

CONNECTED IN PURPOSE

2025 ANNUAL REPORT





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Connected in Purpose

Compeer Financial's purpose is deeply rooted in the belief that when rural America thrives, we all move forward together. Our mission leads us to champion the hopes and dreams of rural America and guides every decision we make and every relationship we build.

We are connected to our member-owners, the land and livelihoods they steward, and the rural communities that depend on agriculture's strength and stability. These connections remind us that success is never achieved alone but is built through shared commitment.

Across fields, barns, processing facilities and main streets, our member-owners demonstrate resilience, innovation and determination in the face of changing markets. Their work fuels communities, strengthens food systems and sustains rural life. We're proud to stand alongside our clients, not just as a financial partner, but as a cooperative built on mutual success.

Being connected in purpose means showing up when challenges arise, celebrating progress alongside our clients and industry partners, and keeping our focus on the long-term vitality of agriculture and rural America. It means honoring the responsibility that comes with partnership and staying grounded in what matters most.

Thank you to our clients, member-owners, team members, partners and communities for the collaboration and commitment you bring to our shared work. Together, we remain connected in purpose and focused on building a strong future for agriculture and rural America.

Rooted in Communities

Compeer Financial's work is shaped by our connection to the people we serve, the communities we support and the purpose we share. Grounded in cooperative values, we partner closely with our member-owners to understand their goals and deliver solutions that support their long-term success. From financing family farms to investing in communities, we move forward together, united by a shared commitment to agriculture and rural America.

TAILORED FINANCING

No two clients follow the same path, and financial needs continually evolve. By staying closely connected to our clients, we can recommend and deliver practical solutions that align with their goals. Our list of offerings is comprehensive, and include the following:

- **Agribusiness financing:** Solutions designed to grow alongside agriculture-related businesses
- **Agriculture financing:** Supporting the growth of agriculture operations
- **Appraisals:** Clear, reliable valuations that support confident planning and decision-making
- **Crop insurance:** Risk management options that help protect operations through every season
- **Home loans:** Financing that supports homeownership in rural communities
- **Leasing:** Flexible options that adapt to the changing needs of an operation or business
- **Rural financing:** Investing in rural properties and projects
- **Tax and accounting services:** Practical guidance to simplify financial decisions and planning
- **Title services:** Trusted support to ensure smooth, secure property transactions

INVESTED IN RURAL VITALITY

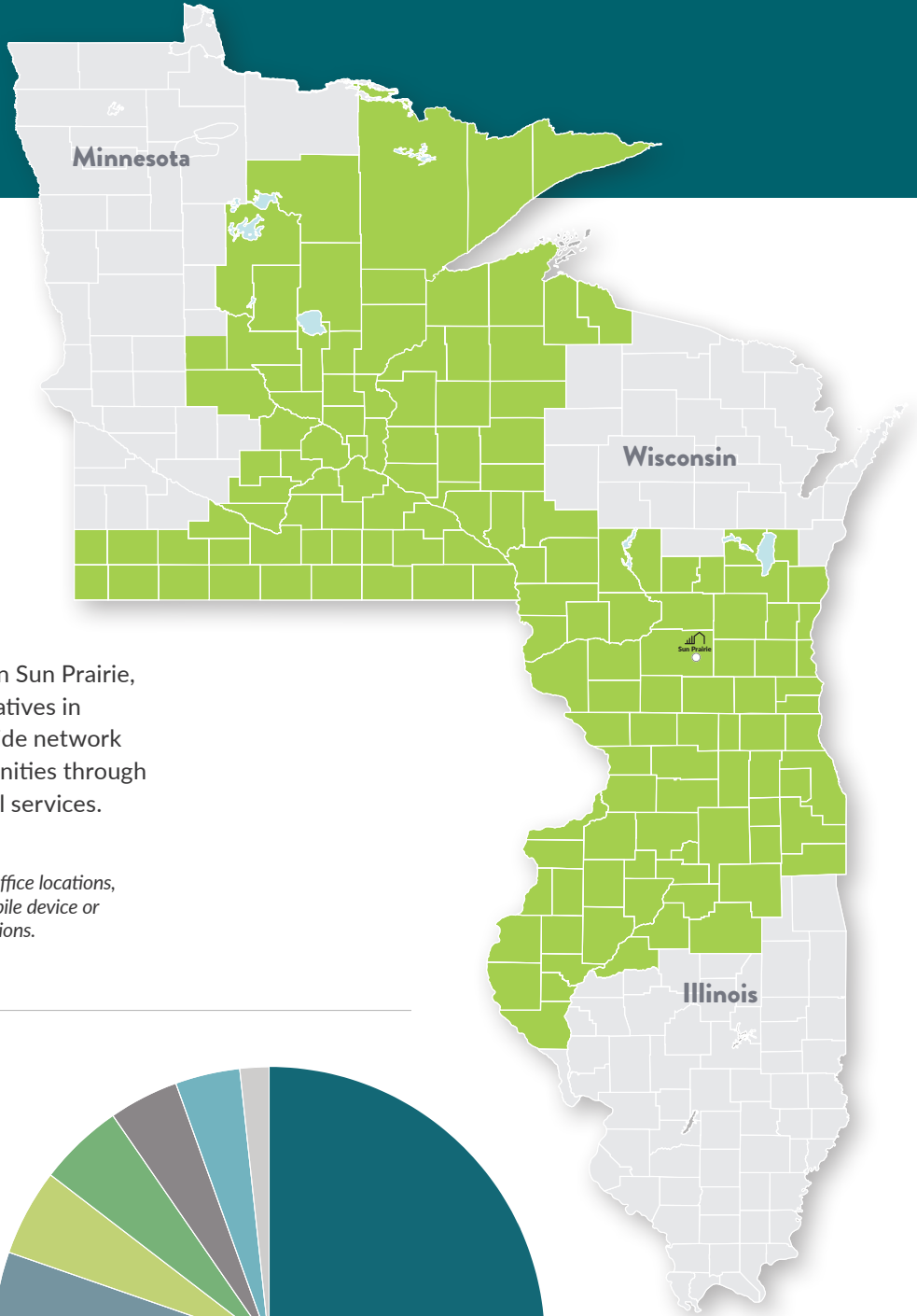
Our commitment to rural America extends beyond financial solutions. Through Compeer Giving and strategic community partnerships, we invest in programs and initiatives that strengthen the places our clients call home. From agricultural education and youth development to community facilities and essential services, these investments are guided by the belief that strong rural communities create opportunity for generations to come. By working alongside local leaders and organizations, we support the long-term vitality of rural regions across Minnesota, Wisconsin and Illinois – reinforcing our shared purpose and commitment to agriculture and rural life.

COMMUNITY IMPACT HIGHLIGHTS

- Supporting critical rural infrastructure, including health care facilities, senior living communities and hospitals
- Investing in education, youth leadership and community development initiatives

LASTING RELATIONSHIPS

At Compeer, our work is grounded in the relationships we build with our clients and communities every day. Our team members live and work in rural areas, giving us a deep understanding of the opportunities, values and challenges that shape rural life. We remain focused on what matters most – helping our clients navigate change and plan for the future. By staying connected to the land, the people and the purpose we serve, we help bring to life our vision of a world where agriculture and rural communities are dynamic, collaborative and thriving.



ABOUT COMPEER FINANCIAL®

Compeer Financial is a member-owned Farm Credit cooperative supporting agriculture and rural communities. Based in the Upper Midwest with \$36.1 billion in total assets, we take a forward-thinking approach to provide innovative, customized financial solutions and expertise to meet the unique needs and dreams of those we serve.

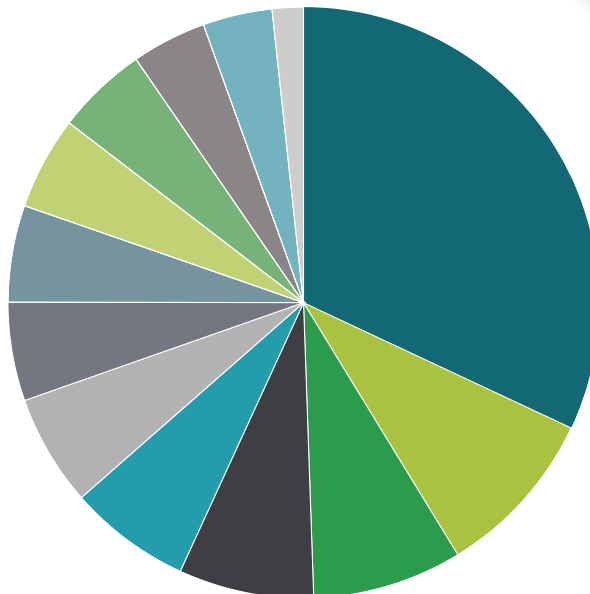
Compeer Financial is headquartered in Sun Prairie, Wis., and is one of the largest cooperatives in the Farm Credit System. The nationwide network supports agriculture and rural communities through reliable, consistent credit and financial services.



For a list of Compeer Financial office locations, scan the QR code with your mobile device or visit compeer.com/branch-locations.

LOAN VOLUME BY INDUSTRY

- CASH GRAINS | 33.1%
- FOOD PRODUCTS | 9.1%
- AGRIBUSINESS | 8.3%
- DAIRY | 7.8%
- OTHER | 4.0%
- ENERGY POWER & TELECOM | 5.9%
- OTHER CROPS | 5.1%
- CATTLE | 5.7%
- SWINE | 5.8%
- LANDOWNER | 5.2%
- RURAL HOME | 4.3%
- PAPER, PACKAGING & TIMBER | 3.8%
- POULTRY & OTHER LIVESTOCK | 1.9%



Strength in Numbers

Compeer Financial is deeply connected to the people and farms that shape our communities. Every number tells a story of partnership in working together to strengthen agriculture today and invest in rural America's future.



Connected TO OUR MEMBER-OWNERS



80,000

MEMBER-OWNERS:

A strong network supporting rural America with a commitment to long-term success.



1,499

TEAM MEMBERS:

Dedicated team members who live and work in rural areas, bringing an understanding to every client interaction.



\$36.1

BILLION IN ASSETS:

A reflection of trust and our ability to deliver reliable financial support that fuels sustainable growth.

Grounded IN MAKING AN IMPACT



PATRONAGE RETURNS:

\$187 million in patronage returned in 2025. Putting cooperative earnings back into the hands of member-owners, and helping to strengthen operations, families and communities.



