cwt. 2025 average. The 2026 Class IV milk price is projected to decline by \$1.68/cwt. to \$15.70/cwt., resulting in a \$2.22/cwt. decline in the average all milk price to \$18.95/cwt. for 2026. The 2026 milk price forecasts and expectations for relatively flat feed costs should result in declining dairy producer margins in 2026 if those projections are realized.

Pork

The February 2026 WASDE report projects 2026 pork production of 28.3 billion pounds, an increase of 2.5 percent compared to the 2025 estimated production. The higher prices received for hogs and relatively steady feed costs supported improved hog producer margins in 2025 for the second consecutive year. U.S. pork exports were estimated to be down 2.0 percent in 2025. The USDA forecasts call for a 2.2 percent increase in pork exports for 2026 and a 2.7 percent growth in domestic sales. USDA estimates the 2025 average national hog price to be \$68.80/cwt., up from \$63.41/cwt. in 2024 and projects a 2026 price of \$69.00/cwt. Early 2026 cash prices and the futures price curve indicate that hog producer margins will remain profitable into mid-2026.

Poultry

Highly pathogenic avian influenza (HPAI) continued to negatively impact poultry markets during 2025, although there were minimal impacts on the broiler sector. USDA estimates that broiler meat production increased by 2.1 percent in 2025 following the 1.3 percent growth that occurred during 2024. The February 2026 WASDE report projects that the 2026 broiler wholesale, national composite, weighted average price will remain nearly steady in 2026, averaging 125 cents per pound as broiler meat production and demand are both projected to increase just over one percent. The February 2026 WASDE report estimates the 2025 shell egg price averaged a record-high 373.7 cents/dozen, up 70.6 cents/dozen from 2024, the previous record-high level. HPAI outbreaks remain a concern for the egg-laying industry, although a decline in table-egg layers impacted after the first quarter of 2025 allowed some rebuilding of the laying flock into the fall of 2025. The February 2026 WASDE report projects that egg production will increase by 6.0 percent in 2026, while egg prices are forecast to decline to 125.0 cents/dozen, which would be the lowest level since 2021.

Timber

The U.S. Census Bureau reported October 2025 seasonally adjusted annualized housing starts of 1.246 million units, which was down 7.8 percent from October 2024, while privately owned housing unit permits were down by an annualized rate of 1.1 percent from the year prior. Housing starts and permitting rates were down for the third consecutive year in 2024, and 2025 year-to-date data through October is also down. Housing affordability remains challenging for prospective home buyers. High construction costs, rising insurance rates, increasing property taxes, and elevated mortgage rates (relative to the 15-year average) have contributed to the decline in new construction levels. The reduced demand for lumber and the resulting decline in lumber prices from the 2020 to 2022 highs have led to mill production curtailments at some plants in recent years.

Land Values

The AgriBank District continues to monitor agricultural land values. We conduct an annual Benchmark Survey based on values estimated as of July 1 each year. The valuations are completed by licensed real estate appraisers on representative benchmark properties in 32 regions of the District. The 2025 benchmark values as of July 1, 2025, showed that agricultural land values increased by 3.6 percent on average across the District, down from the 6.7 percent increase during 2024. A wide range of changes in benchmark values continued in 2025. Those differences are due to the regional availability of land, the quality of land, and regional demand from producers and non-farmer/owners. Rural and farmland market participants continue to purchase land when available. However, elevated interest rates, lower returns, and previous increases in land prices appear to be easing demand for land purchases in some regions.

The Federal Reserve Banks of Chicago, Kansas City, and Minneapolis reported on the change in farmland values from the end of the third quarter of 2024 to the end of the third quarter of 2025 in their respective districts. The Federal Reserve district reports indicated annual regional increases in non-irrigated farmland values ranging from 0.5 to 4.0 percent.

The USDA land value survey, which is conducted annually using June values and published in August of each year, is based on a survey of agricultural producers across the United States. Results of the 2025 survey showed increases of 4.9 percent for overall farm real estate values and 5.2 percent for cropland values specific to the AgriBank District.

AgriBank District credit risk policies focus on loan repayment capacity in addition to conservative loan-to-value levels on the collateral that secures loans. Associations continue to incorporate credit underwriting factors such as sustainable repayment capacity and lending caps per acre based on the land's long-term, income-producing capacity. These proactive lending practices reduce the impact on District loan portfolios if land values materially decline.

Loan Portfolio

Components of Loans

(in thousands)			
As of December 31,	2025	2024	2023
Accrual loans:			
Wholesale loans	\$150,812,314	\$141,107,742	\$126,012,646
Retail loans:			
Real estate mortgage	12,802,054	9,939,403	9,410,643
Production and intermediate-term	9,032,545	8,749,665	8,938,319
Loans to other financing institutions (OFIs)	720,675	615,714	1,043,351
Other	4,313,162	4,066,670	3,250,150
Total retail loans	\$26,868,436	\$23,371,452	\$22,642,463
Nonaccrual loans	206,488	179,812	70,322
Total loans	\$177,887,238	\$164,659,006	\$148,725,431

Other was primarily composed of agribusiness and rural residential real estate loans.

Our lending to District Associations accounts for 84.8 percent of our loan portfolio at December 31, 2025. Wholesale loans reflect the retail marketplace activities at District Associations, which are funded through their wholesale lines of credit with AgriBank. Wholesale loans grew when compared to prior year primarily due to continued loan growth at District Associations, most significantly in the real estate mortgage sector. This growth was due to new volume attributed to strong originations of real estate mortgage loans including targeted origination programs at certain District Associations. Increases in production and intermediate-term loans were due to higher utilization across the District.

Wholesale loans exhibit some seasonality, reflecting the patterns of input and operating financing by District Association borrowers. Operating loans are normally at their lowest levels following harvesting and selling of crops in the fourth quarter and increase in the spring and throughout the growing season as producers fund operating needs. Additionally, we typically experience temporary increases in our wholesale loans toward the end of the year driven by District Associations' borrowers drawing on their operating lines to purchase the next year's production inputs, primarily for tax-planning strategies.

The retail portfolio comprises 15.2 percent of our loan portfolio and is primarily composed of pools of loans originated by District Associations. The purpose of the pools are to assist Association business goals, provide administrative efficiency for loan origination programs initiated by District Associations and effectively leverage existing District capital. Each pool has different criteria to meet Association business objectives while satisfying AgriBank underwriting criteria.

We have asset pools with individual Associations in which we purchase participation interests between 10 percent and 90 percent depending on established pool criteria. These pools totaled \$17.4 billion, \$14.2 billion and \$12.7 billion at December 31, 2025, 2024 and 2023, respectively. We also purchase 100 percent participation interests in newly originated agricultural equipment financing loans, which totaled \$5.1 billion of these participation interests outstanding at December 31, 2025, 2024 and 2023. In addition, we also purchase 100 percent participation interests in certain crop input financing loans totaling \$1.7 billion outstanding at December 31, 2025 and 2024 and \$2.1 billion outstanding at December 31, 2023.

Asset pool programs require the purchase of AgriBank stock and are capitalized at a rate mutually agreed upon in the asset pool agreements. Refer to the Shareholders' Equity - AgriBank Patronage Programs and Dividend Distributions section for discussion related to patronage programs.

Our retail portfolio also includes \$2.1 billion, \$1.9 billion and \$1.7 billion at December 31, 2025, 2024 and 2023, respectively, of loan participations, outside of asset pools, purchased primarily from District Associations in support of their portfolio management, generally related to District Associations' borrower concentration limits.

Portfolio Diversification

District Associations use the wholesale loans to fund their retail loan portfolios. Each District Association has unique industry and geographic credit portfolio concentrations. Portions of our portfolio are purchased outside of our District to support rural America and diversify portfolio risk. The table below illustrates industry and geographic distribution of the District's \$194.0 billion retail loan portfolio as of December 31, 2025.

<i>District Portfolio</i>			
Industry Distribution		Geographic Distribution	
Crops	38 %	Illinois	9 %
Cattle	10 %	Iowa	9 %
Investor and Rural residential real estate	9 %	Minnesota	8 %
Food products	8 %	Nebraska	6 %
Dairy	5 %	Indiana	6 %
Rural utilities	5 %	Michigan	5 %
Other	25 %	Missouri	5 %
		Ohio	5 %
		Wisconsin	5 %
		South Dakota	5 %
		Other	37 %
Total	<u>100 %</u>	Total	<u>100 %</u>

Other industries consist primarily of loans in the timber, pork, and poultry sectors, none of which represented more than 5 percent of the District loan portfolio. Other states consist primarily of loans in Tennessee, California, Texas, Arkansas, North Dakota, and Kentucky, none of which represented more than 5 percent of the District loan portfolio. The industry and geographic concentrations have not changed materially from prior years.

While these concentrations represent a proportionate maximum potential credit risk, as it relates to the wholesale loans, a substantial portion of the underlying District Associations' lending activities are collateralized. Generally, collateral levels are significantly higher than the book value of the loan, and many District Associations' direct exposure (and, therefore, AgriBank's indirect exposure) to credit loss associated with lending is reduced accordingly. Refer to the Credit Risk Management section for additional information.

While the District has concentrations in crops, these crops primarily represent staple commodities of agriculture—corn, soybeans and wheat. To some extent, there is further concentration in crops related to the investor real estate sector, as these loans are typically made for the purchase of land that is rented for crop production. However, crop production is geographically diversified across the District. While the industry distribution represents the primary industry of the borrower at the time of loan origination and may change over time due to borrower business decisions as a result of changes in weather, prices, input costs, and other circumstances. Additionally, many of the crop producers may also have livestock operations or other forms of diversification, including off-farm income.

Many District Associations have diversified the concentration in agricultural production loans through rural residential real estate and part-time farmer loans, as well as agribusiness loans. Rural residential real estate, investor real estate and part-time farmer borrowers generally have significant off-farm sources of income, and, therefore, are less subject to cycles in agriculture. These borrowers, as well as agribusiness borrowers, are typically more susceptible to changes in the general economy, and the condition of the general economy will influence the credit quality of these segments of the portfolio.

Grain and livestock producers are somewhat subject to a counter-cyclical diversification effect. High grain prices are generally favorable to crop producers; however, livestock producers are adversely affected through higher feed costs. Conversely, low grain prices are generally negative to crop producers, but tend to improve the profitability for those livestock producers who purchase most or all of their feed. Severe fluctuations in commodity prices can negatively impact all District borrowers. While lower crop prices have continued to challenge margins for many producers, significant direct government payments have provided support to crop sector.

The table below illustrates industry and geographic diversification of our \$27.1 billion retail portfolio as of December 31, 2025.

AgriBank Retail Portfolio			
Industry Distribution		Geographic Distribution	
Crops	46 %	Iowa	9 %
Cattle	10 %	Minnesota	9 %
Investor and Rural residential real estate	9 %	Illinois	8 %
Food products	5 %	Nebraska	7 %
Other	30 %	Indiana	6 %
		Ohio	6 %
		Tennessee	5 %
		Michigan	5 %
		South Dakota	5 %
		Other	40 %
Total	100 %	Total	100 %

Other industries consist primarily of loans in the dairy, timber, other livestock, loans to OFIs, and pork sectors, none of which represented more than 5 percent of AgriBank's retail loan portfolio. Other states consist primarily of loans in Texas, Wisconsin, Missouri, Arkansas, California, and Kentucky, none of which represented more than 5 percent of AgriBank's retail loan portfolio. The industry and geographic concentrations have not changed materially from the prior year.

Portfolio Maturities

As of December 31, 2025, all wholesale loan agreements mature in 36 months or less. Pricing terms of the wholesale loans are generally matched to District Associations' retail portfolios. We anticipate all wholesale loans will be renewed.

Contractual Maturities of Loans

(in thousands)

As of December 31, 2025	One Year or Less	Over One through Five Years	Over Five through Fifteen Years	Over Fifteen Years	Total
Wholesale loans	\$768,629	\$150,043,685	\$—	\$—	\$150,812,314
Retail loans:					
Real estate mortgage	1,139,201	4,243,153	4,438,071	3,045,759	12,866,184
Production and intermediate-term	4,363,134	4,553,225	218,264	4,401	9,139,024
Loans to OFIs	148,815	564,344	7,516	—	720,675
Other	2,608,964	901,697	484,811	353,569	4,349,041
Total retail loans	8,260,114	10,262,419	5,148,662	3,403,729	27,074,924
Total loans	\$9,028,743	\$160,306,104	\$5,148,662	\$3,403,729	\$177,887,238
Total of loans due after one year with:					
Fixed interest rates					\$13,066,843
Variable and adjustable interest rates					\$155,791,652

Credit Risk Management

We are authorized to make loans to District Associations and OFIs, and to buy participation interests in eligible loans as specified under the Farm Credit Act. As a result, our loan portfolio is concentrated in rural communities and the agricultural industry. Earnings, loan growth and credit quality of our loan portfolio can be affected significantly by the general state of the economy, primarily as it affects agriculture and users of agricultural products.

We actively manage our credit risk through various policies and standards, including our Loan Committee reviewing and approving significant loan transactions. Our underwriting standards include analysis of five credit factors: repayment capacity, capital position,

collateral, management ability and loan terms. These standards vary by agricultural industry and are updated to reflect current market conditions.

The credit quality of our loan portfolio has been consistently strong over the past three-year period, with 99.2 percent of our portfolio in the acceptable category at December 31, 2025, compared to 99.4 percent at December 31, 2024 and 2023. Acceptable loans represent the highest quality and are expected to be fully collectible. As a majority of our loans are wholesale loans, we expect our credit quality will remain strong, even if District Associations experience declines in their retail credit quality in the future. While wholesale loans are individually large credits, each loan is secured by substantially all assets of the District Association, including the diverse portfolio of individual loans held by the Association. Additionally, each District Association has allowances for credit losses on loans, earnings and capital that absorb their credit losses before they would impact our wholesale loans.

The credit quality of our retail portfolio remains strong with acceptable and other assets especially mentioned (special mention) at 97.5, 97.8 and 98.2 percent as of December 31, 2025, 2024 and 2023, respectively. Substandard and doubtful loans, collectively called adverse loans, are loans identified as showing some credit weakness according to our credit standards. Total credit quality remains strong, with slight decline in the retail loan portfolio across various sectors. While government payments have provided some support to the crop production portfolio, continued low commodity prices, elevated input costs and trade uncertainties may result in a further decline in loan credit quality during 2026. While the credit classification reflects the likelihood that these loans will experience stress or other credit weakness, the potential loss is significantly mitigated, as many of these loans are well collateralized or include significant credit enhancements including guarantees with third parties that generally have strong financial positions. Refer to the Nonperforming Assets and Retail Credit Risk Management sections for further discussion.

Percentage of Adverse Loans by Industry in the District Retail Portfolio

As of December 31,	2025	2024	2023
Crops	3.0 %	2.3 %	2.0 %
Food products	6.4 %	6.1 %	3.5 %
Cattle	1.2 %	1.1 %	1.2 %
Dairy	0.7 %	1.3 %	0.8 %
Other	2.7 %	2.9 %	2.3 %
Total	2.7 %	2.4 %	1.9 %

Percentage of Adverse Loans by Industry in the AgriBank Retail Portfolio

As of December 31,	2025	2024	2023
Crops	2.8 %	2.1 %	1.9 %
Cattle	1.4 %	1.0 %	0.9 %
Food products	8.9 %	9.9 %	6.4 %
Dairy	1.1 %	1.9 %	0.7 %
Other	2.5 %	2.7 %	2.0 %
Total	2.5 %	2.2 %	1.8 %

Adverse loans increased in 2025 across the District primarily due to modest declines in credit quality among certain agribusiness borrowers in the tree fruit and nut and horticultural industries which are included in crops above. The increase in adverse credit quality is also influenced by overall weaker financial performance experienced by most crop producers during the past two years. Higher levels of stress due to lower crop prices and relatively elevated input prices continue to have a negative impact on financial performance for crop producers. Overall, there is potential for District Credit quality to continue to gradually decline in 2026, however credit quality impact is expected to be modest. Many factors and unknowns could further impact borrowers in the future.

A substantial portion of the loan portfolio is collateralized, which reduces the District's exposure to credit losses. Collateral held varies, but may include real estate, equipment, inventory, livestock and income-producing properties and, in the case of wholesale loans, substantially all assets of District Associations. An estimate of credit risk exposure is considered in the allowance for credit losses on loans. Additionally, credit policies reduce credit risk, with emphasis placed on repayment capacity rather than exclusively on the underlying collateral. The District has an internally maintained database that uses market data to estimate market values of collateral for a significant portion of the District's real estate mortgage portfolio. Although FCA Regulations allow real estate

mortgage loans of up to 85 percent of appraised value, the underwriting practices at District Associations generally limit lending to 65 percent at origination. While underwriting exceptions are sometimes granted on District Association loan-to-appraised-value guidelines, such cases loans are typically structured with shorter amortization schedules and/or additional principal payments in the early years to reduce risk. In addition to sound underwriting standards, the District also has hold restrictions to limit the District's credit exposure of any one borrower.

Wholesale Credit Risk Management

Wholesale loans to District Associations represent the majority of our loan portfolio. The financial strength of District Associations directly impacts the credit quality of our portfolio. Substantially all assets of the District Associations are pledged as collateral for their respective wholesale loans. The earnings, capital and loan loss reserves of the Associations provide a buffer against losses in their retail portfolios. Currently, collection of the full wholesale loan amount due from each District Association is expected in accordance with the contractual terms of the debt arrangements, and no allowance has been recorded for any wholesale loans.

Select Information on AgriBank District Associations

(in thousands)	Wholesale Loan Amount	% of Wholesale Portfolio	Total Assets	Total Allowance and Capital	Total Regulatory Capital Ratio	Nonperforming Loans ⁽¹⁾ as a % of Total Loans	Return on Assets
As of December 31, 2025							
Farm Credit Services of America	\$41,847,437	27.8 %	\$51,279,147	\$8,511,492	13.7 %	0.8 %	1.8 %
Farm Credit Mid-America ⁽²⁾	34,633,015	23.0 %	42,066,517	6,841,545	14.8 %	1.0 %	1.5 %
Compeer Financial	29,565,560	19.6 %	36,067,024	5,874,128	14.3 %	1.5 %	1.2 %
AgCountry Farm Credit Services ⁽²⁾	14,100,185	9.3 %	17,358,545	2,979,749	13.6 %	0.6 %	1.5 %
GreenStone Farm Credit Services	11,972,183	7.9 %	15,024,864	2,802,763	15.7 %	0.5 %	1.9 %
FCS Financial	6,791,661	4.5 %	8,326,924	1,389,143	14.0 %	0.8 %	1.6 %
Farm Credit Illinois	6,090,512	4.0 %	7,569,720	1,390,014	15.8 %	0.4 %	1.6 %
AgHeritage Farm Credit Services	2,055,838	1.4 %	2,635,598	543,019	16.6 %	1.0 %	1.4 %
Farm Credit Services of Western Arkansas	1,691,943	1.1 %	2,190,153	427,292	17.3 %	0.6 %	1.3 %
Farm Credit Services of Mandan	1,295,351	0.9 %	1,708,344	386,847	18.5 %	0.7 %	1.2 %
Farm Credit Southeast Missouri	768,629	0.5 %	1,010,743	225,808	19.1 %	1.3 %	1.1 %
Total	\$150,812,314	100.0 %	\$185,237,579	\$31,371,800			
District Association weighted average ratios					14.5 %	0.9 %	1.5 %

⁽¹⁾Nonperforming loans are composed of nonaccrual loans and accruing loans 90 days or more past due

⁽²⁾Loan amounts do not include fair value adjustments due to merger

The previous chart illustrates that wholesale credit risk is concentrated in a few individually large loans to District Associations. Significant deterioration in a single wholesale loan could have a material adverse effect on our financial condition. This concentrated credit risk is substantially offset by the composition of the underlying collateral, which is made up of many diversified retail loans and other assets. Credit risk on wholesale loans is also reduced by the strong financial condition of District Associations.

At December 31, 2025, all outstanding wholesale loans were classified as acceptable.

AgriBank's wholesale credit risk mitigation is primarily through the General Financing Agreement (GFA) covenants, which cover those matters reasonably related to the debtor/creditor relationship between the District Associations and AgriBank. We use various additional mechanisms to mitigate wholesale credit risk, including a robust wholesale credit underwriting process, wholesale loan collateral monitoring function, and review of Association-provided reports. Additionally, we maintain and periodically update the AgriBank Underwriting Guide (AUG), which is available to District Associations via our District intranet site. The objective of the AUG is to communicate guidance to address lending requirements and underwriting criteria needed to support our wholesale lending relationships with District Associations. Regarding the individual performance of District Associations, we internally generate multiple reports on the financial position, performance and loan portfolio performance of each District Association. These reports

are produced monthly, quarterly, semi-annually or annually. We also conduct an annual stress test, which evaluates the impact of different severe scenarios on the Bank, District and individual District Associations.

Disciplined credit administration and servicing reduce credit risk on the wholesale portfolio. The GFA underlying each wholesale lending relationship contains typical commercial lending provisions, including advance rates based on the quality of pledged assets and financial performance covenants. Additional provisions include:

- A pledge of substantially all a District Association's assets as collateral for the loan
- A risk score calculated based on a District Association's profitability, credit quality, capital adequacy and asset classification correlation. A risk premium of up to 30 basis points is added to base pricing if a District Association's risk score falls below established levels. The risk score closely aligns with the Contractual Interbank Performance Agreement (CIPA) score. Refer to Note 9 of the accompanying Financial Statements for additional information related to the CIPA. Additionally, default interest rate provisions exist in the event the loan goes into default.
- A requirement that retail loans originated by a District Association over an established dollar amount, as well as all loans to a District Association's board members and employees and AgriBank board members, are approved by AgriBank's Credit Department in order to be eligible for inclusion in a District Association's borrowing base
- A requirement that the District Association adopt and operate in accordance with policies, procedures and underwriting standards reasonably deemed necessary for satisfactory credit and credit administration as communicated in the AUG

Throughout the year ended December 31, 2025, no District Association was declared in default of any GFA covenants.

AgriBank approval is required for significant structure changes at District Associations including, but not limited to: merger, acquisition, liquidation, or reaffiliation to another Farm Credit District.

Our pricing of wholesale loans is governed by a GFA with each District Association. The components of the wholesale interest rate include:

- A marginal cost of debt component
- A spread component, which includes cost of servicing, cost of liquidity and Bank profit
- A risk premium component, if applicable

Certain factors may impact wholesale interest rates, including market interest rate changes impacting marginal cost of debt as well as changes to pricing methodologies impacting the spread components described above.

All District Associations had an initial opportunity to participate in the sale of asset pools to AgriBank at a base level of 10%. Most Associations have taken part in these asset pools. District Associations can elect to utilize an alternative in place of the asset pool participation, as available in a Memo of Understanding related to participation in pool programs. During 2025, in lieu of selling participations to AgriBank two District Associations purchased additional stock in AgriBank and paid additional spread on their wholesale loans.

No District Association paid a risk premium during any of the years ended December 31, 2025, 2024 or 2023 and no District Association is paying a risk premium in 2026, as of the date of this report.

Retail Credit Risk Management

Our retail portfolio management policies include maximum exposure limits by individual borrowers based on probabilities of default, loss given default, industry and lead lender. AgriBank has created several different types of asset pool programs to assist Association business goals and effectively leverage existing District capital. Each asset pool program has underwriting parameters designed according to the risks inherent to each type of asset pool. The asset pools consist of four primary programs:

- The vertical asset pool portfolio is primarily composed of participation interests generally between 10 and 20 percent across most of participating Associations' loan portfolios. As part of the vertical asset pool, we may also purchase participations of up to 30 percent in a smaller subset of loans meeting certain criteria.
- The equipment financing asset pool program consists of numerous participation interests in retail equipment financing contracts that have individual loan balances of generally less than \$500 thousand. Loan participations purchased under this program are primarily underwritten based on standardized credit scoring.
- Real estate asset pool portfolios are primarily composed of participation interests in high-quality real estate and consumer mortgage loans that conform to criteria set forth in the respective program agreements. Individual loan participation balances held in the asset pool portfolios are generally less than \$2 million.

- A crop input financing asset pool program portfolio is composed of numerous participation interests in loans exclusively used for purchasing crop inputs from suppliers that have individual loan commitments of generally less than \$250 thousand. Loan participations purchased under the crop input financing asset pool program are primarily underwritten based on standardized credit scoring. Many of these loans include significant credit enhancements including guarantees with third parties that generally have strong financial positions.

The remainder of the credits in our portfolio are primarily composed of large (the majority are greater than \$5 million) individual loan participations purchased from District Associations outside of asset pools. We routinely monitor exceptions to underwriting standards and compliance with all portfolio management policies and guidelines. Our concentrations in the 10 largest retail customers at December 31, 2025, (excluding OFIs) made up 2.3% of total retail loans and 0.3% of total loans. All of these loans were in accrual status and classified as acceptable at December 31, 2025. Our largest retail customers may fluctuate each year due to changing market conditions.

Nonperforming Assets

Components of Nonperforming Assets

(in thousands)

As of December 31,	2025	2024	2023
Nonaccrual loans	\$206,488	\$179,812	\$70,322
Accruing loans 90 days or more past due	35,947	34,712	1,334
Total nonperforming loans	242,435	214,524	71,656
Other property owned	6,713	1,146	80
Total nonperforming assets	\$249,148	\$215,670	\$71,736
As a percent of retail loans ⁽²⁾			
Nonperforming loans	0.90 %	0.91 %	0.32 %
Nonaccrual loans	0.76 %	0.76 %	0.31 %
Delinquencies ⁽¹⁾	1.02 %	0.98 %	0.59 %
As a percent of total loans ⁽²⁾			
Nonperforming loans	0.14 %	0.13 %	0.05 %
Nonaccrual loans	0.12 %	0.11 %	0.05 %
Delinquencies ⁽¹⁾	0.15 %	0.14 %	0.09 %

⁽¹⁾ Total delinquencies include accrual and nonaccrual 30 days or more past due

⁽²⁾ Total loans used to calculate the above ratios include \$355.2 million of loans classified as held for sale as of December 31, 2023

Due to the low level of nonperforming assets, movement of a single loan or borrower can impact the percent of nonperforming assets year-over-year. Nonperforming assets are primarily purchased participations concentrated in the production and intermediate-term sector primarily in the crops sector, and to a lesser extent, tree nut borrowers in the real estate mortgage sector. Higher input costs, including both intermediate costs and labor, as well as uncertainty surrounding inflation and ongoing global economic factors, could impact nonperforming assets and related allowance for credit losses on loans, as well as provision for credit losses on loans, in the coming year.

Total nonperforming loans as a percentage of total loans remains well within our established risk management guidelines. At December 31, 2025, 47.2 percent, of nonaccrual loans were current as to principal and interest.

The increase in nonaccrual loans was primarily driven by production and intermediate-term loans primarily in the crops sector moving to nonaccrual during the year. Our accounting policy requires loans past due 90 days to be transferred into nonaccrual status unless adequately secured and in the process of collection.

Allowance for Credit Losses on Loans

The allowance for credit losses on loans is an estimate of expected credit losses in our portfolio. We determine the appropriate level of allowance for credit losses on loans based on a disciplined process and methodology that incorporates expected probabilities of default and loss given default based on historical portfolio performance, forecasts of future economic conditions, and management's

judgment with respect to unique aspects of current and expected conditions that may not be contemplated in historical loss experience or forecasted economic conditions.

Allowance for Credit Losses on Loans by Loan Type

(in thousands)	2025		2024		2023	
As of December 31,	Amount	%	Amount	%	Amount	%
Real estate mortgage	\$17,780	24.2 %	\$6,948	17.5 %	\$5,968	18.7 %
Production and intermediate-term	30,872	42.0 %	17,689	44.8 %	11,647	36.4 %
Loans to OFIs	387	0.5 %	400	1.0 %	617	1.9 %
Other	24,417	33.3 %	14,604	36.7 %	13,760	43.0 %
Total allowance for credit losses on loans	\$73,456	100.0 %	\$39,641	100.0 %	\$31,992	100.0 %

With most of our loan portfolio composed of wholesale loans, the inherent risk in the portfolio is significantly reduced by adequate allowances, strong earnings and capital positions at District Associations. We have not recorded a provision for credit losses on loans, charge-offs or recoveries on our wholesale loans for any period presented.

We determine the amount of allowance that is required by analyzing wholesale loans, nonaccrual loans and loans to other Farm Credit Institutions individually, and all other loans by grouping them into loan segments sharing similar risk characteristics. These loan segments include asset pool programs, loans to OFIs and retail participation loans. We use a disciplined process and methodology, including a combination of expected probability of default and loss given default assumptions to estimate losses in these loan segments. These estimated losses may be adjusted for relevant current and forecasted environmental factors. These factors may vary by the different segments, reflecting the risk characteristics of each segment. As these factors change, earnings are impacted. For all loans analyzed individually, we record a specific allowance, if appropriate, to reduce the carrying amount of the loan to the lower of book value or the net realizable value of collateral.

AgriBank's retail loan portfolio is primarily made up of purchased participations from District Associations. Generally, we review and follow the lead lender's credit analysis and recommendations regarding specific reserves and charge-offs on nonaccrual loans, unless our individual analysis and knowledge of the exposure supports an alternative conclusion.

Allowance for Credit Losses on Loans Coverage Ratios

As of December 31,	2025	2024	2023
Allowance for credit losses on loans as a percentage of:			
Loans	0.04 %	0.02 %	0.02 %
Retail loans	0.27 %	0.17 %	0.14 %
Nonaccrual loans	35.57 %	22.05 %	45.49 %
Total nonperforming loans	30.30 %	18.48 %	44.65 %
Adverse assets to capital and allowance for credit losses on loans	6.31 %	5.50 %	4.78 %
For the year ended December 31,	2025	2024	2023
Net charge-offs (recoveries) as a % of average loans	0.02 %	0.01 %	0.01 %
Net charge-offs (recoveries) as a % of average retail loans	0.13 %	0.09 %	0.07 %

Note: The total loans used to calculate the Loans and Retail loans ratios in the above table includes loans classified as held for sale as of December 31, 2023.

Refer to the Results of Operations - Provision for Credit Losses section for further discussion of provision for credit losses on loans changes.

Investment Portfolio and Liquidity

Liquidity Risk Management

We are responsible for meeting the District's funding, liquidity and asset/liability management needs. Access to the unsecured debt capital markets remains our primary source of liquidity. The System continues to have reliable access to the debt capital markets to support its mission of providing credit to farmers, ranchers and other eligible borrowers. During the year ended December 31, 2025, investor demand for Systemwide Debt Securities remained sufficient to meet our funding needs.

We also maintain a secondary source of liquidity through a high-quality investment portfolio and other short-term liquid assets. We manage liquidity for our operating and debt repayment needs by forecasting and anticipating seasonal demands, as well as through managing debt maturities. We manage short-term liquidity needs by maintaining maturing investments and cash and cash equivalents of at least \$700.0 million on hand each day to meet cash management and loan disbursement needs in the normal course of business.

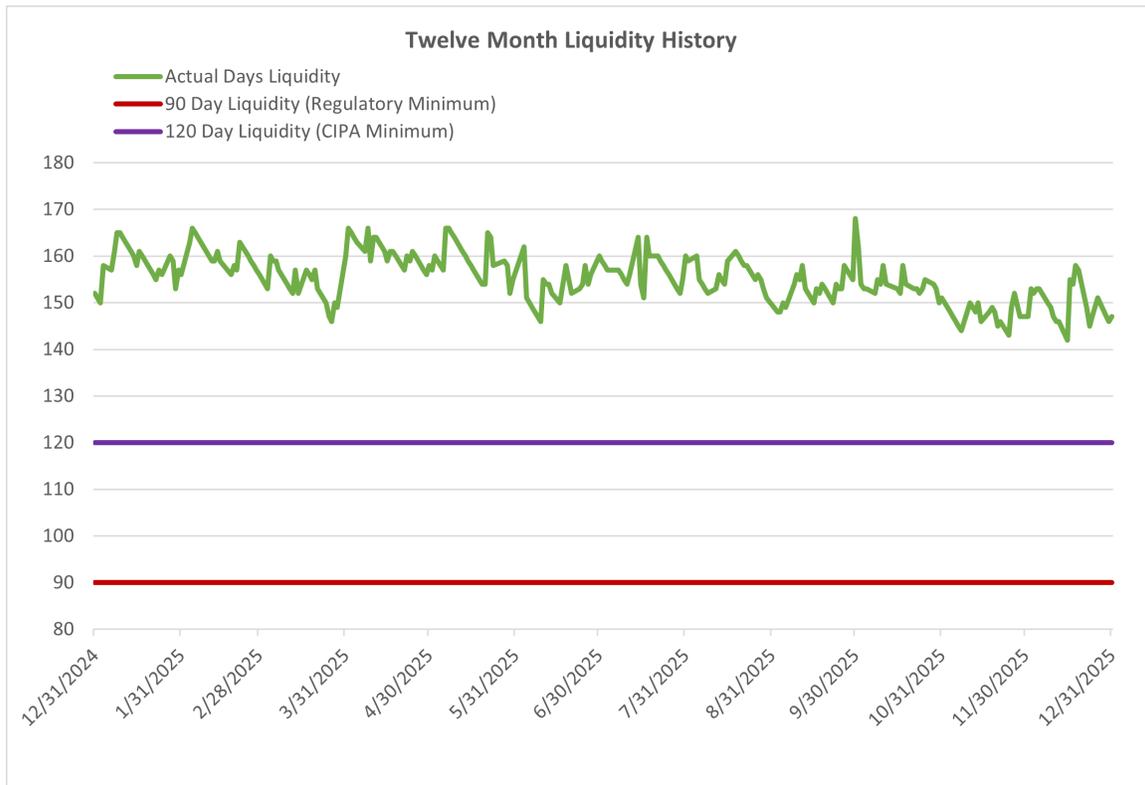
We manage intermediate and longer-term liquidity needs through the composition of the liquidity investment portfolio, which is structured to meet both regulatory requirements and our operational demands. Specifically, we provide at least 15 days of liquidity coverage from cash, overnight investments and U.S. Treasury securities less than three years in maturity. Other short-term money market investments, as well as government and agency mortgage-backed securities (MBS), are positioned to cover regulatory requirements for 30- and 90-day intervals. Additionally, a supplemental liquidity buffer provides days coverage in excess of 90 days from money market instruments greater than 90 days in maturity and asset-backed securities (ABS). At December 31, 2025, we held qualifying assets in excess of each incremental level to meet the liquidity coverage intervals.

On May 16, 2025, Moody's Ratings lowered the U.S. sovereign's long-term issuer and senior unsecured rating to Aa1 from Aaa. The outlook on the long-term debt rating of the U.S. was revised to stable from negative. Moody's cited successive U.S. administrations and Congress having failed to agree on measures to reverse the trend of large annual fiscal deficits and growing interest costs as the cause for the downgrade of the U.S. sovereign's long-term issuer rating. On May 19, 2025, Moody's Ratings lowered long-term senior unsecured debt rating for the Farm Credit System to Aa1 from Aaa; the Prime-1 short-term rating was affirmed. The outlook on the long-term issuer rating was revised to stable from negative. As a government-sponsored entity, the Farm Credit System benefits from the implicit government support and, therefore, the ratings are directly linked to the U.S. sovereign rating.

Moody's Ratings also affirmed AgriBank's long-term issuer rating of Aa3, and affirmed the stable long-term issuer rating outlook.

The reduction in the credit rating by Moody's Ratings for the Farm Credit System, could result in higher funding costs or disruptions in our access to the capital markets. However, to date we have noticed no significant impact as a result of this rating change.

Our liquidity policy and FCA Regulations require maintaining minimum liquidity on a continuous basis of 120 days and 90 days, respectively. The days of liquidity measurement refers to the number of days that maturing debt is covered by liquid investments and cash. During 2025, we had a liquidity operating target between 135 and 185 days. As of December 31, 2025, we had sufficient liquidity to fund all debt maturing within 147 days. Some volatility in liquidity coverage is expected; therefore, the level of days coverage liquidity may rise and fall during the year. AgriBank also maintains an adequate level of unencumbered and marketable assets in its liquidity reserve that can be converted into cash to meet its net liquidity needs for 30 days based on estimated cash inflows and outflows under an acute stress scenario.



Contingency Funding Plan

We maintain a Contingency Funding Plan (CFP) that helps inform our operating and funding needs and addresses actions we would consider in the event that there is not ready access to traditional funding sources. These potential actions include borrowing overnight via federal funds, using investment securities as collateral to borrow, using the proceeds from maturing investments and selling our liquid investments. We size our investment portfolio using the CFP to cover all operating and funding needs for a minimum of 30 days with a targeted \$500.0 million buffer. The buffer amount is assessed annually and was most recently updated in November 2025. The Funding Corporation, on behalf of the System Banks, may also incur other obligations, such as federal funds purchased, that would be the joint and several obligations of the System Banks and would be insured by the Insurance Corporation to the extent funds are available in the Farm Credit Insurance Fund (Insurance Fund).