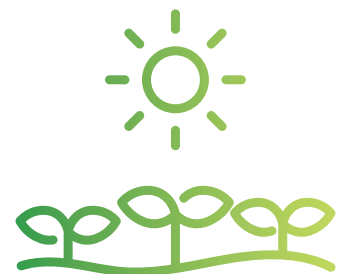
COMPEER GIVING:

\$6 million invested through Compeer Giving. Supporting scholarships, grants and programs that expand opportunity and build capacity across our rural regions.

Connected FOR THE LONG TERM

Our focus on the future is grounded in shared purpose. By aligning financial strength with a commitment to partnership, Compeer continues to invest in sustainable agriculture, financial empowerment and community resilience. These connections ensure we remain a trusted partner today while helping rural America thrive for generations to come.

Together, we are connected in purpose and grounded in what matters. We are committed to building a strong, resilient future for agriculture and rural communities.



Purpose-Driven Leadership

MEET COMPEER'S EXECUTIVE LEADERSHIP TEAM AND BOARD OF DIRECTORS

Executive Leadership Team

Compeer Financial's Executive Leadership Team oversees the cooperative's operations and is responsible for advancing its strategic priorities. With experience across the Farm Credit System and related industries, the team works to support Compeer's mission and serve its member-owners.



JASE WAGNER
President and CEO



BRUCE FEIST
Chief Information Officer



MATT GINDER
Chief Marketplace
Development Officer



JOHN HEMSTOCK
Chief Human
Resources Officer



TERRY L. HINDS
Chief New Markets and
Related Services Officer



BETSY HORTON
Chief Financial Officer



PAUL KOHLS
Chief Administrative and
Mission Officer



BILL MOORE
Chief Risk Officer



JIM ROBERGE
Chief Diversified
Markets Officer



SUSAN SACHATELLO
Chief Marketing Officer

Board of Directors

Compeer Financial's member-owners are represented by 12 elected and three appointed directors. Together, they provide diverse perspective and business insight shaped through their involvement in a wide range of farming operations, agricultural industries and geographic regions. Responsible for setting the cooperative's business direction and providing operational oversight, the Board helps ensure that Compeer Financial continues to meet client needs, respond to changes in the marketplace and pursue long-term success.



ASHLEY AHL
Merrillan, Wis.



ROD BOSMA
Rushmore, Minn.



ANN BROOME
Austin, Texas



ALLYN BUHROW
Ashton, Ill.



MARK CADE
Westby, Wis.



DANIEL ERICKSON
Alden, Minn.



LARRY FISCHER
Sleepy Eye, Minn.



DALE HOLMGREN
North Mankato, Minn.



SARAH JANSEN
Menasha, Wis.



DAVE PETERS
Manteno, Ill.



GREG POLLESCH
Oshkosh, Wis.



DANIEL SCHEIDER
Freeport, Ill.



TRACY TRAVIS
Cambridge, Wis.



KIMBERLY WEDIG
Darlington, Wis.



STEPHANIE WISE
Joliet, Ill.

Enabling Progress Through Digital Tools



Digital tools have become a core part of how many agricultural and rural businesses manage finances, share information and make decisions. Compeer Financial's digital offerings are designed to support these everyday needs while maintaining the security and personal connection our clients expect from their relationship team.

Compeer's digital tools are intended to complement personal interaction with our team, giving clients more flexibility in how and when they access information.

ONLINE BANKING AND MOBILE ACCESS

Compeer's Online Banking platform allows clients to securely view account balances, monitor transactions, transfer funds, and make payments from computers and mobile devices. For member-owners who spend their time in the field or barn, the Compeer Banking mobile app extends these capabilities to smartphones and tablets. Features such as mobile check deposit and scheduled transfers can streamline routine financial tasks by reducing the need for paper checks and manual processes.

MYCOMPEER: A CENTRALIZED CLIENT PORTAL

MyCompeer serves as a secure hub for account information and document management. Through the portal, clients can view statements and billing details, access loan information and exchange files directly with their Compeer team. This secure file-sharing capability is especially useful when submitting financial information, such as balance sheets, or receiving time-sensitive documents.

The portal also supports crop insurance documentation and provides access to learning resources that explain tools, products and processes. Because MyCompeer is available 24/7, clients can review information on their own schedule, whether that's early morning, late evening or during seasonal downtime.

ONLINE BALANCE SHEET AND FINANCIAL COLLABORATION

One of MyCompeer's key tools is the online balance sheet. This feature allows clients to enter and update financial information electronically, which can improve accuracy and make annual reviews more efficient. Sharing financial data digitally allows Compeer to review information more quickly and focus their conversations with clients on planning rather than paperwork.

HOME MORTGAGE AND LOAN TOOLS

For clients exploring home financing options, Compeer offers online mortgage tools that provide access to applications, calculators and supporting resources. These tools help clients understand potential payment scenarios, compare options and gather information before or during conversations with a mortgage specialist. The goal is to make the process more accessible, especially for clients balancing multiple financial priorities.

TAX AND ACCOUNTING DOCUMENT STORAGE

Compeer also provides a secure tax and accounting portal that allows clients to upload and store important financial documents for up to seven years at no charge. This long-term storage can simplify recordkeeping, support tax preparation and reduce the need for physical document storage.

Together, these digital tools give clients more control, better access to information and added convenience.

HOW TO GET STARTED WITH COMPEER'S DIGITAL TOOLS

Getting started with Compeer Financial's digital tools is straightforward, and most clients can be up and running in just a few steps.



- 1 Enroll in Online Banking**

Clients can enroll in Compeer Online Banking to gain secure access to account balances, transactions, payments and transfers. Enrollment information is available on compeer.com. A relationship manager can provide guidance through the process if needed.
- 2 Register for MyCompeer**

MyCompeer is a separate, secure client portal that provides access to statements, billing information, loan details and document sharing. Once registered, clients can log in anytime to view or upload documents, submit an online balance sheet and securely exchange files with their Compeer team.
- 3 Download the Mobile App (Optional)**

For clients who prefer mobile access, the Compeer Banking app is available for smartphones and tablets. Users can check balances, make payments and deposit checks remotely, offering added convenience when away from a computer.
- 4 Set Up Tools for Individual Needs**

Not every client uses every digital feature. Some may focus on online payments and document access, while others rely on balance sheet tools, mortgage resources or long-term document storage. Relationship managers can identify which tools best support an operation and its financial goals.
- 5 Ask for Help When Needed**

Compeer's digital tools are supported by people. When questions about enrollment, access or how to use a specific feature arise, our relationship managers or support team can help.

Patronage: Your Piece of the Pie

A SHARED COMMITMENT TO SUCCESS

As a member-owned cooperative, Compeer Financial is built on a simple but powerful idea: When our cooperative succeeds, our member-owners should share in that success. Patronage is one of the most meaningful ways we bring this idea to life. It's more than a financial benefit. It's a reflection of our shared purpose and the cooperative model that connects us to one another and to rural America.

CONNECTED IN PURPOSE

Guided by cooperative principles, Compeer's Board of Directors remains focused on delivering lasting value to member-owners. We understand the real impact patronage can have, like supporting operations, families, communities and long-term plans. When we look at Compeer's earnings, we don't just see a balance sheet, but a "pie" built by the hard work, trust and partnership of our members. Patronage represents member-owners' piece of that pie — a tangible return on cooperative ownership.

These distributions include both allocated equities, for business conducted before Compeer's formation, and cash patronage for 2025 business. The Board approved \$187

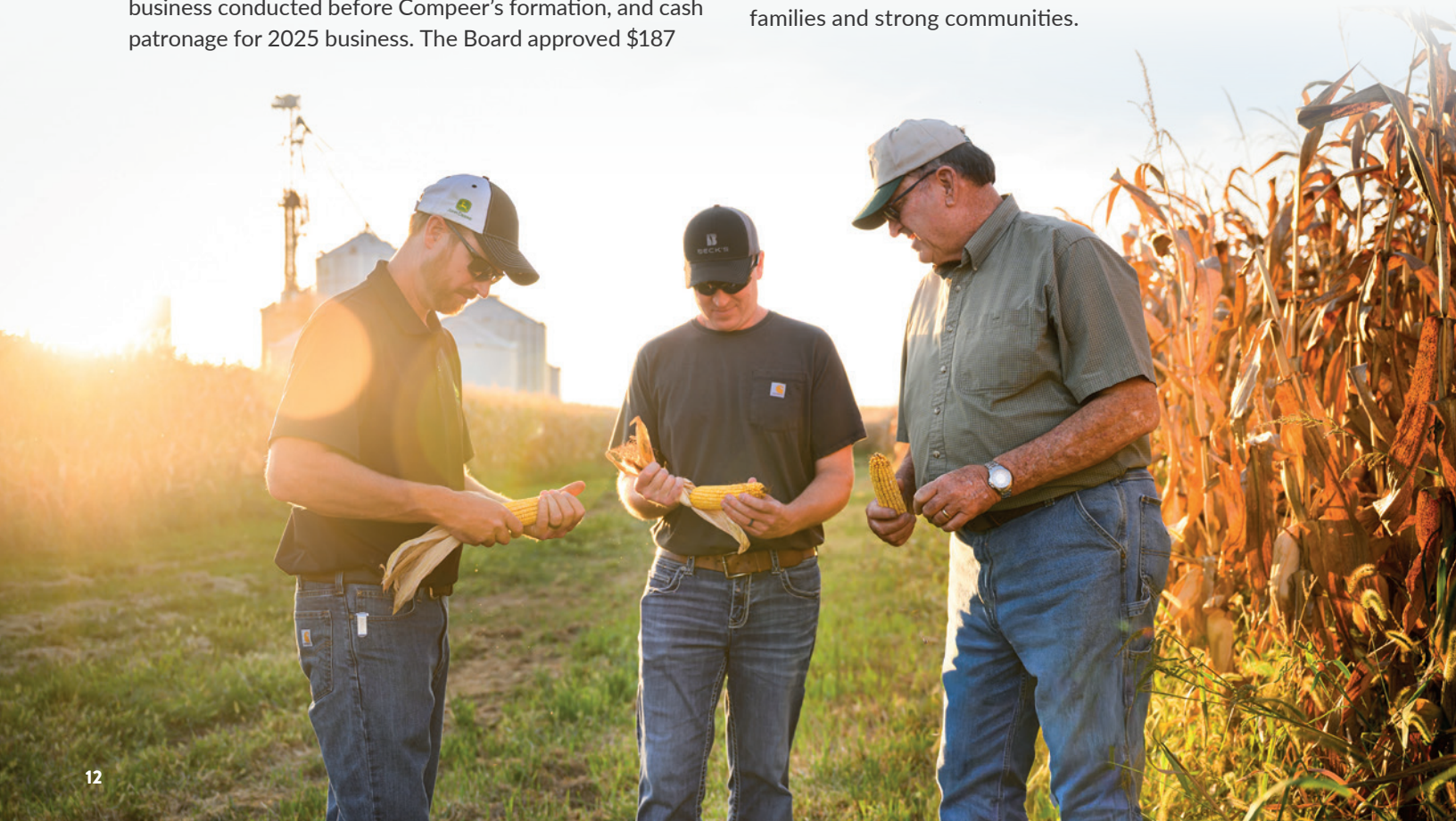
million in patronage distributions for 2025, representing more than 42% of adjusted earnings. These returns reflect Compeer's strong financial performance and a disciplined, long-term approach to cooperative value.