Funding from the Federal Financing Bank

The Insurance Corporation has an annual agreement with the Federal Financing Bank, a federal instrumentality subject to the supervision and direction of the U.S. Treasury, pursuant to which the Federal Financing Bank would advance funds to the Insurance Corporation, under certain limited circumstances. Under its existing statutory authority, the Insurance Corporation may use these funds to provide assistance to the System Banks in exigent market circumstances that threaten the banks’ ability to pay maturing debt obligations. The decision whether to seek funds from the Federal Financing Bank is at the discretion of the Insurance Corporation, and each funding obligation of the Federal Financing Bank is subject to various terms and conditions and, as a result, there can be no assurance that funding would be available if needed by the System.

Investment Securities

All investment securities are classified as available-for-sale (AFS).

Composition of Investment Securities

(in thousands)

As of December 31,	2025	2024	2023
Commercial paper and other	\$5,324,180	\$7,990,556	\$10,594,724
U.S. Treasury securities	9,969,268	8,133,534	5,005,753
Mortgage-backed securities	8,212,688	6,721,395	6,249,965
Asset-backed securities	494,379	315,459	261,986
Total	\$24,000,515	\$23,160,944	\$22,112,428

The commercial paper and other category was comprised of corporate commercial paper and certificates of deposit. Mortgage-backed securities consist of instruments issued or guaranteed by the U.S. government, its agencies or government sponsored enterprises.

During 2025, commercial paper positions were reduced and allocated to the purchases of U.S. Treasury and mortgage-backed securities due to more favorable spreads.

Our Asset/Liability Committee (ALCO) and Counterparty Risk Committee oversee the credit risk in our investment portfolio. We manage investment portfolio credit risk by investing only in securities that are liquid, of high quality and whose risks are well understood. The composition of our investment portfolio is influenced by our liquidity strategy which considers regulatory surpluses, risk and relative return available, diversification, and other factors. All securities must meet eligibility requirements as permitted by FCA Regulations.

Fair Value of Eligible Investment Securities by Credit Rating

(in thousands)

As of December 31, 2025	Eligible				Total
	AAA/Aaa	AA/Aa	A1/P1/F1	Split Rated ⁽¹⁾	
Commercial paper and other	\$—	\$—	\$3,958,005	\$1,366,175	\$5,324,180
U.S. Treasury securities	—	9,969,268	—	—	9,969,268
Mortgage-backed securities	—	8,212,688	—	—	8,212,688
Asset-backed securities	494,379	—	—	—	494,379
Total	\$494,379	\$18,181,956	\$3,958,005	\$1,366,175	\$24,000,515

⁽¹⁾ Investments that received the highest credit rating from at least one rating organization

Credit risk in our investment portfolio is largely mitigated by investing primarily in securities issued or guaranteed by the U.S. government or one of its agencies. Credit risk in our investment portfolio primarily exists in investment securities that are not guaranteed by the U.S. government or one of its agencies, which include our certificates of deposit, commercial paper, and asset-backed securities. At December 31, 2025, all investment securities were of high credit quality and met eligibility requirements.

Quarterly, we evaluate our AFS investment portfolio to determine whether an allowance for credit losses on investment securities should be recorded. There was no allowance for credit losses on investment securities at December 31, 2025, 2024 or 2023, as the substantial majority of our investment portfolio carried a full faith and credit guarantee of the U.S. government or an implicit credit guarantee from its agencies and have an immaterial risk of credit loss.

Shareholders' Equity

We believe a sound capital position is critical to long-term financial stability, and we are committed to long-term capital optimization within the AgriBank District. Capital management under our capital plan supports adequate capital protection to absorb adversity and support our mission over the long term. Our capital reflects strong risk-based regulatory capital measures while optimizing the non-risk-based regulatory capital measure to maintain targeted tier 1 leverage ratios. Under our capital plan, capital growth is anticipated to be in the form of stock, either purchased or allocated through declaration of stock patronage, as well as retention of earnings to meet the unallocated retain earnings target ratio.

Total shareholders' equity was \$10.5 billion, \$9.5 billion and \$8.6 billion at December 31, 2025, 2024 and 2023, respectively. Total shareholders' equity increased \$1.0 billion in 2025. The increase was driven primarily by strong net income and the issuance of capital stock, consistent with our capital plan. These increases were partially offset by cash patronage declared.

Select Capital Ratios

As of December 31,	Regulatory minimum and buffer	2025	2024	2023
Shareholders' equity to assets		5.1 %	4.9 %	4.9 %
Retained earnings and allowance to nonperforming loans (:1)		15.6	15.9	44.3
Retained earnings to total shareholders' equity		35.5 %	35.6 %	36.6 %
Tier 1 capital ratio	8.5 %	16.0 %	16.0 %	15.9 %
Tier 1 leverage ratio	5.0 %	5.3 %	5.2 %	5.2 %
UREE ⁽¹⁾ leverage ratio	1.5 %	1.8 %	1.9 %	2.0 %

⁽¹⁾ Unallocated retained earnings and equivalents

As we continue to purchase asset pool portfolios and effectively leverage District capital, the Bank's risk-adjusted capital ratios, including tier 1 capital ratio, are moving to more optimal levels, while still maintaining regulatory minimums and buffer limits.

Refer to Note 6 of the accompanying Financial Statements for additional information about Shareholders' Equity.

Capital Plan and Regulatory Requirements

FCA regulatory capital requirements for System Banks and Associations consist of risk-based ratios, including common equity tier 1 capital, tier 1 capital and total capital. The requirements also include the non-risk-adjusted ratios of tier 1 leverage and unallocated retained earnings and equivalents (UREE). Capital requirements also include capital conservation buffers. We exceeded all regulatory capital requirements in 2025, 2024 and 2023, including the capital conservation buffers.

Strong earnings, retail participation and asset pool programs, and stock investments have allowed us to maintain strong regulatory capital ratios while efficiently leveraging existing Bank capital for the benefit of District Associations. The various retail participation and asset pool programs leverage our strong risk-adjusted capital position while strengthening our non-risk-adjusted tier 1 leverage ratio.

We maintain a formal capital plan that addresses our capital targets in relation to our risks and establishes the required investment levels. The plan assesses the capital level and composition necessary to support financial viability and our mission over the long term. The plan considers factors such as credit risk and allowance levels, quality and quantity of earnings, sufficiency of liquid funds, operational risk, interest rate risk, and growth in determining optimal capital levels. Our capital plan continues to reflect strong risk-based regulatory capital measures while optimizing the non-risk-based leverage ratios. We periodically review and modify these targets to reflect current business and economic conditions. Our capital plan is updated at least annually and is subject to change at the discretion of our board.

2026 Business Plan - Capital Ratio Targets

	Target	Regulatory Minimum	Regulatory Minimum plus buffer
Tier 1 leverage ratio	5.15%	4.0%	5.0%
UREE leverage ratio	No lower than 1.8%	1.5%	1.5%
Common equity tier 1 capital ratio	No lower than 8.0%	4.5%	7.0%
Tier 1 capital ratio	No lower than 9.5%	6.0%	8.5%
Total capital ratio	No lower than 11.5%	8.0%	10.5%
Permanent capital ratio	No lower than 9.5%	7.0%	n/a

As part of our business plan, we model economic capital requirements and perform stress testing for AgriBank. In addition, we model economic capital requirements for District Associations. Economic capital measures total enterprise risk looking at credit, interest rate and operational risk.

AgriBank Patronage Programs and Dividend Distributions

All patronage and dividend payments are at the sole discretion of the board and are determined based on actual financial results, projections and long-term capital goals. Fundamental to our capital plan, we will first retain sufficient current period earnings to meet our capital and UREE targets and then distribute any remaining earnings as cash patronage. We may pay a portion of wholesale patronage, to District Associations and OFIs, in the form of allocated stock. Patronage was paid in cash for the year ended December 31, 2025, and in cash and stock for the years ended December 31, 2024 and 2023. Asset pool program patronage was primarily cash distributions from earnings on our various asset pool programs in the years ended December 31, 2025, 2024 and 2023. Because of the strong Association growth in retail assets our targeted level for the UREE ratio was met in early 2024. For the remainder of 2024 and throughout 2025, we continued to maintain the targeted level for our UREE ratio, which limited the overall patronage we paid as a portion of current period earnings were retained to maintain an acceptable UREE ratio level.

Total Patronage Distributions

(in thousands)

For the year ended December 31,	2025	2024	2023
Wholesale patronage	\$259,664	\$324,609	\$624,727
Asset pool program patronage	415,314	375,199	239,694
Total patronage	\$674,978	\$699,808	\$864,421
Wholesale patronage in basis points	16.9	22.8	48.6

On January 1, 2024, AgriBank redeemed, in whole, \$250 million of preferred stock and therefore, there were no perpetual preferred stock dividends declared during 2025 or 2024. During the year ended December 31, 2023, in addition to patronage to our members, our board declared perpetual preferred stock dividends of \$17.2 million, which was required to be paid before patronage distributions. Refer to Note 6 of the accompanying Financial Statements for additional information about Shareholders' Equity.

Accumulated Other Comprehensive Income (Loss)

Our derivative portfolio includes certain derivatives designated as cash flow hedges. Unrealized gains and losses on cash flow hedges are reported as a separate component of shareholders' equity. Unrealized gains and losses are reclassified into earnings when the interest payments on the hedged debt affect earnings. The majority of cash flow derivatives are hedging rising long-term interest rates.

Typically, rising interest rates increase the value of our cash flow derivative portfolio and the portfolio decreases in value as interest rates decline. The volatility in interest rates throughout 2025, paired with the timing of maturities and issuances of new swaps, resulted in gains and losses throughout the year. As a result, we had \$141.5 million and \$31.3 million net other comprehensive losses for the years ended December 31, 2025 and 2023, respectively and \$169.0 million of net other comprehensive income for the year ended December 31, 2024.

Our investment portfolio is held primarily for liquidity purposes; accordingly, it is considered available-for-sale and is carried at fair value. Unrealized gains and losses, not related to credit losses, on investment securities are reported as a separate component of shareholders' equity.

The value of our fixed-rate AFS investment securities have an inverse relationship with interest rates, as rates increase, generally the value of the fixed-rate AFS investment securities portfolio declines. Net other comprehensive gains on AFS investment securities totaled \$313.3 million, \$48.9 million, and \$247.3 million for the years ended December 31, 2025, 2024 and 2023, respectively. While interest rates were volatile during 2025, short-term interest rates decreased overall.

Results of Operations

Net income increased \$97.7 million, or 10.5 percent, for the year ended December 31, 2025, primarily driven by higher net interest income. Return on average assets ratio of 52 basis points in 2025 was in excess of our 50 basis point target. Our targeted return on assets ratio is a key part of our Bank financial framework which optimizes Bank earnings and capital combined with a focus on operational strength and disciplined cost management.

Profitability Information

(in thousands)

For the year ended December 31,	2025	2024	2023
Net income	\$1,025,200	\$927,458	\$873,294
Return on average assets	0.52 %	0.51 %	0.53 %
Return on average shareholders' equity	10.31 %	10.56 %	11.28 %

Changes in Significant Components of Net Income

(in thousands)

For the year ended December 31,	2025	2024	2023	Increase (Decrease) in Net Income	Prior Year Increase (Decrease) in Net Income
Net interest income	\$1,206,239	\$1,062,456	\$985,156	\$143,783	\$77,300
Provision for credit losses	59,000	27,000	19,000	(32,000)	(8,000)
Non-interest income	113,882	108,866	105,460	5,016	3,406
Non-interest expense	235,921	216,864	198,322	(19,057)	(18,542)
Net income	\$1,025,200	\$927,458	\$873,294	\$97,742	\$54,164

Net Interest Income

Changes in Net Interest Income

(in thousands)

For the year ended December 31,	2025 vs 2024			2024 vs 2023		
	Volume	Rate	Total	Volume	Rate	Total
Increase (decrease) due to:						
Interest income:						
Loans	\$600,464	\$(135,943)	\$464,521	\$697,627	\$655,145	\$1,352,772
Investment securities and other earning assets	14,638	(112,942)	(98,304)	52,727	140,602	193,329
Total interest income	615,102	(248,885)	366,217	750,354	795,747	1,546,101
Interest expense:						
Systemwide Debt Securities and other	(525,487)	303,053	(222,434)	(571,671)	(897,130)	(1,468,801)
Net change in net interest income	\$89,615	\$54,168	\$143,783	\$178,683	\$(101,383)	\$77,300

Information regarding the average daily balances (ADB), average rates earned and components of net interest income (NII) on our portfolio follows:

(in thousands)

For the year ended December 31,

	2025		
	ADB	Rate	NII
Interest earning assets:			
Wholesale loans	\$143,869,170	3.78 %	\$5,474,285
Retail accrual loans	24,746,481	6.02 %	1,459,587
Retail nonaccrual loans	209,479	7.92 %	16,598
Investment securities and other earning assets	26,359,658	4.16 %	1,097,670
Total earning assets	195,184,788	4.12 %	8,048,140
Interest bearing liabilities	185,728,270	3.68 %	6,841,901
Interest rate spread	<u>\$9,456,518</u>	0.44 %	
Impact of equity financing		0.18 %	
Net interest margin		<u>0.62 %</u>	
Net interest income			<u>\$1,206,239</u>

(in thousands)

For the year ended December 31,

	2024		
	ADB	Rate	NII
Interest earning assets:			
Wholesale loans	\$131,893,003	3.94 %	\$5,222,441
Retail accrual loans	22,287,410	5.64 %	1,249,089
Retail nonaccrual loans	117,337	12.25 %	14,418
Investment securities and other earning assets	26,027,770	4.58 %	1,195,974
Total earning assets	180,325,520	4.25 %	7,681,922
Interest bearing liabilities	171,805,973	3.84 %	6,619,466
Interest rate spread	<u>\$8,519,547</u>	0.41 %	
Impact of equity financing		0.18 %	
Net interest margin		<u>0.59 %</u>	
Net interest income			<u>\$1,062,456</u>

(in thousands)

For the year ended December 31,

	2023		
	ADB	Rate	NII
Interest earning assets:			
Wholesale loans	\$121,914,909	3.51 %	\$4,272,893
Retail accrual loans	16,595,233	5.13 %	851,506
Retail nonaccrual loans	55,545	15.80 %	8,777
Investment securities and other earning assets	24,790,982	4.04 %	1,002,645
Total earning assets	163,356,669	3.76 %	6,135,821
Interest bearing liabilities	155,611,616	3.31 %	5,150,665
Interest rate spread	<u>\$7,745,053</u>	0.45 %	
Impact of equity financing		0.15 %	
Net interest margin		<u>0.60 %</u>	
Net interest income			<u>\$985,156</u>

Net interest income increased during the year ended December 31, 2025. The increase was primarily due to higher spread income on retail loans in our asset pool portfolio and on our wholesale loan portfolio due to an increase in volume. These factors were somewhat offset by decreased spread income on investment securities due to the mix of investment securities. The benefit of equity financing in net interest income increased compared to the prior year, due to higher levels of equity partially offset by a decline in interest rates. Equity financing represents the benefit of non-interest bearing funding. With interest rates moving lower during the second half of 2025, opportunities were taken to call and refinance debt at lower levels. While, some loans have followed this pattern, the repricing or conversion of loans has been slower, resulting in wider retail interest rate spreads.

Provision for Credit Losses

The "Provision for credit losses" in the Statements of Comprehensive Income includes a provision for credit losses on loans, provision for credit losses on investments, as well as a provision for credit losses on unfunded commitments. There was a \$58.0 million provision for credit losses on loans for the year ended December 31, 2025, driven primarily by an increase in specific and general reserves placed on loans in our asset pool portfolios. The increase in specific reserves was primarily related to agribusiness and production and intermediate-term loans and was not concentrated in any one particular industry. The increase in general reserves was primarily due to an increase in loan volume, as well as slight deterioration in overall credit quality. The provision for credit losses on unfunded commitments was not material for the year ended December 31, 2025. We had no provision for credit losses on investment securities for the year ended December 31, 2025.

Provision for credit losses on loans in any given year can be impacted by a single loan or borrower. The allowance for credit losses on loans directly impacts our provision for credit losses on loans. Refer to the discussion of the allowance for credit losses on loans in the Loan Portfolio - Allowance for Credit Losses on Loans section of this report and in Note 3 of the accompanying Financial Statements.

Non-interest Income

The increase in non-interest income for the year ended December 31, 2025, compared to the same period of the prior year, was primarily related to an increase in loan fees due to marginally higher conversion and commitment fees generating additional income during the year. The increase in non-interest income was partially offset by the reduction in mineral income related to lower oil prices.

During the years ended December 31, 2025 and 2024, we received allocated Insurance Reserve Accounts (AIRAs) distributions from the Farm Credit System Insurance Corporation (FCSIC). The AIRAs were established by the FCSIC when premiums collected increased the level of the insurance fund beyond the required secured base amount of 2 percent of insured debt. In February 2026, FCSIC announced AIRA distributions to the Farm Credit Banks totaling approximately \$223.9 million, of which the AgriBank District's share of the distributions is approximately \$88.2 million. The distribution will be allocated among AgriBank and District Associations, with AgriBank's share expected to be approximately \$13.8 million.

Components of Non-Interest Income

(in thousands)

For the year ended December 31,	2025	2024	2023
Mineral income	\$81,337	\$87,651	\$86,599
Business services income	10,445	9,872	9,025
Loan prepayment and fee income	19,119	9,146	8,269
Allocated Insurance Reserve Accounts income	4,627	5,922	—
Other (loss) income, net	(1,646)	(3,725)	1,567
Total	\$113,882	\$108,866	\$105,460

Loan prepayment and fee income reflects prepayment and conversion fees recognized as a result of conversion activity, primarily related to funding our wholesale lending. The majority of our loan prepayment and fee income is recorded when District Association retail loans financed through our wholesale loan volume prepay or convert, and the District Association is assessed a wholesale fee.

Non-interest Expense

Components of Non-interest Expense

(in thousands)

For the year ended December 31,	2025	2024	2023
Salaries and employee benefits	\$36,893	\$33,962	\$32,008
Other operating expenses:			
Purchased services	32,453	29,434	25,280
Occupancy and equipment	7,671	6,957	6,453
Examination expense	9,120	8,535	7,337
Other	12,711	11,701	11,216
Loan servicing expense	103,980	100,241	85,731
Farm Credit System insurance expense	24,861	22,701	30,265
Other non-interest expense, net	8,232	3,333	32
Total non-interest expense	\$235,921	\$216,864	\$198,322

Other non-interest expense, net increased mainly due to dealer incentive expenses related to our crop input financing portfolio. Loan servicing expense increased due to asset pool activity during 2025 and the second half of 2024. Additionally, contractor fees added to increased purchased services expense related to additional resources for technology projects during the year.

Farm Credit System insurance expense is directly impacted by the premium rate we are assessed. Premiums were 10 basis points for 2025 and 2024 and 18 basis points for 2023. The Insurance Corporation has announced premiums of 10 basis points in 2026. The Insurance Corporation board meets periodically throughout the year to review premium rates and has the ability to change these rates at any time.

Interest Rate Risk Management

Interest rate risk is the risk that changes in interest rates may adversely affect operating results and financial condition. Interest rate risk arises primarily from funding fixed rate loans that can be prepaid, adjustable rate loans with interest rate caps and decisions related to the investment of our equity. We manage substantially all of the District's interest rate risk. Our ability to effectively manage interest rate risk relies on our ability to issue debt with terms and structures that match our asset terms and structures and through pricing to Associations. Because a substantial portion of those assets are prepayable, we manage our interest rate risk and reduce our funding costs using a variety of tools including callable debt and derivative products. AgriBank, in collaboration with District Associations, implemented temporary pricing changes during 2023 in an effort to combat competitive pressure for District Associations. While this pricing program ended in mid-January 2024, AgriBank still faces moderate interest rate risk if rates drop quickly. The majority of the exposure from this program ran off during 2025.

We manage exposure to changes in interest rates under policies established by our board and limits established by our ALCO. Policies and limits regulate maximum exposure to net interest income and economic value of equity changes for specified changes in market interest rates. A full analysis of interest rate risk is completed monthly. Through these analyses, appropriate funding strategies are developed to manage the sensitivity of net interest income and economic value of equity to changes in interest rates.

Our primary techniques used to analyze interest rate risk are:

- Interest rate gap analysis, which compares the amount of interest-sensitive assets to interest-sensitive liabilities repricing in selected time periods under various interest rate and prepayment assumptions.
- Net interest income sensitivity analysis, which projects net interest income in each of the next three years given various rate scenarios.
- Economic value of equity sensitivity analysis, which estimates the economic value of assets, liabilities and equity given various rate scenarios.

The assumptions used in our analyses are monitored routinely and adjusted as necessary. Assumptions about loan prepayment behavior are the most significant to the results. Prepayment speeds are estimated as a function of rate levels, age and seasoning.

We monitor and track prepayment history and consider adjustments to our assumed prepayment speeds based on our historical observed experience. We use third-party prepayment models for MBS investments.

Interest Rate Gap Analysis

The following table is based on the known repricing dates of certain assets and liabilities and the assumed or estimated repricing dates of others under an implied forward rate scenario. Prepayment estimates for loans are calculated using our standard prepayment assumptions. Callable debt is shown at the first call date it is expected to be exercised given implied forward rates. Various assets and liabilities may not reprice according to the assumptions and estimates used. The analysis provides a static view of our interest rate sensitivity position and does not capture the dynamics of an evolving balance sheet, interest rate and spread changes in different interest rate environments, or the active role of asset and liability management.

Interest Rate Gap Position

(in millions)

As of December 31, 2025	Repricing Intervals						Over 5 Years	Total
	Year 1	Year 2	Year 3	Year 4	Year 5			
Earning assets:								
Prepayable loans	\$100,640	\$16,333	\$11,083	\$7,401	\$6,679	\$27,059	\$169,195	
Other loans	1,339	1,361	1,385	928	1,154	2,525	8,692	
Investment securities and other earning assets	14,253	6,117	1,477	1,281	517	1,338	24,983	
Total earning assets	\$116,232	\$23,811	\$13,945	\$9,610	\$8,350	\$30,922	\$202,870	
Callable debt	\$34,305	\$16,095	\$6,070	\$4,320	\$4,940	\$27,268	\$92,998	
Other debt	86,138	6,501	4,132	2,006	1,399	252	100,428	
Effect of interest rate swaps and other derivatives	(9,055)	4,350	—	200	560	3,945	—	
Total rate-sensitive liabilities	\$111,388	\$26,946	\$10,202	\$6,526	\$6,899	\$31,465	\$193,426	
Interest rate sensitivity gap	\$4,844	\$(3,135)	\$3,743	\$3,084	\$1,451	\$(543)	\$9,444	
Cumulative gap	\$4,844	\$1,709	\$5,452	\$8,536	\$9,987	\$9,444		
Cumulative gap as a % of earning assets	4.2 %	1.2 %	3.5 %	5.2 %	5.8 %	4.7 %		

Net Interest Income and Economic Value of Equity (EVE) Sensitivity Analysis

The economic value of equity sensitivity analysis provides a point-in-time view of our interest rate sensitivity position, commensurate with the interest rate gap analysis. Net interest income projections and sensitivity analysis incorporate assumptions to capture the dynamics of an evolving balance sheet. Policy limits related to interest rate sensitivity assume interest rates for all points along the yield curve change immediately in the same direction and amount (a parallel shock). We also routinely review the impact of a gradual change over one year in interest rates in the same direction and same amount (a parallel ramp). Further, we routinely review multi-year net interest income projections and the impact of varying the amount of change in rates at different maturities (a twist, flattening or steepening of the yield curve). Our policies establish a maximum variance from our base case in a plus or minus 200 basis point change in rates, except when the U.S. Treasury three-month rate is below 4 percent, at which time the minus scenario is limited to one-half of the U.S. Treasury three-month rate. Due to interest rate levels as of December 31, 2025, the down scenario is limited to a down 182 basis point change.

NII Sensitivity Analysis

As of December 31, 2025	Basis Point Interest Rate Change			
	Down 182	Down 100	Up 100	Up 200
Immediate Change (Shock):				
NII sensitivity	(6.7)%	(3.7)%	2.4 %	2.5 %
Board policy	(15.0)%			(15.0)%
Gradual Change (Ramp):				
NII sensitivity	N/A	(0.9)%	0.5 %	0.2 %

EVE Sensitivity Analysis

As of December 31, 2025	Basis Point Interest Rate Change			
	Down 182	Down 100	Up 100	Up 200
Immediate Change (Shock):				
EVE sensitivity	7.9 %	3.7 %	(3.8)%	(7.8)%
Board policy	(12.0)%			(12.0)%

Derivative Financial Instruments

We primarily use derivative financial instruments to reduce funding costs, improve liquidity and manage interest rate risk. We do not hold or issue derivatives for speculative purposes.

Our derivative activities are monitored by our ALCO as part of the committee's oversight of our asset/liability and treasury functions. Our hedging strategies are developed within limits established by the board through our analysis of data derived from financial simulation models and other internal and industry sources. The resulting hedging strategies are then incorporated into our overall interest rate risk management strategies.

The types and uses of derivatives we primarily utilize are:

Derivative Products	Purpose of the Hedge Transaction	Strategic Impact
Receive-fixed swaps	To protect against the decline in interest rates on floating-rate assets by exchanging the debt's fixed-rate payment for a floating-rate payment.	These transactions enable us to improve liquidity, obtain lower funding cost or to hedge basis risk.
Pay-fixed swaps	To protect against an increase in interest rates by exchanging the debt's floating-rate payment for a fixed-rate payment that matches the cash flows of assets.	These transactions create lower cost synthetic fixed-rate funding, hedge future debt issuance costs or manage interest rate sensitivity.
Floating-for-floating swaps	Some swaps are used to protect against large increases in interest rates on floating-rate liabilities by embedding an interest rate cap on the floating-rate payment leg of the swap. Other swaps are used to protect against changes in the relationship between overnight and term SOFR.	These transactions help us to manage basis risk and exposure to large increases in interest rates and offset interest rate caps that are embedded within our assets.

We also facilitate interest rate swaps to qualified borrowers of District Associations (referred to as customer swaps). These swaps allow qualified borrowers to manage their interest rate risk and lock in a fixed interest rate similar to a fixed-rate loan. We may manage the interest rate risk from customer swaps with the execution of offsetting interest rate swap transactions.

We may enter into commodity derivatives should the parameters of our mineral hedging program be met, including consideration for the expectations of oil prices over a specified length of time. These derivative instruments (put options on the price of oil) are used to mitigate a decline in mineral income in certain circumstances.

By using derivative instruments, we are subject to counterparty credit risk. If a counterparty is unable to perform under a derivative contract, our credit risk equals the net amount due to us. Generally, when the fair value of a derivative contract is positive, we have credit exposure to the counterparty, creating credit risk for us. When the fair value of the derivative contract is negative, we do not have credit exposure. A substantial majority of our derivative transactions are centrally cleared, significantly mitigating counterparty credit risk.

Derivative Credit Loss Exposure by Credit Rating

(in thousands) As of December 31, 2025	Years to Maturity			Maturity Distribution Netting	Exposure	Collateral Pledged	Exposure Net of Collateral
	Less Than One Year	One to Five Years	Over Five Years				
Moody's Credit Rating:							
Aa2	\$—	\$—	\$16,824	\$(1,580)	\$15,244	\$—	\$15,244
Cleared derivatives	594	2,421	10,330	—	13,345	—	13,345
Total	\$594	\$2,421	\$27,154	\$(1,580)	\$28,589	\$—	\$28,589

Derivative credit loss exposure is estimated by calculating the cost, on a present value basis, to replace all outstanding derivative contracts in a gain position. Within each maturity category, contracts in a loss position are netted against contracts in a gain position with the same counterparty. If the net position within a maturity category with a particular counterparty is a loss, no amount is reported. Maturity distribution netting represents the impact of netting derivatives in a gain position and derivatives in a loss position for the same counterparty across different maturity categories.

Expected Maturities of Derivative Products and Other Financial Instruments

(in millions)

As of December 31, 2025	2026	2027	2028	2029	2030	2031 and thereafter	Total	Fair Value
Bonds and Notes:								
Fixed rate	\$18,327	\$15,954	\$14,550	\$8,572	\$8,971	\$30,487	\$96,861	\$116,037
Average interest rate	3.1 %	2.9 %	3.1 %	2.9 %	2.8 %	3.4 %	3.1 %	
Variable rate	45,961	49,954	650	—	—	—	96,565	73,626
Average interest rate	4.0 %	4.0 %	4.1 %	— %	— %	— %	4.0 %	
Total bonds and notes	\$64,288	\$65,908	\$15,200	\$8,572	\$8,971	\$30,487	\$193,426	\$189,663
Derivative Instruments:								
Receive-fixed swaps								
Notional value	\$1,150	\$250	\$—	\$—	\$—	\$—	\$1,400	\$4
Weighted average receive rate	4.2 %	3.9 %	— %	— %	— %	— %	4.1 %	
Weighted average pay rate	3.7 %	3.5 %	— %	— %	— %	— %	3.7 %	
Pay-fixed swaps								
Notional value	14,856	4,599	8	225	560	4,000	24,248	75
Weighted average receive rate	3.7 %	3.5 %	3.5 %	3.7 %	3.6 %	3.9 %	3.7 %	
Weighted average pay rate	3.7 %	3.7 %	2.6 %	3.9 %	3.4 %	3.5 %	3.7 %	
Floating-for-floating swaps								
Notional value	850	100	700	400	800	—	2,850	(9)
Weighted average receive rate	3.7 %	3.5 %	3.6 %	3.6 %	3.6 %	— %	3.6 %	
Weighted average pay rate	3.9 %	4.1 %	3.9 %	3.9 %	3.8 %	— %	3.9 %	
Customer swaps								
Notional value	31	—	8	25	—	55	119	(5)
Weighted average receive rate	1.3 %	— %	3.1 %	3.7 %	— %	2.0 %	2.3 %	
Weighted average pay rate	3.8 %	— %	3.5 %	3.5 %	— %	4.0 %	3.8 %	
Credit valuation adjustment ⁽¹⁾								0
Variation margin settlement								(66)
Total derivative instruments	\$16,887	\$4,949	\$716	\$650	\$1,360	\$4,055	\$28,617	\$(1)
Total weighted average rates on swaps:								
Receive rate	3.7 %	3.5 %	3.6 %	3.6 %	3.6 %	3.8 %	3.7 %	
Pay rate	3.7 %	3.6 %	3.9 %	3.9 %	3.6 %	3.5 %	3.7 %	

⁽¹⁾ Credit valuation adjustment was not material as of December 31, 2025

The table was prepared based on implied forward variable interest rates as of December 31, 2025, and, accordingly, the actual interest rates to be received or paid will be different to the extent that the variable rates fluctuate from December 31, 2025, implied forward rates. Derivative instruments are also discussed further in Notes 2, 11 and 12 of the accompanying Financial Statements.

Other Risks

Operational Risk

Operational risk represents the risk of loss resulting from inadequate or failed internal processes or systems, errors by employees or external events. Our primary operational risk includes external reporting, business model, human capital, fraud, business interruption, data and model integrity, security, and corporate governance. Operational risk is inherent in all business activities, and the management of this risk is important to the achievement of our objectives. We manage operational risk through established internal control processes and business continuity and disaster recovery plans. We maintain systems of controls with the objectives of providing appropriate transaction authorization and execution, proper system operations, safeguarding of assets and reliability of financial and other data. We have a strong control environment, including an independent audit committee, a code of ethics for senior officers and key financial personnel, and an anonymous whistleblower program. Our control framework includes periodic

review of vendors and annual review of certain vendor service organization control reports to evaluate risks and determine if risk mitigation actions are needed. We have developed and regularly update comprehensive business continuity and disaster recovery plans and routinely test these plans with the goal of ensuring ongoing operations under a variety of adverse scenarios. In conjunction with our service provider, we maintain sound security infrastructure, which we periodically test. We also provide data confidentiality, physical security and cybersecurity awareness training to staff.

Reputational Risk

Reputational risk is defined as the negative impact resulting from events, real or perceived, that shape the image of the Farm Credit System or any of its entities. Such risks include impacts related to investors' perceptions about agriculture, the reliability of the System financial information or business practices by any System institution that may appear to conflict with the System mission. The Farm Credit System has various committees responsible for reviewing business practices and, where appropriate, risk mitigation efforts, as well as providing strategic direction on System reputation management initiatives.

Credit Risk Related to Joint and Several Liability

We have exposure to Systemwide credit risk, because we are jointly and severally liable for all Systemwide debt issued. Under joint and several liability, if a System Bank is unable to pay its obligations as they come due, the other Banks in the System would ultimately be called upon to fulfill those obligations. The existence of the Insurance Fund, the CIPA and the Market Access Agreement (MAA) help to mitigate this risk. The Insurance Corporation was established to administer the Insurance Fund. Refer to Note 1 of the accompanying Financial Statements for further information on the Insurance Fund. Refer to Note 9 of the accompanying Financial Statements for additional information related to the CIPA and MAA.

Critical Accounting Policies

Our Financial Statements are reported based on accounting principles generally accepted in the United States of America and require that significant judgment be applied to various accounting, reporting and disclosure matters. We use assumptions and estimates to apply these principles where actual measurement is not possible or practical. For a complete discussion of significant accounting policies, refer to Note 2 of the accompanying Financial Statements. The following is a summary of certain critical accounting policies:

- **Allowance for Credit Losses** - The allowance for credit losses represents the estimated current expected credit losses over the asset's remaining expected life and takes into consideration relevant information about past events, current conditions, and macroeconomic forecasts of future conditions. An economic scenario is considered over a reasonable and supportable forecast period, after which, the framework incorporates historical loss experience. Final loss estimates also consider factors affecting credit losses not reflected in the model results, due to the unique aspects of current conditions and expectations. These factors may include, but are not limited to, lending policies, portfolio concentrations, regulatory guidance, and/or lags in economic forecast information. The allowance for credit losses comprises the allowance for credit losses on loans, unfunded commitments, and investment securities.

As a result of adoption of Accounting Standards Update (ASU) 2016-13 "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" effective January 1, 2023, the allowance for credit losses on loans decreased by \$9.8 million, and the allowance for credit losses on unfunded commitments increased by \$1.0 million, with a cumulative-effect increase to retained earnings of \$8.8 million. No allowance for credit losses was recognized in relation to our investment portfolio upon adoption.

Prior to January 1, 2023, the allowance for credit losses on loans was our best estimate of the amount of credit losses on loans in our portfolio as of the date of the accompanying Financial Statements. We determined the allowance for credit losses on loans based on a quarterly evaluation of our loan portfolio, which considered loan loss history, probability of default assumptions, loss given default assumptions, portfolio quality and economic and environmental conditions.

- **Fair Value Measurements** - We apply various valuation methods to assets and liabilities that often involve judgment, particularly when liquid markets do not exist for the particular items being valued. Quoted market prices are referred to when estimating fair values for certain assets, such as certain investment securities. However, for those items for which an observable active market does not exist, we utilize significant estimates and assumptions to value such items. These valuations require the use of various assumptions, including, among others, discount rates, rates of return on assets, prepayment rates, cash flows, default rates, loss given default rates and third-party prices. The use of different assumptions could produce significantly different results.

Human Capital

AgriBank recognizes that our people are the key to continued success achieved through people practices that align with strategic plans and that foster a productive and engaged workforce. We promote a work experience that embodies mission, integrity, excellence, support and improvement – all serving the needs of rural America and agriculture.

Our human capital strategy is to position AgriBank as a premier employer in a hybrid workplace landscape, with guidance and oversight from our board of directors. We adopted a People Plan (Plan) that focuses on: (1) an assessment of workforce and performance management, (2) succession planning, and (3) workforce composition.

Assessment of Workforce and Performance Management

The Plan provides a description of our workforce and assesses its strengths and weaknesses. We are continuously aligning our workforce, structure, and systems with AgriBank's strategic plan, by deploying leading practices in talent acquisition, learning and development, and performance management.

Succession Programs

Succession management at AgriBank is an ongoing process of talent reviews, critical role identification and talent calibration. Essential to ensuring successful strategic execution as employees transition, the key goal is to maintain a robust pool of successor candidates for critical jobs.

Workforce

AgriBank achieves successful business results through strong collaboration, problem-solving, innovation and a positive work environment. The number of personnel employed by AgriBank on a full-time equivalent basis was 148, 141 and 135 at December 31, 2025, 2024 and 2023, respectively.

Other Matters

On February 11, 2026, AgriBank announced plans by Jeffrey Swanhorst, chief executive officer, to retire in mid-2027. A committee of the AgriBank board has initiated a search for his successor. He will continue to serve as CEO until a successor is named and then will transition to a senior advisor role until his retirement.

Report of Management

AgriBank, FCB

We prepare the Financial Statements of AgriBank, FCB (AgriBank) and are responsible for their integrity and objectivity, including amounts that must necessarily be based on judgments and estimates. The Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The Financial Statements, in our opinion, fairly present the financial condition of AgriBank. Other financial information included in the Annual Report is consistent with that in the Financial Statements.

To meet our responsibility for reliable financial information, we depend on accounting and internal control systems designed to provide reasonable but not absolute assurance that assets are safeguarded and transactions are properly authorized and recorded. Costs must be reasonable in relation to the benefits derived when designing accounting and internal control systems. Financial operations audits are performed to monitor compliance. PricewaterhouseCoopers LLP, our independent auditors, audit the Financial Statements. In addition, our independent auditor has audited our internal control over financial reporting as of December 31, 2025. The Farm Credit Administration also performs examinations for safety and soundness, as well as compliance with applicable laws and regulations.