Patronage dollars are reinvested where they matter most — supporting growth, resilience and opportunity across rural America. Whether used to upgrade equipment, expand acreage, adapt to market conditions, diversify income or support family goals, patronage dollars help fuel progress where it matters most.

FOCUSED ON THE FUTURE

Beginning August 2026, Compeer will deliver all patronage payments via direct deposit. This transition ensures member-owners receive their funds faster, more securely and more conveniently — putting their piece of the pie to work sooner.

Through patronage, we demonstrate our connection and commitment to our member owners. Sharing our success is an honor and we're thankful to strong farms, strong families and strong communities.



Building Relationships and Advocating for Rural America

As a greater share of the U.S. population lives in urban areas over time, it becomes increasingly important for rural communities and agriculture to share their perspectives with policymakers and others. At Compeer Financial, we're proud to represent our clients and the voices of rural America on Capitol Hill, in our state capitals and beyond.

In November, Compeer was proud to participate in the 2025 Farm Credit Fly-In, which takes place in Washington, D.C., every other year. Farm Credit associations from across the country gathered to tell the story of American agriculture and rural communities. As part of the event, Compeer leadership and board members participated in over 20 meetings with members of Congress and their staffs from across Illinois, Minnesota and Wisconsin.

These meetings focused on sharing the story and impact of Farm Credit, along with discussions on key issues such as the critical need to pass the remaining elements of the Farm Bill and the importance of supporting rural communities by advocating for the Investing in Rural America Act.

"The Farm Credit System is the largest credit provider to American agriculture," said Perry Aasness, vice president of legislative affairs at Compeer. "As a member-owned and member-governed cooperative, it's vital that we tell our story to lawmakers at every level. We have a responsibility to our members and colleagues to make sure policymakers are well-informed about the state of agriculture and rural America and what can be done to ensure the long-term vitality of both."

The Fly-In included a closing reception set up like a farmers market, where lawmakers, their staff and other key stakeholders could experience Farm Credit's impact by sampling products from member-borrowers while hearing their stories. Compeer shared fruit leather from Twin Cities Berry Co. in Isanti, Minn.; spice mix from Two Creek Farms LLC in Union Grove, Wis.; and whiskey from Whiskey Acres Distilling Co. in DeKalb, Ill.

ADVOCATING FOR FINAL PASSAGE OF THE FARM BILL

Central to Farm Credit and Compeer's legislative priorities was advocating for passage of the remaining provisions of the Farm Bill that were not included in the One Big Beautiful Bill Act signed into law in July 2025. These critical reforms will play an important role in reshaping opportunities for rural communities and farmers across the country.

"We aim to be advocates for our clients and partners on key issues important to American agriculture," explained Aasness. "We take a proactive role on issues directly impacting Compeer, our clients and the rural communities we serve. Working together, we can ensure that rural America has the resources to thrive long into the future."



Compeer Financial board members and Farm Credit partners meet with Rep. Darin LaHood in Washington, D.C. to discuss priorities impacting rural America.



Rep. Brad Finstad meets with Compeer leaders in Washington, D.C. for discussions centered on policies supporting agriculture and rural communities.



Compeer board members join Farm Credit partners in Washington, D.C. advocating for policies that strengthen rural communities nationwide.

Dear Member-Owners,

As we step into 2026, one truth remains at the heart of our mission: we are **Connected in Purpose**. Our connection guides how we show up for our member-owners and for rural America. It reflects a shared commitment between Compeer Financial and the farmers, ranchers and rural residents who shape our cooperative. When agriculture and rural communities thrive, we all move forward together.

The agricultural industry faced a demanding environment in 2025. Tough commodity prices, high input costs and global uncertainty required disciplined focus. Through it all, Compeer remained steady and anchored to our mission of enriching agriculture and rural America. Every decision we make centers on delivering long-term value to you. Stability matters. Experience matters. And our role as a cooperative partner is to help our member-owners perform through every cycle.

2025 FINANCIAL PERFORMANCE

Trust fuels a cooperative, and Compeer's financial strength demonstrates the confidence member-owners place in us. Our foundation remains solid, with consistent profitability and strong credit and capital positions. With **\$36.1 billion** in total assets, Compeer stands among the largest associations in the Farm Credit System, reflecting the trust our 80,000 member-owners have in the cooperative model.

Strong performance also supports meaningful patronage. Because we are a cooperative, our success belongs to you. In 2026, Compeer will return **\$152 million in patronage**, capital that goes directly back into our member-owners' pockets, serving as a powerful reminder of the cooperative advantage.

Investor confidence in Compeer also remains strong as we raised \$300 million in preferred stock in 2025, providing greater flexibility to pursue new opportunities that may exist in the marketplace. This infusion of capital from the broader market signals deep confidence in the future of agriculture and Compeer's disciplined approach to growth and risk management. It also strengthens our ability to help more clients innovate, manage risk and move their operations forward.

CONNECTED TO OUR CLIENTS

Connection starts with understanding clients' goals and how they work. As needs shift across seasons and generations, Compeer offers a full range of financial solutions to support each stage of the journey. Time is our clients' most valuable resource, so we've invested in digital tools like MyCompeer, Online Banking, home mortgage and loan tools, online balance sheets and document storage to put more control in their hands. These tools save time so clients can focus on what matters most: their operation and their family.

Our connection also shows up in real outcomes. More than 13,000 families have achieved rural homeownership through Compeer Home. And we continue to invest in the next generation through our GroundBreakers programming, which supports young and beginning farmers with education, connection and financial services designed to remove some of the common barriers to financing. Our goal remains simple: Be a trusted partner in every chapter of your story.

PURPOSE IN RURAL COMMUNITIES

Our connection extends well beyond the farm gate. Strong agriculture depends on strong rural communities. That's why Compeer Giving awarded \$6 million in gifts, grants and scholarships in 2025. This funding supports rural first responders, classrooms, county fairs, farmers markets and students pursuing their future in agriculture. These investments strengthen communities today while developing leaders for tomorrow.

We continue to advocate for policies that support agriculture and rural communities. Throughout the year, Compeer engaged with lawmakers to advocate for a Farm Bill that truly serves the needs of today's farmers. We also supported the Investing in Rural America Act, which would expand opportunities for Farm Credit to invest in essential community facilities like healthcare centers and senior living facilities, which are critical for long-term rural vitality.

FOCUSED ON A SHARED FUTURE

The future of agriculture requires us to remain connected to what matters most. As a cooperative, we are focused on disciplined planning and proactive risk management. As our clients' financial partner, we provide guidance, products and tools to help them grow their operation while protecting their equity.

Progress grows through shared effort, steady partnership and a clear sense of purpose. We are grateful for the trust our member-owners place in Compeer Financial, and we remain **Connected in Purpose** as we build a strong future for agriculture and rural communities.

Sincerely,



Jase Wagner,
President and CEO, Compeer Financial



Daniel Erickson,
Board Chair, Compeer Financial

2025 FINANCIAL REPORT

CONNECTED IN PURPOSE



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CONSOLIDATED FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA

Compeer Financial, ACA

(dollars in thousands)

As of December 31,	2025	2024	2023	2022	2021
Condensed Consolidated Statements of Condition Data					
Loans held to maturity	\$ 31,557,426	\$ 30,562,522	\$ 28,273,503	\$ 26,719,853	\$ 24,490,167
Allowance for credit losses on loans	211,152	113,022	75,630	52,663	63,700
Net loans held to maturity	31,346,274	30,449,500	28,197,873	26,667,190	24,426,467
Loans held for sale	7,981	26,554	16,091	5,014	24,896
Net loans	31,354,255	30,476,054	28,213,964	26,672,204	24,451,363
Cash	2,400	2,400	2,400	2,400	2,400
Investment securities (net of allowance for credit losses)	2,157,389	1,892,514	1,592,685	1,305,075	1,125,961
Investment in AgriBank, FCB	1,346,081	1,214,354	1,103,132	922,546	751,956
Other assets	1,206,899	1,132,107	987,866	771,084	676,818
Total assets	\$ 36,067,024	\$ 34,717,429	\$ 31,900,047	\$ 29,673,309	\$ 27,008,498
Obligations with maturities of one year or less	\$ 638,489	\$ 715,344	\$ 701,173	\$ 632,490	\$ 508,017
Obligations with maturities greater than one year	29,765,560	28,866,750	26,333,298	24,349,070	22,100,691
Total liabilities	30,404,049	29,582,094	27,034,471	24,981,560	22,608,708
Preferred stock	400,000	100,000	100,000	200,000	200,000
Capital stock and participation certificates	58,261	53,103	47,280	39,853	34,630
Capital stock and participation certificates receivable	(50,616)	(43,412)	(34,078)	(20,220)	(6,589)
Additional paid-in capital	1,780,603	1,780,603	1,780,603	1,780,603	1,780,603
Allocated retained earnings	58,043	110,331	162,937	215,380	267,939
Unallocated retained earnings	3,420,484	3,141,264	2,816,109	2,487,557	2,142,989
Accumulated other comprehensive loss	(3,800)	(6,554)	(7,275)	(11,424)	(19,782)
Total equity	5,662,975	5,135,335	4,865,576	4,691,749	4,399,790
Total liabilities and equity	\$ 36,067,024	\$ 34,717,429	\$ 31,900,047	\$ 29,673,309	\$ 27,008,498
For the year ended December 31,	2025	2024	2023	2022	2021
Condensed Consolidated Statements of Income Data					
Net interest income	\$ 771,876	\$ 747,620	\$ 708,037	\$ 609,960	\$ 549,849
Provision for credit losses	174,864	113,960	113,053	(11,000)	(15,000)
Other expenses, net	191,133	155,821	117,038	106,387	66,499
Net income	\$ 405,879	\$ 477,839	\$ 477,946	\$ 514,573	\$ 498,350
Key Financial Ratios					
For the Year					
Return on average assets	1.2%	1.5%	1.6%	1.9%	2.0%
Return on average equity	7.6%	9.5%	9.8%	11.3%	11.7%
Net interest income as a percentage of average earning assets	2.4%	2.4%	2.5%	2.3%	2.3%
Net charge-offs as a percentage of average loans	0.2%	0.3%	0.3%	0.0%	0.0%
At Year End					
Equity as a percentage of total assets	15.7%	14.8%	15.3%	15.8%	16.3%
Allowance for credit losses on loans as a percentage of loans	0.7%	0.4%	0.3%	0.2%	0.3%
Common equity tier 1 ratio	12.2%	12.3%	12.6%	13.2%	13.9%
Tier 1 capital ratio	13.0%	12.7%	13.1%	14.0%	14.6%
Total capital ratio	14.3%	13.7%	14.1%	14.9%	15.8%
Permanent capital ratio	13.7%	13.4%	13.9%	14.8%	15.7%
Tier 1 leverage ratio	12.7%	12.5%	13.1%	14.1%	14.9%
Net Income Distributed					
For the Year					
Patronage distributions: ¹					
Cash	\$ 135,000	\$ 133,638	\$ 149,325	\$ 149,902	\$ 145,000
Redemption of allocated retained earnings	52,000	52,000	52,000	52,000	52,000
Other distributions	12,898	11,342	8,536	7,319	6,758
Preferred stock dividends	4,875	4,875	12,548	11,625	9,025
Other					
Gross pool program loans serviced for AgriBank, FCB	4,864,737	3,584,136	3,281,272	2,409,026	2,172,517