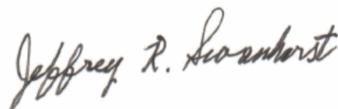
The board of directors has overall responsibility for our system of internal control and financial reporting. The board of directors and its Audit Committee consult regularly with us and meet periodically with the independent auditors and other auditors to review the scope and results of their work. The independent auditor has direct access to the board of directors, which is composed solely of directors who are not officers or employees of AgriBank.

The undersigned certify we have reviewed AgriBank, FCB's December 31, 2025 Annual Report, and it has been prepared in accordance with all applicable statutory and regulatory requirements and the information contained herein is true, accurate and complete to the best of our knowledge and belief.



Chris Roberts
Chair of the Board
AgriBank, FCB

February 27, 2026



Jeffrey R. Swanhorst
Chief Executive Officer
AgriBank, FCB

February 27, 2026



Brad W. Hoffelt
Chief Financial Officer
AgriBank, FCB

February 27, 2026

Report of Audit Committee

AgriBank, FCB

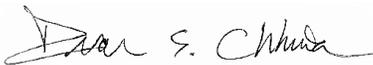
The Financial Statements were prepared under the oversight of the Audit Committee. The Audit Committee is composed of a subset of the board of directors of AgriBank, FCB (AgriBank). The Audit Committee oversees the scope of AgriBank's internal audit program, the approval and independence of PricewaterhouseCoopers LLP (PwC) as independent auditors, the adequacy of AgriBank's system of internal controls and procedures and the adequacy of management's actions with respect to recommendations arising from those auditing activities. The Audit Committee's responsibilities are described more fully in the Internal Control Policy and the Audit Committee Charter.

Management is responsible for the preparation of the Financial Statements in accordance with accounting principles generally accepted in the United States of America. Additionally, management is responsible for the design and operating effectiveness of internal control over financial reporting for the Financial Statements. PwC is responsible for expressing opinions on the Financial Statements and internal control over financial reporting based on their integrated audits which are performed in accordance with auditing standards of the Public Company Accounting Oversight Board (PCAOB) and in accordance with generally accepted auditing standards in the United States of America. The Audit Committee's responsibilities include monitoring and overseeing these processes.

In this context, the Audit Committee reviewed and discussed the audited Financial Statements for the year ended December 31, 2025, with management. The Audit Committee also reviewed with PwC the matters required to be discussed by PCAOB Auditing Standard No. 1301, *Communications with Audit Committees*, and both PwC and the internal auditors directly provided reports on any significant matters to the Audit Committee.

The Audit Committee had discussions with and received written disclosures from PwC confirming its independence. The Audit Committee also reviewed the non-audit services provided by PwC, if any, and concluded these services were not incompatible with maintaining PwC's independence. The Audit Committee discussed with management and PwC any other matters and received any assurances from them as the Audit Committee deemed appropriate.

Based on the foregoing review and discussions, and relying thereon, the Audit Committee recommended the audited Financial Statements be included in the Annual Report for the year ended December 31, 2025.



Ivar S. Chhina
Audit Committee Chair
AgriBank, FCB

Donald Blankenship
Stan Claussen
Rollin Tonneson

February 27, 2026

Report on Internal Control over Financial Reporting

AgriBank, FCB

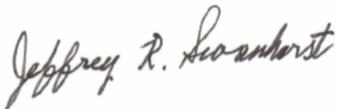
AgriBank, FCB's (AgriBank) principal executives and principal financial officers or persons performing similar functions are responsible for establishing and maintaining adequate internal control over financial reporting. For purposes of this report, "internal control over financial reporting" is defined as a process designed by, or under the supervision of AgriBank's principal executives and principal financial officers or persons performing similar functions, and effected by its board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that: (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of AgriBank, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures are being made only in accordance with authorizations of management and directors of AgriBank and (3) provide reasonable assurance regarding prevention or timely detection, of unauthorized acquisition, use or disposition of AgriBank's assets that could have a material effect on its financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

AgriBank's management has completed an assessment of the effectiveness of internal control over financial reporting as of December 31, 2025. In making the assessment, management used the 2013 framework in Internal Control - Integrated Framework, promulgated by the Committee of Sponsoring Organizations of the Treadway Commission, commonly referred to as the "COSO" criteria.

Based on the assessment performed, AgriBank concluded that as of December 31, 2025, the internal control over financial reporting was effective based upon the COSO criteria.

AgriBank's internal control over financial reporting as of December 31, 2025, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their accompanying report, which expresses an unqualified opinion on the effectiveness of AgriBank's internal control over financial reporting as of December 31, 2025.



Jeffrey R. Swanhorst
Chief Executive Officer
AgriBank, FCB

February 27, 2026



Brad W. Hoffelt
Chief Financial Officer
AgriBank, FCB

February 27, 2026



Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of AgriBank, FCB

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying statements of condition of AgriBank, FCB (the "Company") as of December 31, 2025, 2024 and 2023, and the related statements of comprehensive income, of changes in shareholders' equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Company changed the manner in which it accounts for the allowance for credit losses in 2023.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the relevant ethical requirements relating to our audit, which include standards of the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct and the Farm Credit Administration's independence rules set forth in 12 CFR Part 621, Accounting and Reporting Requirements, Subpart E, Auditor Independence.

We conducted our audits in accordance with the auditing standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses on Loans (ACLL) – Pooled Component

As described in Notes 2 and 3 to the financial statements, the allowance for credit losses on loans was \$73.5 million as of December 31, 2025. The ACLL represents the estimated current expected credit losses on the loan portfolio and takes into consideration relevant information about past events, current conditions, and reasonable and supportable macroeconomic forecasts of future conditions. Management's process and methodology to establish the ACLL has two basic components: an asset-specific component and a pooled component. In estimating the pooled component of the ACLL, loans are pooled and segregated into loan classes based on loan type, commodity, and internal risk rating. Management uses a two-dimensional risk rating model that incorporates a scale to identify and track the probability of borrower default and a separate scale addressing loss given default. Probability of default is management's assumption of the probability that a borrower will experience default and loss given default is management's assumption of the anticipated principal loss on a specific loan assuming default occurs. Management utilizes a model to calculate an expected life-of-loan loss percentage for each loan pool by considering the probability of default and the loss given default.

The principal considerations for our determination that performing procedures relating to the pooled component of the ACLL is a critical audit matter are (i) the significant judgment by management in developing the estimate of the pooled component of the ACLL; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence related to management's probability of default and loss given default significant assumptions; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures included testing the effectiveness of controls relating to management's ACLL estimation process, including controls over the probability of default and loss given default significant assumptions. These procedures also included, among others (i) testing management's process for developing the estimate of the pooled component of the ACLL; (ii) evaluating the appropriateness of the methodology and model; (iii) testing the completeness and accuracy of certain data used in the estimate; and (iv) evaluating the reasonableness of the significant assumptions used by management related to probability of default and loss given default. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the methodology and model and (ii) the reasonableness of the probability of default and loss given default assumptions.

PriceWaterhouse Coopers LLP

Minneapolis, Minnesota
February 27, 2026

We have served as the Company's auditor since 1985.

Statements of Condition

AgriBank, FCB

(in thousands)

As of December 31,	2025	2024	2023
Assets			
Loans held to maturity (Note 3)	\$177,887,238	\$164,659,006	\$148,370,212
Allowance for credit losses on loans	73,456	39,641	31,992
Net loans held to maturity	177,813,782	164,619,365	148,338,220
Loans held for sale (Note 3)	—	—	355,219
Net loans	177,813,782	164,619,365	148,693,439
Investment securities	24,000,515	23,160,944	22,112,428
Cash and cash equivalents	1,405,809	1,510,493	1,642,497
Federal funds sold and securities purchased under resale agreements	—	400,000	1,700,000
Accrued interest receivable	1,945,092	1,815,644	1,590,342
Derivative assets	70,084	26,095	93,470
Other assets	473,045	398,419	590,827
Total assets	\$205,708,327	\$191,930,960	\$176,423,003
Liabilities			
Bonds and notes	\$193,426,229	\$180,795,727	\$166,310,329
Accrued interest payable	1,189,507	1,201,851	1,027,470
Derivative liabilities	71,344	23,066	75,356
Patronage payable and other payables	512,027	427,166	402,749
Other liabilities	23,497	20,029	23,921
Total liabilities	195,222,604	182,467,839	167,839,825
Commitments and contingencies (Note 9)			
Shareholders' equity			
Perpetual preferred stock	—	—	250,000
Capital stock and participation certificates	7,030,989	6,530,024	5,845,718
Unallocated retained earnings	3,717,737	3,367,515	3,139,865
Accumulated other comprehensive income (loss)	(263,003)	(434,418)	(652,405)
Total shareholders' equity	10,485,723	9,463,121	8,583,178
Total liabilities and shareholders' equity	\$205,708,327	\$191,930,960	\$176,423,003

The accompanying notes are an integral part of these financial statements.

Statements of Comprehensive Income

AgriBank, FCB

(in thousands)

For the year ended December 31,	2025	2024	2023
Interest income			
Loans	\$6,950,470	\$6,485,948	\$5,133,176
Investment securities and other earning assets	1,097,670	1,195,974	1,002,645
Total interest income	8,048,140	7,681,922	6,135,821
Interest expense	6,841,901	6,619,466	5,150,665
Net interest income	1,206,239	1,062,456	985,156
Provision for credit losses	59,000	27,000	19,000
Net interest income after provision for credit losses	1,147,239	1,035,456	966,156
Non-interest income			
Mineral income	81,337	87,651	86,599
Business services income	10,445	9,872	9,025
Loan prepayment and fee income	19,119	9,146	8,269
Allocated Insurance Reserve Accounts income	4,627	5,922	—
Other (loss) income, net	(1,646)	(3,725)	1,567
Total non-interest income	113,882	108,866	105,460
Non-interest expense			
Salaries and employee benefits	36,893	33,962	32,008
Other operating expense	61,955	56,627	50,286
Loan servicing expense	103,980	100,241	85,731
Farm Credit System insurance expense	24,861	22,701	30,265
Other expense, net	8,232	3,333	32
Total non-interest expense	235,921	216,864	198,322
Net income	\$1,025,200	\$927,458	\$873,294
Other comprehensive income (loss)			
Investment securities activity	\$313,346	\$48,900	\$247,329
Derivatives and hedging activity	(141,547)	168,982	(31,315)
Employee benefit plan activity	(384)	105	211
Total other comprehensive income (loss)	171,415	217,987	216,225
Comprehensive income	\$1,196,615	\$1,145,445	\$1,089,519

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

AgriBank, FCB

(in thousands)	Perpetual Preferred Stock	Capital Stock and Participation Certificates	Unallocated Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2022	\$250,000	\$4,664,821	\$3,139,365	\$(868,630)	\$7,185,556
Cumulative effect of change in accounting principle			8,815		8,815
Net income			873,294		873,294
Other comprehensive income (loss)				216,225	216,225
Cash patronage			(669,011)		(669,011)
Stock patronage issued as capital stock		195,410	(195,410)		—
Perpetual preferred stock dividends			(17,188)		(17,188)
Capital stock and participation certificates issued		993,452			993,452
Capital stock and participation certificates retired		(7,965)			(7,965)
Balance at December 31, 2023	\$250,000	\$5,845,718	\$3,139,865	\$(652,405)	\$8,583,178
Net income			927,458		927,458
Other comprehensive income (loss)				217,987	217,987
Cash patronage			(518,404)		(518,404)
Stock patronage issued as capital stock		181,404	(181,404)		—
Perpetual preferred stock redemption	(250,000)				(250,000)
Capital stock and participation certificates issued		549,795			549,795
Capital stock and participation certificates retired		(46,893)			(46,893)
Balance at December 31, 2024	\$—	\$6,530,024	\$3,367,515	\$(434,418)	\$9,463,121
Net income			1,025,200		1,025,200
Other comprehensive income (loss)				171,415	171,415
Cash patronage			(674,978)		(674,978)
Capital stock and participation certificates issued		508,997			508,997
Capital stock and participation certificates retired		(8,032)			(8,032)
Balance at December 31, 2025	\$—	\$7,030,989	\$3,717,737	\$(263,003)	\$10,485,723

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

AgriBank, FCB

(in thousands)

For the year ended December 31,	2025	2024	2023
Cash flows from operating activities			
Net income	\$1,025,200	\$927,458	\$873,294
Adjustments to reconcile net income to cash flows from operating activities:			
Depreciation on premises and equipment	699	693	653
Provision for credit losses	59,000	27,000	19,000
(Gain) loss on sale of investment securities, net	(120)	275	18
Amortization of discounts on investments, net	(248,682)	(290,355)	(243,779)
Amortization of discounts on debt and deferred debt issuance costs, net	106,837	118,946	130,753
Loss on derivative activities, net	10,547	13,400	19,549
Loss on debt extinguishment	324	—	—
Changes in operating assets and liabilities:			
Increase in accrued interest receivable	(5,568,254)	(5,282,615)	(4,474,597)
Decrease in other assets	7,856	5,386	146,441
(Decrease) increase in accrued interest payable	(12,344)	174,381	383,353
Increase (decrease) in other liabilities	8,238	(21,855)	(129,350)
Net cash used in operating activities	(4,610,699)	(4,327,286)	(3,274,665)
Cash flows from investing activities			
Increase in loans, net	(7,813,611)	(10,895,613)	(11,350,174)
Decrease (increase) in federal funds sold and securities purchased under resale agreements, net	400,000	1,300,000	(1,700,000)
Purchases of investment securities	(7,738,601)	(6,952,690)	(10,821,875)
Proceeds from payments and maturities of investment securities	7,111,133	5,730,443	9,194,491
Proceeds from the sale of investment securities	350,045	512,711	99,969
Other investing activities, net	(7,200)	(1,832)	(1,385)
Net cash used in investing activities	(7,698,234)	(10,306,981)	(14,578,974)
Cash flows from financing activities			
Bonds and notes issued	141,531,819	148,179,982	122,935,444
Bonds and notes retired	(129,011,012)	(133,833,802)	(105,038,235)
Increase in cash collateral posted with counterparties, net	(77,891)	(61,049)	(62,604)
Variation margin (paid) received on cleared derivatives, net	(145,271)	190,939	13,189
Patronage distributions paid	(594,361)	(476,709)	(426,933)
Advanced payment for redemption of preferred stock	—	—	(250,000)
Preferred stock dividends paid	—	—	(17,188)
Capital stock and participation certificates issued, net	500,965	502,902	985,487
Net cash provided by financing activities	12,204,249	14,502,263	18,139,160
Net (decrease) increase in cash and cash equivalents	(104,684)	(132,004)	285,521
Cash and cash equivalents at beginning of period	1,510,493	1,642,497	1,356,976
Cash and cash equivalents at end of period	\$1,405,809	\$1,510,493	\$1,642,497

The accompanying notes are an integral part of these financial statements.

Supplemental Statements of Cash Flows Information

AgriBank, FCB

(in thousands)

For the year ended December 31,	2025	2024	2023
Supplemental non-cash investing and financing activities			
Increase in shareholders' equity from investment securities	\$313,346	\$48,900	\$247,329
Interest capitalized to loan principal	5,438,806	5,057,313	3,912,408
Patronage and preferred stock dividends accrued	441,534	360,917	319,221
Redemption of preferred stock	—	(250,000)	—
Stock patronage issued	—	181,404	195,410
Supplemental non-cash fair value changes related to hedging activities			
Decrease (increase) in derivative assets and liabilities, net	\$149,560	\$(175,854)	\$(2,505)
Increase in bonds from derivative activity	2,534	20,272	53,369
(Decrease) increase in shareholders' equity from cash flow derivatives	(141,547)	168,982	(31,315)
Supplemental Information			
Interest paid	\$6,737,608	\$6,313,100	\$4,616,657

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

AgriBank, FCB

NOTE 1

Organization and Operations

Farm Credit System and District Organization

AgriBank, FCB (AgriBank) is one of the Banks of the Farm Credit System (the System), a federally chartered network of borrower-owned lending institutions composed of cooperatives and related service organizations, established by Congress and subject to the provisions of the Farm Credit Act of 1971, as amended. Cooperatives are organizations that are owned and governed by their members who use the cooperatives' products, supplies or services. The System specializes in providing financing and related services to qualified borrowers for agricultural and rural purposes.

At January 1, 2026, the System included three Farm Credit Banks, one Agricultural Credit Bank and 55 Associations across the nation. System entities have specific lending authorities within their chartered territories. AgriBank is chartered to serve Associations in substantially all of Arkansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, Wisconsin and Wyoming. Our chartered territory is referred to as the AgriBank District. We serve our chartered territory by lending to the District's Federal Land Credit Associations (FLCAs), Production Credit Associations (PCAs) and Agricultural Credit Associations (ACAs).

AgriBank is primarily owned by local Farm Credit Associations (District Associations or Association-owners). District Associations are composed of ACA parent Associations, each of which has wholly owned FLCA and PCA subsidiaries. FLCAs are authorized to originate long-term real estate mortgage loans. PCAs are authorized to originate short-term and intermediate-term loans. ACAs are authorized to originate long-term real estate mortgage loans and short-term and intermediate-term loans either directly or through their FLCA and PCA subsidiaries. District Associations are also authorized to provide lease financing options for agricultural purposes and to purchase and hold certain types of investments. District Associations may also offer credit life, term life, credit disability, crop hail, and multi-peril crop insurance to their borrowers and those eligible to borrow. Additionally, certain District Associations offer farm records, fee appraisals, income tax planning and preparation services, retirement and succession planning, and producer education services to their members. We are the primary funding source for all District Associations. We raise funds principally through the sale of consolidated Systemwide bonds and notes to the public through the Federal Farm Credit Banks Funding Corporation (the Funding Corporation).

The Farm Credit Act sets forth the types of authorized lending activity, persons eligible to borrow and financial services that we can offer. We are authorized to provide, in participation with other lenders, credit and related services to eligible borrowers. Eligible borrowers include farmers, ranchers, producers or harvesters of aquatic products, rural residents, certain farm-related service businesses, and processing or marketing operations. The Farm Credit Act, as amended, also allows us to participate with other lenders in loans to similar entities. Similar entities are parties that are not eligible for a loan from a System lending institution, but have operations that are functionally similar to the activities of eligible borrowers. We are also authorized to purchase and hold certain types of investments.

The Farm Credit Administration (FCA) is delegated authority by Congress to regulate the System Banks and Associations. The activities of the System Banks and Associations are examined by the FCA and certain actions by these entities require prior approval from the FCA.

The Farm Credit System Insurance Corporation (FCSIC or the Insurance Corporation) administers the Farm Credit Insurance Fund (Insurance Fund). The Insurance Fund is used to ensure the timely payment of principal and interest on Systemwide debt obligations, to ensure the retirement of protected borrower capital at par or stated value, and for other specified purposes.

The Insurance Corporation does not insure any payments on preferred stock, common stock or participation certificates. In the event of default by another System Bank, and if no available amounts remain in the Insurance Fund, we are required to fund our allocated portion of another System Bank's portion of the Systemwide Debt Securities.

At the discretion of the Insurance Corporation, the Insurance Fund is also available to provide assistance to certain troubled System institutions and for the operating expenses of the Insurance Corporation. Each System Bank is required to pay premiums into the Insurance Fund until the assets in the Insurance Fund reach the "secure base amount", which is defined in the Farm Credit Act as 2 percent of the aggregate outstanding insured obligations adjusted to reflect the reduced risk on loans or investments guaranteed by

federal or state governments. The percentage of aggregate obligations can be changed by the Insurance Corporation, at its sole discretion, to a percentage it determines to be actuarially sound. When the amount in the Insurance Fund exceeds the secure base amount, the Insurance Corporation is required to reduce premiums and, under certain circumstances, is required to transfer excess funds to establish Allocated Insurance Reserves Accounts (AIRAs). The Insurance Corporation may also distribute all or a portion of these accounts to the System Banks which we pass on a portion as income to the Associations.

The basis for assessing premiums is insured debt outstanding. Nonaccrual loans and impaired investment securities are assessed a surcharge, while guaranteed loans and investment securities are deductions from the premium base. We, in turn, assess premiums to District Associations each year based on similar factors.

AgriBank Operations

We primarily lend to District Associations in the form of lines of credit to fund Associations' loan portfolios. These lines of credit (wholesale loans) are collateralized by a pledge of substantially all of each District Association's assets. The terms of the revolving lines of credit are governed by a General Financing Agreement (GFA) between us and each District Association. The wholesale funding we provide substantially matches the terms and embedded options of the Associations' retail loans. General operating expenses of the Associations are also funded through their lines of credit. We also fund District Association lending through the direct purchase of participations in retail loans from Associations.

In addition to providing loan funds to District Associations, we may provide certain business services to Associations and other Farm Credit entities. The revenue received for these services is included in "Business services income," a component of non-interest income, on our Statements of Comprehensive Income.

Service Organizations

System institutions jointly own several service organizations. These organizations were created to provide a variety of services for the System. We have ownership interests in the following service organizations:

- **Federal Farm Credit Banks Funding Corporation** provides for the issuance, marketing and processing of Systemwide Debt Securities using a network of investment dealers and dealer banks and financial management and reporting services
- **Farm Credit Services Building Association** owns and leases premises and equipment to the System's regulator, the FCA
- **Farm Credit System Association Captive Insurance Company** provides corporate insurance coverage to member organizations
- **Farm Credit Foundations (Foundations)** provides benefits and payroll services to AgriBank and District Associations as well as certain other System entities
- **SunStream Business Services (SunStream)** provides applications, technology services and business services to Farm Credit entities

In addition, the Farm Credit Council acts as a full-service federated trade association that represents the System before Congress, the Executive Branch and others, and provides support services to System institutions on a fee basis.

NOTE 2

Summary of Significant Accounting Policies

Our accounting policies conform to generally accepted accounting principles in the United States of America (GAAP) and prevailing practices within the financial services industry. The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Financial Statements include the accounts of AgriBank. These Financial Statements do not include the assets, obligations or results of operations of District Associations. AgriBank operates as a single segment for reporting purposes.

Loans Held to Maturity: Loans are carried at their principal amount outstanding, net of any unearned income, cumulative net charge-offs and unamortized deferred fees. Loan interest is accrued and credited to interest income based upon the daily principal amount outstanding. Accrued interest on wholesale loans is capitalized to loan principal on a monthly basis. Origination fees, net of related costs, are deferred and recognized over the life of the loan as a yield adjustment in net interest income. The net amount of loan fees and related origination costs are not material to the Financial Statements taken as a whole. The majority of our loan-related fees are through funding our wholesale loans. These fees are considered funding charges, because the fees are related to actions of the underlying Association retail loans, which are funded through the wholesale loans. These wholesale fees are not subject to deferral and are recognized in the period in which they are assessed.

A loan is considered contractually past due when any principal repayment or interest payment required by the loan instrument is not received on or before the due date. A loan remains contractually past due until certain modifications are completed or until the entire amount past due, including principal, accrued interest and penalty interest incurred as the result of past due status, is collected or otherwise discharged in full.

Generally, loans are placed in nonaccrual status when principal or interest is delinquent for 90 days or more (unless adequately secured and in the process of collection) or circumstances indicate that full collection is not expected. When a loan is placed in nonaccrual status, and the interest is determined to be both uncollectible and the loss is known, we immediately reverse current year accrued interest to the extent principal plus accrued interest exceeds the net realizable value of the collateral prior to reclassification. When we deem a loan to be uncollectible, we charge the loan principal and prior year(s) accrued interest against the allowance for credit losses on loans. Subsequent recoveries, if any, are added to the allowance for credit losses on loans. Any cash received on nonaccrual loans is applied to reduce the carrying amount of the loan, except in those cases where the collection of the carrying amount is fully expected and certain other criteria are met. In these circumstances interest is credited to income when cash is received. Loans are charged off at the time they are determined to be uncollectible. Nonaccrual loans may be returned to accrual status when principal and interest are current, the customer's ability to fulfill the contractual payment terms is fully expected, and, if the loan was past due when placed in nonaccrual status, the loan has evidence of sustained performance in making on-time contractual payments (typically based on payment frequency).

Loan modifications may be granted to borrowers experiencing financial difficulty. Modifications are one or a combination of principal forgiveness, interest rate reduction, other-than-insignificant term extension, or other-than-insignificant payment deferrals. Other-than-insignificant term extensions are defined as those greater than or equal to six months. Covenant waivers and modifications of contingent acceleration clauses are not considered term extensions. Other-than-insignificant payment deferrals are defined as cumulative or individual payment delays greater than or equal to six months. In situations when more than two types of modifications are granted on the same loan, we only report the two most material modification types.

Loans Held for Sale: Loans are classified as held for sale when there is the intent and ability to sell the loans. Loans held for sale are carried at lower of cost or fair value.

Allowance for Credit Losses: Effective January 1, 2023, we adopted Accounting Standards Update (ASU) 2016-13 "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The allowance for credit losses utilizes a framework for all financial assets measured at amortized cost and certain off-balance sheet credit exposures and replaced the incurred loss guidance. This framework requires that management's estimate reflects credit losses over the assets' remaining expected life and considers expected future changes in macroeconomic conditions and is referred to as the Current Expected Credit Loss (CECL) model. The allowance for credit losses (ACL) comprises the allowance for credit losses on loans, unfunded commitments and investment securities.

Allowance for Credit Losses on Loans

The allowance for credit losses on loans (ACLL) represents the estimated current expected credit losses on the loan portfolio over the remaining contractual life of the loan portfolio adjusted for expected prepayments. The ACLL takes into consideration relevant information about past events, current conditions, and reasonable and supportable macroeconomic forecasts of future conditions. The contractual term excludes expected extensions, renewals and modifications unless the extension or renewal options are not unconditionally cancellable.

The ACLL is increased through provisions for credit losses on loans and loan recoveries and is decreased through reversals of provision for credit losses on loans and loan charge-offs. The provision activity is included as part of the "Provision for credit losses" in the Statement of Comprehensive Income.

Determining the appropriateness of the ACLL is complex and requires judgment by management about the effect of matters that are inherently uncertain. Loans are evaluated on the amortized cost basis, which includes unamortized premiums and discounts.

We employ a disciplined process and methodology to establish the ACLL that has two basic components: first, an asset-specific component involving individual loans that do not share risk characteristics with other loans and the measurement of expected credit losses for such individual loans; and second, a pooled component for estimated expected credit losses for pools of loans that share similar risk characteristics. When a loan does not share risk characteristics with other loans, expected credit loss is measured as the difference between the amortized cost basis in the loan and the present value of expected future cash flows discounted at the loan's effective interest rate except that, for collateral-dependent loans, credit loss is measured as the difference between the amortized cost basis in the loan and the fair value of the underlying collateral. If the calculated expected credit loss is determined to be permanent, fixed or non-recoverable, the credit loss portion of the loan will be charged off against the ACLL. Refer to our Collateral Dependent Loans policies located herein for further detail.

In estimating the pooled component of the ACLL that share common risk characteristics, loans are pooled and segregated into loan classes primarily based on loan type, commodity, and internal risk rating. For reporting purposes, the portfolio is classified by loan type. We utilize a model to calculate an expected life-of-loan loss percentage for each loan pool by considering the probability of default, based on the migration of loans from performing to loss by internal risk rating, and the loss given default, based on historical experience. Loan borrower characteristics are also utilized and include internal risk ratings, delinquency status, and the remaining term of the loan, adjusted for expected prepayments.

In order to calculate this estimated migration of loans from performing to loss, we utilize a single economic scenario over a reasonable and supportable forecast period of three years. The economic forecasts are updated on a quarterly basis and include macroeconomic variables such as net farm income, unemployment rates, real gross domestic product levels, housing price index, and agricultural land values. Subsequent to the forecast period, our model applies a smoothed reversion to historical loss experience to estimate losses for the remaining estimated contractual life of the portfolio.

The final credit loss estimate also considers factors not reflected in the economic forecast and historical loss experience due to the unique aspects of current conditions and expectations. These factors may include, but are not limited to: lending policies and procedures, experience and depth of lending staff, credit quality and delinquency trends, individual borrower and industry concentrations, national, regional, and local economic business conditions and developments, collateral value trends, and expected performance of specific industry sectors not reflected in the economic forecast. Consideration of these factors, as well as the imprecision inherent in the process and methodology may lead to a management adjustment to the modeled ACLL results. Expected credit loss estimates also include consideration of expected cash recoveries on loans previously charged-off or expected recoveries on collateral dependent loans where recovery is expected through sale of the collateral.

Allowance for Credit Losses on Unfunded Commitments

We evaluate the need for an allowance for credit losses on unfunded commitments, which is included in "Other liabilities" in the Statement of Condition. The related provision is included as part of the "Provision for credit losses" in the Statement of Comprehensive Income. The amount of expected losses is determined by calculating a commitment usage factor over the contractual period for exposures that are not unconditionally cancellable by the institution and applying the loss factors used in the ACLL methodology to the results of the usage calculation. No allowance for credit losses is recorded for commitments that are unconditionally cancellable.

Allowance for Credit Losses on Investment Securities

Quarterly, we evaluate the investment portfolio for credit losses and impairment. Unrealized losses on our investment portfolio may be driven by a number of factors, including but not limited to, changes in interest rates and credit spreads. Additionally, we consider explicit or implicit guarantees provided by the U.S. government. For those securities guaranteed by the U.S. government or agencies, we have not recognized an allowance for credit losses on investments as our expectation of nonpayment of the amortized cost basis, based on historical losses, is zero.

Collateral Dependent Loans: Collateral dependent loans are loans secured by collateral, including but not limited to real estate, equipment, inventory, livestock, and income-producing property. We measure the expected credit losses based on the fair value of collateral at the reporting date when we determine that foreclosure is probable. Under the fair value practical expedient measurement approach, the expected credit losses are based on the difference between the fair value of the collateral less estimated costs to sell and the amortized cost basis of the loan.

The fair value of the collateral is adjusted for the estimated costs to sell if repayment or satisfaction of a loan is dependent on the sale (rather than only on the operation) of the collateral. In accordance with our appraisal policy, the fair value of collateral-dependent loans is based upon in-house or independent third-party appraisals or on in-house collateral valuations. When an updated appraisal or collateral valuation is received, we reassess the need for adjustments to the loan's expected credit loss measurements and, where appropriate, record an adjustment.

Additionally, when a borrower is experiencing financial difficulty, we apply the fair value practical expedient measurement approach for loans when the repayment is expected to be provided substantially through the operation or sale of the collateral.

Accrued Interest Receivable: Accrued interest on loans and investment securities is classified separately in the Statements of Condition.

Investment Securities: Our investment securities have been classified as available-for-sale (AFS). These investments are reported at fair value, net of allowance for credit losses on investments. Unrealized holding gains and losses on investments are netted and reported as a separate component of shareholders' equity ("Accumulated other comprehensive income (loss)"). Changes in the fair value of investment securities are reflected in "Other comprehensive income (loss)," net of allowance for credit losses or impairment. Purchased premiums and discounts are amortized or accreted using the interest method over the terms of the respective securities.

For investment securities where the fair value is less than the amortized cost basis, we recognize impairment in earnings if we have the intent to sell the security or if it is more likely than not that we will be required to sell the security before recovery of its amortized cost basis.

For investment securities not deemed impaired, where fair value is less than the amortized cost basis, we recognize an allowance for credit losses on investment securities, to the extent the unrealized loss is due to credit loss. The final credit loss estimate is subject to management judgment with respect to current and forecasted conditions, and consideration of U.S. government guarantees.

Cash and Cash Equivalents: Cash and cash equivalents, as included on the Financial Statements, represents cash on hand, money markets and deposits in banks.

Federal Funds Sold: Federal funds, as included on the Financial Statements, represent excess reserve funds on deposit at the Federal Reserve banks that are lent to other commercial banks. These transactions represent an investment of cash balances overnight in other financial institutions at the federal funds rate.

Securities Purchased Under Resale Agreements: Securities purchased under resale agreements, as included on the Financial Statements, represent collateralized transactions whereby we place cash with a counterparty and receive an equivalent amount of U.S. Treasury securities as collateral, plus interest. These transactions typically represent an overnight investment.

Mineral Rights: In connection with past foreclosure and sale proceedings, we have retained certain mineral interests and equity positions in land from which we receive income from lease bonuses, rentals and leasing and production royalties. These intangible assets have no recorded value on the Statements of Condition. All income received on these mineral rights is recognized in the period earned and is included in "Mineral income" on the Statements of Comprehensive Income. The Farm Credit Act requires that mineral rights acquired after 1985 through foreclosure be sold to the buyer of the surface rights in the land.

Post-Employment Benefit Plans: The District has various post-employment benefit plans in which our employees participate. These plans are governmental plans and contain characteristics of multi-employer and multiple employer plans. Expenses related to these plans, except for the AgriBank District Pension Restoration Plan, are included in "Salaries and employee benefits" in the Statements of Comprehensive Income. For the Pension Restoration Plan, the service cost component is included in "Salaries and employee benefits" and the other components of net periodic benefit cost are included in "Other operating expense" on our Statements of Comprehensive Income.

We participate in the defined benefit retirement plan of the District (qualified plan). The plan is composed of two benefit formulas. At their option, employees hired prior to October 1, 2001, are on the cash balance formula or on the final average pay formula. Benefits-eligible employees hired between October 1, 2001, and December 31, 2006, are on the cash balance formula. Effective

January 1, 2007, the AgriBank District Retirement Plan was closed to new employees. The District plan utilizes the "Projected Unit Credit" actuarial method for financial reporting and funding purposes.

We also participate in the nonqualified defined benefit Pension Restoration Plan of the AgriBank District. This plan restores retirement benefits to certain highly compensated eligible employees that would have been provided under the qualified plan if such benefits were not above the Internal Revenue Code compensation or other limits.

The defined contribution plan allows eligible employees to save for their retirement pre-tax, post-tax, or both, with an employer match on a percentage of the employee's contributions. We provide benefits under this plan for those employees who do not participate in the AgriBank District Retirement Plan in the form of a fixed percentage of salary contribution in addition to the employer match. Employer contributions are expensed when incurred.

We also provide certain health insurance benefits to eligible retired employees according to the terms of those benefit plans. The anticipated cost of these benefits is accrued during the employees' active service period.

Income Taxes: We are exempt from federal and other income taxes as provided in the Farm Credit Act.

Patronage Programs: We accrue patronage distributions throughout the year. We pay cash patronage in accordance with the declarations of the AgriBank Board of Directors (the board), throughout the year for which the patronage was declared. Accrued cash patronage is included in "Patronage payable and other payables" on the Statements of Condition. Stock patronage is issued in accordance with the declarations of the board, typically annually.

Preferred Stock Dividends: If we have preferred stock outstanding, we accrue non-cumulative perpetual preferred stock dividends daily as declared by the board. Typically, dividends on non-cumulative perpetual preferred stock are payable quarterly in arrears.

Derivative Instruments and Hedging Activity: We are party to derivative financial instruments, primarily interest rate swaps, which are used to manage interest rate risk on assets, liabilities and forecasted transactions. Derivatives are recorded at fair value on the Statements of Condition as assets or liabilities.

Changes in the fair values of derivatives are recorded as gains or losses through earnings or as a component of "Other comprehensive income (loss)," on the Statements of Comprehensive Income, depending on the use of the derivative and whether it is designated and qualifies for hedge accounting. Cash flows on hedges are classified in the same category as the items being hedged.

For fair value hedge transactions in which we are hedging changes in the fair value of an asset or liability, changes in the fair value of the derivative instrument are offset in net income in "Interest expense" on the Statements of Comprehensive Income by changes in the fair value of the hedged item. Additionally, the gain or loss on the hedged item attributed to the hedged risk are recognized in current earnings.

For cash flow hedge transactions hedging the variability of cash flows related to a variable-rate asset or liability, changes in the fair value of the derivative instrument are reported in "Other comprehensive income (loss)" on the Statements of Comprehensive Income. The gains and losses on the derivative instrument are reported in "Other comprehensive income (loss)," until earnings are impacted by the variability of the cash flows of the hedged item. When reclassified to earnings, we include the gain or loss on the derivative in the "Interest expense" line item on the Statements of Comprehensive Income.

For derivatives not designated as a hedging instrument, the related change in fair value is recorded in current period earnings in "Other (loss) income, net" on the Statements of Comprehensive Income.

We document all relationships between hedging instruments and hedged items, as well as our risk management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value or cash flow hedges to:

- Specific assets or liabilities on the Statements of Condition
- Firm commitments
- Forecasted transactions

For hedging relationships, we assess effectiveness of the hedging relationships through prospective effectiveness tests at inception and retrospective tests on an ongoing basis until the maturity or termination of the hedge. For prospective testing, we perform a shock test of interest rate movements. Alternative tests may be performed if those tests appear to be reasonable relative to the hedge relationship that is being evaluated. For retrospective testing, our procedure is to perform correlation and regression tests of

the value change of the hedge versus the value change of the hedged item using weekly data. If the hedge relationship does not pass the minimum levels established for effectiveness tests, hedge accounting will be discontinued.

We discontinue hedge accounting prospectively when we determine that:

- A derivative is no longer effective in offsetting changes in the fair value or cash flows of a hedged item
- The derivative expires or is sold, terminated, exercised
- It is no longer probable that the forecasted transaction will occur
- A hedged firm commitment no longer meets the definition of a firm commitment
- Designating the derivative as a hedging instrument is no longer appropriate

When we discontinue hedge accounting for cash flow hedges and the forecasted transactions continue to be expected, any remaining accumulated other comprehensive income or loss is amortized into earnings over the remaining life of the original hedged item. If the forecasted transactions are probable of not occurring, any remaining accumulated other comprehensive income or loss is recognized immediately. When we discontinue hedge accounting for fair value hedges, changes in the fair value of the derivative will be recorded in current period earnings, and the basis adjustment to the previously hedged item will be taken into earnings using the interest method over the remaining life of the hedged item. In all situations in which hedge accounting is discontinued and the derivative remains outstanding, we will carry the derivative at its fair value on the Statements of Condition, recognizing changes in fair value in current period earnings.

We may also enter into economic hedges for which we may choose not to elect hedge accounting treatment. We facilitate interest rate swaps to qualified borrowers of District Associations and execute an offsetting interest rate swap to manage the interest rate risk of the swap executed on behalf of the borrower. From time-to-time we also utilize commodity derivative instruments to manage mineral income volatility. The related derivative instruments are held at fair value with the change in fair value reported in "Other (loss) income, net" on the Statements of Comprehensive Income. Refer to Note 12 for further information.

Off-Balance Sheet Credit Exposures: Commitments to extend credit are agreements to lend to borrowers or participate in future lending arrangements in accordance with established contracts. These commitments generally have fixed expiration dates or other termination clauses. Standby letters of credit are agreements to pay a beneficiary if there is a default on a contractual arrangement. Commercial letters of credit are agreements to pay a beneficiary under specific conditions. We evaluate the need for an allowance for credit losses on unfunded commitments, which is included in "Other liabilities" in the Statements of Condition. For more information see the allowance for credit losses on unfunded commitments policy earlier in this Note.

Fair Value Measurements: We utilize a hierarchy to disclose the fair value measurement of financial instruments. A financial instrument's categorization within the valuation hierarchy is based upon the least transparent input that is significant to the fair value measurement.

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 - Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active so that they are traded less frequently than exchange-traded instruments, quoted prices that are not current, or principal market information that is not released publicly
- Inputs that are observable such as interest rates and yield curves, prepayment speeds, credit risks and default rates
- Inputs derived principally from or corroborated by observable market data by correlation or other means

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. These unobservable inputs reflect our own judgments about assumptions that market participants would use in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

We may use various acceptable valuation techniques to determine fair value. The primary techniques used include:

- Market Approach uses prices and other relevant information generated by market transactions involving identical or comparable assets to derive a fair value amount.
- Income Approach uses various valuation methods to convert future cash flows to a single discounted present value, which becomes the applicable fair value amount.
- Cost Approach is based on the current cost to acquire a substitute asset of comparable utility.

For certain pension investments presented at fair value, we have used net asset value per share as a practical expedient.

Refer to Notes 7 and 11 for further information on our fair value measurements.

Segment Reporting: The Bank is engaged in a single line of business which, by regulation, lends and provides services to District Associations in addition to providing, in participation with other lenders, credit and related services to eligible borrowers. The chief operating decision maker (CODM) is our Chief Executive Officer, who uses net income as reported in the accompanying Statements of Comprehensive Income when assessing the overall performance of the Bank. The measure of segment assets is reported in the Statements of Condition, as total assets.

Net income is used to evaluate the overall Bank performance and to make operational decisions such as resource allocations, and whether to reinvest profits or declare patronage. Additionally, net income is regularly compared to forecasted expectations to assess current company health and operational efficiency.

AgriBank is required to operate within the limitations of regulatory financial and capital ratios as required by the FCA. These ratios are regularly monitored by the CODM and other AgriBank leadership and may impact the decisions made by the CODM, including impacts to current period actual, as well as to our budgeting and capital planning processes.

Recently Issued or Adopted Accounting Pronouncements

We have assessed the potential impact of accounting standards that have been issued by the Financial Accounting Standards Board (FASB) and have determined the following standards to be applicable to our business:

Standard and effective date	Description	Adoption status and financial statement impact
In November 2024, the FASB issued ASU 2024-03 "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosure (Subtopic 220-40): Disaggregation of Income Statement Expenses." The guidance is effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The guidance can be applied either prospectively for reporting periods after the effective date or retrospectively to all periods presented. Early adoption is permitted.	The standard requires enhanced disclosures related to the disaggregation of certain costs and expense categories such as employee compensation, depreciation, and selling expenses. The standard also requires qualitative disclosure around certain relevant expense categories that are not disaggregated quantitatively.	We expect to adopt the standard for our year ending December 31, 2027, and for interim periods beginning in 2028. We are currently assessing the impact of this standard on our disclosures.
In July 2025, the FASB issued ASU 2025-05 "Financial Instruments – Credit Losses – Measurement of Credit Losses for Accounts Receivable and Contract Assets". This guidance is effective for all entities for annual and interim periods beginning after December 15, 2025.	The standard provides all entities with a practical expedient when estimating expected credit losses for current accounts receivable and contract assets arising from transactions accounted for under Topic 606. The practical expedient allows entities to assume that current conditions as of the date of the statement of condition do not change for the remaining life of the asset.	We adopted this standard as of January 1, 2026. The adoption of this guidance will not have a material impact on our financial statements or disclosures.
In September, the FASB issued ASU 2025-06 "Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software". This guidance is effective for annual and interim periods beginning after December 15, 2027. Early adoption is permitted.	The standard includes several key changes: (1) eliminates the stage-based rules for capitalization, (2) replaces these rules with a principles-based framework where capitalization occurs when management has authorized and committed to funding, and it is probable that the project will be completed and the software used as intended, (3) clarifies website developments costs and (4) modifies the disclosure requirements for capitalized software costs.	We expect to adopt the standard as of January 1, 2028. The adoption of this guidance is not expected to have a material impact on our financial statements or disclosures.
In November 2025, the FASB issued ASU 2025-08 "Financial Instruments – Credit Losses (Topic 326): Purchased Loans". This guidance is effective for annual and interim periods beginning after December 15, 2026. Early adoption is permitted.	The standard simplifies accounting for purchased loans by expanding the "gross-up" method to "purchased seasoned loans (PSLs)". This eliminates Day 1 credit loss expense for most acquired loans, improves comparability, and reduces earnings volatility.	We expect to adopt the standard no later than January 1, 2027. We are currently assessing the impact of this standard on our financial statements and disclosures.

Standard and effective date	Description	Adoption status and financial statement impact
<p>In November 2025, the FASB issued ASU 2025-09 "Derivatives and Hedging (Topic 815): Hedge Accounting Improvements". This guidance is effective for public business entities for annual and interim periods beginning after December 15, 2026. Early adoption is permitted.</p>	<p>The standard simplifies hedge accounting by allowing broader grouping of forecasted transactions with "similar risk exposure", providing a new model for hedging "choose-your-rate" debt, expanding nonfinancial component hedging, and clarifying the use of net written options as instruments. These changes aim to reduce complexity and better align accounting with actual risk management.</p>	<p>We expect to adopt the standard as of January 1, 2027. We are currently assessing the impact of this standard on our financial statements and disclosures.</p>
<p>In December 2025, the FASB issued ASU 2025-11, "Interim Reporting (Topic 270): Narrow-Scope Improvements". This guidance is effective for public business entities for annual and interim periods beginning after December 15, 2027. Early adoption is permitted.</p>	<p>The standard provides narrow-scope improvements to interim reporting guidance (Topic 270) to enhance clarity, navigability, and completeness of interim financial statements and disclosures, without fundamentally changing reporting requirements.</p>	<p>We expect to adopt the standard as of January 1, 2028. We are currently assessing the impact of this standard on our financial statements and disclosures.</p>

NOTE 3

Loans and Allowance for Credit Losses on Loans

Loans by Type

(in thousands) As of December 31,	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
Wholesale loans	\$150,812,314	84.8 %	\$141,107,742	85.7 %	\$126,012,646	84.7 %
Retail loans:						
Real estate mortgage	12,866,184	7.3 %	9,999,869	6.2 %	9,430,541	6.3 %
Production and intermediate-term	9,139,024	5.1 %	8,807,117	5.3 %	8,974,118	6.0 %
Loans to other financing institutions (OFIs)	720,675	0.4 %	615,714	0.4 %	1,043,351	0.7 %
Other	4,349,041	2.4 %	4,128,564	2.4 %	3,264,775	2.3 %
Total retail loans	27,074,924	15.2 %	23,551,264	14.3 %	22,712,785	15.3 %
Total loans	\$177,887,238	100.0 %	\$164,659,006	100.0 %	\$148,725,431	100.0 %

Other was primarily composed of agribusiness and rural residential real estate loans.

Accrued interest receivable on loans of \$1.8 billion, \$1.7 billion, and \$1.5 billion at December 31, 2025, 2024 and 2023, respectively, has been excluded from the amortized cost of loans.

As of December 31, 2023, we had total loans of \$148.7 billion, of which \$355.2 million was classified as loans held for sale, resulting in \$148.4 billion of loans shown as held to maturity on the Statement of Condition. Total loans presented throughout Note 3 include all loans held, regardless of classification.

Participations

We may purchase loan participations from and sell loan participations to others, primarily District Associations. We had no loan participation purchases outside of the System as of December 31, 2025, 2024 or 2023. We may also purchase loan participations from District Associations in the form of asset pools. The purpose of the asset pools are to assist Association and AgriBank business goals, provide administrative efficiency for loan origination programs initiated by District Associations and effectively leverage existing District capital. Each pool has different criteria to meet Association business objectives while satisfying AgriBank underwriting criteria. From time to time, we may expand or change these asset pools. In such cases, in agreement with the participating Associations, we offer to sell back existing participations and purchase participations under the new program. During 2025, 2024 and 2023, we sold and purchased certain loan participations in relation to changes in asset pool programs. These participations sold back to certain District Associations totaled \$3.0 billion, \$330.6 million, and \$117.7 million, while the participations simultaneously purchased from the same District Associations totaled \$4.6 billion, \$1.0 billion, and \$7.0 billion, during the years ended December 31, 2025, 2024 and 2023, respectively. These purchases may include loans that were considered purchased credit deteriorated; however, these loans were not material to the Financial Statements.

Purchased Retail Loan Participations Outstanding

(in thousands) As of December 31,	2025	2024	2023
Real estate mortgage	\$12,866,184	\$9,999,869	\$9,430,541
Production and intermediate-term	9,139,024	8,807,117	8,974,118
Other	4,331,545	4,098,768	3,248,451
Total loans	\$26,336,753	\$22,905,754	\$21,653,110

Portfolio Diversification

Loan concentrations exist when there are amounts loaned to multiple borrowers engaged in similar activities or within close geographic proximity, which could cause them to be similarly impacted by economic or other conditions.

A substantial portion of our loan portfolio consists of individual wholesale loans. Wholesale loans range in size from \$768.6 million to \$41.8 billion. At December 31, 2025, the three largest District Associations represented 70.3 percent of wholesale loans and 59.6 percent of total loans. No other wholesale loan was greater than 10 percent of total loans. The three largest District Associations also account for more than 10 percent of the Bank's interest income. Interest income from these three District Associations totaled \$3.8 billion, \$3.6 billion and \$2.9 billion for the years ended December 31, 2025, 2024 and 2023, respectively. The wholesale loans are used by District Associations to fund their loan portfolios, and, therefore, our distribution of credit risk in various industries and geographic concentrations approximate that of the District as a whole. AgriBank District credit risk policies focus on loan repayment capacity in addition to conservative loan-to-value levels on the collateral that secures loans.

Portfolio Performance

Credit risk arises from the potential inability of a borrower to meet its payment obligation and exists in our outstanding loans, letters of credit and unfunded loan commitments. We manage credit risk associated with our lending activities through an analysis of the credit risk profile of an individual borrower based on management established underwriting standards and board approved lending policies. For participations purchased, we rely on the originating Association to obtain borrower information to perform our independent credit analysis. The evaluation of the borrower's credit risk profile may include analysis of several factors, including but not limited to, credit history, repayment capacity, financial position, and collateral. Real estate mortgage loans must be secured by first liens on the real estate. As required by the FCA Regulations, each institution that makes loans on a secured basis must have collateral evaluation policies and procedures. Real estate mortgage loans may be made only in amounts up to 85.0 percent of the original appraised value of the property taken as security or up to 97.0 percent of the appraised value if guaranteed by a state, federal, or other governmental agency. The actual loan to appraised value when loans are made is generally lower than the statutory maximum percentage. Loans other than real estate mortgage may be made on a secured or unsecured basis.

We use a two-dimensional risk rating model based on an internally generated combined System risk rating guidance that incorporates a 14-point probability of default rating scale to identify and track the probability of borrower default and a separate six-point scale addressing loss given default. Probability of default rating is our assumption of the probability that a borrower will experience a default during the next twelve months. Borrowers within each probability of default rating category are expected to experience similar rates of default occurrences across geographic areas and industries. Each of the 14 probability of default rating categories carries a distinct percentage of default probability and is associated with a FCA Uniform Classification System credit quality category. The loss given default is our assumption as to the anticipated principal loss on a specific loan assuming default occurs. A default is considered to have occurred if the lender believes the borrower will not be able to pay its obligation in full or the borrower or the loan is classified as nonaccrual. This credit risk rating process incorporates objective and subjective criteria to identify inherent strengths, weaknesses and risks in a particular relationship. For participations purchased, we monitor the borrowers' financial performance to update our probability of default assignments. Typically, our probability of default assignments will align with the Association's assessment. We review the probability of default category, at least on an annual basis, or when a credit action is taken, for our wholesale and OFI loans.

The primary credit quality indicator we utilize is the FCA Uniform Loan Classification System, which categorizes loans into five categories.

- Acceptable - assets are non-criticized assets representing the highest quality. They are expected to be fully collectible. This category is further differentiated into various probabilities of default.
- Other Assets Especially Mentioned (special mention) - are currently collectible, but exhibit some potential weakness. These assets involve increased credit risk, but not to the point of justifying a substandard classification.
- Substandard - assets exhibit some serious weakness in repayment capacity, equity and/or collateral pledged on the loan.
- Doubtful - assets exhibit similar weaknesses as substandard assets. However, doubtful assets have additional weaknesses in existing factors, conditions and values that make collection in full highly questionable.
- Loss - assets are considered uncollectible.

The probability of default rate of the acceptable category reflects almost no default to a minimal default percentage. The probability of default rate grows more rapidly as a loan moves from acceptable to other assets especially mentioned and grows significantly as a loan moves to a substandard (viable) level. A substandard (non-viable) or doubtful rating indicates that the probability of default is almost certain.

Credit Quality of Loans

As of December 31, 2025	Acceptable	Special mention	Substandard/ Doubtful	Total
Wholesale loans	100.0 %	— %	— %	100.0 %
Retail loans:				
Real estate mortgage	96.6 %	1.8 %	1.6 %	100.0 %
Production and intermediate-term	94.6 %	2.7 %	2.7 %	100.0 %
Loans to OFIs	100.0 %	— %	— %	100.0 %
Other	89.9 %	5.3 %	4.8 %	100.0 %
Total retail loans	94.9 %	2.6 %	2.5 %	100.0 %
Total loans	99.2 %	0.4 %	0.4 %	100.0 %

As of December 31, 2024	Acceptable	Special mention	Substandard/ Doubtful	Total
Wholesale loans	100.0 %	— %	— %	100.0 %
Retail loans:				
Real estate mortgage	96.8 %	1.3 %	1.9 %	100.0 %
Production and intermediate-term	95.6 %	2.5 %	1.9 %	100.0 %
Loans to OFIs	100.0 %	— %	— %	100.0 %
Other	92.5 %	3.6 %	3.9 %	100.0 %
Total retail loans	95.7 %	2.1 %	2.2 %	100.0 %
Total loans	99.4 %	0.3 %	0.3 %	100.0 %

As of December 31, 2023	Acceptable	Special mention	Substandard/ Doubtful	Total
Wholesale loans	100.0 %	— %	— %	100.0 %
Retail loans:				
Real estate mortgage	98.0 %	0.8 %	1.2 %	100.0 %
Production and intermediate-term	94.3 %	3.4 %	2.3 %	100.0 %
Loans to OFIs	100.0 %	— %	— %	100.0 %
Other	94.8 %	2.3 %	2.9 %	100.0 %
Total retail loans	96.2 %	2.0 %	1.8 %	100.0 %
Total loans	99.4 %	0.3 %	0.3 %	100.0 %

Credit Quality and Origination Year of Loans

(in thousands)

As of December 31, 2025	Term Loans by Origination Year							Revolving Loans Converted to Term Loans	Total
	2025	2024	2023	2022	2021	Prior	Revolving Loans		
Wholesale loans									
Acceptable	\$—	\$—	\$—	\$—	\$—	\$—	\$150,812,314	\$—	\$150,812,314
Total Wholesale loans	\$—	\$—	\$—	\$—	\$—	\$—	\$150,812,314	\$—	\$150,812,314
Retail loans:									
Real estate mortgage									
Acceptable	\$987,426	\$2,893,495	\$1,941,651	\$1,725,045	\$1,227,268	\$3,545,935	\$89,181	\$11,393	\$12,421,394
Special mention	7,297	25,849	40,062	37,917	21,331	76,769	24,862	—	234,087
Substandard/doubtful	757	17,290	27,336	29,290	39,509	96,078	429	14	210,703
Total Real estate mortgage loans	\$995,480	\$2,936,634	\$2,009,049	\$1,792,252	\$1,288,108	\$3,718,782	\$114,472	\$11,407	\$12,866,184
Production and intermediate-term									
Acceptable	\$3,079,319	\$1,846,953	\$907,435	\$515,587	\$440,949	\$153,827	\$1,696,459	\$1,208	\$8,641,737
Special mention	75,262	35,635	26,013	18,014	9,419	3,505	82,480	186	250,514
Substandard/doubtful	37,318	53,796	40,420	19,201	11,384	8,574	68,793	7,287	246,773
Total production and intermediate-term loans	\$3,191,899	\$1,936,384	\$973,868	\$552,802	\$461,752	\$165,906	\$1,847,732	\$8,681	\$9,139,024
Loans to OFIs									
Acceptable	\$52,327	\$18,300	\$636	\$43,614	\$56,471	\$27,550	\$521,777	\$—	\$720,675
Total loans to OFIs	\$52,327	\$18,300	\$636	\$43,614	\$56,471	\$27,550	\$521,777	\$—	\$720,675
Other									
Acceptable	\$485,510	\$777,203	\$684,289	\$506,102	\$200,045	\$458,068	\$776,397	\$22,764	\$3,910,378
Special mention	5,575	36,879	11,516	86,527	29,459	4,568	55,654	—	230,178
Substandard/doubtful	919	8,039	28,649	24,281	38,841	42,783	64,880	93	208,485
Total other	\$492,004	\$822,121	\$724,454	\$616,910	\$268,345	\$505,419	\$896,931	\$22,857	\$4,349,041
Total retail loans									
Acceptable	\$4,604,582	\$5,535,951	\$3,534,011	\$2,790,348	\$1,924,733	\$4,185,380	\$3,083,814	\$35,365	\$25,694,184
Special mention	88,134	98,363	77,591	142,458	60,209	84,842	162,996	186	714,779
Substandard/doubtful	38,994	79,125	96,405	72,772	89,734	147,435	134,102	7,394	665,961
Total retail Loans	\$4,731,710	\$5,713,439	\$3,708,007	\$3,005,578	\$2,074,676	\$4,417,657	\$3,380,912	\$42,945	\$27,074,924
Total loans									
Acceptable	\$4,604,582	\$5,535,951	\$3,534,011	\$2,790,348	\$1,924,733	\$4,185,380	\$153,896,128	\$35,365	\$176,506,498
Special mention	88,134	98,363	77,591	142,458	60,209	84,842	162,996	186	714,779
Substandard/doubtful	38,994	79,125	96,405	72,772	89,734	147,435	134,102	7,394	665,961
Total	\$4,731,710	\$5,713,439	\$3,708,007	\$3,005,578	\$2,074,676	\$4,417,657	\$154,193,226	\$42,945	\$177,887,238
Gross charge-offs, for the year ended December 31, 2025									
Real estate mortgage	\$20	\$1	\$1,143	\$1,072	\$544	\$4,271	\$—	\$—	\$7,051
Production and intermediate-term	779	8,018	25,477	2,753	622	1,439	5,217	2,172	46,477
Other	17	1,145	25	1,073	486	1,213	7,299	16	11,274
Total	\$816	\$9,164	\$26,645	\$4,898	\$1,652	\$6,923	\$12,516	\$2,188	\$64,802

(in thousands)

Term Loans by Origination Year

As of December 31, 2024	2024	2023	2022	2021	2020	Prior	Revolving Loans	Revolving Loans Converted to Term Loans	Total
Wholesale loans									
Acceptable	\$—	\$—	\$—	\$—	\$—	\$—	\$141,107,742	\$—	\$141,107,742
Total Wholesale loans	\$—	\$—	\$—	\$—	\$—	\$—	\$141,107,742	\$—	\$141,107,742
Retail loans:									
Real estate mortgage									
Acceptable	\$332,161	\$1,007,112	\$1,270,461	\$1,757,560	\$1,587,909	\$3,577,000	\$148,578	\$2,021	\$9,682,802
Special mention	5,148	10,087	25,175	14,033	18,380	41,176	12,155	—	126,154
Substandard/doubtful	2,105	8,209	24,354	25,608	23,781	87,050	19,796	10	190,913
Total Real estate mortgage loans	\$339,414	\$1,025,408	\$1,319,990	\$1,797,201	\$1,630,070	\$3,705,226	\$180,529	\$2,031	\$9,999,869
Production and intermediate-term									
Acceptable	\$3,108,285	\$1,650,431	\$870,909	\$878,474	\$340,820	\$160,865	\$1,408,714	\$928	\$8,419,426
Special mention	54,559	50,688	25,146	13,941	7,308	1,803	62,526	290	216,261
Substandard/doubtful	35,909	35,844	20,223	11,027	6,548	5,711	54,408	1,760	171,430
Total production and intermediate-term loans	\$3,198,753	\$1,736,963	\$916,278	\$903,442	\$354,676	\$168,379	\$1,525,648	\$2,978	\$8,807,117
Loans to OFIs									
Acceptable	\$46,335	\$20,054	\$94,982	\$100,070	\$92,391	\$9,869	\$252,013	\$—	\$615,714
Total loans to OFIs	\$46,335	\$20,054	\$94,982	\$100,070	\$92,391	\$9,869	\$252,013	\$—	\$615,714
Other									
Acceptable	\$436,026	\$694,970	\$708,560	\$375,424	\$262,742	\$606,568	\$734,562	\$1,037	\$3,819,889
Special mention	29,401	12,090	29,183	14,876	28,150	3,913	30,772	—	148,385
Substandard/doubtful	5,647	3,221	5,554	58,421	36,150	17,157	34,132	8	160,290
Total other	\$471,074	\$710,281	\$743,297	\$448,721	\$327,042	\$627,638	\$799,466	\$1,045	\$4,128,564
Total retail loans									
Acceptable	\$3,922,807	\$3,372,567	\$2,944,912	\$3,111,528	\$2,283,862	\$4,354,302	\$2,543,867	\$3,986	\$22,537,831
Special mention	89,108	72,865	79,504	42,850	53,838	46,892	105,453	290	490,800
Substandard/doubtful	43,661	47,274	50,131	95,056	66,479	109,918	108,336	1,778	522,633
Total retail Loans	\$4,055,576	\$3,492,706	\$3,074,547	\$3,249,434	\$2,404,179	\$4,511,112	\$2,757,656	\$6,054	\$23,551,264
Total loans									
Acceptable	\$3,922,807	\$3,372,567	\$2,944,912	\$3,111,528	\$2,283,862	\$4,354,302	\$143,651,609	\$3,986	\$163,645,573
Special mention	89,108	72,865	79,504	42,850	53,838	46,892	105,453	290	490,800
Substandard/doubtful	43,661	47,274	50,131	95,056	66,479	109,918	108,336	1,778	522,633
Total	\$4,055,576	\$3,492,706	\$3,074,547	\$3,249,434	\$2,404,179	\$4,511,112	\$143,865,398	\$6,054	\$164,659,006
Gross charge-offs, for the year ended December 31, 2024									
Real estate mortgage	\$4	\$—	\$319	\$3	\$—	\$1,070	\$23	\$—	\$1,419
Production and intermediate-term	1,582	12,637	8,692	840	193	2,433	1,919	253	28,549
Other	335	489	1,731	4,598	2	72	2,962	21	10,210
Total	\$1,921	\$13,126	\$10,742	\$5,441	\$195	\$3,575	\$4,904	\$274	\$40,178

(in thousands)

Term Loans by Origination Year

As of December 31, 2023	2023	2022	2021	2020	2019	Prior	Revolving Loans	Revolving Loans Converted to Term Loans	Total
Wholesale loans									
Acceptable	\$—	\$—	\$—	\$—	\$—	\$—	\$126,012,646	\$—	\$126,012,646
Total Wholesale loans	\$—	\$—	\$—	\$—	\$—	\$—	\$126,012,646	\$—	\$126,012,646
Retail loans:									
Real estate mortgage									
Acceptable	\$391,225	\$1,206,100	\$1,744,294	\$1,634,733	\$727,951	\$3,398,853	\$146,622	\$215	\$9,249,993
Special mention	1,682	5,212	12,637	14,075	6,642	29,633	1,499	—	71,380
Substandard/doubtful	383	16,386	16,467	9,151	12,033	36,214	18,534	—	109,168
Total Real estate mortgage loans	\$393,290	\$1,227,698	\$1,773,398	\$1,657,959	\$746,626	\$3,464,700	\$166,655	\$215	\$9,430,541
Production and intermediate-term									
Acceptable	\$2,971,582	\$1,806,953	\$1,400,847	\$728,449	\$214,972	\$133,380	\$1,200,286	\$696	\$8,457,165
Special mention	169,433	81,524	18,851	10,547	5,063	1,543	20,767	20	307,748
Substandard/doubtful	95,352	53,225	11,953	6,311	6,755	3,509	31,638	462	209,205
Total production and intermediate-term loans	\$3,236,367	\$1,941,702	\$1,431,651	\$745,307	\$226,790	\$138,432	\$1,252,691	\$1,178	\$8,974,118
Loans to OFIs									
Acceptable	\$131,316	\$144,737	\$133,571	\$149,915	\$14,974	\$11,423	\$457,415	\$—	\$1,043,351
Total loans to OFIs	\$131,316	\$144,737	\$133,571	\$149,915	\$14,974	\$11,423	\$457,415	\$—	\$1,043,351
Other									
Acceptable	\$365,780	\$677,207	\$563,445	\$303,415	\$153,938	\$537,837	\$493,834	\$675	\$3,096,131
Special mention	5,771	3,731	26,227	20,674	504	5,000	12,174	1,149	75,230
Substandard/doubtful	3,376	5,459	9,798	36,020	4,574	12,004	22,153	30	93,414
Total other	\$374,927	\$686,397	\$599,470	\$360,109	\$159,016	\$554,841	\$528,161	\$1,854	\$3,264,775
Total retail loans									
Acceptable	\$3,859,903	\$3,834,997	\$3,842,157	\$2,816,512	\$1,111,835	\$4,081,493	\$2,298,157	\$1,586	\$21,846,640
Special mention	176,886	90,467	57,715	45,296	12,209	36,176	34,440	1,169	454,358
Substandard/doubtful	99,111	75,070	38,218	51,482	23,362	51,727	72,325	492	411,787
Total retail Loans	\$4,135,900	\$4,000,534	\$3,938,090	\$2,913,290	\$1,147,406	\$4,169,396	\$2,404,922	\$3,247	\$22,712,785
Total loans									
Acceptable	\$3,859,903	\$3,834,997	\$3,842,157	\$2,816,512	\$1,111,835	\$4,081,493	\$128,310,803	\$1,586	\$147,859,286
Special mention	176,886	90,467	57,715	45,296	12,209	36,176	34,440	1,169	454,358
Substandard/doubtful	99,111	75,070	38,218	51,482	23,362	51,727	72,325	492	411,787
Total	\$4,135,900	\$4,000,534	\$3,938,090	\$2,913,290	\$1,147,406	\$4,169,396	\$128,417,568	\$3,247	\$148,725,431
Gross charge-offs, for the year ended December 31, 2023									
Real estate mortgage	\$—	\$1	\$11	\$56	\$113	\$202	\$—	\$—	\$383
Production and intermediate-term	1,388	2,230	4,489	2,250	3,419	2,746	12,610	45	29,177
Other	196	35	—	7,292	—	1,638	398	—	9,559
Total	\$1,584	\$2,266	\$4,500	\$9,598	\$3,532	\$4,586	\$13,008	\$45	\$39,119

We had no loans categorized as Loss at December 31, 2025, 2024 or 2023.

Aging Analysis of Loans

(in thousands) As of December 31, 2025	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less than 30 Days Past Due	Total Loans	Accruing Loans 90 Days or More Past Due
Wholesale loans	\$—	\$—	\$—	\$150,812,314	\$150,812,314	\$—
Retail loans:						
Real estate mortgage	59,408	39,724	99,132	12,767,052	12,866,184	6,271
Production and intermediate-term	79,564	84,397	163,961	8,975,063	9,139,024	28,445
Loans to OFIs	—	—	—	720,675	720,675	—
Other	6,802	5,207	12,009	4,337,032	4,349,041	1,231
Total retail loans	145,774	129,328	275,102	26,799,822	27,074,924	35,947
Total loans	\$145,774	\$129,328	\$275,102	\$177,612,136	\$177,887,238	\$35,947

(in thousands) As of December 31, 2024	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less than 30 Days Past Due	Total Loans	Accruing Loans 90 Days or More Past Due
Wholesale loans	\$—	\$—	\$—	\$141,107,742	\$141,107,742	\$—
Retail loans:						
Real estate mortgage	32,445	40,147	72,592	9,927,277	9,999,869	1,960
Production and intermediate-term	92,830	55,827	148,657	8,658,460	8,807,117	31,701
Loans to OFIs	—	—	—	615,714	615,714	—
Other	3,774	5,730	9,504	4,119,060	4,128,564	1,051
Total retail loans	129,049	101,704	230,753	23,320,511	23,551,264	34,712
Total loans	\$129,049	\$101,704	\$230,753	\$164,428,253	\$164,659,006	\$34,712

(in thousands) As of December 31, 2023	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less than 30 Days Past Due	Total Loans	Accruing Loans 90 Days or More Past Due
Wholesale loans	\$—	\$—	\$—	\$126,012,646	\$126,012,646	\$—
Retail loans:						
Real estate mortgage	25,622	5,869	31,491	9,399,050	9,430,541	279
Production and intermediate-term	74,643	14,288	88,931	8,885,187	8,974,118	884
Loans to OFIs	—	—	—	1,043,351	1,043,351	—
Other	9,048	3,579	12,627	3,252,148	3,264,775	171
Total retail loans	109,313	23,736	133,049	22,579,736	22,712,785	1,334
Total loans	\$109,313	\$23,736	\$133,049	\$148,592,382	\$148,725,431	\$1,334

Nonaccrual Loan Information

(in thousands)	As of December 31, 2025		For the year ended December 31, 2025
	Amortized Cost	Amortized Cost without Allowance	Interest Income Recognized
Nonaccrual loans:			
Real estate mortgage	\$64,130	\$53,441	\$9,005
Production and intermediate-term	106,479	18,005	7,592
Other	35,879	7,280	—
Total	\$206,488	\$78,726	\$16,597

(in thousands)	As of December 31, 2024		For the year ended December 31, 2024
	Amortized Cost	Amortized Cost without Allowance	Interest Income Recognized
Nonaccrual loans:			
Real estate mortgage	\$60,466	\$59,152	\$4,155
Production and intermediate-term	57,452	12,137	10,264
Other	61,894	45,777	—
Total nonaccrual loans	\$179,812	\$117,066	\$14,419

(in thousands)	As of December 31, 2023		For the year ended December 31, 2023
	Amortized Cost	Amortized Cost without Allowance	Interest Income Recognized
Nonaccrual loans:			
Real estate mortgage	\$19,899	\$14,557	\$3,230
Production and intermediate-term	35,799	11,074	5,546
Other	14,624	4,120	—
Total nonaccrual loans	\$70,322	\$29,751	\$8,776

At the time loans transfer to nonaccrual status, we write-off accrued interest receivable as a reversal of interest income. Write-offs of accrued interest receivable were not material during the years ended December 31, 2025, 2024 or 2023. We had no wholesale loans or loans to OFIs classified as nonaccrual at December 31, 2025, 2024 or 2023.

Nonaccrual loans represented 0.12 percent of total loans at December 31, 2025, of which 47.2 percent were current as to principal and interest.

Loan Modifications Granted to Borrowers Experiencing Financial Difficulty

Included within our loans are loan modifications; some of which are granted to borrowers experiencing financial difficulty. Our loans classified as modified loans at December 31, 2025, 2024 or 2023, and activity on these loans during the years ended December 31, 2025, 2024 or 2023, were not material. We did not have any material commitments to lend to borrowers whose loans were modified during the years ended December 31, 2025, 2024 or 2023.

Allowance for Credit Losses on Loans and Unfunded Commitments

The "Provision for credit losses" in the Statements of Comprehensive Income may include a provision or reversal of credit losses on loans and unfunded commitments. The allowance for credit losses on unfunded commitments is recorded in "Other liabilities" in the Statements of Condition. Typically, the allowance for credit losses on unfunded commitments is relieved and replaced with an allowance for credit losses on loans as the related commitments are funded. The allowance for credit losses on unfunded commitments was not material as of December 31, 2025, 2024 or 2023. Similarly, the provision for credit losses on unfunded commitments for the year ended December 31, 2025, 2024 and 2023, was not material.

Our loan portfolio is divided into segments primarily based on loan type which are the segments used to estimate the allowance for credit losses. As Farm Credit lending authorities limit the types of loans we can participate in, our portfolio is concentrated in the agriculture sector. The credit risk associated with each of our portfolio segments includes a strong correlation to agricultural commodity prices and input costs. Specifically for our real estate mortgage segment, the value of agricultural land that serves as collateral is a key risk characteristic. Additionally, unemployment rates and gross domestic product levels are additional key risk characteristics attributable to our portfolio. We consider these characteristics, among others, in assigning internal risk ratings and forecasting credit losses on our loan portfolio and related unfunded commitments.

We develop our reasonable and supportable forecast by considering a multitude of macroeconomic variables. Our forecasts of U.S. net farm income, U.S. real gross domestic product, and U.S. unemployment rate represent the key macroeconomic variables that most significantly affect the estimate of the allowance for credit losses on loans and unfunded commitments.

We utilize a single macroeconomic scenario in the estimate of the allowance for credit losses on loans and unfunded commitments which represents the most probable forecasted outcome. Subsequent changes in the macroeconomic forecasts will be reflected in the provision for credit losses in future periods.

The increase in the allowance for credit losses on loans from December 31, 2024, was primarily driven by an increase in specific and general reserves placed on loans in our asset pool portfolios. The increase in specific reserves was primarily related to agribusiness and production and intermediate-term loans and was not concentrated in any one particular industry. The increase in general reserves was primarily due to an increase in loan volume, as well as slight deterioration in overall credit quality.

Changes in Allowance for Credit Losses on Loans by Loan Type

(in thousands)	Real estate mortgage	Production and intermediate-term	Loans to OFIs	Other	Total
Allowance for credit losses on loans:					
Balance as of December 31, 2024	\$6,948	\$17,689	\$399	\$14,605	\$39,641
Provision for credit losses on loans	16,352	22,550	(12)	19,110	58,000
Charge-offs	(7,051)	(46,477)	—	(11,274)	(64,802)
Recoveries	116	32,399	—	492	33,007
Initial allowance for purchased credit deteriorated loans	1,415	4,711	—	1,484	7,610
Balance as of December 31, 2025	\$17,780	\$30,872	\$387	\$24,417	\$73,456

(in thousands)	Real estate mortgage	Production and intermediate-term	Loans to OFIs	Other	Total
Allowance for credit losses on loans:					
Balance as of December 31, 2023	\$5,968	\$11,647	\$617	\$13,760	\$31,992
Provision for credit losses on loans	2,275	14,691	(217)	10,251	27,000
Charge-offs	(1,419)	(28,549)	—	(10,210)	(40,178)
Recoveries	42	19,475	—	6	19,523
Initial allowance for purchased credit deteriorated loans	82	425	—	797	1,304
Balance as of December 31, 2024	\$6,948	\$17,689	\$400	\$14,604	\$39,641

(in thousands)	Real estate mortgage	Production and intermediate-term	Loans to OFIs	Other	Total
Allowance for credit losses on loans:					
Balance as of December 31, 2022	\$3,932	\$22,350	\$305	\$5,152	\$31,739
Cumulative effect of change in accounting principle	(768)	(14,927)	582	5,298	(9,815)
Provision for credit losses on loans	1,845	5,454	(270)	10,971	18,000
Charge-offs	(383)	(29,177)	—	(9,559)	(39,119)
Recoveries	690	26,209	—	124	27,023
Initial allowance for purchased credit deteriorated loans	652	1,738	—	1,774	4,164
Balance as of December 31, 2023	<u>\$5,968</u>	<u>\$11,647</u>	<u>\$617</u>	<u>\$13,760</u>	<u>\$31,992</u>

NOTE 4

Investment Securities

All investment securities are classified as AFS.