¹Additional information regarding the patronage programs is included in Note 9 to the accompanying Consolidated Financial Statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Compeer Financial, ACA

The following commentary reviews the consolidated financial condition and consolidated results of operations of Compeer Financial, ACA (the Association or Compeer) and its subsidiaries, Compeer Financial, FLCA and Compeer Financial, PCA, and provides additional specific information. The accompanying Consolidated Financial Statements and Notes to the Consolidated Financial Statements also contain important information about our financial condition and results of operations.

The Farm Credit System (System) is a federally chartered network of borrower-owned lending institutions comprised of cooperatives and related service organizations, established by Congress to meet the credit needs of American agriculture and rural America. As of January 1, 2026, the System consisted of three Farm Credit Banks, one Agricultural Credit Bank, and 55 borrower-owned cooperative lending institutions (associations). The System serves all 50 states, Washington D.C., and Puerto Rico. This network of financial cooperatives is owned and governed by the customers the System serves.

The AgriBank Farm Credit District (AgriBank District or the District) is primarily comprised of AgriBank, FCB (AgriBank), a System Farm Credit Bank, and its District associations. We are an association in the District.

The Farm Credit Administration (FCA) is authorized by Congress to regulate the System. The Farm Credit System Insurance Corporation (FCSIC) 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.

Due to the nature of our financial relationship with AgriBank, the financial condition and results of operations of AgriBank materially impact our stockholders' investment. To request free copies of AgriBank financial reports, contact us at:

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Our Annual Report is available on our website no later than 75 days after the end of the calendar year and stockholders are provided a copy of such report no later than 90 days after the end of the calendar year. The Quarterly Reports are available on our website no later than 40 days after the end of each calendar quarter. To request free copies of our Annual or Quarterly Reports, contact us as stated above.

FORWARD-LOOKING INFORMATION

This Annual Report includes forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Words such as "anticipate", "believe", "estimate", "may", "expect", "intend", "outlook", and similar expressions are used to identify such forward-looking statements. These statements reflect our current views with respect to future events. However, actual results may differ materially from our expectations due to a number of risks and uncertainties which may be beyond our control. The information in this report is based on current knowledge and is 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 conditions, or other conditions and developments in the United States (U.S.) 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 risks 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

AGRICULTURAL AND ECONOMIC CONDITIONS

This agricultural and economic conditions report summarizes general conditions from 2025, with a focus on the fourth quarter of 2025. Conditions reported include overall macroeconomic conditions, as well as agricultural economic conditions of commodities with significant impact to the Compeer portfolio, including grain, dairy, and swine. Macroeconomically, current inflation, unemployment, and other associated data were considered.

Individual commodity results have been mixed throughout 2025, a trend that was consistent through the fourth quarter of 2025. Row crops remained under pressure while protein segments continued to benefit from higher prices and lower feed costs. However, unlike most animal ag commodities, milk faced considerable price weakening during 2025, with even further declines at the end of the fourth quarter. Macroeconomically, although inflation remained somewhat elevated over the Federal Reserve target, weakening signs in the labor market resulted in lowering the Federal Reserve funds target rate by 0.25% at the September 2025, October 2025, and December 2025 meetings, bringing the federal funds target range to 3.5-3.75% at the end of 2025. While economic uncertainty remained elevated, trade disruptions that characterized the second quarter of 2025 were more limited in the third and fourth quarters of 2025, which lead to economic activity returning to a moderate expansion pace.

Agricultural Conditions

The United States Department of Agriculture (USDA) Economic Research Service cancelled their 2025 farm income forecast update in December 2025 due to the lapse in governmental funding. Net cash farm income saw a decline from \$193.7 billion in February 2025 to \$180.7 billion in September 2025, while forecast net farm income (NFI) declined just slightly over the year at \$179.8 billion in September 2025. Although income forecasts decreased, aggregate farm income remained well above 2024. This was mainly attributed to a forecasted \$30.4 billion increase in 2025 government payments—primarily supplemental ad hoc disaster assistance provided to farmers and ranchers through the American Relief Act, 2025.

The One Big Beautiful Bill Act (OBBBA) (H.R. 1), enacted in July 2025, included 10-21% increase in reference prices and additional revenue guarantees for traditional Farm Bill Title I commodity programs. The OBBBA changes increased forecast direct government payments for crop year 2025 but will not be paid until October 2026. Later, in December 2025, an additional \$12 billion in ad hoc payments were authorized as farmer bridge payments for 2025 row crop, sugar, and specialty crop. However, these will also not be paid until 2026 and will not increase 2025 net cash farm income.

Revenue protection crop insurance guarantees were set in February 2025 with CME Group-based average discovery prices of \$4.70 per bushel for corn and \$10.54 per bushel for soybeans. Harvest prices were set in October 2025 with corn at \$4.22 per bushel and soybeans at \$10.35 per bushel. If actual harvest revenue (CME harvest price x yield) dropped below the farmer's individual policy established guarantee at base coverage levels (50-85%) and/or endorsements (up to 95% protection), claims were triggered. Projected crop insurance indemnity payments are included in the USDA forecast NFI but are not included in the governmental payment category.

Industry Conditions

The following economic conditions and forecasts focus on commodities with the highest concentrations in Compeer's loan portfolio. These apply to the industry in general, and individual producers might experience varying performance levels relative to the industry.

Grain

In the January 2025 Quarterly Grain Stocks report, corn stored in all positions totaled 13.3 billion bushels as of December 2025, up 10% year-over-year, primarily driven by record production, and soybeans stored in all positions totaled 3.29 billion bushels, up 6% year-over-year. The September 2025 - November 2025 report indicated disappearance (usage) for corn was 5.29 billion bushels (15.5% higher), compared with 4.58 billion bushels during the same period last year. The September 2025 - November 2025 indicated disappearance for soybeans totaled 1.30 billion bushels (20% lower), compared with 1.61 billion bushels during the same period a year earlier. Increased exports for corn and decreased exports for soybeans were significant drivers for changes in disappearance during 2025.

The January 2026 World Agricultural Supply and Demand Estimates (WASDE) report showed 2025/26 U.S. corn outlook with greater supplies, higher use, and greater ending stocks. 2025 corn yield was estimated at 186.5 bushels per acre nationally on 98.8 million planted corn acres (91.3 million harvested) making for a forecast production of 17.0 billion bushels, the largest U.S. corn crop in history. Farmgate corn price forecast increased to \$4.10 per bushel. From January 2025 to January 2026, WASDE corn price forecasts ranged between \$3.90 and \$4.35 per bushel. For U.S. soybeans, the 2025/26 outlook showed larger supplies and lower use. Exports are significantly reduced with the current 2025/26 export estimate at 1.58 billion bushels and the 2024/25 estimate at 1.88 billion bushels, a decline of 300 million year-over-year. 2025 soybean yield was estimated at 53.0 bushels per acre nationally on 81.2 million planted soybean acres (80.4 million harvested), making for a forecast production of 4.262 billion bushels. Farmgate soybean price forecast decreased to \$10.20 per bushel. From January 2025 to January 2026, WASDE soybean price forecasts ranged between \$9.95 and \$10.50 per bushel.

Dairy

The December 2025 USDA Milk Production report showed a 4.7% increase in milk production in the U.S. from November 2024 to November 2025, for total production of 18.1 billion pounds. Production per cow in the U.S. averaged 1,979 pounds in November 2025, 43 pounds above November 2024. The number of milk cows on farms in the U.S. totaled 9.13 million head in November 2025, 214,000 head more than November 2024. In keeping with national trends, Wisconsin and Minnesota both saw increases in milk cows, milk per cow, and production. Illinois milk per cow and total production increased just slightly.

Due to the increases in both cows and production per cow, national estimates continued to forecast higher milk supply and lower prices. The January 2026 WASDE forecast prices for 2026 to be lower than 2025 prices for cheese, butter, nonfat dry milk, Class III milk, Class IV milk and all milk—dry whey was the exception with price forecast to increase from 2025 to 2026. From December 2025 to January 2026, WASDE prices for Class III was lowered \$0.70 to \$16.35 per hundredweight (cwt) (down \$1.66 per cwt year-over-year), Class IV was increased \$0.05 to \$14.45 per cwt (down \$2.93 per cwt year-over-year), and all milk was lowered \$0.50 to \$18.25 per cwt (down \$2.90 per cwt year-over-year).

Swine

The December 2025 USDA Quarterly Hogs and Pigs report showed U.S. inventory of all hogs and pigs at 75.5 million head, up 1% year-over-year. Breeding inventory, at 5.95 million head, was down 1% year-over-year. Market hog inventory stood at 69.6 million head. Pigs per litter averaged 11.93, continuing their trend up year-over-year. Operations with over 5,000 hogs under contract comprised 52% of the total inventory. The January 2026 WASDE reported the live equivalent price at \$64.87 per cwt for the fourth quarter of 2025, a downward price trend from earlier 2025 projections. 2026 annual prices are flat at a projected \$67 per cwt, but 2025 annual prices projection increased \$0.22 to \$68.80 per cwt.