AFS Investment Securities

(in thousands)					
As of December 31, 2025	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Weighted Average Yield
Commercial paper and other	\$5,324,105	\$314	\$239	\$5,324,180	4.1%
U.S. Treasury securities	9,903,354	70,539	4,625	9,969,268	4.0%
Mortgage-backed securities	8,596,707	33,696	417,715	8,212,688	3.7%
Asset-backed securities	492,532	1,854	7	494,379	4.6%
Total	<u>\$24,316,698</u>	<u>\$106,403</u>	<u>\$422,586</u>	<u>\$24,000,515</u>	<u>3.9%</u>

(in thousands)					
As of December 31, 2024	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Weighted Average Yield
Commercial paper and other	\$7,990,769	\$291	\$504	\$7,990,556	4.9%
U.S. Treasury securities	8,160,912	20,155	47,533	8,133,534	4.3%
Mortgage-backed securities	7,326,154	3,170	607,929	6,721,395	3.5%
Asset-backed securities	312,638	3,293	472	315,459	4.6%
Total	<u>\$23,790,473</u>	<u>\$26,909</u>	<u>\$656,438</u>	<u>\$23,160,944</u>	<u>4.3%</u>

(in thousands)					
As of December 31, 2023	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Weighted Average Yield
Commercial paper and other	\$10,597,202	\$185	\$2,663	\$10,594,724	5.8%
U.S. Treasury securities	5,041,883	27,688	63,818	5,005,753	3.0%
Mortgage-backed securities	6,890,862	938	641,835	6,249,965	3.4%
Asset-backed securities	260,912	2,128	1,054	261,986	4.7%
Total	<u>\$22,790,859</u>	<u>\$30,939</u>	<u>\$709,370</u>	<u>\$22,112,428</u>	<u>4.4%</u>

The commercial paper and other category was comprised of corporate commercial paper and certificates of deposit.

As of December 31, 2025, 2024 and 2023, we had no investment securities or federal funds pledged as collateral.

Accrued interest receivable on investments securities of \$112.3 million, \$99.2 million, and \$58.8 million as of December 31, 2025, 2024 and 2023, respectively, has been excluded from the amortized cost of investment securities.

Contractual Maturities of AFS Investment Securities

(in thousands)	Year of Maturity				Total
	One Year or Less	One to Five Years	Five to Ten Years	More Than Ten Years	
As of December 31, 2025					
Commercial paper and other	\$5,324,180	\$—	\$—	\$—	\$5,324,180
U.S. Treasury securities	3,367,281	6,535,707	66,280	—	9,969,268
Mortgage-backed securities	476	37,532	217,748	7,956,932	8,212,688
Asset-backed securities	—	456,767	37,612	—	494,379
Total fair value	\$8,691,937	\$7,030,006	\$321,640	\$7,956,932	\$24,000,515
Total amortized cost	\$8,684,236	\$6,972,233	\$322,931	\$8,337,298	\$24,316,698
Weighted average yield	4.1 %	4.0 %	3.6 %	3.7 %	3.9 %

Expected maturities differ from contractual maturities because borrowers may have the right to prepay these obligations. The remaining expected average life is 1.0 year for asset-backed securities and 4.4 years for mortgage-backed securities at December 31, 2025.

A summary of the investment securities in an unrealized loss position presented by the length of time that the securities have been in a continuous unrealized loss position follows:

(in thousands)	Less than 12 months		More than 12 months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
As of December 31, 2025				
Commercial paper and other	\$3,505,198	\$239	\$—	\$—
U.S. Treasury securities	—	—	595,411	4,625
Mortgage-backed securities	150,984	112	4,285,321	417,603
Asset-backed securities	43,145	6	3,879	1
Total	\$3,699,327	\$357	\$4,884,611	\$422,229

(in thousands)	Less than 12 months		More than 12 months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
As of December 31, 2024				
Commercial paper and other	\$5,893,435	\$504	\$—	\$—
U.S. Treasury securities	2,853,619	29,358	521,347	18,175
Mortgage-backed securities	1,139,368	7,566	4,872,512	600,363
Asset-backed securities	24,674	320	27,934	152
Total	\$9,911,096	\$37,748	\$5,421,793	\$618,690

(in thousands)	Less than 12 months		More than 12 months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
As of December 31, 2023				
Commercial paper and other	\$7,826,371	\$2,663	\$—	\$—
U.S. Treasury securities	271,022	1,017	2,098,742	62,801
Mortgage-backed securities	976,536	8,066	4,868,635	633,769
Asset-backed securities	—	—	58,694	1,054
Total	<u>\$9,073,929</u>	<u>\$11,746</u>	<u>\$7,026,071</u>	<u>\$697,624</u>

We sold \$349.9 million of U.S. Treasury and asset-backed securities, resulting in gains of \$120 thousand, during the year ended December 31, 2025. We sold \$513.0 million and \$100.0 million of U.S. Treasury securities, resulting in losses of \$275 thousand and \$18 thousand, during the years ended December 31, 2024 and 2023, respectively.

There was no allowance for credit losses on investment securities at December 31, 2025, 2024 or 2023, as the substantial majority of our investment portfolio carries a full faith and credit guarantee of the U.S. government or an implicit credit guarantee from its agencies and have an immaterial risk of credit loss.

NOTE 5

Bonds and Notes

The System obtains funds for its lending operations primarily from the sale of Systemwide Debt Securities issued by the System Banks through the Funding Corporation. Systemwide bonds and discount notes are joint and several obligations of the System Banks. Refer to Note 9 for further information.

AgriBank's Participation in Systemwide Bonds and Notes

(in thousands)	2025	2024	2023
As of December 31,			
Systemwide obligations:			
Bonds	\$186,326,515	\$175,775,646	\$159,545,794
Discount notes	3,311,927	1,128,317	2,807,219
Member investment bonds	3,787,787	3,891,764	3,957,316
Total	<u>\$193,426,229</u>	<u>\$180,795,727</u>	<u>\$166,310,329</u>

Maturities and Weighted Average Interest Rate of Bonds and Notes

(in thousands)	Systemwide Obligations				Member Investment Bonds		Total	
	Bonds		Discount Notes		Amount	Rate	Amount	Rate
As of December 31, 2025								
Year of maturity	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate
2026	\$57,188,013	3.7 %	\$3,311,927	3.7 %	\$3,787,787	2.4 %	\$64,287,727	3.6 %
2027	65,908,280	3.7 %	—	— %	—	— %	65,908,280	3.7 %
2028	15,200,456	3.2 %	—	— %	—	— %	15,200,456	3.2 %
2029	8,571,707	2.9 %	—	— %	—	— %	8,571,707	2.9 %
2030	8,970,628	2.8 %	—	— %	—	— %	8,970,628	2.8 %
2031 and thereafter	30,487,431	3.4 %	—	— %	—	— %	30,487,431	3.4 %
Total	<u>\$186,326,515</u>	3.5 %	<u>\$3,311,927</u>	3.7 %	<u>\$3,787,787</u>	2.4 %	<u>\$193,426,229</u>	3.5 %

Discount notes are issued with maturities ranging from one to 365 days. The average maturity of discount notes at December 31, 2025, was 70 days. As of December 31, 2025, total fixed rate bonds and notes totaled \$96.9 billion. Total variable rate bonds and notes totaled \$96.6 billion. All member investment bonds are variable rate.

Callable debt may be called on the first call date and, generally, is continuously callable thereafter.

Bonds and Notes with Call Options

(in millions)		
As of December 31, 2025	Maturing Amount	Callable Amount
Year of maturity / next call:		
2026	\$13,285	\$80,636
2027	24,954	12,067
2028	10,425	190
2029	6,569	25
2030	7,577	50
2031	4,090	—
2032	2,928	—
Thereafter	23,140	—
Total	\$92,968	\$92,968

Participation in Systemwide Debt Securities

Certain conditions must be met before System Banks can participate in the issuance of Systemwide Debt Securities. As one condition of participation, System Banks are required by the Farm Credit Act and FCA Regulations to maintain specified eligible assets at least equal in value to the total amount of debt securities outstanding for which they are primarily liable. This requirement does not provide holders of Systemwide Debt Securities or bank bonds with a security interest in any assets of the System Banks. However, System Banks and the Funding Corporation have entered into a Market Access Agreement (MAA), which established criteria and procedures for the System Banks to provide certain information to the Funding Corporation and, under certain circumstances, for restricting or prohibiting an individual System Bank's participation in Systemwide debt issuances, thereby reducing other System Banks' exposure to statutory joint and several liability. At December 31, 2025, we were, and as of the date of this report, remain in compliance with the conditions of participation in the issuance of Systemwide Debt Securities.

Member Investment Bonds

Member investment bonds, specifically authorized by the Farm Credit Act, are an alternative source of funding in which we sell bonds directly to District members and employees. Member investment bonds issued by AgriBank are offered primarily through the Farm Cash Management program, which links a District Association members' revolving line of credit with an AgriBank investment bond to optimize the members' use of their funds. Member investment bonds are an unsecured obligation of AgriBank and are not insured or guaranteed by any other entity.

Insurance Fund

The Insurance Fund is available to insure the timely payment of principal and interest on consolidated bonds and notes of System Banks to the extent net assets are available in the Insurance Fund. At December 31, 2025, the assets of the Insurance Fund were \$8.6 billion; however, due to the other authorized uses of the Insurance Fund, there is no assurance that the amounts in the Insurance Fund will be sufficient to fund the timely payment of principal, or interest on, insured debt securities in the event of default by any System Bank having primary liability for repayment of the debt. Refer to Note 1 for further information about the Insurance Fund.

Short-term Borrowings

We use short-term borrowings as a source of funds.

Short-term Borrowings by Category

(in thousands)	2025		2024		2023	
	Amount	Weighted average interest rate	Amount	Weighted average interest rate	Amount	Weighted average interest rate
Systemwide discount notes:						
Outstanding as of December 31	\$3,311,927	3.7 %	\$1,128,317	4.3 %	\$2,807,219	5.3 %
Average during year	1,124,727	4.1 %	1,496,371	5.1 %	2,023,679	4.9 %
Maximum month-end balance during the year	3,311,927		3,024,377		2,973,268	
Systemwide bonds ⁽¹⁾ :						
Outstanding as of December 31	\$3,624,182	4.0 %	\$1,157,829	4.0 %	\$1,431,070	5.0 %
Average during year	2,674,925	4.0 %	1,122,437	5.0 %	1,147,648	4.0 %
Maximum month-end balance during the year	4,273,795		1,433,886		1,444,051	

⁽¹⁾Represents bonds issued with an original maturity of one year or less

NOTE 6

Shareholders' Equity

Description of Equities

All shares and participation certificates are \$5 par value, except the Series A Non-cumulative Perpetual Preferred Stock (Series A Preferred Stock), which was \$100 par value.

(in whole numbers) As of December 31,	Number of Shares Outstanding		
	2025	2024	2023
Class A Common Stock	1,406,197,762	1,306,004,718	—
Series A Preferred Stock	—	—	2,500,000
Class F Common Stock	—	—	140,716,234
Class P Common Stock	—	—	1,019,693,576
Series A Participation Certificates	—	—	8,719,837
Protected Series C Participation Certificates	—	—	14,000

Member Stock

In accordance with the Farm Credit Act, eligible borrowers are required to purchase common stock in AgriBank as a condition of borrowing. District Associations fund member stock purchases, and stock patronage is funded through liquidity generated from capital and earnings. OFIs make cash purchases of member stock as a condition of borrowing.

On October 27, 2023, a special meeting of our voting stockholders and participation holders was held to vote on several proposals. The voting stockholders approved amendments to the capitalization provisions in our bylaws. As a result, the amended bylaws were effective on January 1, 2024, and shares identified as Class P Common Stock, Series A Participation Certificates, Series C Participation Certificates and Class F Common Stock were re-designated as Class A Common Stock and only Class A Common Stock and Class B Common Stock will be issued henceforth.

As of January 1, 2024, our bylaws provide that Class A Common Stock is issued to System institutions, OFIs or other FCA-supervised institutions with which AgriBank has a loan participation relationship, and such other AgriBank customers, in an amount required by our capital plan. Class B Common Stock is available to be issued in an unlimited amount in exchange for a holder's Class A Common Stock within two years following AgriBank's cessation of business, and in an amount up to 500 million shares to any person or entity eligible to hold Class A Common Stock for such other purposes as approved by the Board, consistent with the Farm Credit Act and the FCA Regulations. Class B Common Stock may be converted into Class A Common Stock upon the reestablishment of a borrowing

relationship between AgriBank and the stockholder. Association borrowers holding Class A Common Stock shall have voting rights as provided in the bylaws. Holders of Class B Common Stock shall have no voting rights except as set forth in FCA Regulations.

All member stock shall have such rights, designations and restrictions as provided in our bylaws. No fractional shares of such stock or participation certificates, or cash in lieu of fractional shares, shall be issued or paid. All member stock is transferable to any eligible holder of such equities. If at any time we are out of compliance with minimum capital requirements as determined by the FCA, all member stock required to be purchased as a condition for obtaining a loan must be purchased from us.

Protected Class A Common Stock must be retired and paid at par value in accordance with FCA Regulations as they relate to the retirement of stock protected by the provisions of the Farm Credit Act. As of December 31, 2025 and 2024, Protected Class A Common Stock of \$10 thousand was included in Capital Stock and Participation Certificates on the Statements of Changes in Shareholders' Equity. Refer to discussion under Protection Mechanisms.

The board is authorized, but not required, to make retirements of all other member stock on a case-by-case basis when requested by a holder of such equities without regard to the holder's total investment in us relative to the other holders of our equities. Such other member stock shall be retired at book value not to exceed par or face value and cannot be retired while we are not in compliance with capital adequacy standards as determined by the FCA, or if such retirement would cause us to be out of compliance with capital adequacy standards and may be retired only at the discretion of the board.

All member stock is subject to a statutory first lien in favor of us to secure any indebtedness of the holder of such capital investments to us.

Effective January 1, 2024, our bylaws provide that, in the event of our liquidation or dissolution, any remaining assets after payment or retirement of all liabilities will be distributed in the following order of priority:

- First, to the holders of preferred stock, in proportion to the number of shares of each class and series of preferred stock then issued and outstanding
- Second, to the holders of Class A and B Common Stock
- Third, to the holders of allocated retained earnings, pro rata, until an amount equal to the aggregate book value not to exceed face value has been distributed
- Finally, any remaining assets shall be distributed in accordance with established attribution of unallocated retained earnings.

Effective January 1, 2024, in the event of impairment, losses will be absorbed pro rata by all classes of common stock then by preferred stock; however, protected stock will be retired at par value regardless of impairment.

Prior to January 1, 2024, Class F Common Stock was issued to other System institutions. Class F Common Stock had no voting rights.

Prior to January 1, 2024, Class P Common Stock was issued to District Associations and as a conversion of Class D Preferred Stock. Class P Common Stock had voting rights as provided in our bylaws so long as the stock is held by an eligible holder. In certain circumstances, a holder of Class P Common Stock could convert to an equal number of units of Series B Participation Certificates.

Prior to January 1, 2024, Series A Participation Certificates were issued to those entities, including OFIs, identified in the Farm Credit Act that meet certain requirements of the Act in connection with loans made after October 5, 1988, in an amount required by our capital plan. Series A Participation Certificates had no voting rights.

Prior to January 1, 2024, Protected Series C Participation Certificates were issued to entities identified in the Farm Credit Act that meet certain requirements of the Act that were in existence before the close of business on October 5, 1988. Refer to discussion under Protection Mechanisms. Protected Series C Participation Certificates had no voting rights. Protected Series C Participation Certificates of \$70 thousand as of December 31, 2023, were included in Capital Stock and Participation Certificates on the Statements of Changes in Shareholders' Equity.

In the event of our liquidation or dissolution, according to our bylaws which were effective prior to January 1, 2024, any remaining assets after payment or retirement of all liabilities would be distributed in the following order of priority:

- First, ratably to the holders of Series A Preferred Stock
- Second, to the holders of Class P and F Common Stock, Class D Preferred Stock and Series A, B and C Participation Certificates
- Third, to the holders of allocated retained earnings, pro rata, until an amount equal to the aggregate book value not to exceed face value has been distributed
- Finally, any remaining assets shall be distributed in accordance with established attribution of unallocated retained earnings

In the event of impairment, according to our bylaws which were effective prior to January 1, 2024, losses would be absorbed pro rata by all classes of common stock and participation certificates then by Class D Preferred Stock followed by Series A Preferred Stock; however, protected stock would be retired at par value regardless of impairment.

Perpetual Preferred Stock

As of December 31, 2023, we had \$250 million of Series A Preferred Stock outstanding, representing 2.5 million shares at \$100 per share par value. This series could be held or transferred in blocks having an aggregate par value of \$25 thousand to investors meeting the eligibility requirements and an investor must have held at least 250 shares. We used the net proceeds from the issuance for general corporate purposes. For regulatory capital purposes, our Series A Preferred Stock was included in permanent capital, tier 1 capital and total capital, subject to certain limitations as defined by the FCA.

In compliance with FCA Regulations, AgriBank requested permission from the FCA to redeem, in whole, our preferred stock on January 1, 2024. By letter dated October 16, 2023, FCA provided its approval subject to AgriBank continuing to meet applicable regulatory capital requirements following redemption. On November 13, 2023, we issued notices of redemption to holders of our preferred stock. On December 29, 2023, we provided funds to the redemption agent (for the benefit of the preferred stockholders) for the redemption, in whole, of the preferred stock and for the final dividend payment as declared by our board in its sole discretion. On January 1, 2024, AgriBank redeemed, in whole, its \$250 million of Series A Preferred Stock and has no outstanding preferred stock after this date.

Prior to redemption, dividends on preferred stock, declared by our board in its sole discretion, were non-cumulative and were payable quarterly in arrears on the first day of January, April, July and October. Dividends accrued at a fixed annual rate of 6.875 percent from the date of issuance through December 31, 2023.

On February 16, 2024, AgriBank held a special meeting of its voting shareholders who voted to authorize AgriBank to issue (and reissue) one or more series of preferred stock in an amount with an aggregate par value of up to \$3 billion outstanding at any one time for a period commencing on March 1, 2024 and ending on the 10th anniversary of this date, which preferred stock issuance is subject to approval by AgriBank's board and subject to FCA's review and clearance.

Capitalization Requirements

Effective January 1, 2024, in accordance with the Farm Credit Act, and our capitalization bylaws, we are authorized to issue Class A Common Stock and Class B Common Stock and such other classes of equity in such amounts as may be necessary to conduct our business.

As a condition of borrowing and upon approval by the board, District Associations and OFIs are required to maintain an investment in AgriBank. For District Associations, our bylaws authorize us to require an investment of up to 4 percent of the borrower's average wholesale loan balance with us (District Associations) or borrower's line of credit with us (OFIs) upon board approval. Our capital plan is updated at least annually and is subject to change at the discretion of our board. The 2025 requirement was 3.10 percent on average loan balances/commitments. The 2026 requirement will remain unchanged at 3.10 percent on average loan balances/commitments. In addition to the required investment based on the average wholesale loan balance, asset pool programs with District Associations are typically capitalized at a higher rate that is mutually agreed upon in the asset pool agreements.

Protection Mechanisms

Protection of certain borrower capital is provided under the Farm Credit Act, which requires us to retire protected capital at par or stated value regardless of its book value when retiring protected borrower capital. Prior to January 1, 2024, protected capital included Series C Participation Certificates. Effective January 3, 2024, certain Series C Participation Certificates were re-designated as Class A Common Stock and all such protected stock continues to retain its protected status regardless of re-designation. Stock and participation certificates issued after October 5, 1988 are not subject to these protection provisions. If we are unable to retire protected borrower equity at par value or stated value, amounts required to retire this equity would be obtained from the Insurance Fund, if available.

Regulatory Capitalization Requirements and Restrictions

FCA Regulations require us to maintain certain minimum capital ratios. If the capital ratios fall below the total requirements, including the buffer amounts, capital distributions (equity redemptions, dividends and patronage) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval. No such prohibitions were in effect as of December 31, 2025.

Regulatory Capital Requirements and Ratios

As of December 31,	2025	2024	2023	Regulatory Minimums	Capital Conservation Buffer	Total
Risk-adjusted:						
Common equity tier 1 capital ratio	16.0 %	16.0 %	15.5 %	4.5 %	2.5 %	7.0 %
Tier 1 capital ratio	16.0 %	16.0 %	15.9 %	6.0 %	2.5 %	8.5 %
Total capital ratio	16.1 %	16.1 %	16.0 %	8.0 %	2.5 %	10.5 %
Permanent capital ratio	16.0 %	16.0 %	15.9 %	7.0 %	— %	7.0 %
Non-risk-adjusted:						
Tier 1 leverage ratio	5.3 %	5.2 %	5.2 %	4.0 %	1.0 %	5.0 %
UREE ⁽¹⁾ leverage	1.8 %	1.9 %	2.0 %	1.5 %	— %	1.5 %

⁽¹⁾ Unallocated retained earnings and equivalents

Risk-adjusted assets have been defined by FCA Regulations as the Statement of Condition assets and off-balance-sheet commitments adjusted by various percentages, depending on the level of risk inherent in the various types of assets. Risk-adjusted assets is calculated differently for the permanent capital ratio (referred herein as PCR risk-adjusted assets) compared to the other risk-based capital ratios. The primary difference is the inclusion of the allowance for credit losses on loans and the allowance for credit losses on investment securities, if applicable, as a deduction to risk-adjusted assets for the permanent capital ratio.

These ratios are based on a three-month average daily balance in accordance with the FCA Regulations and are calculated as follows:

- Common equity tier 1 capital ratio is the core capital of AgriBank including all at-risk borrower stock as it is intended to be held for a minimum of seven years, unallocated retained earnings as regulatorily prescribed, less certain regulatory required deductions including certain investments in other System institutions, divided by average risk-adjusted assets.
- Tier 1 capital ratio is common equity tier 1 capital plus non-cumulative perpetual preferred stock, divided by average risk-adjusted assets.
- Total capital ratio is tier 1 capital plus allowance for loan losses and reserve for credit losses subject to certain limitations, divided by average risk-adjusted assets.
- Permanent capital ratio is all at-risk borrower stock, non-cumulative perpetual preferred stock, unallocated retained earnings as regulatorily prescribed, less certain investments in other System institutions divided by PCR risk-adjusted assets.
- Tier 1 leverage ratio is tier 1 capital, including regulatory deductions, divided by average assets less regulatory deductions subject to tier 1 capital.
- UREE leverage is unallocated retained earnings as regulatorily prescribed, less certain regulatory required deductions, divided by average assets less regulatory deductions subject to tier 1 capital.

The amount of third-party capital instruments, including preferred stock and subordinated notes that may be counted in the total capital ratio must not exceed the lesser of 40 percent of total capital or 100 percent of common equity tier 1.

Patronage Distributions and Dividends

Payment of discretionary patronage and/or dividends is allowed under our bylaws if the distribution is in accordance with applicable laws and regulations, including the FCA capital adequacy regulations, and approved by the board. Patronage distributions may be in cash or stock. Cash patronage totaled \$675.0 million, \$518.4 million and \$669.0 million for the years ended December 31, 2025, 2024 and 2023, respectively. There were no stock patronage distributions during the year ended December 31, 2025. Stock patronage totaled \$181.4 million and \$195.4 million for the years ended December 31, 2024 and 2023, respectively.

Prior to the redemption of the preferred stock on January 1, 2024, dividends on non-cumulative perpetual preferred stock were payable quarterly on the first day of January, April, July and October. Preferred stock dividends were declared as scheduled throughout the period which the preferred stock was outstanding.

There were no non-cumulative perpetual preferred stock dividends declared during the years ended December 31, 2025 or 2024.

We declared 17.2 million of non-cumulative perpetual preferred stock dividends during the year ended December 31, 2023.

NOTE 7

Employee Benefit Plans

The Farm Credit Foundations Plan Sponsor and Trust Committees provide oversight of the benefit plans for which AgriBank and District Associations are participating employers. These governance committees are composed of elected or appointed representatives (senior leadership and/or boards of director members) from the participating organizations. The Plan Sponsor Committee is responsible for employer decisions regarding all benefits plans including retirement benefits. These decisions could include plan design changes, vendor changes, determination of employer subsidies (if any) and termination of specific benefits plans. Any action to change or terminate the retirement plan can only occur at the direction of the AgriBank District participating employers. The Trust Committee is responsible for fiduciary and plan administrative functions.

The funded status of the post-employment benefit plans is recorded at the District level. Additional District-level financial information for these plans may be found in the "District-Level Pension and Post-Employment Benefit Plans Disclosures" section of this footnote.

Pension Benefit Plans

Pension Plan: We participate in the AgriBank District Retirement Plan, a Districtwide defined benefit retirement plan. The Department of Labor has determined the plan to be a governmental plan; therefore, the plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). As the plan is not subject to ERISA, the plan's benefits are not insured by the Pension Benefit Guaranty Corporation. Accordingly, the amount of accumulated benefits that participants would receive in the event of the plan's termination is contingent on the sufficiency of the plan's net assets to provide benefits at that time. This Plan is noncontributory and covers certain eligible District employees. The assets, liabilities and costs of the plan are not segregated by participating entities. As such, plan assets are available for any of the participating employers' retirees at any point in time. Additionally, if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers. Further, if we choose to stop participating in the plan, we may be required to pay an amount based on the funded status of the plan. Because of the nature of the plan, any individual employer is not able to unilaterally change the provisions of the plan. If an employee transfers to another employer within the same plan, the employee benefits under the plan transfer. Benefits are based on salary and years of service. There is no collective bargaining agreement in place as part of this plan.

AgriBank District Retirement Plan Information

(in thousands)

As of December 31,	2025	2024	2023
Funded (unfunded) status	\$106,922	\$55,398	\$(31,065)
Projected benefit obligation	1,092,018	1,096,603	1,245,052
Fair value of plan assets	1,198,940	1,152,001	1,213,987
Accumulated benefit obligation	1,026,265	1,011,357	1,140,936

(in thousands)

For the year ended December 31,	2025	2024	2023
Total plan expense	\$23,889	\$41,090	\$55,535
Our allocated share of plan expenses	1,343	2,838	3,858
Contributions by participating employers	14,872	40,000	45,000
Our allocated share of contributions	487	2,732	2,858

The funded (unfunded) status reflects the net of the fair value of the plan assets and the projected benefit obligation as of December 31. The projected benefit obligation is the actuarial present value of all benefits attributed by the pension benefit formula to employee service rendered prior to the measurement date based on assumed future compensation levels. The accumulated benefit obligation is the actuarial present value of the benefits attributed to employee service rendered before the measurement date and

based on current employee service and compensation. The funding status is subject to many variables including performance of plan assets and interest rate levels. Therefore, changes in assumptions could significantly affect these estimates.

Costs are determined for each individual employer based on costs directly related to their current employees as well as an allocation of the remaining costs based proportionately on the estimated projected liability of the employer under this plan. We recognize our proportional share of expense and contribute a proportional share of funding.

Benefits paid to participants in the District were \$91.1 million in 2025. While the plan is a governmental plan and is not subject to minimum funding requirements, the employers contribute amounts necessary on an actuarial basis to provide the plan with sufficient assets to meet the benefits to be paid to participants. The amount of the total District employer contributions expected to be paid into the pension plans during 2026 is \$13.3 million. Our allocated share of these pension contributions is expected to be \$502.5 thousand. The amount ultimately to be contributed and the amount ultimately recognized as expense, as well as the timing of those contributions and expenses, are subject to many variables, including performance of plan assets and interest rate levels. These variables could result in actual contributions and expenses being greater than or less than the anticipated amounts.

Pension Restoration Plan: We also participate in the Districtwide nonqualified defined benefit Pension Restoration Plan. This plan restores retirement benefits to certain highly compensated eligible employees that would have been provided under the qualified plan if such benefits were not above the Internal Revenue Code compensation or other limits. The Pension Restoration Plan is unfunded, and we make annual contributions to fund benefits paid to our retirees covered by the plan. The obligation, cost and contributions were not material to any of the years presented. There were no benefits paid under the Pension Restoration Plan to our senior officers who were actively employed during the year.

Other Post-Employment Benefit Plans

Retiree Medical Plans: District employers also provide certain health insurance benefits to eligible retired employees according to the terms of the benefit plans. The anticipated costs of these benefits are accrued during the period of the employee's active status. Postretirement benefit costs related to the retiree medical plans were not considered material for any of the years presented. Cash contributions were equal to the benefits paid.

Defined Contribution Plans

We participate in a Districtwide defined contribution retirement savings plan. For employees hired before January 1, 2007, employee contributions are matched dollar for dollar up to 2.0 percent and 50 cents on the dollar on the next 4.0 percent on both pre-tax and post-tax contributions. The maximum employer match is 4.0 percent. For employees hired after December 31, 2006, we contribute 3.0 percent of the employee's compensation and will match employee contributions dollar for dollar up to a maximum of 6.0 percent on both pre-tax and post-tax contributions. The maximum employer contribution is 9.0 percent.

We also participate in a Districtwide Nonqualified Deferred Compensation Plan. Eligible participants must meet one of the following criteria: certain salary thresholds as determined by the IRS, be either a chief executive officer or president of a participating employer or have previously elected pre-tax deferrals in 2006 under predecessor nonqualified deferred compensation plans. Under this plan, the employee may defer a portion of his/her salary, bonus and other compensation. Additionally, the plan provides for supplemental employer matching contributions related to any compensation deferred by the employee that would have been eligible for a matching contribution under the retirement savings plan if it were not for certain IRS limitations.

Additionally, we participate in the Pre-409A Frozen Nonqualified Deferred Compensation Plan. This plan serves the same purpose as the Nonqualified Deferred Compensation Plan. However, the plan was frozen effective January 1, 2007. As such, no additional participants are eligible to enter the plan and no additional employer contributions will be made to the plan.

District-Level Pension and Post-Employment Benefit Plans Disclosures

All District employers, with the exception of one District Association, participate in the defined benefit pension plan. Certain District employers also participate in the nonqualified retirement plan. Additionally, District employers provide certain health insurance benefits to eligible retired employees in the District. The current measurement date is December 31 for the defined benefit and other post-employment benefit plans.

The decrease in the benefit obligation of the pension plans was primarily due to benefits paid, partially offset by interest cost.

AgriBank District Obligations and Funded Status

(in thousands)	Pension Benefits			Other Benefits		
	2025	2024	2023	2025	2024	2023
As of December 31,						
Change in benefit obligation:						
Benefit obligation at beginning of year	\$1,146,207	\$1,311,186	\$1,269,589	\$13,574	\$16,666	\$15,713
Service cost	16,024	19,519	21,926	77	116	122
Interest cost	59,267	61,499	61,997	689	781	763
Plan amendments	—	—	938	—	—	—
Actuarial loss (gain)	15,532	(96,458)	31,995	(510)	(2,752)	1,371
Benefits paid	(96,419)	(149,539)	(75,259)	(1,184)	(1,237)	(1,304)
Benefit obligation at end of year	\$1,140,611	\$1,146,207	\$1,311,186	\$12,646	\$13,574	\$16,665
Change in plan assets:						
Fair value of plan assets at beginning of year	\$1,152,001	\$1,213,987	\$1,116,442	\$—	\$—	\$—
Actual return on plan assets	123,191	25,475	123,842	—	—	—
Employer contributions	20,167	62,078	48,962	1,184	1,237	1,304
Benefits, premiums and expenses paid	(96,419)	(149,539)	(75,259)	(1,184)	(1,237)	(1,304)
Fair value of plan assets at end of year	\$1,198,940	\$1,152,001	\$1,213,987	\$—	\$—	\$—
Funded (unfunded) status	\$58,329	\$5,793	\$(97,199)	\$(12,646)	\$(13,574)	\$(16,665)
Accumulated benefit obligation	\$1,067,116	\$1,050,900	\$1,195,852	n/a	n/a	n/a

(in thousands)	Pension Benefits			Other Benefits		
	2025	2024	2023	2025	2024	2023
As of December 31,						
Amounts recognized in the District Statements of Condition consist of:						
Pension asset	\$106,922	\$55,397	\$—	\$—	\$—	\$—
Pension liabilities	\$48,593	\$49,604	\$97,199	\$12,646	\$13,574	\$16,665
Net loss (gain)	\$304,560	\$369,574	\$460,912	\$(8,951)	\$(9,955)	\$(8,328)
Prior service cost (credit)	643	(2,005)	(4,652)	—	—	—
Total recognized in accumulated other comprehensive income (loss)	\$305,203	\$367,569	\$456,260	\$(8,951)	\$(9,955)	\$(8,328)
Weighted-average assumptions used to determine benefit obligations:						
Discount rate	5.44 %	5.67 %	5.00 %	5.33 %	5.61 %	4.98 %
Rate of compensation increase ⁽¹⁾	6.20 %	7.20 %	7.20 %	n/a	n/a	n/a
Interest crediting rate	3.50 %	4.30 %	3.30 %	n/a	n/a	n/a

⁽¹⁾ The rate of compensation increase for the pension benefits utilizes an age-based scale beginning at 6.50%, ultimately decreasing to 3.00%

District Components of Net Periodic Benefit Cost

(in thousands)	Pension Benefits			Other Benefits		
	2025	2024	2023	2025	2024	2023
For the year ended December 31,						
Net periodic benefit cost:						
Service cost	\$16,024	\$19,519	\$21,926	\$77	\$116	\$122
Interest cost	59,267	61,499	61,997	689	781	763
Expected return on plan assets	(75,372)	(72,246)	(69,755)	—	—	—
Amortization of prior service credit	(2,647)	(2,647)	(2,684)	—	—	—
Amortization of net loss (gain)	32,727	41,652	55,492	(1,513)	(1,125)	(1,588)
Net periodic benefit cost	\$29,999	\$47,777	\$66,976	\$(747)	\$(228)	\$(703)
Other changes in plan assets and benefit obligations recognized in other comprehensive income (loss):						
Net (gain) loss	\$(32,286)	\$(49,686)	\$(22,093)	\$(509)	\$(2,752)	\$1,372
Amortization of net (loss) gain	(32,727)	(41,652)	(55,492)	1,513	1,125	1,588
Prior service cost	—	—	938	—	—	—
Amortization of prior service credit	2,647	2,647	2,684	—	—	—
Total recognized in other comprehensive income (loss)	\$(62,366)	\$(88,691)	\$(73,963)	\$1,004	\$(1,627)	\$2,960
Total recognized in net periodic benefit cost and other comprehensive income (loss)	\$(32,367)	\$(40,914)	\$(6,987)	\$257	\$(1,855)	\$2,257
Weighted-average assumptions used to determine net costs:						
Discount rate:						
Projected benefit obligation	5.67 %	5.00 %	5.19 %	5.61 %	4.98 %	5.16 %
Service cost	5.75 %	5.06 %	5.24 %	5.80 %	5.09 %	5.27 %
Interest cost	5.43 %	4.92 %	5.10 %	5.32 %	4.89 %	5.07 %
Expected return on plan assets	6.75 %	6.00 %	6.25 %	n/a	n/a	n/a
Rate of compensation increase	6.20 %	7.20 %	7.20 %	n/a	n/a	n/a
Interest crediting rate	4.30 %	3.30 %	3.30 %	n/a	n/a	n/a

Assumptions

Benefit obligations and net periodic benefit costs are measured using assumptions designed to reflect future economic conditions. The most significant assumptions used in calculating the benefit obligations are discount rates, mortality rates and compensation rate increases. In addition to these assumptions, expected return on plan assets is also a significant driver in the measurement of net periodic benefit cost.

The discount rates used to estimate service and interest components of net periodic benefit cost are calculated using a full yield curve method developed by an independent actuary. The approach maps a high-quality bond yield curve to the duration of the plans' liabilities, thus approximating each cash flow of the liability stream to be discounted at an interest rate specifically applicable to its respective period in time.

The mortality improvement assumptions are updated when new tables are issued by the Society of Actuaries. The adoption of the most recent tables did not have a significant impact to the projected benefit obligation as of December 31, 2025.

Periodically, independent actuaries perform an assumption study based on actual plan participants' results over the past three years. Assumptions in this study include, but are not limited to: rates of termination, retirement age, and benefit form elected. The most recent study was completed in 2025. The assumption updates made as a result of the study did not have a material impact on the District pension plans.

The expected return on plan assets assumption is determined by the Plan Sponsor Committee with input from the Trust Committee. Historical return information is used to establish a best-estimate range for each asset class in which the plans are invested. The most

appropriate rate is selected from the best-estimate range, taking into consideration the duration of plan benefit liabilities and Plan Sponsor Committee investment policies. Generally, a lower rate of return assumption correlates to an increase in the net periodic benefit cost.

Assumed health care cost trend rates affect the amounts reported for the health care plans. A one percent change in assumed health care cost trend rates would have minimal effect for the District.

Estimated Future Contributions and Benefit Payments

The amount of total District employer contributions expected to be paid into the plans during 2026 is \$30.4 million for Pension Benefits and \$1.2 million for Other Benefits.

The following benefit payments are expected to be paid by the District plans and reflect expected future service, as appropriate:

(in thousands)	Pension Benefits	Other Benefits
As of December 31, 2025		
Year:		
2026	\$103,060	\$1,168
2027	91,850	1,162
2028	89,320	1,132
2029	88,020	1,106
2030	87,870	1,074
2031 to 2035	432,270	4,855

Plan Assets

The overall objective of the investment policy is intended to meet the benefit obligations for the plan beneficiaries and to earn a long-term rate of return consistent with the related cash flow profile of the underlying benefit obligations.

The policy uses a risk management strategy designed to reduce investment risks as the funded status improves. To implement the policy, the plan has adopted a diversified set of portfolio management strategies to optimize the risk reward profile of the plan. Plan assets are divided into two primary component portfolios:

- The "Growth Portfolio," which is a return-seeking portfolio that is invested in a diversified set of assets designed to generate return. Equity exposures are expected to be the primary drivers of excess returns, but also introduce the greatest level of volatility of returns. Accordingly, the Growth Portfolio contains additional asset classes that are intended to diversify equity risk as well as contribute to excess return.

The largest subset contains U.S. equities including securities that are both actively and passively managed to their benchmarks across a full spectrum of capitalization and styles. Non-U.S. equities contain securities both passively and actively managed as well as in both developed and emerging markets. Currency futures and forward contracts may be held for the sole purpose of hedging existing currency risk in the portfolio. Other investments that serve as equity diversifiers include:

- Non-core fixed income: fixed income portfolio including high yield debt, emerging market debt, and bank loans
- Real estate assets: publicly traded real estate and global infrastructure
- Hedge funds of funds: multi-manager strategies that seek to maximize skill-based returns by investing in a variety of active managers, including equity-oriented, diversification-oriented, and trend-following strategies
- Tactical tilt fund: portfolio including a variety of asset classes and instruments enabling a dynamic strategy to implement short- and medium-term views
- Private credit: multi-manager strategy of private debt managers
- Insurance-linked securities: investment structures that fund insurance companies for catastrophic losses
- Private equity: multi-manager strategies of private equity managers that seek to provide exposure to privately issued corporate equity at various stages of a company's lifecycle

Other investment strategies may be employed to gain certain market exposures, reduce portfolio risk and to further diversify portfolio assets.

- The "Immunizing Portfolio," which is a liability hedging portfolio that is primarily invested in actively managed intermediate-term and long-term investment grade corporate bond strategies, paired with centrally cleared derivatives intended to match the plan's liability characteristics and reduce expected funded status risk. The combination of physical public credit investments, private placements (private corporate investment grade debt issuances), senior direct loans, and derivatives are intended to hedge interest rate and credit spread risk targets.

Finally, there is a disbursement account intended to pay periodic plan benefits and expenses.

Portfolios are measured and monitored daily to ensure compliance with the investment policy. For year-end 2025, the asset allocation policy of the pension plan provides a target of 30.0 percent of assets in the Growth Portfolio and 70.0 percent of assets in the Immunizing Portfolio, but may be adjusted as plan funded status improves. Over time as the plan funded status improves, the size of the Growth Portfolio will decline and the Immunizing Portfolio will increase.

AgriBank District Fair Value of Pension Plan Assets

(in thousands) As of December 31, 2025	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	\$65,319	\$—	\$—	\$65,319
Mutual funds:				
International funds	73,213	21,627	—	94,840
Domestic funds	112,024	8,363	—	120,387
Bond funds	54,805	—	—	54,805
Real estate equity funds	—	—	5,208	5,208
Other funds	5,035	43,141	164,343	212,519
Investment insurance contracts	—	—	4,486	4,486
Corporate bonds	—	528,228	—	528,228
Other debt securities	—	113,148	—	113,148
Total assets at fair value	\$310,396	\$714,507	\$174,037	\$1,198,940

(in thousands) As of December 31, 2024	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	\$120,581	\$—	\$—	\$120,581
Mutual and exchange traded funds:				
International funds	85,435	29,494	—	114,929
Domestic funds	92,804	7,704	—	100,508
Bond funds	37,981	—	—	37,981
Real estate equity funds	—	—	5,815	5,815
Other funds	11,360	43,376	156,553	211,289
Investment insurance contracts	—	—	4,419	4,419
Corporate bonds	—	474,800	—	474,800
Other debt securities	—	81,679	—	81,679
Total assets at fair value	\$348,161	\$637,053	\$166,787	\$1,152,001

(in thousands) As of December 31, 2023	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	\$133,775	\$—	\$—	\$133,775
Mutual funds:				
International funds	95,039	30,959	—	125,998
Domestic funds	98,738	6,865	—	105,603
Bond funds	40,973	—	—	40,973
Real estate equity funds	—	—	5,313	5,313
Other funds	14,394	39,173	124,402	177,969
Investment insurance contracts	—	—	4,588	4,588
Corporate bonds	—	537,056	—	537,056
Other debt securities	—	82,712	—	82,712
Total assets at fair value	\$382,919	\$696,765	\$134,303	\$1,213,987

The increase in Level 3 pension plan assets was primarily due to investment purchases during the years ended December 31, 2025, 2024 and 2023.

Valuation Techniques

Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets would be classified as Level 1. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with observable market data would be classified as Level 2. In addition, assets measured at Net Asset Value (NAV) per share and that can be redeemed at NAV per share at the measurement date are classified as Level 2. Assets valued using unobservable inputs (e.g., a company's own assumptions and data) would be classified as Level 3. All assets are evaluated at the fund level. Refer to Notes 2 and 11 for a complete description of fair value measurements.

NOTE 8

Related Party Transactions

As discussed in Notes 1, 3 and 10, we lend to District Associations to fund their loan portfolios.

We also purchase participations from District entities. At December 31, 2025, we had \$25.9 billion of such loan participations purchased.

We pay compensation within the District for servicing loans and loan participations. We paid \$103.4 million, \$99.8 million and \$85.3 million in 2025, 2024 and 2023, respectively, to District Associations and related entities.

Interest income recognized on District Associations' wholesale loans was \$5.4 billion, \$5.2 billion and \$4.3 billion during 2025, 2024 and 2023, respectively. In addition, we recorded \$14.7 million, \$4.0 million and \$4.2 million during 2025, 2024 and 2023, respectively, representing fees assessed on funding District Associations' wholesale loans.

As of December 31, 2025, we offer certain business services to District entities. Business services income recorded from District entities totaled \$10.4 million, \$9.8 million and \$8.7 million during 2025, 2024 and 2023, respectively.

We, along with other System entities, collectively own the AgriBank District service entities, Foundations and SunStream. Both service entities sublease office space from us. We purchase human resource information systems, benefit, payroll and workforce management services from Foundations. Our investment in Foundations was \$25 thousand at December 31, 2025, 2024 and 2023. We purchase information technology and related services from SunStream. Our investment in SunStream was \$5.6 million at December 31, 2025, 2024 and 2023. Additionally, both SunStream and Foundations have a line of credit with AgriBank of \$50.0 million and \$1.0 million, respectively. As of December 31, 2025, only SunStream had an outstanding balance of \$17.7 million.

Elected members of our board are District Association borrowers. We have no direct lending relationships with any of our board members or senior officers. We may, from time to time, participate in loans to our directors under asset pool programs or through

other commercial participations. These participations are not material for any year presented and are purchased under the established asset pool program or other commercial participation parameters and in the normal course of business. Further, in the ordinary course of business, our directors and senior officers are eligible to hold member investment bonds under the same terms and conditions as all other District members and employees. There were no material member investment bonds held by our directors or senior officers at December 31, 2025, 2024 or 2023. Refer to Note 5 for additional information regarding member investment bonds.

NOTE 9

Commitments and Contingencies

In the normal course of business, we have various contingent liabilities and commitments outstanding, primarily commitments to extend credit, which may not be reflected in the Financial Statements. We do not anticipate any material losses because of the contingencies or commitments.

Additionally, from time to time we may be named as defendants in lawsuits or legal actions in the normal course of business. At the date of these Financial Statements, our management team was not aware of any material actions. However, management cannot ensure that such actions or other contingencies will not arise in the future.

While primarily liable for our portion of Systemwide bonds and notes, we are jointly and severally liable for the Systemwide bonds and notes of the other System Banks. The total bonds and notes of the System at December 31, 2025, were \$479.9 billion.

We, together with all System Banks and the Funding Corporation, have entered into the Contractual Interbank Performance Agreement. This agreement establishes agreed-upon standards of District financial condition and performance to achieve and maintain. AgriBank, and each of the other System Banks, exceeded the minimum performance measures at December 31, 2025.

We, together with all System Banks and the Funding Corporation, have entered into the MAA. This agreement establishes criteria and procedures for the System Banks to provide information and, under specific circumstances, restricting or prohibiting participation in issuances of Systemwide Debt Securities. The agreement is intended to identify and resolve individual System Bank financial problems in a timely manner. AgriBank, and each of the other System Banks, were in compliance with all aspects of the agreement at December 31, 2025.

If a System Bank fails to meet the MAA performance criteria, it will be placed into one of three categories. Each category gives the other System Banks progressively more control over a System Bank that has declining financial performance under the MAA performance criteria. A "Category I" Bank is subject to additional monitoring and reporting requirements; a "Category II" Bank's ability to participate in issuances of Systemwide Debt Securities may be limited to refinancing maturing debt obligations; and a "Category III" Bank may not be permitted to participate in issuances of Systemwide Debt Securities.

NOTE 10

Financial Instruments With Off-Balance Sheet Risk

We originate and participate in financial instruments with off-balance sheet risk to satisfy the financing needs of borrowers. These financial instruments are in the form of commitments to extend credit and letters of credit. The instruments involve, to varying degrees, elements of credit risk in excess of the amount recognized on the Financial Statements. Commitments to extend credit are agreements to lend to a borrower or participate in a future lending arrangement in accordance with established contracts. At December 31, 2025, AgriBank had various commitments, primarily to extend credit, totaling \$52.5 billion, of which \$45.9 billion were on wholesale loans. Standby letters of credit are agreements to pay a beneficiary if there is default on a contractual arrangement. At December 31, 2025, we had issued standby letters of credit of \$332.9 million.

Commitments to extend credit and letters of credit generally have fixed expiration dates or other termination clauses, and we may require payment of a fee. If commitments to extend credit and letters of credit remain unfulfilled or have not expired, they have off-balance sheet credit risk because their contractual amounts are not reflected on the Statements of Condition until funded or drawn upon. Many of the commitments to extend credit and letters of credit will expire without being fully drawn upon. Therefore, the total commitments do not necessarily represent future cash requirements. Certain letters of credit may have recourse provisions that would enable us to recover from third parties amounts paid under guarantees, thereby limiting our maximum potential exposure. The credit risk involved in issuing these financial instruments is essentially the same as that involved in extending loans to

borrowers, and we apply the same credit practices. The amount of collateral obtained, if deemed necessary by us upon extension of credit, is based on management's credit evaluation of the borrower.

NOTE 11

Fair Value Measurements

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We utilize a fair value hierarchy intended to maximize the use of observable inputs and is based upon the transparency of inputs used in the valuation of an asset or liability. A financial instrument's categorization within the valuation hierarchy is based upon the least transparent input that is significant to the fair value measurement. Refer to Note 2 for additional information about our fair value measurement policy.

Recurring Measurements

The following is a list of financial instruments each with a summary of the methods, valuation techniques and inputs used to measure fair value on a recurring basis:

Valuation Techniques and Significant Inputs Used to Measure Fair Value on a Recurring Basis

	Source	Valuation Technique	Inputs
Federal Funds Sold and Securities purchased under resale agreement	Counterparty report	Cost approach	Face value plus accrued interest
Commercial paper and other	Third-party pricing service	Market approach	Benchmark yield curves
U.S. Treasury securities	Third-party pricing service	Market approach	Benchmark yield curves Quoted prices Bid prices Trade prices, yields, spreads Other observable market information
Mortgage-backed securities	Third-party pricing service	Market approach	Benchmark yield curves Volatilities Market spreads Prepayment speeds Quoted prices
Asset-backed securities	Third-party pricing service	Market approach	Benchmark yield curves Volatilities Market spreads Prepayment speeds Quoted prices
Collateral posted with counterparties	Counterparty report	Cost approach	Principal plus accrued interest
Collateral posted by counterparties	Counterparty report	Cost approach	Principal plus accrued interest
Derivative assets	Internally developed	Market approach	Benchmark yield curves Volatilities Quoted prices
Derivative liabilities	Internally developed	Market approach	Benchmark yield curves Volatilities Quoted prices

Federal Funds Sold and Securities Purchased Under Resale Agreements: The fair value of federal funds and securities purchased under resale agreements are generally their face value, plus accrued interest, as these instruments are readily convertible to cash.

Investments Available-for-Sale: The fair value of nearly all of our investment securities, including mortgage-backed and asset-backed securities, is determined from third-party pricing services that estimate current market prices using market-based measurements that are processed through a rules-based pricing application. Level 2 inputs and assumptions related to third-party market valuation services are typically observable in the marketplace.

Collateral Posted With/By Counterparties: Derivative contracts are supported by bilateral collateral agreements with counterparties requiring us/them to either post cash or pledge investment securities as collateral in the event certain dollar thresholds of credit exposure are reached or in the case of cleared derivatives, the posting of initial and variation margins. The market value of cash collateral posted with counterparties and by counterparties is the face value of the collateral posted, as that approximates fair value.

Derivative Assets and Liabilities: The fair value of our derivative financial instruments is the estimated amount to be received to sell a derivative asset or paid to transfer a derivative liability in active markets among willing participants at the reporting date. Estimated fair values are determined through internal market valuation models and inputs are observable directly or indirectly in the marketplace. We compare internally calculated derivative valuations to broker/dealer quotes to substantiate the results.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

(in thousands)	Fair Value Measurement Using			Total Fair
As of December 31, 2025	Level 1	Level 2	Level 3	Value
Assets:				
Investments available-for-sale:				
Commercial paper and other	\$—	\$5,324,180	\$—	\$5,324,180
U.S. Treasury securities	—	9,969,268	—	9,969,268
Mortgage-backed securities	—	8,212,688	—	8,212,688
Asset-backed securities	—	494,379	—	494,379
Total investments available-for-sale	—	24,000,515	—	24,000,515
Cash collateral posted with counterparties	250,768	—	—	250,768
Derivative assets	—	70,084	—	70,084
Total assets	<u>\$250,768</u>	<u>\$24,070,599</u>	<u>\$—</u>	<u>\$24,321,367</u>
Liabilities:				
Derivative liabilities	<u>\$—</u>	<u>\$71,344</u>	<u>\$—</u>	<u>\$71,344</u>

(in thousands)	Fair Value Measurement Using			Total Fair
As of December 31, 2024	Level 1	Level 2	Level 3	Value
Assets:				
Federal funds sold and securities purchased under resale agreements	\$—	\$400,000	\$—	\$400,000
Investments available-for-sale:				
Commercial paper and other	—	7,990,556	—	7,990,556
U.S. Treasury securities	—	8,133,534	—	8,133,534
Mortgage-backed securities	—	6,721,395	—	6,721,395
Asset-backed securities	—	315,459	—	315,459
Total investments available-for-sale	—	23,160,944	—	23,160,944
Cash collateral posted with counterparties	174,787	—	—	174,787
Derivative assets	—	26,095	—	26,095
Total assets	<u>\$174,787</u>	<u>\$23,587,039</u>	<u>\$—</u>	<u>\$23,761,826</u>
Liabilities:				
Cash collateral posted by counterparties	\$1,910	\$—	\$—	\$1,910
Derivative liabilities	—	23,066	—	23,066
Total liabilities	<u>\$1,910</u>	<u>\$23,066</u>	<u>\$—</u>	<u>\$24,976</u>

(in thousands) As of December 31, 2023	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
Assets:				
Federal funds sold and securities purchased under resale agreements	\$—	\$1,700,000	\$—	\$1,700,000
Investments available-for-sale:				
Commercial paper and other	—	10,594,724	—	10,594,724
U.S. Treasury securities	—	5,005,753	—	5,005,753
Mortgage-backed securities	—	6,249,965	—	6,249,965
Asset-backed securities	—	261,986	—	261,986
Total investments available-for-sale	—	22,112,428	—	22,112,428
Cash collateral posted with counterparties	112,948	—	—	112,948
Derivative assets	—	93,470	—	93,470
Total assets	\$112,948	\$23,905,898	\$—	\$24,018,846
Liabilities:				
Cash collateral posted by counterparties	\$1,120	\$—	\$—	\$1,120
Derivative liabilities	—	75,356	—	75,356
Total liabilities	\$1,120	\$75,356	\$—	\$76,476

Non-Recurring Measurements

Certain loans are individually evaluated for credit losses and deemed to be collateral dependent. The carrying value amount of these loans is based on the estimated value of the underlying collateral, less costs to sell. When the fair value of the collateral, less costs to sell, is less than the amortized cost basis of the loan, a specific allowance for expected credit losses is established. Costs to sell represent transaction costs and are not included as a component of the collateral's estimated fair value. Typically, the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters and, therefore, are classified as Level 3 fair value measurements.

We had \$75.1 million, \$42.8 million and \$26.9 million of collateral dependent loans measured at fair value on a non-recurring basis as of December 31, 2025, 2024 and 2023, respectively.

All loans are classified as held to maturity as of December 31, 2025 and 2024. Loans held for sale as of December 31, 2023, totaled \$355.2 million, and were related to the expected sale of participation interests to District Associations which were sold on August 1, 2024. Fair value is estimated based on expected future cash flows utilizing assumptions of market interest rates and credit risk for loans with similar characteristics. The estimates involve significant inputs based on management's knowledge and judgment, and therefore, are classified as Level 3 fair value measurements. Book value approximated fair value; therefore, no gain or loss was recognized related to these loans.

Other Financial Instrument Measurements

Financial Instruments Not Measured at Fair Value on the Statements of Condition

(in thousands)	Total Carrying Amount	Fair Value Measurement Using			Total Fair Value
As of December 31, 2025		Level 1	Level 2	Level 3	
Assets:					
Cash and cash equivalents	\$1,405,809	\$1,405,809	\$—	\$—	\$1,405,809
Net loans held to maturity	177,729,380	—	—	173,123,131	173,123,131
Total assets	\$179,135,189	\$1,405,809	\$—	\$173,123,131	\$174,528,940
Liabilities:					
Bonds and notes	\$193,426,229	\$—	\$—	\$189,663,155	\$189,663,155
Unrecognized financial instruments:					
Commitments to extend credit and letters of credit		\$—	\$—	\$(4,169)	\$(4,169)

(in thousands)	Total Carrying Amount	Fair Value Measurement Using			Total Fair Value
As of December 31, 2024		Level 1	Level 2	Level 3	
Assets:					
Cash and cash equivalents	\$1,510,493	\$1,510,493	\$—	\$—	\$1,510,493
Net loans held to maturity	164,573,375	—	—	157,101,755	157,101,755
Total assets	\$166,083,868	\$1,510,493	\$—	\$157,101,755	\$158,612,248
Liabilities:					
Bonds and notes	\$180,795,727	\$—	\$—	\$174,375,062	\$174,375,062
Unrecognized financial instruments:					
Commitments to extend credit and letters of credit		\$—	\$—	\$(3,784)	\$(3,784)

(in thousands)	Total Carrying Amount	Fair Value Measurement Using			Total Fair Value
As of December 31, 2023		Level 1	Level 2	Level 3	
Assets:					
Cash and cash equivalents	\$1,642,497	\$1,642,497	\$—	\$—	\$1,642,497
Net loans held to maturity	148,312,576	—	—	140,953,392	140,953,392
Total assets	\$149,955,073	\$1,642,497	\$—	\$140,953,392	\$142,595,889
Liabilities:					
Bonds and notes	\$166,310,329	\$—	\$—	\$159,425,165	\$159,425,165
Unrecognized financial instruments:					
Commitments to extend credit and letters of credit		\$—	\$—	\$(3,339)	\$(3,339)

NOTE 12

Derivative and Hedging Activity

Use of Derivatives

We maintain an overall interest rate risk management strategy that incorporates the use of derivative products to minimize significant unplanned fluctuations in earnings that are caused by interest rate volatility. Our goals are to manage interest rate sensitivity by modifying the repricing or maturity characteristics of certain balance sheet assets and liabilities so that movements in interest rates do not adversely affect net interest margin. As a result of interest rate fluctuations, fixed-rate liabilities will appreciate or depreciate in market value. The effect of this unrealized appreciation or depreciation is expected to be substantially offset by our gains or losses on the derivative instruments that are linked to fixed-rate liabilities. Another result of interest rate fluctuations is that the interest expense of floating-rate liabilities will increase or decrease. The effect of this variability in earnings is expected to be substantially offset by our gains and losses on the derivative instruments that are linked to these floating-rate liabilities. We consider the use of derivatives to be a prudent method of managing interest rate sensitivity, as it prevents earnings from being exposed to undue risk posed by changes in interest rates.

All of our derivative activities are monitored by the Asset/Liability Committee (ALCO) as part of the Committee's oversight of our asset/liability and treasury functions. ALCO ensures that the bank's derivative hedging strategies are implemented in line with the board's risk appetite and are incorporated into our overall asset/liability risk-management framework.

Interest Rate Risk Management

We primarily enter into derivative transactions, particularly interest rate swaps, to reduce funding costs, improve liquidity, manage interest rate sensitivity and basis risk. Interest rate swaps are efficient tools to synthetically modify the fixed or floating rate mix of our debt portfolio for strategic interest rate risk management purposes and are often more cost effective than issuing debt directly. Under interest rate swap arrangements, we agree with other parties to exchange, at specified intervals, payment streams calculated on a specified notional principal amount, with at least one stream based on a specified floating rate index.

Other Derivative Uses

Other uses for derivatives are as follows:

- We also facilitate interest rate swaps to qualified borrowers of the District Associations. These swaps allow qualified borrowers to manage their interest rate risk and lock in a fixed interest rate similar to a fixed rate loan. We manage the interest rate risk from customer swaps with the execution of offsetting interest rate swap transactions.
- We may utilize commodity derivative instruments to manage mineral income volatility. We may purchase commodity put options to protect against a decline in oil prices, which could significantly impact our mineral income. No commodity put options were outstanding as of December 31, 2025, 2024 or 2023.

Derivative Instruments Activity (notional amount)

(in millions)	Receive-Fixed Swaps	Pay-Fixed Swaps	Floating-for-Floating	Other Derivatives	Total
As of December 31, 2022	\$3,526	\$4,865	\$3,800	\$120	\$12,311
Additions	1,750	7,235	800	—	9,785
Terminations	—	(50)	—	—	(50)
Maturities/amortization	(900)	(5,507)	(2,650)	(7)	(9,064)
As of December 31, 2023	\$4,376	\$6,543	\$1,950	\$113	\$12,982
Additions	14,250	3,370	16,000	25	33,645
Maturities/amortization	(14,476)	(3,357)	(12,000)	(7)	(29,840)
As of December 31, 2024	\$4,150	\$6,556	\$5,950	\$131	\$16,787
Additions	—	58,355	1,000	—	59,355
Maturities/amortization	(2,750)	(40,663)	(4,100)	(12)	(47,525)
As of December 31, 2025	\$1,400	\$24,248	\$2,850	\$119	\$28,617

Other derivatives consisted of retail customer interest rate swaps.

Credit Risk Management

By using derivative instruments, we are subject to credit and market risk. If a counterparty is unable to perform under a derivative contract, our credit risk equals the net amount due to us. Generally, when the fair value of a derivative contract is positive, we have credit exposure to the counterparty, creating credit risk for us. When the fair value of the derivative contract is negative, we do not have credit exposure.

With the exception of retail customer swaps, to minimize the risk of credit losses, we deal only with bilateral counterparties that have an investment-grade or better credit rating from a rating agency, and we monitor the credit standing and levels of exposure to individual counterparties. At December 31, 2025, we do not anticipate nonperformance by any of these counterparties. We typically enter into master agreements that contain netting provisions. These provisions allow us to require the net settlement of covered contracts with the same counterparty in the event of default by the counterparty on one or more contracts. All such derivative contracts are supported by bilateral collateral agreements with counterparties requiring collateral to be posted in the event certain dollar thresholds of exposure of one party to the other are reached. These thresholds vary depending on the counterparty's current credit rating.

Bilateral Derivatives

(In thousands)

As of December 31,	2025	2024	2023
Notional amount	\$3,168,526	\$6,280,995	\$2,263,254
Cash collateral posted by counterparties	\$—	\$(1,910)	\$(1,120)

We also clear derivative transactions through a futures commission merchant (FCM) with a clearinghouse or a central counterparty (CCP). When the swap is cleared by the two parties, the single bilateral swap is divided into two separate swaps with the CCP becoming the counterparty to both of the initial parties to the swap. CCPs have several layers of protection against default including margin, member capital contributions and FCM guarantees of their customers' transactions with the CCP. FCMs also pre-qualify the counterparties to all swaps that are sent to the CCP from a credit perspective, setting limits for each counterparty and collecting initial and variation margin daily from each counterparty for changes in the value of cleared derivatives. The margin collected from both parties to the swap protects against credit risk in the event a counterparty defaults. The initial and variation margin requirements are set by and held for the benefit of the CCP. Additional initial margin may be required and held by the FCM, due to its guarantees of its customers' trades with the CCP. Typically, daily variation margin payments are recognized as settlements rather than collateral posted. Initial margin requirements consider volume of notional outstanding, duration of outstanding derivatives and market volatility.

Centrally Cleared Derivatives

(in thousands)

As of December 31,	2025	2024	2023
Notional amount	\$25,448,526	\$10,505,995	\$10,718,254
Initial margin posted with counterparties	\$250,768	\$174,787	\$112,948

Certain derivative instruments contain provisions that require us to post additional collateral upon the occurrence of a specified credit risk-related event. These events, which are defined by existing derivative contracts, are downgrades in the credit rating of AgriBank or if the Farm Credit System is no longer considered a Federally Chartered Instrumentality of the United States. The fair value of all derivative instruments with credit-risk-related contingent features that were in a liability position at December 31, 2025, and any collateral that we may be required to post related to these derivatives was \$6.0 million. In the event that we are downgraded, a tiered collateral posting would be activated which may require us to post collateral of up to \$6.0 million.

Accounting for Derivatives

Refer to Note 2 for information on the accounting for derivatives.

Financial Statement Impact of Derivatives

The fair value of our derivative contracts are presented as "Derivative assets" and "Derivative liabilities" on the Statements of Condition.

(in thousands) As of December 31,	2025		2024		2023	
	Fair Value Assets	Fair Value Liabilities	Fair Value Assets	Fair Value Liabilities	Fair Value Assets	Fair Value Liabilities
Derivatives designated as hedging instruments:						
Receive-fixed swaps	\$3,573	\$—	\$3,838	\$2,876	\$11,510	\$29,986
Pay-fixed swaps	127,189	57,046	221,589	8,977	89,706	34,187
Floating-for-floating swaps	—	9,353	2,536	2,914	3,932	3,111
Total derivatives designated as hedging instruments	130,762	66,399	227,963	14,767	105,148	67,284
Derivatives not designated as hedging instruments:						
Receive-fixed swaps	—	—	439	—	—	—
Pay-fixed swaps	5,346	236	9,351	—	9,081	—
Floating-for-floating swaps	—	—	6	—	—	—
Other derivative products	275	4,709	6	8,299	18	8,072
Total derivatives not designated as hedging instruments	5,621	4,945	9,802	8,299	9,099	8,072
Variation margin settled	(66,233)	—	(211,504)	—	(20,565)	—
Credit valuation adjustments	(66)	—	(166)	—	(212)	—
Total gross amounts of derivatives	\$70,084	\$71,344	\$26,095	\$23,066	\$93,470	\$75,356

Notwithstanding collateral and netting provisions, derivative assets and liabilities are not offset in the Statements of Condition. The amount of collateral posted by or with counterparties is calculated on a net basis, by counterparty. The following table summarizes derivative assets and liabilities, related accrued interest and amounts of collateral exchanged pursuant to our agreements.

(in thousands) As of December 31,	2025	2024	2023
Derivative assets	\$70,084	\$26,095	\$93,470
Derivative liabilities	(71,344)	(23,066)	(75,356)
Accrued interest receivable (payable) on derivatives, net	18,862	13,575	(2,476)
Gross amounts not offset in Statements of Condition:			
Cash collateral posted by counterparties	—	(1,910)	(1,120)
Cash collateral posted with counterparties	250,768	174,787	112,948
Net exposure amounts	\$268,370	\$189,481	\$127,466

The fair value of derivatives includes credit valuation adjustments (CVA). The CVA reflects credit risk of each derivative counterparty to which we have exposure, net of any collateral posted by the counterparty, and an adjustment for our credit worthiness where the counterparty has exposure to us. The CVA was not material in any of the periods presented. The change in the CVA for the period is included in "Interest expense" on the Statements of Comprehensive Income.

In relation to our cash flow hedges, the following table presents the amount of other comprehensive income (loss) (OCI) recognized on derivatives and the amount reclassified from accumulated other comprehensive income (loss) (AOCI) into earnings on effective cash flow hedges. During the next 12 months, \$29.5 million in losses on derivative instruments that qualify as cash flow hedges are expected to be reclassified into earnings.

Cash Flow Hedging Relationships

(in thousands)	Amount of Loss Recognized in OCI on Derivatives	Amount of Gain (Loss) Reclassified from AOCI(L) into Income
For the year ended December 31, 2025		
Pay-fixed swaps	\$ (69,962)	\$ 62,609
Floating-for-floating swaps	(12,068)	(3,092)
Total	\$ (82,030)	\$ 59,517
(in thousands)	Amount of Gain (Loss) Recognized in OCI on Derivatives	Amount of Gain (Loss) Reclassified from AOCI(L) into Income
For the year ended December 31, 2024		
Pay-fixed swaps	\$ 235,965	\$ 65,785
Floating-for-floating swaps	(1,488)	(290)
Total	\$ 234,477	\$ 65,495
(in thousands)	Amount of Gain (Loss) Recognized in OCI on Derivatives	Amount of Gain (Loss) Reclassified from AOCI(L) into Income
For the year ended December 31, 2023		
Pay-fixed swaps	\$ 25,102	\$ 41,540
Floating-for-floating swaps	(19,577)	(4,700)
Total	\$ 5,525	\$ 36,840

The following table shows the effect of fair value and cash flow hedge accounting as well as economic hedges on the Statements of Comprehensive Income.

(in thousands)	Other (Loss) Income, Net			Interest Expense		
For the year ended December 31,	2025	2024	2023	2025	2024	2023
Total amount of income and expense line items presented in the Statements of Comprehensive Income in which the effects of the fair value, cash flow and economic hedges are recorded:	\$ (1,646)	\$ (3,725)	\$ 1,567	\$ 6,841,901	\$ 6,619,466	\$ 5,150,665
Asset and Liability Management Positions						
Fair value hedges:						
Interest rate derivatives	—	—	—	(643)	(20,286)	(53,955)
Bonds and notes	—	—	—	2,534	20,272	53,369
Cash flow hedges:						
Interest rate derivatives	—	—	—	(59,517)	(65,495)	(36,840)
Economic hedges:						
Interest rate derivatives	(825)	474	(212)	—	—	—

Note: We do not exclude components from effectiveness testing for fair value or cash flow hedges. During the years ended December 31, 2025, 2024 and 2023, we reclassified gains or losses into earnings as a result of the discontinuance of certain cash flow hedges.

The following table shows the cumulative hedging adjustment (fair value adjustment) for fair value hedges that are included in the carrying amount of the hedged item:

(in thousands)	Carrying Amount of the Hedged Item			Cumulative Fair Value Adjustment Included in the Carrying Amount of the Hedged Item		
As of December 31,	2025	2024	2023	2025	2024	2023
Line Item on the Statements of Condition						
Bonds and notes	\$ 1,403,279	\$ 2,149,993	\$ 4,352,972	\$ 3,624	\$ 1,090	\$ (19,182)

Note: AgriBank did not have any material hedging adjustments for discontinued fair value hedges.

NOTE 13

Accumulated Other Comprehensive Income (Loss)

Changes in Components of Accumulated Other Comprehensive Income (Loss)

(in thousands)	Investment Securities Activity	Derivatives and Hedging Activity	Employee Benefit Plan Activity	Total
Balance at December 31, 2022	\$(925,758)	\$58,824	\$(1,696)	\$(868,630)
Other comprehensive income (loss) before reclassifications	247,311	5,525	26	252,862
Amounts reclassified from accumulated other comprehensive income (loss)	18	(36,840)	185	(36,637)
Net other comprehensive income (loss)	247,329	(31,315)	211	216,225
Balance at December 31, 2023	\$(678,429)	\$27,509	\$(1,485)	\$(652,405)
Other comprehensive income (loss) before reclassifications	48,625	234,477	(58)	283,044
Amounts reclassified from accumulated other comprehensive income (loss)	275	(65,495)	163	(65,057)
Net other comprehensive income (loss)	48,900	168,982	105	217,987
Balance at December 31, 2024	\$(629,529)	\$196,491	\$(1,380)	\$(434,418)
Other comprehensive income (loss) before reclassifications	313,465	(82,030)	(531)	230,904
Amounts reclassified from accumulated other comprehensive income (loss)	(119)	(59,517)	147	(59,489)
Net other comprehensive income (loss)	313,346	(141,547)	(384)	171,415
Balance at December 31, 2025	\$(316,183)	\$54,944	\$(1,764)	\$(263,003)

The derivatives and hedging activity and employee benefit plans activity reclassified from AOCI is included in "Interest expense" and "Other operating expense" respectively, on the Statements of Comprehensive Income. The investment securities activity reclassified from AOCI is included in "Other (loss) income, net" on the Statements of Comprehensive income.

NOTE 14

Subsequent Events

We have evaluated subsequent events through February 27, 2026, which is the date the Financial Statements were available to be issued.

There have been no other material subsequent events that would require recognition in our 2025 Financial Statements or disclosure in the Notes to those Financial Statements.

NOTE 15

AgriBank and District Associations

The Financial Statements exclude financial information of District Associations. AgriBank and District Associations are collectively referred to as the “District.” We separately publish certain unaudited combined AgriBank District financial information, including a condensed statement of condition and statement of income, which can be found on our website at www.AgriBank.com.

AgriBank's approval is required for significant structure changes at District Associations including, but not limited to: merger, acquisition, liquidation, or reaffiliation to another Farm Credit District.

Additional Regulatory Information

AgriBank, FCB

(Unaudited)

(In whole dollars unless otherwise noted)

Description of Business

General information regarding the business is incorporated herein by reference from Note 1 to the accompanying Financial Statements included in this Annual Report.

The description of significant business developments, if any, is incorporated herein by reference from the "Management's Discussion and Analysis" section included in this Annual Report.

Description of Property

We lease our headquarters located in St. Paul, Minn. In addition to base rent, we are responsible for our share of the operating costs of the building under the lease agreement. Our lease agreement expires October 31, 2026. We sublease a portion of our office space to Farm Credit Foundations and SunStream Business Services.

Legal Proceedings

Information regarding legal proceedings is incorporated herein by reference from Note 9 to the accompanying Financial Statements included in this Annual Report. We were not subject to any enforcement actions as of December 31, 2025.

Description of Capital Structure

Information regarding capital structure is incorporated herein by reference from Note 6 to the accompanying Financial Statements included in this Annual Report.

Description of Liabilities

Information regarding liabilities is incorporated herein by reference from Notes 5, 7, 9, 11 and 12 to the accompanying Financial Statements included in this Annual Report.

Selected Financial Data

"Five-Year Summary of Selected Financial Data," included at the beginning of this Annual Report, is incorporated herein by reference.

Management's Discussion and Analysis

"Management's Discussion and Analysis," included in this Annual Report, is incorporated herein by reference.

Board of Directors of AgriBank, FCB

The board is organized into the following committees to carry out board responsibilities:

- The **Audit Committee** assists the board in fulfilling its oversight responsibilities for financial reporting, the adequacy of the Bank’s internal control systems, the scope of the Bank’s internal audit program, the independence of the outside auditors and the Bank’s process for monitoring compliance with laws, regulations, and the standards of conduct including the code of ethics. The Audit Committee also oversees the adequacy of management’s action with respect to recommendations arising from auditing activities.
- The **Compensation Committee** oversees Bank human resource programs and policies in areas such as, compensation, benefits, succession planning, performance management, diversity and inclusion, and other AgriBank programs that impact human capital.
- The **Governance Committee** oversees matters related to board governance and board operations, monitors director training and development, and monitors the board’s involvement in AgriBank’s strategic planning process.
- The **Risk Management Committee** assists the full board in overseeing the integration of risk management in the Bank through an enterprise risk management process. The Committee monitors the risk framework of the Bank, promotes effective management of all risks and fosters the establishment and maintenance of an effective risk culture throughout the Bank.
- The **Government Relations Committee** monitors federal legislative and regulatory policies that may affect AgriBank and its mission as a Farm Credit Funding Bank, as well as issues that may affect the Farm Credit System, and considers appropriate positions.