Macroeconomic Conditions

The national non-farm unemployment rate remained relatively stable, at 4.4% in December 2025. Over the course of 2025, unemployment rates, as revised, ranged from 4.0% to 4.5% annually. Seasonally adjusted job growth was 50,000 in December 2025. During 2025, monthly jobs growth, as revised, ranged from a net loss of 173,000 to gains of 158,000. The Personal Consumption Expenditures (PCE) price index indicated year-over-year inflation at 2.8% in September 2025, which is the most recent PCE inflation data currently available due to delays from the federal lapse in funding. PCE inflation stayed well above the Federal Reserve target of 2.0% for the duration of 2025.

The Federal Reserve cited concerns over lower jobs growth as a signal to cut rates in September 2025, October 2025, and December 2025, moving the Federal Funds rate target range from 4.25-4.5% at the beginning of 2025, to 3.5-3.75% at the end of 2025. The Federal Reserve continued to reduce its holdings throughout 2025, concluding their policy of Quantitative Tightening on December 1, 2025. 30-year fixed rate mortgage rates ended the fourth quarter of 2025 at 6.15%, the lowest in 2025. The December 2025 release of the S&P CoreLogic Case-Shiller U.S. National Home Price Index, unadjusted, was 328.5. After beginning 2025 at 323.7, the index peaked in June 2025 at 331.6 before declining month-over-month since.

Real gross domestic product (GDP) increased at an annual rate of 4.3% in the third quarter of 2025, according to the first estimate released in December 2025 by the U.S. Bureau of Economic Analysis. Consumer spending drove the GDP growth during the third quarter of 2025.

Commercial entities that are more asset-light, tied closer to consumer demand, and more reliant on leverage and floating rates, continued to experience more stress in 2025. Nationally, commercial Chapter 11 business reorganization filings rose by 1% in 2025, after 2024 increased 20% and 2023 shot up by 72%, year-over-year.

LOANS HELD TO MATURITY

Loans Held to Maturity

Total loans were \$31.6 billion at December 31, 2025, an increase of \$994.9 million from December 31, 2024. Total loans include loans held to maturity and finance leases (hereinafter collectively referred to as loans).

Components of Loans

(in thousands)

As of December 31,	2025	2024	2023
Accrual loans:			
Real estate mortgage	\$ 16,324,976	\$ 15,630,184	\$ 14,317,236
Production and intermediate-term	5,020,162	4,913,022	4,759,088
Agribusiness	6,216,713	6,113,109	5,703,865
Other	3,606,827	3,564,819	3,285,612
Nonaccrual loans	388,748	341,388	207,702
Total loans	\$ 31,557,426	\$ 30,562,522	\$ 28,273,503

The other category is composed of rural infrastructure, rural residential real estate, and agricultural export finance related loans as well as finance leases and certain assets characterized as mission related investments.

The increase in total loans from December 31, 2024, was spread widely across most of our business units, led by strong growth within our Marketplace Development business unit. See the Business Units sub-section (in the Other Relationships and Programs section) for descriptions of each of Compeer's business units. This growth was offset in part by \$1.7 billion in participations sold to AgriBank through the asset pool programs (see details in the asset pool paragraph below).

We may purchase or sell participation interests with other parties to diversify risk, manage principal and accrued interest on loans, or comply with the limitations of the FCA Regulations or General Financing Agreement (GFA) with AgriBank.

Loan Participations Purchased and Sold

(in thousands)

As of December 31,	2025	2024	2023
Participations purchased	\$ 16,370,932	\$ 15,646,282	\$ 14,555,639
Participations sold	(12,847,220)	(11,292,011)	(10,481,909)

We have no loans sold with recourse, retained subordinated participation interests in loans sold, or interests in pools of subordinated participation interests that are held in lieu of retaining a subordinated participation interest in the loans sold.

The Association participates in asset pool programs to effectively leverage District capital and other cooperative benefits, as well as manage concentration risk and portfolio growth. On September 1, 2025, we sold to AgriBank participations of \$1.7 billion in loans from across most of our loan portfolio. The participated portions were set at either 15.0% or 30.0% of the included loans. The sale also included increasing the participated portion on loans previously sold to AgriBank from 10.0% to 15.0%. In addition, on May 1, 2025, we sold participation interest in primarily real estate loans under the Agri-Access® pool program, totaling \$243.2 million to AgriBank and other District associations. This sale was in addition to sales made in previous periods through the Agri-Access pool program. The total outstanding participation interests in loans sold to AgriBank as part of asset pool programs were \$4.9 billion, \$3.6 billion, and \$3.3 billion at December 31, 2025, 2024, and 2023, respectively. It should be noted that in the above components of loans table,

for all years shown, the amounts represent Compeer's loan balances net of participation interests in loans sold to AgriBank as part of these asset pool programs.

We offer variable, fixed, capped, indexed, and adjustable interest rate loan programs and variable and fixed interest rate lease programs to our clients. We determine interest margins charged on each lending program based on cost of funds, credit risk, market conditions, and the need to generate sufficient earnings.

Portfolio Distribution

We are chartered to serve certain counties in Illinois, Minnesota, and Wisconsin. At December 31, 2025, approximately 20.5% of our loan portfolio was within our territory in Illinois, 19.0% was within our territory in Minnesota, and 14.5% was within our territory in Wisconsin. The remainder of our portfolio was from outside of our territory to support rural America and to diversify our portfolio risk.

Agricultural Industry Concentrations

As of December 31,	2025	2024	2023
Cash grains	33.1%	32.4%	31.7%
Food products	9.1%	9.9%	10.2%
Agribusiness	8.3%	8.4%	7.7%
Dairy	7.8%	8.0%	8.1%
Energy power and telecom	5.9%	6.2%	6.0%
Swine	5.8%	6.2%	6.5%
Cattle	5.7%	4.8%	4.6%
Landlords	5.2%	5.1%	4.9%
Other crops	5.1%	5.5%	5.7%
Rural home	4.3%	3.8%	3.6%
Paper, packaging, and timber	3.8%	3.8%	4.2%
Poultry and other livestock	1.9%	1.9%	1.7%
Other	4.0%	4.0%	5.1%
Total	100.0%	100.0%	100.0%

Industry categories are based on the borrower's primary intended industry 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.

Portfolio Credit Quality

The credit quality of our portfolio declined from December 31, 2024, which is influenced by the long-term nature of credit cycles, where decisions made years ago continue to shape current performance. This underscores the importance of our proactive approach to risk management. Risk is an inherent part of our business, and rather than avoiding it, we focus on actively managing it thoughtfully through rigorous standards, proactive monitoring, and disciplined execution.

Adversely classified loans increased to 3.4% of the portfolio at December 31, 2025, from 3.2% of the portfolio at December 31, 2024. Adversely classified loans are loans we have identified as showing some credit weakness according to our credit standards. We have considered portfolio credit quality in assessing the reasonableness of our allowance for credit losses on loans. Factors contributing to this increase are discussed in the Nonperforming Assets sub-section. In addition, Compeer first experienced losses in 2024 due to "Liability Management Transactions" (LMTs) within our agribusiness portfolio in the commercial lending community which also led to an increase in adversely classified loans. 2025 included working through these assets and identifying mitigation strategies. LMTs are an out-of-court restructuring for companies to proactively manage their debt obligations to improve overall liquidity but come at the expense of some lenders in the syndicate group.

As of December 31, 2025, with \$1.1 billion in adversely classified loans, the adversely classified loans to total regulatory capital ratio was 23.8%. This is consistent with 2024 and within risk parameters. Additional credit quality information is included in Note 3 to the accompanying Consolidated Financial Statements.

In certain circumstances, government guarantee programs are used to reduce the risk of loss. Loans substantially guaranteed under these government programs totaled \$1.2 billion, \$1.1 billion, \$1.1 billion at December 31, 2025, 2024, and 2023, respectively. In addition, \$177.6 million, \$190.8 million, and \$210.1 million of our loans were substantially guaranteed through the Federal Agricultural Mortgage Corporation (Farmer Mac), a System institution, Standby Commitment Program at December 31, 2025, 2024, and 2023, respectively.

Nonperforming Assets

Components of Nonperforming Assets

(dollars in thousands)

As of December 31,	2025	2024	2023
Loans:			
Nonaccrual	\$ 388,748	\$ 341,388	\$ 207,702
Accruing loans 90 days or more past due	38,103	10,644	32,335
Total nonperforming loans	426,851	352,032	240,037
Other property owned	32,884	6,675	1,132
Total nonperforming assets	\$ 459,735	\$ 358,707	\$ 241,169
Total nonperforming loans as a percentage of total loans	1.4%	1.2%	0.8%
Nonaccrual loans as a percentage of total loans	1.2%	1.1%	0.7%
Current nonaccrual loans as a percentage of total nonaccrual loans	47.6%	46.7%	64.4%
Total delinquencies as a percentage of total loans ¹	1.2%	1.1%	0.9%

¹Total delinquencies include accrual and nonaccrual loans 30 days or more past due.

Our nonperforming assets have increased from December 31, 2024, but remained at acceptable levels. Despite the increase in nonperforming assets, total nonperforming loans as a percentage of total loans were well within our established risk management guidelines.

The increase in nonaccrual loans was largely due to two contributing factors: 1) a limited number of loans within our Capital Markets, Animal Agriculture, and AA Financial Services business units, and 2) loans associated with one partner relationship (which was discontinued during 2025) in our AA AgriFintech Retailers business unit. Within the Animal Agriculture and AA Financial Services business units, isolated fraud incidents were among the factors driving the increase in nonaccrual loans. These incidents have prompted us to reevaluate and enhance our fraud prevention strategies, introducing operational changes and more diligent monitoring to minimize future risks. The increase in nonaccrual loans was offset by charge-offs totaling \$79.9 million on a limited number of loans within our Capital Markets and AA Financial Services business units, as well as loans within our AA AgriFintech Retailers business unit. See the Business Units sub-section (in the Other Relationships and Programs section) for descriptions of Compeer's business units. Despite these challenges, nonaccrual loans remained at an acceptable level at December 31, 2025, 2024, and 2023.