Information regarding directors who served as of December 31, 2025, including business experience in the past five years and any other business interest where a director serves on the board of directors or as a senior officer follows:

Name	Principal Occupation, Board Committees and Other Affiliations at December 31, 2025
Chris Roberts, Board Chair Age: 55 Board Service Began: 2022 Current Term Expires: 2026	Principal Occupation: Owner/Operator of Delta Terre Planting LLC, a row crop farming operation in Ark. Board Committees: Government Relations Committee Other Affiliations: Director of the Farm Credit Council, a trade association representing the Farm Credit System in Washington, D.C. Director of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn.
Nick Vande Weerd Board Vice Chair Age: 44 Board Service Began: 2015 Current Term Expires: 2027	Principal Occupation: Owner of PVW Family Farms, LLC, a grain and livestock farming operation in Bruce, S.D. Owner of Vande Weerd Family Farms, LLC, a grain and livestock farming operation in Bruce, S.D. Board Committees: Chair of the Governance Committee Vice Chair of the Government Relations Committee Other Affiliations: FSS Commander in the South Dakota Air National Guard, a U.S. military service in Sioux Falls, S.D. Director of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn. Owner of Vande Weerd Marketing, LLC, an investing, consulting, and farming operation in Brookings, S.D. Owner of FATE, LLC, an investing entity in Brookings, S.D. Director of South Dakota Dairy Producers, a trade association, in Sioux Falls, S.D., representing dairy producers.
Jeff Austman Age: 54 Board Service Began: 2021 Current Term Expires: 2029	Principal Occupation: Self-employed farmer of a corn and soybean operation in Forrest, Ill. Board Committees: Chair of the Risk Management Committee Other Affiliations: Secretary of Austman, Inc., a property management operation including farmland in Ill. and timber in Minn. Board Member of Gibson Area Hospital Foundation, a charitable fundraising organization for a hospital in Gibson City, Ill.

Name	Principal Occupation, Board Committees and Other Affiliations at December 31, 2025
Donald Blankenship Age: 51 Board Service Began: 2020 Current Term Expires: 2028	Principal Occupation: Owner of Blankenship Farms, a crops and livestock operation in Murfreesboro, Tenn. Board Committees: Vice Chair of the Audit Committee Other Affiliations: Board Member of Kittrell Fire Department, a volunteer fire department in Readyville, Tenn.
Laura Braun Age: 66 Board Service Began: 2022 Current Term Expires: 2026	Principal Occupation: Member of Golden Maple Farms, LLC, a cash crop farming operation in Ovid, Mich. Board Committees: Chair of the Government Relations Committee Governance Committee Other Affiliations: Director of the Farm Credit Council, a trade association representing the Farm Credit System in Washington, D.C. Director of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn.
Ivar Chhina Appointed Director Financial Expert Age: 63 Board Service Began: 2021 Current Term Expires: 2029	Principal Occupation: Retired executive in Bellevue, Wash. Board Committees: Chair of the Audit Committee Other Affiliations: Director and Chair of the Audit Committee for Malibu Boats, Inc., a manufacturer of recreational boats (NASDAQ: MBUU) in Loudon, Tenn. Director and Chair of the Audit Committee for Sage Dental Management, LLC, a dental healthcare services company in Boca Raton, Fla. Director of Ledge Lounger, Inc., a pool and outdoor furniture manufacturer in Katy, Tex. Director and Chair of the Audit Committee for Femwell Group Health, LLC, a healthcare services company in Miami, Fla.
Stan Claussen, Age: 72 Board Service Began: 2016 Current Term Expires: 2028	Principal Occupation: Self-employed grain and sugar beet farmer in Montevideo, Minn. Owner of Claussen Land, LLP, a land holding company in Benson, Minn. Owner/Operator of Claussen Farms, LLP, a grain and sugar beet farming operation in Benson, Minn. Owner/Operator of Claussen Land Improvement, LLP, a drain tile installation company in Benson, Minn. Board Committees: Audit Committee Government Relations Committee Other Affiliations: Investor/Member, Vice Chair of the Board of Bushmills Ethanol, Inc., an ethanol production company in Atwater, Minn. Investor in Riverview, LLP, a dairy farm in Hancock, Minn. Board Chair of Admiral Point 2/Sailfish Pass Homeowners Association in Punta Gorda, Fla. Board Chair of the Farm Credit Council, a trade association representing the Farm Credit System in Washington, D.C. Director of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn.
Steve Cunningham Appointed Director Age: 56 Board Service Began: 2022 Current Term Expires: 2027	Principal Occupation: CFO Enova International, a non-bank financial services entity in Chicago, Ill. Board Committees: Vice Chair of the Risk Management Committee Other Affiliations: None
Randy Peters Age: 72 Board Service Began: 2020 Current Term Expires: 2028	Principal Occupation: Owner and President of Randy Peters Seed Farms, Inc., a seed business and grain and livestock operation in McCook, Neb. Owner and President of Triple R Farms, Inc., a farming operation in McCook, Neb. Board Committees: Vice Chair of the Governance Committee Other Affiliations: Director of the Nebraska Crop Improvement Association, a not-for-profit, membership-based corporation designated as the official seed and plant part certification agency for the State of Nebraska.

Name	Principal Occupation, Board Committees and Other Affiliations at December 31, 2025
Mark Pierce Age: 67 Board Service Began: 2022 Current Term Expires: 2026	Principal Occupation: Owner and President of Rippling Water Farms, Inc., a crop and livestock farming operation in De Kalb, Mo. Board Committees: Government Relations Committee Risk Management Committee Other Affiliations: Director of Buchanan County Farm Bureau, agricultural service agency in St. Joseph, Mo. Director of Progressive Community Services, which provides programs and resources to individuals with intellectual/developmental disabilities and their families in St. Joseph, Mo. Director of Clean Water Commission State of Missouri, governor-appointed. Community event coordinator on the De Kalb Homecoming Board, a non-profit community festival board in De Kalb, Mo.
Brandon Robbins Age: 46 Board Service Began: 2025 Current Term Expires: 2029	Principal Occupation: President of Mountain Farm International, LLC, an agricultural equipment dealer in Crossville, Tenn. Board Committees: Compensation Committee Other Affiliations: None
Timothy Rowe Age: 65 Board Service Began: 2017 Also Served: 2010-2014 Current Term Expires: 2029	Principal Occupation: Owner and President of Rowe, Inc., a grain and livestock farming operation in Elwood, Neb. Board Committees: Compensation Committee Government Relations Committee Other Affiliations: Board Chair of Country Partners Cooperative, a local supply cooperative in Gothenburg, Neb. Director of the Nebraska Cooperative Council, a trade association representing agricultural cooperatives in Lincoln, Neb. Director of the Farm Credit Council, a trade association representing the Farm Credit System in Washington, D.C. Director of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn.
George Stebbins Age: 72 Board Service Began: 2018 Current Term Expires: 2026	Principal Occupation: Owner of Stebbins Farms Ltd., a crop farming operation in Englewood, Ohio Owner of Stebbins Land Company Ltd., a land holding company in Englewood, Ohio Owner of WGTS Farms Ltd., a land holding company in Englewood, Ohio Board Committees: Vice Chair of the Compensation Committee Other Affiliations: Director of the Miami County Zoning Commission, a zoning commission in Troy, Ohio
Michael Timmer Age: 57 Board Service Began: 2025 Current Term Expires: 2029	Principal Occupation: Owner of Timmer Family Farms, a crop production and livestock farming operation in Hopkins, Mich. Board Committees: Risk Management Committee Other Affiliations: None
Rollin Tonneson Age: 73 Board Service Began: 2019 Current Term Expires: 2027	Principal Occupation: Owner of Tonneson Brothers, a grain farming operation in Souris, N.D. Owner of Tonneson Farms, a grain farming operation in Souris, N.D. Board Committees: Audit Committee Other Affiliations: Chair of Grace Lutheran Brethren Church, a religious organization in Bottineau, N.D. Chair of Emmanuel Lutheran Brethren Church Foundation, a foundation for an inactive rural church near Carbury, N.D. Employee of Benjamin Tonneson Farms, a farm operation near Souris, N.D.

Name	Principal Occupation, Board Committees and Other Affiliations at December 31, 2025
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Matthew Walther
Age: 54
Board Service Began: 2011
Current Term Expires: 2027

Principal Occupation:
Owner/Member of Matt Walther Farms, LLC, a crop and cow/calf herd and finished cattle operation in Centerville, Ind.
Owner/Member of Buell Drainage, LLC, a tile drainage company in Centerville, Ind.
Board Committees:
Governance Committee
Other Affiliations:
Board Chair of the Federal Farm Credit Banks Funding Corporation, the fiscal agent for the Farm Credit System, in Jersey City, N.J.

Jennifer Zessin
Age: 56
Board Service Began: 2024
Current Term Expires: 2028

Principal Occupation:
Owner of Zessin Farms, a farming operation in Madison, Neb.
Owner of 3Z Equipment, LLC, an equipment entity in Madison, Neb.
Board Committees:
Chair of the Compensation Committee
Other Affiliations:
Treasurer of Trinity Lutheran Church and School, a non-profit church and K-8 school in Madison, Neb.

Information regarding days served and compensation paid during 2025 for each director follows:

	Days Served		Compensation Paid for Leadership Position on a Board Committee or Chair/Vice Chair Positions	Position	Total Compensation Paid
	Board Meetings	Other Activities			
Chris Roberts ⁽¹⁾	9.0	32.0	\$15,375	Board Chair	\$131,000
			2,500	Board Vice Chair	
			1,250	Governance Chair	
Nick Vande Weerd ⁽²⁾	9.0	21.0	3,735	Board Vice Chair	117,453
			3,844	Governance Chair	
Jeff Austman	9.0	9.0	5,094	Risk Chair	106,969
Donald Blankenship	9.0	15.0			101,875
Laura Braun	9.0	13.0			101,875
Ivar Chhina	9.0	13.0	10,187	Audit Chair	112,063
Stan Claussen ⁽³⁾	9.0	27.0	5,000	Board Chair	112,875
Dale Crawford ⁽⁴⁾	3.0	6.0			25,000
Steve Cunningham	8.5	7.5			101,875
Randy Peters	9.0	10.0			101,875
Mark Pierce	9.0	19.0			101,875
Brandon Robbins ⁽⁵⁾	6.0	4.0			82,354
Timothy Rowe ⁽²⁾	8.0	20.0	7,687	Board Vice Chair	109,563
George Stebbins	9.0	7.0			101,875
Michael Timmer ⁽⁵⁾	6.0	5.0			82,354
Rollin Tonneson	9.0	14.0	1,250	Compensation Chair	103,125
Matthew Walther	9.0	12.0			111,875
Tony Wolfe ⁽⁶⁾	3.0	3.0			25,000
Jennifer Zessin	9.0	12.0	3,844	Compensation Chair	111,178
Total			\$59,766		\$1,842,059

⁽¹⁾ Chair of the Board term commenced March 2025 and Vice Chair of the Board term ended March 2025

⁽²⁾ Timothy Rowe served as Vice Chair from March 12, 2025 to August 20, 2025. Nick Vande Weerd began his term as Vice Chair on August 20, 2025.

⁽³⁾ Chair of the Board term ended March 2025

⁽⁴⁾ Term expired March 2025

⁽⁵⁾ Elected March 2025

⁽⁶⁾ Retired March 2025

Days served in the preceding table represent actual days at board meetings and activities. Board members may also spend additional time in preparation for meetings and in travel to and from meetings.

The board members receive a standard annual retainer, which is paid quarterly, for attendance at meetings and other official activities for which attendance is required or desirable. Annual retainer adjustments follow a standard cycle, effective the month following the Annual Meeting. The standard retainer effective April 1, 2024 through March 31, 2025 was \$100,000. The standard retainer effective April 1, 2025 through March 31, 2026 was \$102,500. An additional position retainer is paid for specified leadership roles on the board that involve an increased level of activity and time commitment. The leadership roles designated to receive the additional position retainer above the standard retainer, and the percentage of additional retainer as of December 31, 2025, are as follows: Board Chair (20%); Board Vice Chair (10%); Audit Committee Chair (10%); Compensation, Risk Management, and Governance Chairs (5% each). Effective January 1, 2026, these retainers were increased to the following: Board Chair (30%); Board Vice Chair (20%); Audit Committee Chair (15%); Compensation, Risk Management, and Governance Chairs (10% each). In addition to

the standard retainer and leadership position retainers, additional compensation may be provided to a director for extraordinary time and effort in the service of AgriBank and its shareholders. Such compensation is provided in the amount of \$1,000 per additional day of service, and is paid at the discretion of the board upon request of the individual director performing the additional services. Directors are also reimbursed for reasonable travel and expenses incurred.

Senior Officers

The senior officers of AgriBank, FCB at December 31, 2025, included:

Name	Position	Business Experience and Employment During Past Five Years and Other Affiliations at December 31, 2025
Jeffrey R. Swanhorst	Chief Executive Officer	Position began in April 2018. Other Affiliations: Board member of the Federal Farm Credit Banks Funding Corporation, the fiscal agent for the Farm Credit System in Jersey City, N.J. Member of Presidents Planning Committee (PPC) and member of the Business Practices and Risk Management Committees of the PPC, which provides management coordination and acts in an advisory role on matters that have potential for national impact on, or implications for, the Farm Credit System. Chair of the SunStream Business Services board, a technology and business services provider in St. Paul, Minn. Chief Executive Officer/President of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn. Executive Committee member of the Executive Council of the National Council of Farmer Cooperatives, an organization advancing the business and policy interests of America's cooperatives and other farmer-owned enterprises in Washington, D.C.
Brad W. Hoffelt	Chief Financial Officer	Position began in September 2024. Prior to that served as Chief Financial Officer of Global Treasury and Commercial Payments at U.S. Bank beginning in January 2016. Other Affiliations: Treasurer of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn.
James B. Jones	Chief Credit Officer	Position began in October 2018. Other Affiliations: Board member of Urban Roots, a non-profit focused on youth development through urban agriculture, conservation and food preparation programs in St. Paul, Minn.
Jeremy J. Renger	Chief Risk and Information Officer	Position began in September 2022. Prior to that served as Director of Risk Analytics and ERM for John Deere Financial in Johnston, Iowa beginning in September 2008. Other Affiliations: None
Barbara Kay Stille⁽¹⁾	Chief Operations and Strategy Officer	Position began in November 2024. Served as Interim General Counsel from February 2025 to August 2025. Prior to that served as Chief Administrative Officer and General Counsel from October 2016 to November 2024. Ms. Stille also served as Interim Chief Information Officer from February 2022 to September 2022. Other Affiliations: Member of Stille Family Farm, LLC, a farm real estate holding entity in Alhambra, Ill.
Thomas P. Hitchcock⁽¹⁾	Senior VP and General Counsel	Position began in August 2025. Prior to that, he served as General Counsel and Secretary at CNH Industrial Capital, following several years in various roles with the company since January 2021. Mr. Hitchcock also served as Vice President and Assistant General Counsel at JPMorgan Chase Bank from September 2013 to December 2020. Other Affiliations: Secretary of the AgriBank District Farm Credit Council, a trade association representing the AgriBank District in St. Paul, Minn.

⁽¹⁾ John Morrow served as the General Counsel from November 2024 to February 14, 2025, at which time Ms. Stille began to serve as Interim General Counsel until August 4, 2025, when Mr. Hitchcock assumed the role of Senior VP and General Counsel of AgriBank.

Senior Officer Compensation

All senior officers, including the chief executive officer (CEO) are compensated with a mix of salary and incentives as well as various AgriBank Farm Credit District post-employment benefit plans. The Compensation Committee of the board determines the appropriate levels and mix of short-term and long-term incentives in a responsible manner. Annual compensation for senior officers is intended to be competitive with annual compensation for comparable positions at peer organizations.

The Compensation Committee engages a consulting firm to conduct an independent review of external benchmark data on a regular basis for senior officers. Our compensation philosophy enables us to attract and retain highly qualified senior officers with the requisite skills and experience to achieve our desired business results, including our mission to ensure that safe, sound and reliable sources of credit and related services are provided to rural America.

Salary: Senior officers' base salaries reflect the individual's experience and level of responsibility. The base salary of the CEO is subject to review and approval by the board, and the Compensation Committee may make recommendations on the CEO's base salary to the board. All other senior officer salaries are subject to review and approval by the CEO.

Short-term Incentive Compensation: Annually, a short-term incentive compensation program is available to all employees, including senior officers, based upon AgriBank performance criteria established by the board and personal objectives established by employees and their managers. The short-term incentive compensation amounts are calculated after the end of the plan year (calendar year) and are generally paid out in a lump sum within 90 days of year end. For 2025 the criteria for AgriBank performance objectives included: Contractual Interbank Performance Agreement (CIPA) performance score as a gate to fund the component based upon AgriBank performance, financial measures for net operating expense and earnings available for wholesale patronage; and an operational strength measure for client satisfaction. Prior to 2025, the criteria for AgriBank performance objectives included: financial measures for net operating expense and earnings available for wholesale patronage; a funding measure for our CIPA performance score; and an operational strength measure for client satisfaction. The short-term incentive compensation of the CEO is subject to review and approval by the board, and the Compensation Committee may make recommendations on the CEO's short-term incentive to the board. Regardless of position, short-term compensation may be prorated based on hire date.

Long-term Incentive Compensation: The CEO, senior officers, and certain other individuals participated in the long-term incentive compensation plan in each year presented. The long-term incentive compensation amounts are determined based upon three-year performance criteria established by the board. A new three-year plan is established each year. The criteria for the plan years beginning in each year presented were based on earnings available for wholesale patronage measure and our CIPA performance score. The long-term incentive compensation of the CEO is subject to review and approval by the board, and the Compensation Committee may make recommendations on the CEO's long-term incentive to the board.

The board, in its sole discretion, may increase or decrease the amount of any incentive calculated. The long-term incentive compensation amounts are calculated annually and are generally paid out in a lump sum within 90 days of the final three-year plan year. Additionally, long-term incentive compensation may be provided to new senior officers with immediate eligibility or on a phased in basis during the initial three years of participation in the long-term incentive program. Annual long-term incentive amounts reflect long-term incentives earned in the applicable year based on an estimate of the total incentive over the three-year period.

Perquisites: Perquisites may include compensation associated with group term life and long-term disability insurance premiums, taxable reimbursements, relocation assistance, signing bonuses, and tax reimbursement for perquisite compensation, as applicable. Due to the nature of timing and reimbursement for relocation assistance, it is included in the compensation table in the year it is paid.

Other:

- Employer contributions to the AgriBank District Retirement Savings Plan, which is available to all employees, including senior officers
- Employer contributions to the Districtwide Nonqualified Deferred Compensation Plan which is available to the CEO and other employees meeting certain eligibility criteria described in Note 7 of the accompanying Financial Statements
- Changes in the value of pension benefits, which is defined as the change in the vested portion of the present value of the accumulated benefit obligation from December 31 of the prior year to December 31 of the most recent year for the Districtwide Retirement Plan and Pension Restoration Plan, as applicable, as disclosed in Note 7 of the accompanying Financial Statements. This change in value does not represent cash payments made by AgriBank during the year, but rather is an estimate of the change in AgriBank's future obligations under the pension plans. Refer to the Pension Benefits Attributable to Senior Officers for further information regarding pension distributions.

- Service awards available to all employees meeting pre-established years of service anniversaries
- Non-recurring performance payments for eligible employees, regardless of position, excluding the CEO
- Payment of unused vacation, available to all employees upon retirement or separation from AgriBank
- Tax reimbursements, available to all employees

“Other” fluctuates from year to year based primarily on changes to pension actuarial assumptions and changes in composition of the aggregate senior officers.

Retirement Plans: The AgriBank District has various post-employment benefit plans which are generally available to all AgriBank employees, including the CEO and senior officers, based on continuous dates of service with the Bank or, in certain situations, with other participating District employers. These plans are not otherwise differentiated by position, unless specifically stated. Information regarding the post-employment benefit plans is incorporated herein by reference from Notes 2 and 7 of the accompanying Financial Statements included in this Annual Report.

Senior officers and certain other individuals over a specified salary amount have an option to defer payments of their salary as well as payments under both the short-term and long-term incentive programs in accordance with applicable laws and regulations. Deferred compensation is based on the year it is earned. Jeffrey R. Swanhorst, CEO, deferred \$196 thousand, \$127 thousand, and \$159 thousand in 2025, 2024 and 2023, respectively. Total amounts deferred by senior officers (excluding the CEO) were \$413 thousand, \$184 thousand, and \$171 thousand for amounts earned in 2025, 2024 and 2023, respectively.

Compensation Paid to Senior Officers

(in thousands)			Short-term Incentive Compensation	Long-term Incentive Compensation ⁽¹⁾	Perquisites	Other ⁽²⁾	Total
Name of Individual	Year	Salary					
CEO:							
Jeffrey R. Swanhorst	2025	\$878	\$921	\$521	\$12	\$156	\$2,488
Jeffrey R. Swanhorst	2024	842	293	467	12	182	1,796
Jeffrey R. Swanhorst	2023	792	547	566	12	170	2,087
Aggregate Number of Senior Officers (excluding CEO):							
Seven ⁽³⁾	2025	\$2,371	\$1,240	\$571	\$646	\$1,562	\$6,390
Six ⁽⁴⁾	2024	1,879	453	789	364	546	4,031
Four	2023	1,533	572	482	71	785	3,443

⁽¹⁾ All compensation is disclosed in the year it is earned. As the long-term incentive is on a rolling three-year basis, adjustments for earnings plan-to-date in a particular plan year may be reduced so the cumulative earned long-term compensation reflects the actual payments received at the end of the three-year period.

⁽²⁾ Generally, pension benefits increase annually as a result of an additional year of credited service and related compensation for plan participants. The value of the pension benefits can also be significantly impacted by changes in interest rates as of the measurement date. Additionally, when a senior officer retires, the valuation of the final benefit amounts may be significantly impacted by the application of a known retirement date, the payment form election, and final compensation amounts, as opposed to plan-level assumptions prior to the retirement.

⁽³⁾ Includes compensation for one senior officer who joined the Bank in August 2025, one senior officer who retired in June 2025 and one senior officer who left the Bank in February 2025

⁽⁴⁾ Includes compensation for one senior officer who began serving in an advisory capacity during September 2024 and an additional senior officer who began serving during November 2024

Farm Credit Administration (FCA) Regulations require the disclosure of the compensation paid during the last fiscal year to all senior officers and highly compensated individuals included in the above table to AgriBank shareholders and shareholders of related institutions upon request.

There were no highly compensated individuals who required disclosure under FCA Regulations in 2025, 2024 or 2023 in the Compensation Paid to Senior Officers table.

Pension Benefits Attributable to Senior Officers

(in thousands)

As of December 31, 2025

Aggregate Number of Senior Officers (excluding CEO)	Plan	Years of Credited Service	Present Value of Accumulated Benefits	Payments Made during the Reporting Period
Two	AgriBank District Retirement Plan	24.0	\$1,216	\$—
Two	AgriBank District Pension Restoration Plan	24.0	\$743	\$—

Effective January 1, 2007, the AgriBank District Retirement Plan was closed to new employees. Therefore, any employee starting employment with the AgriBank District after that date is not eligible to be in the plan, including the CEO.

The AgriBank District Pension Restoration Plan restores retirement benefits to certain highly compensated employees that would have been provided under the qualified plan if such benefits were not above the Internal Revenue Code compensation or other limits. Not all employees are eligible to participate in this plan.

Transactions with Senior Officers and Directors

Information regarding transactions with senior officers and directors, including investment bond transactions, is incorporated herein by reference from Note 8 of the accompanying Financial Statements included in this Annual Report. AgriBank had no other transactions with board members or senior officers in 2025.

Loans to Senior Officers and Directors

Elected directors of the AgriBank board are District Association borrowers. AgriBank does not have a direct lending relationship with any of its directors or senior officers. AgriBank may, from time to time, participate in loans to its directors under asset pool programs or through other commercial participations. These commercial participations may be to non-Farm Credit institutions or to affiliated organizations (as defined in FCA Regulation 620.1(a)) in which a director is a partner, director, officer or majority shareholder.

The Associations' direct lending to our directors, and in which we subsequently participated, were subject to special approval requirements contained in FCA Regulations and were made on substantially the same terms and conditions as those prevailing at the time for comparable transactions with other persons. None of these loans outstanding at December 31, 2025, involved more than a normal risk of collectability.

Travel, Subsistence and Other Related Expenses

Directors and senior officers are reimbursed for reasonable travel, subsistence and other related expenses associated with AgriBank's business functions. AgriBank directors were reimbursed for expenses in the amount of \$639,787, \$546,319 and \$630,835 in 2025, 2024 and 2023, respectively. A copy of AgriBank's policy for reimbursing these costs is available upon request.

Involvement in Certain Legal Proceedings

There were no events during the past five years that are material to evaluating the ability or integrity of any person who served as a director or senior officer of AgriBank on January 1, 2026 or at any time during 2025.

Shareholder Privacy

Shareholders' nonpublic personal financial information is protected by FCA Regulations. Our directors and employees are restricted from disclosing information not normally contained in published reports or press releases about AgriBank, District Associations or their shareholders.

Relationship with Qualified Public Accountant

There were no changes in independent auditors since the last Annual Report to members and we are in agreement with the opinion expressed by the independent auditors.

Fees for professional services paid during 2025 to our independent qualified independent accountants, were as follows:

- Audit services related to the integrated audit for 2025 and 2024 were \$616 thousand and \$595 thousand, respectively. Additionally, there were \$22 thousand of additional fees related to our loan accounting transition during 2025, which were pre-approved by the Audit Committee. Out-of pocket expenses were \$52 thousand related to the 2024 audit. There were no out-of pocket expenses paid during 2025 related to the 2025 audit. The engagement letter for integrated audit services for 2025 for the Bank reflects a fee of \$1.2 million, plus reasonable out-of-pocket expenses and incremental fees that may be assessed based on additional work not originally planned at the on-set of the engagement.
- Non-audit fees of \$2 thousand for financial disclosure software that occurred in the normal course of business. All non-audit fees were pre-approved by the Audit Committee.

There were no other audit, tax or non-audit services paid in 2025.

Financial Statements

The "Report of Management", "Report on Internal Control over Financial Reporting", "Report of Audit Committee", "Report of Independent Registered Public Accounting Firm", "Financial Statements" and "Notes to Financial Statements" included in this Annual Report, are incorporated herein by reference.

Regulatory Capital Disclosures

The following information contains regulatory disclosures as required under Farm Credit Administration (FCA) Regulations 628.62 and 628.63, for risk-adjusted ratios, common equity tier 1 capital, tier 1 capital and total capital ratios. Refer to Note 6 of the accompanying Financial Statements for information regarding the statutorily required permanent capital ratio. As required, these disclosures are made available for at least three years and can be accessed at AgriBank's website at www.AgriBank.com.

Disclosure Requirement	Description	Annual Report Reference
Scope of Application	Corporate entity and consolidated subsidiaries Description of entity consolidation Restrictions on transfers of funds or capital	Page 110 Page 110 Page 110
Capital Structure	Terms and conditions of capital instruments Regulatory capital components	Pages 77-80 Page 111
Capital Adequacy	Capital adequacy assessment Risk-weighted assets Regulatory capital ratios	Page 112 Page 112 Page 113
Capital Buffers	Quantitative disclosures	Page 113
Credit Risk	Credit risk management and policies Summary of exposures Geographic distribution Additional industry and counterparty distribution Contractual maturity Nonperforming loans and allowance for credit losses	Pages 23-27, 39-42, 56-57 Page 113 Page 114 Pages 22, 31, 39-41 Pages 74, 114-115 Pages 27-28, 56-57, 71-73, 115
Counterparty Credit Risk-Related Exposures	General description Counterparty exposures	Pages 115-116 Pages 40, 93-94, 115-116
Credit Risk Mitigation	General description Exposures with reduced capital requirements	Pages 23-27, 30-31, 39-41, 95, 115-116 Pages 115-116
Securitization	General description Methods and key assumptions Securitization exposures	Pages 116-117 Page 90 Page 117
Equities	General description Equity exposures	Page 117 Page 117
Interest Rate Risk for Non-Trading Activities	General description Interest rate sensitivity	Page 37 Pages 37-39 Page 117

Scope of Application

AgriBank, FCB (AgriBank or the Bank) is one of the four Banks of the Farm Credit System (System), a nationwide system of cooperatively owned Banks and Associations, established by Congress and subject to the provisions of the Farm Credit Act of 1971, as amended. We prepare our Financial Statements in conformity with generally accepted accounting principles in the United States of America (GAAP) and prevailing practices within the financial services industry.

AgriBank has no subsidiaries; therefore, the accompanying Financial Statements are only those of AgriBank and are not consolidated with any other entity. In conjunction with other System entities, the Bank jointly owns certain service organizations: the Federal Farm Credit Banks Funding Corporation, the FCS Building Association, the Farm Credit Association Captive Insurance Corporation, Farm Credit Foundations and SunStream Business Services. The Bank's investments in other System institutions are deducted from regulatory capital as only the institution who issued the equities may count the amount as regulatory capital. The Bank has no unincorporated business entities (UBE) which would be included in risk-weighted assets and is not deducted from any capital component in accordance with FCA Regulations. As AgriBank has no consolidated subsidiaries, there are no consolidated entities which the total capital requirement is deducted, there are no restrictions on transfer of funds or total capital with other consolidated entities, and no subsidiary exists which is below the minimum total capital requirement individually or when aggregated at the Bank's consolidated level.

Capital Structure

Refer to Note 6 of the accompanying Financial Statements for a description of capital structure.

Regulatory Capital Structure

(in thousands)	3-month Average Daily Balance
As of December 31, 2025	
Common Equity Tier 1 Capital (CET1)	
Common Cooperative Equities:	
Statutory minimum purchased borrower stock	\$20
Other required member purchased stock	4,595,797
Allocated equities:	
Allocated stock subject to retirement	2,377,472
Qualified allocated equities subject to retirement	—
Nonqualified allocated equities subject to retirement	—
Nonqualified allocated equities not subject to retirement	—
Unallocated retained earnings	3,734,449
Paid-in capital	—
Regulatory adjustments and deductions made to CET1	(10,267)
Total CET1	<u>\$10,697,471</u>
Tier 1 Capital	
Non-cumulative perpetual preferred stock	\$—
Regulatory adjustments and deductions made to tier 1 capital	—
Total additional tier 1 capital	—
Total Tier 1 Capital	<u>\$10,697,471</u>
Total Capital	
Common Cooperative Equities not included in CET1	\$—
Subordinated debt	—
Adjusted allowance for credit losses ⁽¹⁾	70,764
Regulatory adjustments and deductions made to total capital	—
Total tier 2 capital	<u>70,764</u>
Total Capital	<u>\$10,768,235</u>

(in thousands)	End of Period
Reconciliation to the December 31, 2025 Statement of Condition	
Total Shareholders' Equity	\$10,485,723
Adjustments to Regulatory Capital:	
Protected stock	(10)
Accumulated other comprehensive (income) loss	263,003
Regulatory adjustments and deductions	(10,267)
Tier 2 allowance and reserve for credit losses	77,456
Total Capital ⁽²⁾	<u>\$10,815,905</u>

⁽¹⁾ Adjusted allowance for credit losses includes the allowance for credit losses on loans and allowance for credit losses on unfunded commitments

⁽²⁾ The amount of total capital presented in the Regulatory Capital Structure table above is the three-month average daily balance used in calculating capital ratios, as required by FCA Regulations, whereas the total capital amount in the reconciliation section is the amount outstanding as of December 31, 2025

Capital Adequacy and Capital Buffers

We regularly assess the adequacy of our capital to support current and future activities. This assessment includes maintaining a formal capital plan that addresses our capital targets in relation to our risks and establishes the required investment levels. The plan assesses the capital level and composition necessary to absorb adversity and to support our mission over the long term. The plan considers factors such as credit risk and allowance levels, quality and quantity of earnings, sufficiency of liquid funds, operational risk, interest rate risk and growth in determining optimal capital levels. We periodically review and modify these targets to reflect current business and economic conditions. Our capital plan is updated at least annually and is subject to change at the discretion of our board.

Risk-Weighted Assets

(Risk-weighted 3-month average daily balance in thousands)

As of December 31, 2025

Exposures to:	
Sovereign entities	\$—
Certain supranational entities and multilateral development banks	—
Foreign bank entities	255,723
Government-sponsored enterprises ⁽¹⁾	31,817,625
Depository institutions and credit unions ⁽²⁾	112,583
Public sector entities	—
Corporate, including borrower loans	31,979,270
Residential mortgage	1,379,745
High volatility commercial real estate	—
Past due and nonaccrual	411,923
Securitizations	595,785
Equity	—
Cleared transactions	2,123
Unsettled transactions	—
All other assets	408,762
Deductions:	
Regulatory adjustments and deductions made to CET1	10,267
Regulatory adjustments and deductions made to AT1 ⁽³⁾	—
Regulatory adjustments and deductions made to T2 ⁽⁴⁾	—
Total standardized risk-weighted assets	<u><u>\$66,953,272</u></u>

⁽¹⁾ Includes exposures to Farm Credit System entities

⁽²⁾ Includes exposures to OFIs that are risk-weighted as U.S. depository institutions and credit unions

⁽³⁾ AT1 capital is additional tier 1 capital

⁽⁴⁾ T2 is tier 2 capital

As of December 31, 2025, the Bank was well-capitalized and exceeded all capital requirements to which it was subject, including applicable capital buffers. Because our capital level exceeded the buffer requirements, the Bank currently has no limitations on distributions and discretionary bonus payments. The aggregate amount of eligible retained income was \$974.9 million as of December 31, 2025.

Regulatory Capital Requirements and Ratios

	Regulatory Minimums	Required Buffer	As of December 31, 2025	Calculated Buffer
Common equity tier 1 capital ratio	4.5 %	2.5 %	16.0 %	11.5 %
Tier 1 capital ratio	6.0 %	2.5 %	16.0 %	10.0 %
Total capital ratio	8.0 %	2.5 %	16.1 %	8.1 %
Capital conservation buffer				8.1 %
Tier 1 leverage ratio	4.0 %	1.0 %	5.3 %	1.3 %
Leverage buffer				1.3 %

Regulatory Capitalization Requirements and Restrictions

FCA Regulations require us to maintain certain minimum capital ratios. If the capital ratios fall below the total requirements, including the buffer amounts, capital distributions (equity redemptions, dividends and patronage) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval. No such prohibitions were in effect as of December 31, 2025, and we do not foresee any events that would result in this prohibition during 2026.

Credit Risk

We are exposed to various forms of credit risk including wholesale loan credit risk, retail loan credit risk and counterparty credit risk. We do not hold any credit derivatives as a means to manage credit risk. Refer to the Credit Risk Management, Wholesale Credit Risk Management, Retail Credit Risk Management and Allowance for Credit Losses on Loans sections of the Management's Discussion and Analysis for information regarding the credit risk we are exposed to and the mitigation techniques applied to manage that risk.

Credit Exposures - Lending and Investments

(in thousands)	As of December 31, 2025	End of Period	3-month Average Daily Balance
Loans		\$177,887,238	\$174,115,266
Investments ⁽¹⁾		24,000,515	24,648,023
Loan and other commitments		52,549,099	56,662,259
Letters of credit		332,853	321,257

⁽¹⁾ Includes federal funds sold and securities purchased under resale agreements

The table below shows derivative credit exposures segregated by cleared and bilateral contracts. Gross positive fair value represents the credit exposure attributed to derivatives before the mitigating effects of counterparty collateral.

Credit Exposures - Derivatives

(in thousands)	End of Period		3-month Average Daily Balance		
	As of December 31, 2025	Notional Amount	Gross Positive Value	Notional Amount	Gross Positive Value
Cleared derivatives		\$25,448,526	\$13,345	\$23,232,370	\$26,281
Bilateral derivatives		3,168,526	15,244	3,173,837	13,491

The following tables include distributions for the wholesale and retail loan portfolio as well as related commitments.

Loan and Commitment Geographic Distribution

As of December 31, 2025			
Wholesale Portfolio		Retail Portfolio	
Illinois	10 %	Minnesota	10 %
Iowa	9 %	Iowa	10 %
Minnesota	8 %	Illinois	8 %
Nebraska	6 %	Nebraska	7 %
Indiana	6 %	Indiana	5 %
Michigan	6 %	Ohio	5 %
Missouri	5 %	South Dakota	5 %
Wisconsin	5 %	Other	50 %
Ohio	5 %		
South Dakota	5 %		
Other	35 %		
Total	<u>100 %</u>	Total	<u>100 %</u>

Wholesale loan and commitment portfolio distribution in the table above is based on the underlying District Associations' retail portfolios. For additional information regarding the geographic distribution of the retail loans held at District Associations, refer to the Portfolio Diversification section of the Management's Discussion and Analysis.

Loan and Commitment Industry Distribution

As of December 31, 2025	
Retail Portfolio	
Crops	48 %
Cattle	11 %
Investor and Rural residential real estate	8 %
Food Products	7 %
Loans to OFIs	7 %
Other	19 %
Total	<u>100 %</u>

Refer to the Portfolio Diversification section of the Management's Discussion and Analysis for additional detail of the industries underlying the District Associations' loan portfolios.

Our retail portfolio is substantially concentrated within our chartered territory of Arkansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, Wisconsin and Wyoming at 77 percent as of December 31, 2025. All past due loans and allowance are within our retail portfolio. Past due loans and allowance needs by geographic region are only considered in rare circumstances that may not otherwise be reflected in the numerous assumptions used to establish our allowance (flooding, drought, etc.). There was no allowance solely attributed to a geographic area as of December 31, 2025.

Maturities in the following table are reflective of the wholesale loan agreements and retail loan agreements, respectively, and are based on the final maturity without consideration for amortization payments. Loan exposures include accrued interest receivable, as applicable, and investment exposures are at fair value.