The AA AgriFintech Retailers loans referenced were part of a program launched in 2021, offering real estate, operating, and term loans, along with leases, to ag retail partners at the point of sale. In response to the program's financial performance, we have continued to enhance our underwriting processes and tightened credit standards. Additionally, in 2025, we discontinued our relationship with one partner due to deteriorating credit quality and resulting provision for credit losses expenses. Due to these changes made in the program, we do not expect the stress and losses experienced during 2025 to continue at the same level for 2026.

The increase in accruing loans 90 days or more past due was primarily due to one real estate mortgage purchased participation client within our AA Financial Services business unit. Our accounting policy requires loans past due 90 days or more to be transferred into nonaccrual status unless adequately secured and in the process of collection.

The increase in other property owned was primarily due to collateral for an AA Financial Services client being transferred into other property owned during 2025. The increase was offset by the sale of various properties totaling \$6.3 million, which were primarily transferred to other property owned during 2024.

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.

The required level of allowance for credit losses on loans is adjusted through the provision for credit losses expense. Provision for credit losses expense and loan recoveries increase the allowance, while reversals of provision for credit losses expense and loan charge-offs decrease the allowance. See the Provision for Credit Losses sub-section (within the Results of Operations section) for a discussion on the impact that the increases in the allowance for credit losses on loans had on the provision for credit losses expense during 2025.

Allowance for Credit Losses on Loans and Coverage Ratios

(dollars in thousands)

As of December 31,	2025	2024	2023
Allowance for credit losses on loans	\$ 211,152	\$ 113,022	\$ 75,630
Allowance for credit losses on loans as a percentage of:			
Loans	0.7%	0.4%	0.3%
Nonaccrual loans	54.3%	33.1%	36.4%
Total nonperforming loans	49.5%	32.1%	31.5%
Net charge-offs as a percentage of average loans	0.2%	0.3%	0.3%
Adverse assets to capital and allowance for credit losses on loans	19.1%	19.1%	14.7%

The increase in allowance for credit losses on loans from December 31, 2024, was directly related to the increases in those nonaccrual loans discussed within the Nonperforming Assets sub-section, see this sub-section for further explanation. In addition to the items listed in the Nonperforming Assets sub-section, the increase is also due to changes in the forecasts for future economic conditions, as well as a management adjustment added to capture credit quality and delinquency trends in the AA AgriFintech Retailers business unit. The increase in allowance was partially offset by a reduction in allowance due to the participation sale to AgriBank on September 1, 2025. Additionally, there were charge-offs totaling \$79.9 million on a limited number of loans within our Capital Markets and AA Financial Services business units, as well as loans within our AA AgriFintech Retailers business unit that decreased the allowance.

Additional loans held to maturity information is included in Notes 3, 12, 13, and 14 to the accompanying Consolidated Financial Statements.

LOANS HELD FOR SALE

We originate loans held for sale under a rural residential mortgage program designed to provide qualified borrowers with options for competitive rate financing of rural homes in small towns or that are part of a hobby farm, pastureland, or tillable acreage. The volume in this program was \$8.0 million, \$26.6 million, and \$16.1 million at December 31, 2025, 2024, and 2023, respectively. Loans closed under this rural residential mortgage program will be sold to and securitized by third-party investors, Farmer Mac and Federal Home Loan Mortgage Corporation (Freddie Mac).

We sold loans originated under this program in the secondary market to Freddie Mac totaling \$10.5 million, \$4.7 million, and \$11.4 million in 2025, 2024, and 2023, respectively. In addition, we sold rural home loans in the secondary market through our RuralLiving® program to Farmer Mac totaling \$41.2 million, \$49.4 million, and \$36.5 million in 2025, 2024, and 2023, respectively. For additional information regarding these transactions and loans held for sale, refer to Notes 4 and 14 to the accompanying Consolidated Financial Statements.

INVESTMENT SECURITIES

In addition to loans and leases, we hold investment securities. We had held-to-maturity investment securities, net of allowance for credit losses, of \$2.2 billion, \$1.9 billion, and \$1.6 billion at December 31, 2025, 2024, and 2023, respectively. Our investment securities primarily include mortgage-backed securities (MBS) issued and guaranteed by Farmer Mac or the USDA, asset-backed securities issued and guaranteed by the Small Business Administration, and bonds.

We purchased MBS investments that were classified as held-to-maturity during the years ended December 31, 2025, 2024, and 2023. Included within our held-to-maturity investment securities portfolio were Farmer Mac MBS of \$589.8 million, \$592.9 million, and \$584.2 million as of December 31, 2025, 2024, and 2023, respectively. Loans closed under our RuralLiving program are sold to and securitized by Farmer Mac, and we typically purchase the resulting securities from Farmer Mac.

Quarterly, we evaluate our held-to-maturity investment portfolio to determine whether an allowance for credit losses on investment securities should be recorded. For securities that are guaranteed by the U.S. government or other governmental agencies, we have not recognized an allowance for credit losses on investment securities as our expectation of nonpayment of the amortized cost basis, based on historical losses, is zero. We had an allowance for credit losses on non-guaranteed investment securities of \$866 thousand at December 31, 2025. There was no allowance for credit losses on investment securities at December 31, 2024, or 2023.

Additional investment securities information is included in Notes 5 and 14 to the accompanying Consolidated Financial Statements.

RESULTS OF OPERATIONS

Profitability Information

(dollars in thousands)

For the year ended December 31,	2025	2024	2023
Net income	\$ 405,879	\$ 477,839	\$ 477,946
Return on average assets	1.2%	1.5%	1.6%
Return on average equity	7.6%	9.5%	9.8%

Changes presented in the profitability information table relate directly to:

- Changes in net income discussed in this section
- Changes in assets discussed in the Loans Held to Maturity, Loans Held for Sale, and Investment Securities sections
- Changes in capital discussed in the Capital Adequacy section

Changes in Significant Components of Net Income

(in thousands)	For the year ended December 31,			Increase (decrease) in net income	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net interest income	\$ 771,876	\$ 747,620	\$ 708,037	\$ 24,256	\$ 39,583
Provision for credit losses	174,864	113,960	113,053	(60,904)	(907)
Non-interest income	288,110	273,004	320,386	15,106	(47,382)
Non-interest expense	484,356	422,443	410,559	(61,913)	(11,884)
(Benefit from) provision for income taxes	(5,113)	6,382	26,865	11,495	20,483
Net income	\$ 405,879	\$ 477,839	\$ 477,946	\$ (71,960)	\$ (107)

Net Interest Income

Changes in Net Interest Income

(in thousands)	For the year ended December 31,	
	2025 vs 2024	2024 vs 2023
Changes in volume	\$ 29,276	\$ 39,730
Changes in interest rates	(16,176)	5,606
Changes in asset securitization	--	110
Changes in nonaccrual interest income and other	11,156	(5,863)
Net change	\$ 24,256	\$ 39,583

Net interest margin (net interest income as a percentage of average earning assets) was 2.4%, 2.4%, and 2.5% in 2025, 2024, and 2023, respectively. Our net interest margin is sensitive to interest rate changes and competition.

Provision for Credit Losses

The "Provision for credit losses" in the Consolidated Statements of Comprehensive Income includes a provision for credit losses on loans, a provision for credit losses on unfunded commitments, and a provision for credit losses on investment securities. The provision for credit losses on loans for the year ended December 31, 2025, was \$173.3 million, which is based upon the calculated change in the allowance for credit losses on loans from December 31, 2024, to December 31, 2025, and reflects the long-term nature of lending, where credit decisions made several years ago continue to influence current financial results. See the Nonperforming Assets and Allowance for Credit Losses on Loans sub-sections (in the Loans Held to Maturity section) for a discussion of the various factors contributing to the change in the allowance for credit losses on loans.

Additional information is included in Note 3 to the accompanying Consolidated Financial Statements.

Non-Interest Income

The change in non-interest income was primarily due to an increase in financially related services, which was partially offset by a decrease in patronage income.

Financially Related Services Income: The increase in financially related services income was driven by an increase in multi-peril crop insurance income of \$10.3 million compared to 2024.

Patronage Income: We may receive patronage from AgriBank and other Farm Credit institutions. Patronage distributions from AgriBank and other Farm Credit institutions are declared solely at the discretion of each institution's Board of Directors. AgriBank may distribute patronage in the form of cash or stock. All other patronage from other Farm Credit institutions is typically distributed in cash.

Patronage Income

(in thousands)

For the year ended December 31,	2025	2024	2023
Patronage from AgriBank	\$ 116,438	\$ 121,839	\$ 181,380
AgDirect partnership distribution	5,641	6,163	5,611
Other patronage	703	464	167
Total patronage income	<u>\$ 122,782</u>	<u>\$ 128,466</u>	<u>\$ 187,158</u>
Form of patronage distributions:			
Cash	\$ 122,782	\$ 91,566	\$ 147,052
Stock	--	36,900	40,106
Total patronage income	<u>\$ 122,782</u>	<u>\$ 128,466</u>	<u>\$ 187,158</u>

Patronage from AgriBank primarily includes wholesale patronage and asset pool program patronage. See the Relationship with AgriBank section for further discussion on patronage income. In addition, see the Unincorporated Business Entities sub-section (within the Other Relationships and Programs section) for further discussion on AgDirect, LLP and the partnership distribution.

Wholesale patronage income decreased in 2025 compared to the same period in 2024. The associations within AgriBank's District have seen tremendous loan growth over the past five years due to strong borrower demand. This strong growth requires greater aggregate capital for AgriBank, including capital retention to maintain their financial position, which results in less earnings available for patronage. Therefore, the patronage rate earned on the average daily balance of our wholesale note payable to AgriBank was 16.9 basis points during 2025, consistent with AgriBank's capital plan, down from 22.8 basis points for the same period of 2024.

In comparison, asset pool programs patronage income increased due to the participation sale that occurred on September 1, 2025 (see the Loans Held to Maturity sub-section, in the Loans Held to Maturity section for further explanation). This increase only partially offset the decrease in the wholesale patronage income as discussed above.

Non-Interest Expense

Components of Non-Interest Expense

(in thousands)

For the year ended December 31,	2025	2024	2023
Salaries and employee benefits	\$ 271,429	\$ 253,812	\$ 241,444
Other operating expense:			
Purchased and vendor services	39,255	36,332	27,403
Communications	4,046	3,575	4,140
Occupancy and equipment	47,414	49,679	41,518
Advertising and promotion	17,504	16,848	16,604
Examination	5,290	5,351	4,804
Farm Credit System insurance	26,628	25,577	42,006
Other	20,899	18,442	20,125
Other non-interest expense	51,891	12,827	12,515
Total non-interest expense	<u>\$ 484,356</u>	<u>\$ 422,443</u>	<u>\$ 410,559</u>

The change in non-interest expense was primarily due to an increase in other non-interest expense and salaries and employee benefits expense.