Exposures by Final Contractual Maturity

(in thousands) As of December 31, 2025	One Year or Less	Over One Year but Less than Five Years	Five Years or More	Total
Wholesale loans	\$775,953	\$151,417,792	\$—	\$152,193,745
Retail loans ⁽¹⁾	5,594,112	7,386,673	14,524,175	27,504,960
Investments ⁽¹⁾	8,691,937	7,030,007	8,278,571	24,000,515
Wholesale loan commitments	426,257	45,468,233	—	45,894,490
Retail loan and other commitments ⁽²⁾	2,692,756	3,949,609	345,097	6,987,462
Cleared derivative notional	16,006,122	5,592,500	3,849,904	25,448,526
Bilateral derivative notional	881,122	2,082,500	204,904	3,168,526

⁽¹⁾ Includes loans to OFIs and service entities

⁽²⁾ Includes commitments to OFIs and service entities

Note: Accruing loans include accrued interest receivable

Refer to Note 2 of the accompanying Financial Statements for our policy for determining past due or delinquency status, policy for placing loans on nonaccrual status, policy for returning loans to accrual status, description of the methodology used to estimate allowance for credit losses on loans, and policy for charging-off uncollectible amounts.

Refer to Note 3 of the accompanying Financial Statements for amounts of nonaccrual loans without related allowance, loans in nonaccrual status and greater than 90 days past due, loans past due greater than 90 days and still accruing, the allowance at the end of each reporting period, charge-offs during the period, and changes in components of our allowance for credit losses on loans.

Refer to Note 4 of the accompanying Financial Statements for a summary of contractual maturity, amortized cost, fair value and weighted average yield of investment securities by type.

Counterparty Credit Risk and Credit Risk Mitigation

Credit Risk Mitigation Related to Derivatives

Refer to the Derivative Financial Instruments section in the Management's Discussion and Analysis and Note 12 of the accompanying Financial Statements for more information on credit risk mitigation related to derivatives.

With the exception of retail customer swaps, to minimize the risk of credit losses, we deal only with bilateral counterparties that have an investment-grade or better credit rating from a rating agency, and we monitor the credit standing and levels of exposure to individual counterparties. Collateral is typically cash and in limited circumstances, securities. The fair value of collateral assets and liabilities related to derivative contracts is their face value plus accrued interest, if applicable. Collateral exchanged is typically cash; therefore, fair value approximates face value.

We have not entered into any credit default swap agreements to mitigate our credit exposure to counterparties. Refer to Note 12 of the accompanying Financial Statements for the gross positive fair value of contracts, collateral held and the net unsecured credit exposure. The derivative portfolio is not covered by guarantees.

Current credit exposure is the greater of \$0 or the fair market value of a single derivative contract. The net current credit exposure is the greater of the net sum of all positive and negative fair market value of the individual derivative contracts subject to the qualifying master netting agreement or \$0. The net current credit exposure is equal to the gross positive fair values as disclosed in Credit Exposures - Derivatives table above.

Credit Risk Mitigation Related to Loans

Refer to the Credit Risk Management section of the Management's Discussion and Analysis for information about credit risk mitigation related to loans including wholesale credit risk management and retail credit risk management.

Loan concentrations exist when there are amounts loaned to multiple borrowers engaged in similar activities or within close proximity, which could cause them to be similarly impacted by economic or other conditions. We assess the outlook for industries with the largest concentrations in our Districtwide portfolio. These outlooks are for the industry in general, and individual producers

may perform better or worse than the industry as a whole. Refer to the Agricultural Conditions and Land Values sections of the Management's Discussion and Analysis in the accompanying Financial Statements for further information.

In certain circumstances, our loan participations may have guarantees from the U.S. government or one of its agencies.

Financial collateral is not used to mitigate credit risk in our loan portfolio. Refer to Note 12 of the accompanying Financial Statements for further information on financial collateral obtained to mitigate credit risk exposure for derivatives.

Loan and Commitment Exposures Covered by Guarantees

(in thousands)	3-month Average Daily Balance	Risk-weighted 3- month Average Daily Balance
As of December 31, 2025		
Unconditionally guaranteed		
Loans	\$179	\$—
Conditionally guaranteed		
Loans	68,093	13,619
Commitments	153	15
Total	\$68,425	\$13,634

Credit Risk Mitigation Related to Investments

Refer to the Investment Portfolio and Liquidity section of the Management's Discussion and Analysis for information related to our investment securities credit risk management.

Financial collateral is not used to mitigate credit risk in our investment portfolio.

Investment Exposures Covered by Guarantees

(in thousands)	3-month Average Daily Balance	Risk-weighted 3- month Average Daily Balance
As of December 31, 2025		
Unconditionally guaranteed	\$17,684,385	\$—
Conditionally guaranteed	965,592	193,118
Total	\$18,649,977	\$193,118

Securitization

Securitizations are transactions in which:

- The credit risk of the underlying exposure is transferred to third parties, and has been separated into two or more tranches;
- The performance of the securitization depends upon the performance of the underlying exposures or reference assets; and
- All or substantially all of the underlying exposures or reference assets are financial exposures.

Securitizations include on- or off-balance sheet exposures (including credit enhancements) that arise from a securitization or re-securitization transaction; or an exposure that directly or indirectly references a securitization (e.g., credit derivative). A re-securitization is a securitization transaction in which one or more of the underlying exposures that have been securitized is itself a securitization. We do not currently hold re-securitization investments.

The Bank currently only participates in securitizations as an investor through the purchase of mortgage-backed securities (MBS) and asset-backed securities (ABS) as included in its investment portfolio. We do not originate, service, provide credit enhancements or sponsor securitizations. We are not a liquidity provider or swap provider for securitization transactions. We do not hold any off-balance sheet securitization exposures and no securitization exposures have been deducted from capital. We manage exposure to changes in credit and market risk of securitization exposures under policies established by our Asset/Liability Committee. Further, FCA Regulations require us to establish risk limits for eligible investments, including appropriate standards of credit worthiness.

We are subject to liquidity risk with respect to our securitization exposures. In volatile market conditions, it could be difficult to sell such investments, if the need arises, and the discounts from face value would likely be significant. In addition, because of the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may differ significantly from the values that would have been used had a ready market existed for the investments.

For our current portfolio of non-agency ABS securitization exposures, we have elected to utilize the “Gross Up” risk-based capital approach on an individual security level. Individual securities for which a “Gross Up” calculation cannot be performed (i.e. unavailable inputs) will receive a 1,250 percent risk weight. Refer to Risk-Weighted Assets table herein for additional information related to our securitization exposures. There have been no significant changes to the securitization portfolio since the last reporting period.

Securitization Exposures

(3-month average daily balance in thousands) As of December 31, 2025	Exposure	Weighted average risk-weight factor	Risk-weighted assets
Gross up risk weight bands:			
100%	\$171,570	100%	\$171,570
> 100% and < 1,250%	310,028	137%	424,215
1,250%	—	1,250%	—
Total risk-weighted securitization assets	<u>\$481,598</u>	<u>124%</u>	<u>\$595,785</u>

Refer to Note 4 of the accompanying Financial Statements for additional information related to purchases and sales of securitization exposures as well as the amortized cost, unrealized gains/(losses) and fair value of MBS and ABS held in our investment portfolio. However, there were no purchases or sales of securitization exposures during the year ended December 31, 2025. Refer to Note 11 of the accompanying Financial Statements for a description of the methods and assumptions, including any changes as applicable, applied in valuing our purchased interests in securitization exposures.

Equities

We are limited partners in Rural Business Investment Company (RBIC) investments for various relationship and strategic reasons. A RBIC facilitates equity and debt investments in agriculture-related businesses that create growth and job opportunities in rural America. We do not hold any equity investments on which capital gains are expected. These investments are accounted for under the equity method when we are considered to have significant influence; otherwise, they would be accounted for at cost less impairment. These investments are not publicly traded and the book value approximates fair value. There have been no sales or liquidations of these investments during the period. As of December 31, 2025, all RBICs were accounted for under the equity method; therefore, no unrealized gains (losses) exist for the exposures. Further, we do not believe any significant latent revaluation gains (losses) exist for these exposures. No RBIC exposures are included in tier 1 or tier 2 capital.

Equity Investments Included in Capital Ratios

(in thousands) As of December 31, 2025	Disclosed in Other Assets	Life-to-Date losses recognized in Retained Earnings ⁽¹⁾
RBIC	\$16,986	\$16,093

⁽¹⁾ Retained earnings is included in common equity tier 1, tier 1 and total capital ratios

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect operating results and financial condition. Refer to the Interest Rate Risk Management section of the Management’s Discussion and Analysis for information related to interest rate risk.

District Young, Beginning and Small Farmers and Ranchers

As part of the System’s commitment to rural America, District Associations have specific programs in place to serve the credit and related needs of young, beginning and small farmers and ranchers in their territories. The definitions of young, beginning and small farmers and ranchers follow:

- **Young:** A farmer, rancher, or producer or harvester of aquatic products who is age 35 or younger as of the date the loan is originally made
- **Beginning:** A farmer, rancher, or producer or harvester of aquatic products who has 10 years or less of experience at farming, ranching, or producing or harvesting aquatic products as of the date the loan is originally made
- **Small:** A farmer, rancher, or producer or harvester of aquatic products who normally generates less than \$350 thousand in annual gross cash farm income of agricultural or aquatic products at the date the loan is originally made

It is important to note that a farmer/rancher may be included in multiple categories based on meeting specific definitions. A more detailed discussion of each District Association’s programs for young, beginning and small farmers and ranchers can be found within their respective Annual Reports.

Young, Beginning and Small Farmers and Ranchers Served by AgriBank District

As of December 31, 2025	Young	Beginning	Small
As a percentage of total District farm members:			
Number of loans	22.0 %	31.1 %	48.4 %
Loans and commitment volume	13.5 %	19.9 %	20.1 %

Risk Factors

AgriBank, FCB

In the course of conducting our business operations, we are exposed to a variety of risks, some of which are inherent in the financial services industry and others of which are more specific to our own business. The following discussion summarizes some of the more important risk factors that we face. This discussion is not exhaustive and there may be other risk factors we face that are not described below. These risk factors, if realized, could negatively or positively affect our business, financial condition and future results of operations and, among other things, could result in our inability to pay principal and interest on Farm Credit System (the System or Systemwide) Debt Securities on a timely basis.

Our business may be adversely affected by the liquidity (cost and availability) of funding across the capital markets.

Our ability to fund our operations, meet our financial obligations, including unfunded commitments to extend credit, and generate income depends on the System's ability to issue Systemwide Debt Securities in the debt markets on a regular basis. The System's ability to continue to issue Systemwide Debt Securities depends, in part, on the conditions in the capital markets at that time, which may be outside the System's control. Such conditions include, but are not limited to, general disruption in the U.S. and global financial markets, negative views about government-sponsored enterprises (GSEs) or the financial services industry, the willingness of domestic and foreign investors to purchase Systemwide debt and/or a downgrade in Farm Credit institutions', other banks, or AgriBank's credit ratings. As a result, the System cannot make any assurances that it will be able to issue competitively priced debt or issue any debt at all. If the System cannot issue competitively priced debt or cannot access the capital markets, the System's ability to access funding would be negatively impacted. This situation would have a negative effect on our financial condition and results of operations, which could be material.

In addition to issuances of Systemwide Debt Securities, we have accessed other third-party capital, primarily preferred stock, to support our requisite regulatory capital levels and loan growth. These third-party capital sources have supplemented our issuances of Systemwide Debt Securities and enhanced our capital position, but there is no guarantee such third-party capital resources will be available or competitively priced and are subject to approvals required by FCA Regulations.

Certain factors could have an adverse effect on the System's ability to issue Systemwide Debt Securities at favorable rates and terms.

The System's GSE status has been an important factor in its ability to continually access the debt capital markets. For example, the System's funding costs historically have been below that of similar non-GSEs. Periodically, housing-related GSE status reform has been a topic of debate by Congress and the U.S. administration. While the status and reform debate has not, to date, specifically related to the System, any change in the System's status as a GSE or investors' general perception of GSE status could have a significant adverse impact on the System's ability to issue debt at favorable rates and terms.

The System is also subject to periodic review by credit rating agencies. Any event that could have an adverse impact on the System's financial condition or results of operations may cause the rating agencies to downgrade, place on negative watch, or change their outlook on the System's credit ratings. Such actions could have an adverse effect on the System's ability to issue Systemwide Debt Securities at favorable rates and terms and could trigger additional collateral requirements. Also, changes in the credit ratings or credit ratings outlook of the U.S. government may influence changes in the System's credit ratings and credit ratings outlook given its GSE status.

Any downgrades in credit ratings and outlook could also result in higher funding costs or disruptions in the System's access to capital markets. To the extent that the System cannot access the capital markets when needed on acceptable terms or is unable to effectively manage its costs of funds, its financial condition and results of operations could be negatively affected.

The System also competes for competitively priced debt funding with the U.S. Treasury, highly rated institutions and companies, as well as other GSEs, including Fannie Mae, Freddie Mac and the Federal Home Loan Banks. Competition for debt funding from these entities can vary with changes in economic, financial market and regulatory environments. In addition, any change in the perceptions of GSE status may intensify competition with other highly rated institutions and companies in connection with the issuance of Systemwide Debt Securities. Increased competition for competitively priced debt funding of highly rated institutions may result in a higher cost to finance our business, which could negatively affect our financial results. An inability to issue Systemwide Debt Securities at favorable rates and terms in amounts sufficient to fund business activities and meet obligations could have an adverse effect on our liquidity, financial condition and results of operations.

The System issues combined financial statements and assurance of adequate disclosure controls and procedures around internal control over financial reporting. Failure by a System institution to provide required information for financial reporting, or to have adequate disclosure controls or procedures over financial reporting may delay the timely publication of the System's combined

financial statements or cause an error in the accuracy or completeness of the financial statements. Failure to timely issue the System's combined financial statements could disrupt the System's ability to access debt capital markets. Errors in the System's combined financial statements could disrupt trust and may impact our ability to issue Systemwide Debt Securities at terms and pricing to support our operations, which is discussed further below.

We and the other Banks in the System are liable for Systemwide Debt Securities.

We, along with the other Banks in the System obtain funds for our lending activities and operations primarily from the Funding Corporation's sale of Systemwide Debt Securities. The Systemwide Debt Securities are not obligations of and are not guaranteed by the United States of America or any agency or instrumentality thereof, other than the System Banks. Under the Farm Credit Act, each Bank is primarily liable for the portion of the Systemwide Debt Securities issued on its behalf. The Banks are also jointly and severally liable for interest payments on certain other debt securities issued individually by other Banks pursuant to Section 4.4(a)(1) of the Farm Credit Act (12 U.S.C. § 2155(a)(1)) (the "Co-Liability Statute"). Additionally, each Bank is jointly and severally liable for the Systemwide Debt Securities issued on behalf of a Bank that is in default on its portion of the Systemwide Debt Securities. Although the Banks have established a system of mutual covenants and measures that are monitored on a quarterly basis, there is no assurance that these would be sufficient to protect a Bank from liability, should another Bank default and the Insurance Fund be insufficient to cure the default.

The Insurance Fund is available from FCSIC to ensure the timely payment by each Bank of its primary obligations on the Systemwide Debt Securities, and can also be used by FCSIC for its operating expenses and for other mandatory and permissive purposes. Under the Farm Credit Act, joint and several liability cannot be invoked, until any amounts available in the Insurance Fund have been exhausted to the extent necessary to ensure timely payment on such obligations. There is no assurance, however, that the Insurance Fund will have sufficient resources to fund a Bank's defaulted payment of principal and interest on its portion of the Systemwide Debt Securities. If the Insurance Fund is insufficient, then the non-defaulting Banks must pay the default amount in proportion to their respective available collateral positions. "Available collateral" is collateral in excess of the aggregate of each Bank's "collateralized" obligations and is approximately equal to AgriBank's capital. FCSIC does not insure any payments on any class of our common stock, Farm Cash Management investment bond product, or preferred stock.

To the extent we must fund our allocated portion of another Bank's portion of the Systemwide Debt Securities as a result of its default on those securities, our earnings and capital would be reduced, possibly materially.

We are subject to regulation under the Farm Credit Act.

System institutions, including AgriBank, are created pursuant to and extensively subject to federal statutes and regulated by the Farm Credit Administration (FCA). Any change in the laws or regulations that govern the Bank's business could have a material impact on the Bank and its operations. Laws and regulations may change from time to time and the interpretations of the relevant laws and regulations also are subject to change. We are subject to regulatory oversight, supervision and examination by the FCA, including compliance with certain capital and other requirements. Compliance with capital and other requirements may limit the System's business activities and could adversely affect its financial performance. Furthermore, noncompliance with these standards could also adversely affect its financial performance.

We are exposed to credit risk.

In the course of our lending and investment activities, we are exposed to credit risk directly and indirectly through District Association retail lending. Credit risk is the risk that arises from the unwillingness or inability of borrowers, debt issuers or counterparties, including guarantors and third-party providers of other credit enhancements (such as bond insurers), to meet their contractual obligations to us.

Factors that can influence credit risk exposure include, but are not limited to:

- A general slowdown in the global economy and the relationship of demand for, and supply of, U.S. agricultural commodities in a global marketplace
- Political or regulatory changes that disrupt or modify an established market
- Length and severity of an epidemic or pandemic
- Major international events, including a downturn in the world economy, military or other armed conflicts, political disruptions, civil unrest or tariffs and embargoes or sanctions which negatively impact trade agreements. These events can affect the price of commodities or products used or sold by our borrowers and their access to markets.
- Fluctuations in prices of agricultural commodities
- The failure of one or more financial institutions could lead to market-wide disruptions and increased credit risk
- Changes in the general U.S. economy that may impact the availability of off-farm sources of income and prices of real estate
- Changes in farmland values

- Extreme adverse seasonal or weather conditions (such as flooding or drought) or market-related risks that significantly affect agricultural production and commodity prices
- Changes in technology, or regulations or shifts in demographics which affect the competitiveness of our borrowers
- Changes in production expenses (such as feed, fuel and fertilizer)
- Availability and cost of agricultural workers
- Availability and cost of processing facilities
- An outbreak of a widespread disease in livestock/poultry populations, or in humans attributable to agricultural production
- Federal support for agriculture that may be reduced or eliminated, including the federal crop insurance program
- Development of alternative uses and market for agricultural commodities, or the cessation thereof, including ethanol and other biofuel production
- Environmental conditions or regulations and policies impacting our lending and business activities or the activities of Farm Credit borrowers
- Changes in U.S. tax laws modifying deductions taken by Farm Credit System borrowers
- Impact of movements in interest rates

We and the District Associations employ many standards and tools to manage credit risk exposures. While we believe these standards and tools are appropriate to manage our credit risk, there is no assurance that significant deterioration in credit quality will not occur, which would reduce our earnings, possibly materially.

We face the risk that our derivatives counterparties may not meet their payment and other obligations in hedging transactions. We also face the risk of operational failure of any of the clearing members, exchanges, clearinghouses, or other financial intermediaries used to facilitate such hedging transactions. If a clearing member or clearinghouse were to fail, we could experience losses related to any collateral we had posted with such clearing member or clearinghouse to cover initial or variation margin. A default by a counterparty with significant obligations to us could adversely affect our ability to conduct our operations efficiently, which in turn could adversely affect our results of operations or our financial condition.

We rely on information furnished by or on behalf of customers, including Association customers, and counterparties, including financial information. We may also rely on representations of those customers and counterparties as to the accuracy and completeness of that information. If the financial or other information provided to us is incorrect, we could suffer credit losses or other consequences.

We are exposed to concentration risks associated with the agricultural industry and commodity prices.

We are chartered to make loans to District Associations and other financing institutions (OFIs), as provided in the Farm Credit Act. Due to these statutory provisions, we have a significant concentration of lending to agricultural concerns. Our loan portfolio consists of wholesale loans to District Associations, OFIs and participations with other lenders in loans to eligible borrowers. Our earnings, loan growth and the credit quality of our lending portfolio can be impacted significantly by the general state of the agricultural economy. Production agriculture remains a cyclical business that is heavily influenced by the demand for U.S. agricultural products, which in turn impacts the demand for loans and financial services offered by us and District Associations and our ability to make payments on Systemwide Debt Securities. Factors that could affect demand for or supply of U.S. agricultural products include:

- Changes to trade and environmental policies
- General economic conditions, both in rural areas and globally
- Changes to the U.S. dollar's value relative to foreign currencies
- Weather and extreme seasonal conditions
- Commodity prices
- Availability of agricultural workers and processing facilities
- Changes in value of farmland and rural real estate values
- Changes in production expenses, particularly feed, fuel and fertilizer
- Disease outbreak affecting supply and/or demand for livestock products
- Changes in consumer preferences and/or government support for certain industries

These factors, in turn, could increase our nonperforming assets, decrease the value of our loan portfolio, reduce our loan growth, and decrease the value of collateral securing certain loans, which could have a significant adverse impact on our financial condition and results of operations.

The U.S. agricultural sector has historically received significant financial support from the U.S. government through payments authorized under federal legislation, including USDA-sponsored crop insurance programs and certain other temporary support programs. While U.S. government support for agriculture has historically remained consistent, congressional efforts to decrease the

U.S. budget deficit may result in continued pressure to reduce federal spending, which could impact whether such financial support will continue or at what levels.

Fluctuations in both commodity prices and production expenses (including interest rates and inflation), may have an adverse impact on the cash flow and profitability of certain District Association borrowers, which, in turn, may negatively affect their ability to repay their loans. While certain borrowers may be negatively impacted by these conditions, other borrowers may benefit. For example, decreased prices for grains will result in lower risk profiles for livestock producers, processors and marketers of grains and oilseeds, and borrowers that purchase corn or other grains for use in their products. However, grain farmers may be negatively impacted by lower prices. Fluctuations in the agricultural commodities market and the cost of farm inputs may adversely impact the credit quality of our loan portfolio and, as a result, negatively affect our financial condition and operating results.

The volatility and prices for both crude oil and gasoline, diesel fuel and other refined petroleum products fluctuate widely and can have an adverse impact on the cash flow of District Association borrowers, as well as other System loan participation partners. Additionally, the level of mineral income generated from mineral rights we own is a function of oil prices. Various factors beyond our control influence these prices, including, but not limited to: levels of worldwide and domestic supplies, the ability of the members of the Organization of Petroleum Exporting Countries (OPEC) to agree to and maintain oil price and production controls, the price and level of foreign imports and exports, disruption in supply, the level of consumer demand, the price and availability of alternative fuels, the availability of pipeline capacity, unrest or instability of large foreign producers, and domestic and foreign governmental regulations and taxes. Our mineral income is predominantly derived from royalties received from the extraction of crude oil. Should extraction slow, stop entirely or the supply chain be disrupted, our mineral income could be severely and adversely impacted. While we may, under certain circumstances, strive to manage this risk through the use of commodity derivative instruments, there is no guarantee this risk management strategy will be effective.

We and District Associations may lend only to qualified borrowers in the agricultural and rural sectors and certain related entities and are subject to geographic lending restrictions.

Unlike commercial banks and other financial institutions that lend to both the agricultural sector and other sectors of the economy, we and District Associations are restricted solely to making loans and providing financial services to qualified, eligible borrowers in the agricultural and rural sectors and to certain related entities. In addition, we are subject to certain geographic lending restrictions. As a result, we do not have as much flexibility in attempting to diversify our loan portfolios as compared to commercial banks and other financial institutions. This concentration may limit our ability to offset adverse performance in one sector against positive performance in another sector like most diversified financial institutions.

We and District Associations face intense competition from competitors, many of whom are substantially larger and have more capital and other resources.

We and District Associations face intense competition, primarily from mortgage banking companies, commercial banks, thrift institutions, insurance companies, finance companies, and other non-traditional sources of funding. Many of these competitors in the financial services business are substantially larger and have more capital and other resources. Our and District Associations' future results may become increasingly sensitive to fluctuations in the volume and cost of their retail lending activities resulting from competition from other lenders and purchasers of loans. There can be no assurance that we and District Associations will be able to continue to compete successfully in the markets served.

We are exposed to political risk.

Political risk is the risk that adverse consequences through domestic and foreign governmental policies, regulations or other actions could affect our viability or create instability in agriculture, impacting the viability of District borrowers. We, as a GSE, are directly at risk of changing legislation. Legislative change could inhibit our ability to fulfill the Farm Credit mission of reliably extending credit to agricultural producers and rural communities.

Agricultural production and trade flows can be impacted by domestic and foreign governmental policies, regulations and other actions, such as taxes, tariffs, duties, subsidies, immigration, crop insurance, and import and export restrictions on agricultural commodities and commodity products. In addition, international trade disputes can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. Geopolitical risk associated with wars, terrorist acts and tensions between geopolitical parties, including international trade wars, could adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. Future domestic and foreign governmental policies, regulations and other actions could adversely affect the supply of, demand for and prices of commodities and agricultural products, impact or restrict the ability of the District's borrowers to do business in existing and target markets and could cause a deterioration in their financial condition and results of operations, which could, in turn, adversely affect ours and the District's financial condition and results of operations.

We are exposed to risk of changes in weather patterns and adverse weather conditions.

Changes in weather patterns pose both short- and long-term risks globally, including to the agricultural and financial sectors. Changes in weather patterns pose physical (acute or chronic risks to the physical effects of changes in weather patterns) and transition risk (risks related to societal risks, including regulatory, legal, market or reputational changes). Overall, changes in weather patterns may result in increased compliance costs, lower profitability for us and District Associations, as well as many of their borrowers. Additionally, changes in weather patterns could negatively affect the credit quality of our and District Associations' loan portfolios.

Physical risk such as adverse weather conditions, particularly during the planting and growing season, can significantly affect agricultural production. Insufficient levels of rain prevent farmers from planting new crops and may cause growing crops to die or result in lower yields. Excessive rain or flooding can prevent planting from occurring at optimal times, and may cause crop loss through increased disease or mold growth. Temperatures outside normal ranges can also cause decreased yields, failure or quality issues for crops. Additionally, livestock and dairy production can be negatively impacted by weather extremes as well, due to impact on feed and other input costs or reduced production.

Transition risks may result in changes in regulations and in market preferences, which in turn could have a negative impact on the asset values and results of operations of agricultural producers. In addition, market perceptions could change impacting both our reputation as well as the reputation of District Associations and their borrowers.

An unfavorable change in or an adverse interpretation of existing U.S. tax laws could negatively impact our financial results.

We are exempt from federal and other taxes as provided in the Farm Credit Act. If we were to lose this exemption, or if it were to be otherwise modified, our financial results could be negatively impacted. Changes to U.S. tax laws could affect our business, District Associations and customers. The impacts could include, but are not limited to, modifications to deductions surrounding interest expense and equipment purchases, tax incentives related to renewable energy initiatives and the overall changes in the competitive environment impacting financial institutions.

We are exposed to operational risk.

The structure and organization we have implemented to carry out our business activities may include risks including, but not limited to:

- Business Model Risk - Changes to the business model do not meet expectations of our owners or loses viability in the judgment of regulators, the financial markets, or other influencers.
- Corporate Governance - The Board of Directors members, on a collective basis, do not maintain sufficient expertise and training to provide effective strategic guidance to management, influence System and District direction, or hire and retain a high-quality CEO to lead the organization. The Executive Leadership Team does not maintain sufficient expertise and training to lead the organization or fails to develop and train talent within AgriBank to promote and sustain the culture and operational success of the organization.
- External Reporting Risk - Our reports produced to satisfy regulatory agencies, investors, borrowers or in connection with the business service are incomplete (including disclosures), inaccurate, or untimely, causing damage to reputation and exposing AgriBank to fines, penalties or sanctions.
- Data and Model Integrity - The quality, completeness, and accuracy of our data is deficient as it is entered into, processed by, and reported on by various systems and models AgriBank deploys. Models used to analyze or interpret risks are insufficient, flawed or inappropriately used.

We may be subject to information technology system failures, network disruptions or breaches in data security, including failures of critical vendors and other third parties.

We rely to a large extent upon information technology systems and infrastructure to operate our business. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and random attack. While our systems are primarily centralized within the AgriBank District, there is de-centralization of systems across the Farm Credit System resulting in increased complexity in the technology infrastructure. Additionally, we and District Associations utilize vendors and third-party systems to perform certain critical services. If one or more of these key external parties were not able to perform their functions for a period of time, at an acceptable service level, or for increased volumes, our business operations could be constrained, disrupted, or otherwise negatively affected. Data privacy breaches by employees and others with permitted access to our systems may pose a risk that sensitive data may be exposed to unauthorized persons or to the public. While we have invested in protection of data and information technology, there can be no assurance that our efforts will prevent breakdowns or breaches in our systems that could adversely affect our business.

We are developing and implementing significant information technology system conversion projects. During system conversion projects, we are exposed to risks including those involved with data migration, user acceptance and understanding of new systems,

and disruptions in processes that depend on these systems. We implement project planning and testing processes in order to minimize these risks, but there can be no assurance that business disruptions or system failures will not occur.

We are subject to cyber security risks.

Information security risks for large institutions such as ours have significantly increased in recent years and, from time to time, we have been and will likely continue to be the target of attempted cyberattacks and other information security breaches. To date, we have not experienced any material losses relating to cyberattacks or other information security breaches, but we could suffer such losses in the future. If one or more of such events occur, this potentially could jeopardize confidential and other information, including nonpublic personal information and sensitive business data, processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our operations or the operations of our customers or counterparties. This could result in significant losses, reputational damage, litigation, regulatory fines or penalties, or otherwise adversely affect our business, financial condition or results of operations. We maintain insurance coverage relating to cyber security risks, and we may still be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures. Despite having insurance coverage, we may be subject to litigation and financial losses. Additionally, third parties with which we do business may also be sources of cyber security or other technological risks.

A failure or circumvention of our controls and procedures could have an adverse effect on our business, results of operations and financial condition.

We regularly review and update our internal controls, disclosure controls and procedures, and corporate governance policies and procedures. However, no control system, no matter how well designed and operated, can provide absolute assurance that the objectives of the control systems are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud or errors can be detected. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. In addition, while we continue to evaluate our internal controls, we cannot be certain that these measures will ensure that we implement and maintain adequate controls over our financial processes and reporting in the future. Any failure or circumvention of our controls and procedures or failure to comply with regulations related to controls and procedures could have an adverse effect on our business, results of operations and financial condition.

Our ability to attract and retain qualified board members and employees is critical to successfully fulfilling our mission.

Our continued success depends in large part on the efforts and abilities of board members and employees throughout the organization. The competition for board members and employees who possess the requisite knowledge of the banking, agricultural, finance and other relevant industries is intense. Our ability to attract, develop and retain highly qualified board members and employees to execute the appropriate business operations and strategies will impact our future performance, including the successful execution of internal controls.

We are exposed to interest rate risk.

In the course of our borrowing, lending and investing activities, we are subject to interest rate risk, which is defined as the sensitivity of an institution's earnings, economic value of equity and retail market competition (rate and product) to changes in interest rates. Sensitivity to interest rates may arise from re-pricing risk, yield curve risk, basis risk and option risk. The Board of Governors of the Federal Reserve System establishes policies that influence our cost of funds and the return we earn on loans and investments, which impacts our net interest margin, and can materially affect the value of the debt, loans and investments we hold. Changes in Federal Reserve Board policies and other market events are beyond our control and are difficult to predict or anticipate.

Interest rate risk arises from differences in timing between the contractual maturity, repricing characteristics and prepayments of our assets and the contractual maturity and repricing characteristics of the financing obtained to fund these assets. The risk can also arise from differences between the interest rate indices used to price our assets and the indices used to fund those assets. It is expected that we will from time to time incur interest rate risk in the form of a "gap" in the interest rate sensitivities of our assets and liabilities, meaning that either our interest-bearing liabilities will be more sensitive to changes in market interest rates than our interest earning assets, or vice versa. In either event, if market interest rates should move contrary to our position, the "gap" will adversely affect earnings and the net present value of our interest-sensitive assets and liabilities.

We have asset/liability management policies, including risk limits, and strategies to actively manage our interest rate risk, including an Asset/Liability Committee composed of a cross-functional group of senior leaders. However, there can be no assurance that our interest rate risk management procedures will be effective or that changes in interest rates will not adversely impact our earnings and capital.

We indirectly fund real estate mortgage loans and purchase mortgage-backed and asset-backed securities that are impacted by changes in interest rates. Changes in interest rates can significantly impact the prepayment patterns of these assets and, thus, affect

our earnings. We strive to manage or reduce this risk by funding and maintaining a blend of debt securities and interest-rate derivative transactions designed to achieve an interest rate risk profile consistent with our risk guidelines. Our inability to issue or maintain the appropriate blend of debt securities to longer-term assets may increase the prepayment risks.

We use derivative financial instruments to minimize the financial effects of changes in interest rates and must determine the extent of these hedging transactions. The effectiveness of the hedging transactions depends upon our ability to determine the appropriate hedging position, taking into consideration our assets, liabilities and prevailing and anticipated market conditions. In addition, the usefulness of the hedging strategy depends on the availability of cost-effective hedging instruments and the ability to enter into hedging transactions with high quality counterparties. If we are unable to manage our hedging position properly, it will negatively impact our financial condition and results of operations.

We are exposed to liquidity risk associated with our investments.

We are subject to liquidity risk in the course of our investing activities. We purchase only high credit quality investments to best position our investment portfolio to be readily marketable and available to serve as a source of funding in the event of disruption of our normal funding mechanisms. However, if the market for our investments becomes less liquid, the underlying credit fundamentals deteriorate or the investments decline in value, it may make it more difficult for such investments to be sold if the need arises. Because of the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may differ significantly from the values that would have been used had a ready market existed for the investments. Ultimately, these factors could lead to further write-downs in the value of investments and impairment of assets that, if significant, could have adverse effects on our business, financial condition, results of operations and liquidity.

We maintain a liquidity plan covering certain contingencies in the event our access to normal funding mechanisms is not available, but there is no guarantee that such mechanisms will be successful.

The majority of our investment portfolio consists of securities issued or guaranteed by the U.S. government, its agencies or government sponsored enterprises, which remain liquid. The remainder of our investment portfolio represents investments in commercial paper, federal funds, certificates of deposit, reverse repo and asset-backed securities. In further support of our liquidity, we have cash on deposit at the Federal Reserve Bank and correspondent banks.

We are subject to legal proceedings and legal compliance risks.

We are subject to a variety of legal proceedings and legal compliance risks. We are regularly reviewed by the FCA and other governmental authorities, which could lead to enforcement actions, fines and penalties or the assertion of private litigation claims and damages. While we believe we have adopted appropriate risk management and compliance programs, legal and compliance risks will continue to exist and additional legal proceedings and other contingencies, the outcome of which cannot be predicted with certainty, will arise from time to time.

We are subject to reputational risk.

Reputational risk arising from negative public opinion could adversely affect our ability to obtain financing, impede our ability to hire and retain qualified personnel or expose us to greater regulatory scrutiny or adverse regulatory or legislative changes. Such risk encompasses the loss of confidence, trust and esteem among investors, retail borrowers, partners, policymakers, shareholders and other key stakeholders. Like all businesses, we are subject to a wide variety of reputational risks both within and outside our control, including credit difficulties with individual customers or industries, business disputes, lawsuits, credit market disruptions, regulatory events and public allegations of misconduct against associates. As a member of the System, we could also be indirectly impacted by events that damage the reputation of another System entity.

We face risks from catastrophic events.

We are exposed to the risk that a catastrophic event, such as a terrorist event, severe damage to our workplace due to fire or a similar event, or natural disaster, could result in a significant business disruption and an inability to access funding or process transactions through normal business processes. Any measures we take to mitigate this risk may not be sufficient to respond to the full range of catastrophic events that may occur and we may not have sufficient insurance coverage for catastrophic events. Our borrowers and District Association borrowers may also be negatively affected by such events, which could have a negative impact on their ability to repay loans. The impact of such events on borrowers and the overall economy may also adversely affect our financial condition and results of operations.

Our accounting policies, methodologies, assumptions and estimates have a significant impact on our financial condition, results of operations and disclosures.

We must exercise judgment in selecting and applying various accounting policies, methodologies, assumptions and estimates so that they not only comply with generally accepted accounting principles in the U.S. and reflect best practices, but also reflect our judgment as to the most appropriate manner in which to record and report the financial condition and results of operations. These

policies, methods, assumptions and estimates impact key financial statement items including, but not limited to, our allowance for credit losses and the fair value of certain assets and liabilities. The misapplication of accounting policies, methods, assumptions, or estimates could adversely affect our financial condition, results of operations or financial statement disclosures.

From time to time, the Financial Accounting Standards Board changes the financial accounting standards that govern the preparation of our financial statements. We could be required to apply a new or revised accounting standard retrospectively, which may result in the revision of prior period financial statements by material amounts. These changes are beyond our control and can be difficult to predict and could impact how we report our financial condition and results of operations.

Our risk management framework may not be effective.

Our risk management framework is designed to identify, monitor and manage risk. We seek to identify, measure, monitor, report and control our exposure to the aforementioned risks, among others. While we employ a broad and diversified set of risk monitoring and mitigation techniques, those techniques are inherently limited because they cannot anticipate the existence or future development of currently unanticipated or unknown risks. For example, increases in the overall complexity of our operations, among other developments, have resulted in the creation of a variety of previously unanticipated or unknown risks, highlighting the intrinsic limitations of our risk monitoring and mitigation techniques. As such, we may incur future losses due to the development of such previously unanticipated or unknown risks.