Other Non-Interest Expense: The increase in other non-interest expense was primarily driven by the write-off of a receivable related to an isolated fraudulent activity and associated legal fees, fair value losses on loans sold to AgriBank through our involvement in pool programs (see the Loans Held to Maturity sub-section, in the Loans Held to Maturity section for further explanation), and losses on a limited number of leases.

Salaries and Employee Benefits: Salaries and employee benefits expense includes salary, benefit, and variable compensation expenses. These expenses increased due to annual merit increases and additional new employees hired to support the Association's growth.

(Benefit from) Provision for Income Taxes

The change in (benefit from) provision for income taxes was primarily related to lower taxable entity income resulting from the increased provision for credit losses expense. Additional disclosure is included in Note 10 to the accompanying Consolidated Financial Statements.

FUNDING AND LIQUIDITY

We borrow from AgriBank, under a note payable, in the form of a line of credit, as described in Note 7 to the accompanying Consolidated Financial Statements. This line of credit is our primary source of liquidity and is used to fund operations and meet current obligations. At December 31, 2025, we had \$15.2 billion available under our line of credit. We generally apply excess cash to this line of credit. Due to the cooperative structure of the Farm

Credit System and as we are a stockholder of AgriBank, we expect this borrowing relationship to continue into the foreseeable future. We also fund our portfolio from equity and subordinated debt.

Note Payable Information

(dollars in thousands)

For the year ended December 31,

	2025	2024	2023
Average balance	\$ 28,750,533	\$ 26,977,277	\$ 24,687,543
Average interest rate	3.8%	4.0%	3.6%

Our average cost of funds is variable and may fluctuate based on the current interest rate environment.

The repricing attributes of our line of credit generally correspond to the repricing attributes of our loan portfolio, which significantly reduces our market interest rate risk. However, we maintain some exposure to interest rates, primarily from loans to customers which may not have a component of our line of credit with an exact repricing attribute.

On May 16, 2025, Moody's Ratings lowered the U.S. sovereign's long-term issuer rating to Aa1 from Aaa. The outlook on the long-term debt rating of the U.S. was revised to stable from negative. On May 19, 2025, Moody's Ratings lowered the 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 debt 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, including AgriBank, could result in higher funding costs which could impact our costs and, ultimately, retail loan rates. However, to date we have noticed no significant impact as a result of this rating change.

We have \$100.0 million of Series B-1 non-cumulative perpetual preferred stock and \$300.0 million of Series C-1 non-cumulative perpetual preferred stock outstanding. The impact of this stock on our regulatory capital is discussed in the Capital Adequacy section. Also, see Note 9 to the accompanying Consolidated Financial Statements for additional information related to preferred stock.

We have \$200.0 million of aggregate principal amount of unsecured subordinated notes outstanding. See Note 8 to the accompanying Consolidated Financial Statements for additional information related to subordinated debt.

We have entered into a Standby Commitment to Purchase Agreement with Farmer Mac to help manage credit risk. If a loan covered by the agreement goes into default, subject to certain conditions, we have the right to sell the loan to Farmer Mac. This agreement remains in place until the loan is paid in full. We had \$177.6 million, \$190.8 million, and \$210.1 million of our loans in this program at December 31, 2025, 2024, and 2023, respectively. No loans were sold to Farmer Mac under this agreement during 2025, 2024, or 2023.

CAPITAL ADEQUACY

Total equity was \$5.7 billion, \$5.1 billion, and \$4.9 billion at December 31, 2025, 2024, and 2023, respectively. Total equity increased \$527.6 million from December 31, 2024, primarily due to net income for the year and the issuance of preferred stock, which was partially offset by patronage distribution accruals and the redemption of allocated patronage.

The FCA Regulations require us to maintain minimums for our common equity tier 1, tier 1 capital, total capital, and permanent capital risk-based capital ratios. In addition, the FCA requires us to maintain minimums for our non-risk-adjusted ratios of tier 1 leverage and unallocated retained earnings and equivalents leverage.

Regulatory Capital Requirements and Ratios

(dollars in thousands)				Regulatory	Capital	
As of December 31,	2025	2024	2023	Minimums	Conservation Buffer	Total
Three-month average daily balance:						
Common equity tier 1	(A) \$ 4,031,633	\$ 3,965,824	\$ 3,769,466			
Tier 1 capital	(B) 4,268,589	4,065,824	3,917,292			
Total capital	(C) 4,698,856	4,406,707	4,212,151			
Permanent capital	(D) 4,475,396	4,279,552	4,137,955			
Risk-weighted assets	(E) 32,930,593	32,117,075	29,832,967			
Risk-weighted assets used for permanent capital ratio	(F) 32,712,580	31,990,102	29,752,526			
Unallocated retained earnings and equivalents	(G) 3,925,761	3,811,401	3,565,353			
Total adjusted assets used for tier 1 leverage ratio	(H) 33,562,715	32,561,100	29,848,497			
Risk-adjusted:						
Common equity tier 1 ratio	(A)/(E) 12.2%	12.3%	12.6%	4.5%	2.5%	7.0%
Tier 1 capital ratio	(B)/(E) 13.0%	12.7%	13.1%	6.0%	2.5%	8.5%
Total capital ratio	(C)/(E) 14.3%	13.7%	14.1%	8.0%	2.5%	10.5%
Permanent capital ratio	(D)/(F) 13.7%	13.4%	13.9%	7.0%	N/A	7.0%
Non-risk-adjusted:						
Tier 1 leverage ratio	(B)/(H) 12.7%	12.5%	13.1%	4.0%	1.0%	5.0%
Unallocated retained earnings and equivalents leverage ratio	(G)/(H) 11.7%	11.7%	11.9%	1.5%	N/A	1.5%

These ratios are based on a three-month average daily balance (as shown above) in accordance with the FCA Regulations. Additional information on the calculation of these ratios is included in Note 9 to the accompanying Consolidated Financial Statements.

Our capital plan is designed to maintain an adequate amount of retained earnings and allowance for credit losses which represents our reserve for adversity prior to impairment of stock. We manage our capital to allow us to meet stockholder needs and protect stockholder interests, both now and in the future.

For regulatory capital purposes, our non-cumulative perpetual preferred stock is included in permanent capital, tier 1 capital, and total capital ratios, subject to certain limitations. Our November 2023 redemption of \$100.0 million of non-cumulative perpetual preferred stock is reflected within the December 31, 2023, ratios above. In addition, our subordinated debt is included in permanent capital and total capital ratios, subject to certain limitations. Additional information is included in Notes 8 and 9 to the accompanying Consolidated Financial Statements.

Capital ratios are directly impacted by changes in capital, assets, and off-balance sheet commitments. Refer to the Loans Held to Maturity and the Investment Securities sections for further discussion of the changes in assets. Additional information on regulatory ratios and equity information is included in Note 9 to the accompanying Consolidated Financial Statements and information on off-balance sheet commitments is included in Note 13 to the accompanying Consolidated Financial Statements.

In addition to these regulatory requirements, we establish an optimum total capital target. This target allows us to maintain a capital base adequate for future growth and investment in new products and services. The target is subject to revision as circumstances change. Our optimum total capital target is 13.0%, as defined in our 2026 capital plan.

As authorized by the Board of Directors, we accrued patronage distributions of \$100.0 million as of December 31, 2025, to be paid in cash during 2026. In addition, as of December 31, 2025, we accrued \$52.0 million for the redemption of our nonqualified patronage program, in addition to \$288 thousand of other retirements for the year, to be paid to former stockholders of the merged associations (AgStar Financial Services, ACA, 1st Farm Credit Services, ACA, and Badgerland Financial, ACA) in the first quarter of 2026. Also, the Board of Directors authorized the payment of \$14.8 million of other distributions on approved transactions for 2025. Further information regarding our patronage distributions is included in Note 9 to the accompanying Consolidated Financial Statements.

If the capital ratios fall below the total requirements, including the buffer amounts, capital distributions (dividends, patronage, equity redemptions, and other distributions) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval. We do not currently foresee any events that would result in this prohibition in 2026.

RELATIONSHIP WITH AGRIBANK

Borrowing

We borrow from AgriBank to fund our lending operations in accordance with the Farm Credit Act. Approval from AgriBank is required for us to borrow elsewhere. A GFA, as described in Note 7 to the accompanying Consolidated Financial Statements, governs this lending relationship.

The components of cost of funds under the GFA 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

In the periods presented, we were not subject to the risk premium component. Certain factors may impact our cost of funds, which primarily include market interest rate changes impacting marginal cost of debt as well as changes to pricing methodologies impacting the spread components described above.

The marginal cost of debt approach simulates matching the cost of underlying debt with similar terms as the anticipated terms of our loans to borrowers. This approach substantially protects us from market interest rate risk. We may occasionally engage in funding strategies that result in limited interest rate risk with approval by AgriBank's Asset/Liability Committee.

Investment

We are required to invest in AgriBank capital stock as a condition of borrowing. This investment may be in the form of purchased stock or stock representing distributed AgriBank retained earnings. As of December 31, 2025, we were required by AgriBank to maintain an investment equal to 3.1% of the average quarterly balance of our note payable. The required investment will remain unchanged for 2026 at 3.1%. In addition to the required investment based on the note payable, we are also required to hold additional investment in AgriBank for asset pool programs we participate in, which are typically capitalized at a higher rate that is mutually agreed upon in the asset pool program agreements.

As an AgDirect, LLP partnering association, we are required to purchase stock in AgDirect, which purchases an equivalent amount of stock in AgriBank.

Patronage

AgriBank's capital plan is intended to provide for adequate capital at AgriBank under capital regulations as well as to create a path to long-term capital optimization within the AgriBank District. The plan optimizes capital at AgriBank; distributing available AgriBank earnings in the form of patronage, either cash or AgriBank stock, which is at the sole discretion of the AgriBank Board of Directors. The plan is designed to maintain capital adequacy such that sufficient earnings will be retained in the form of unallocated retained earnings and allocated stock to meet the leverage ratio target and other regulatory or policy constraints prior to any cash patronage distributions.

Purchased Services

We purchase various business services, primarily financial reporting, from AgriBank. Additional related party information is included in Note 12 to the accompanying Consolidated Financial Statements.

Impact on Stockholders' Investment

Due to the nature of our financial relationship with AgriBank, the financial condition and results of operations of AgriBank materially impact our stockholders' investment.

OTHER RELATIONSHIPS AND PROGRAMS

Relationships with Other Farm Credit Institutions

Capital Markets Group: We participate in the Capital Markets Group (CMG) with two other AgriBank District associations, which involves purchasing participation interests in loans to eligible borrowers. The CMG focuses on generating revenue and portfolio growth for the financial benefit of all three participating associations. Management for each association has direct decision-making authority over the loans purchased and serviced for their respective association. The business arrangement provides additional means for diversifying each participating association's portfolio, helps reduce concentration risk, and positions the associations for continued growth. As the facilitating association for CMG, we are reimbursed by the other two participating associations for their portions of the various costs incurred for conducting CMG activities.

CoBank, ACB: We have a relationship with CoBank, ACB (CoBank), a System bank, which involves purchasing and selling participation interests in loans. CoBank provides direct loan funds to associations in its chartered territory and makes loans to cooperatives and other eligible borrowers. As of December 31, 2025, 2024, and 2023, our equity investment in CoBank was \$618 thousand, \$1.0 million, and \$1.0 million, respectively.

Farm Credit Foundations: We have a relationship with Farm Credit Foundations (Foundations), a System service corporation, which involves purchasing human resource, benefit, payroll, and workforce management services. As of December 31, 2025, 2024, and 2023, our investment in Foundations was \$154 thousand. We are also part owners and have two representatives from Compeer on the board. Additional related party information is included in Note 12 to the accompanying Consolidated Financial Statements.

Farm Credit Leasing Services Corporation: We have an agreement with Farm Credit Leasing Services Corporation (FCL), a System service corporation, which specializes in leasing products and provides industry expertise. Leases are originated and serviced by FCL and we purchase a participation interest in the cash flows of the transaction. This arrangement provides our clients with a broad selection of product offerings and enhanced lease expertise.

Federal Agricultural Mortgage Corporation: We have entered into a Standby Commitment to Purchase Agreement with Farmer Mac. This agreement allows for the repayment of principal and interest on certain loans identified under the agreement to Farmer Mac. Refer to the Funding and Liquidity section for further discussion of this agreement. We also purchase MBS investment securities from Farmer Mac. Refer to the Investment Securities section for further discussion. We paid Farmer Mac fees totaling \$2.3 million, \$2.2 million, and \$2.0 million in 2025, 2024, and 2023, respectively. These amounts are included in "Other non-interest expense" in the Consolidated Statements of Comprehensive Income.

ProPartners Financial: We participate in ProPartners Financial (ProPartners) with certain Farm Credit institutions to provide producer financing through agribusinesses that sell crop inputs. ProPartners is directed by representatives from participating associations through their representation on the

ProPartners Board of Directors. We sell to AgriBank our entire interest in the loans associated with ProPartners. As part of this program, we receive patronage income at the sole discretion of the AgriBank Board of Directors.

As the facilitating association for ProPartners, we are compensated to provide various support functions. This includes human resources, accounting, payroll, reporting, and other finance functions. We also serve as the primary originating association for ProPartners participations and sales. The expenses incurred as the facilitating association are recovered from AgriBank as a servicing fee, which is included in the calculation of the net earnings of the ProPartners asset pool program.

Rural Business Investment Companies: We and other Farm Credit institutions are among the limited partners for several Rural Business Investment Companies (RBICs). Our investment in RBICs, was \$127.3 million, \$102.3 million, and \$80.8 million at December 31, 2025, 2024, and 2023, respectively. Refer to Note 13 to the accompanying Consolidated Financial Statements for further disclosure.

SunStream Business Services: We have a relationship with SunStream Business Services (SunStream), a System service corporation, which involves purchasing the following services: financial and retail information technology, collateral, tax reporting, and insurance. As of December 31, 2025, 2024, and 2023, our investment in SunStream was \$5.6 million. Additional related party information is included in Note 12 to the accompanying Consolidated Financial Statements. As of December 31, 2025, we also guaranteed the amounts borrowed by SunStream on their line of credit with AgriBank, up to \$50.0 million. This amount may be amended at any time by SunStream's owners and AgriBank. We also are part owners and have two representatives from Compeer on the board. Refer to Note 13 to the accompanying Consolidated Financial Statements for further disclosure.

Unincorporated Business Entities (UBEs)

AgDirect, LLP: We participate in the AgDirect trade credit financing program, which includes origination and refinancing of agriculture equipment loans through independent equipment dealers. The program is facilitated by another AgriBank District association through a limited liability partnership in which we are a partial owner. Our investment in AgDirect, LLP, was \$42.8 million, \$41.2 million, and \$37.9 million at December 31, 2025, 2024, and 2023, respectively. We also receive a partnership distribution resulting from our participation in the program, which is included in "Patronage income" in the Consolidated Statements of Comprehensive Income. Additional related party information is included in Note 12 to the accompanying Consolidated Financial Statements.

Other: As of December 31, 2025, we held a minority non-controlling interest in a limited liability company established for the purpose of acquiring and selling collateral acquired through the loan collection process, primarily for legal liability purposes. The name of this LLC is PW PropCo Holdings, LLC.

Programs

We are involved in the following programs designed to improve our credit delivery, related services, and marketplace presence.

RuralLiving®: RuralLiving is a rural residential mortgage program designed to provide qualified borrowers with additional options for competitive rate financing of rural homes in small towns or that are part of a hobby farm, pastureland, or tillable acreage. Loans closed under this program will be sold to and securitized by Farmer Mac and resulting securities may be purchased by Compeer.

Farm Cash Management: We offer Farm Cash Management to our clients. Farm Cash Management links clients' revolving lines of credit with an AgriBank investment bond to optimize clients' use of funds.

Mission Related Investments: The public mission of the System has always been to provide financing to agriculture and rural areas. In order to meet the needs of rural America, we have placed additional emphasis on investing in rural communities and businesses by creating our Mission Financing program. This program makes investments in rural America through the purchase of bonds, focusing on rural businesses, health care, and housing facilities. We had investments in these bonds of \$71.6 million, \$75.3 million, and \$79.3 million at December 31, 2025, 2024, and 2023, respectively.

Fleet Management: We offer fleet management services to small and mid-sized agribusinesses. Depending on the program selected, services range from customized vehicle ordering, combined with lease financing, to full service program options of providing fuel cards, maintenance management, 24/7 emergency roadside assistance, license renewal services, fleet reporting, and vehicle disposal service. Additionally, we make available customized vehicle ordering and leasing options to Farm Credit institutions. At the end of 2025, we have ordered vehicles for 12 System entities.

Business Units

In order to carry out our mission of enriching agriculture and rural America, we strive to provide our clients with specialized expertise. We accomplish this customization by splitting and focusing our product offerings and teams into the following business units:

Marketplace Development: We provide operating, term, and real estate loans, leases, crop insurance, life insurance, accounting, and tax services to agricultural lending clients and producers. These clients and producers are typically in the grain, dairy, swine, and cattle industries; however, we also service clients working within emerging agricultural markets. This structure enables our team to collaborate with other professionals with specialized knowledge, depending on the client's specific goals and unique needs.

Compeer Home: Our home mortgage services team provides home financing options for rural residents living in the country or in communities with populations of 2,500 or less. The focal points of this segment are mortgages to buy, build, or refinance residences or acreages. Title insurance, appraisal services, and home equity loans are also offered.

New Markets: Our focus is on developing programs and services that support sustainable practices in agriculture and rural America. This includes innovative lending initiatives that employ alternative methods, terms, or criteria to better serve our clients. We are committed to offering additional or enhanced services that directly benefit our clients, while also exploring growth potential in untapped, underdeveloped, or opportunistic segments. To

further advance our mission, we are integrating financial services with new technologies to create tailored solutions that meet the unique needs of our clients.

Capital Markets: Our Capital Markets team focuses on relationships with commercial banks, Farm Credit institutions, and other lending partners to buy loan participations and partner in primarily syndicated loan transactions. This specialized team provides a national marketing vehicle to gain improved access to the agribusiness and commercial producer loan market, and provides portfolio diversity, earnings, and market intelligence to the organization. This team partners with two other AgriBank District associations to form the Capital Markets Group.

Animal Agriculture: Our team of specialists that possess broad and extensive knowledge and experience in their area of expertise in providing financing to commercial producers, primarily focused in swine and dairy.

Commercial Financing: Our Commercial Financing team provides financing to commercial producers, farm-related businesses, ag production processors and ag-related businesses. This includes grain elevators, farm input suppliers and other agribusinesses supporting food and agriculture infrastructure. We also meet the financing needs of commercial producers and the businesses that process, manufacture, market, distribute, and transport agricultural products.

Agri-Access®: We have entered into agreements with certain financial institutions to provide correspondent lending programs under the trade name Agri-Access, which operates as a unit of Compeer. The Agri-Access umbrella encompasses two programs: AA Financial Services and AA AgriFintech Retailers. Further information can be obtained at www.agri-access.com.

AA Financial Services: AA Financial Services focuses primarily on purchasing participations in agricultural real estate loans and leases and also services loan portfolios for other institutional investors. These firms are dispersed throughout the U.S. The main contact office is located in Des Moines, Iowa. We also have a contact office in Nampa, Idaho.

AA AgriFintech Retailers: Our AA AgriFintech Retailers program takes a forward-thinking approach to provide innovative, customized financial solutions and expertise to meet the unique needs of the agriculture and rural communities we serve. In support of our mission to enrich agriculture and rural America, our team serves as the bridge connecting farmers to agricultural financing through our ag retailer partners, leveraging a modern approach that embraces the digital world. Together with our partners, we serve farmers whenever and wherever they prefer. Loan types include real estate loans, operating loans, term loans, and leases.

Rural Community Finance and Mission Financing: Our Rural Community Finance and Mission Financing teams are devoted to supporting community and economic development, infrastructure needs, and revitalization projects to enhance quality of life in rural communities. Mission Financing purchases bonds issued by local communities and non-profit organizations, with proceeds used to finance the construction, expansion and renovation of critical access hospitals, senior care facilities, and other essential rural community facilities. Projects are a collaboration with local community banks, other Farm Credit institutions, and the USDA Rural Development Community Facilities program. Rural Community Finance supports entrepreneurs and economic development in rural communities through providing funding for coaching services, economic development professionals, project financing, and equity investment into eligible rural businesses.



REPORT OF MANAGEMENT

We prepare the Consolidated Financial Statements of Compeer Financial, ACA (the Association) and are responsible for their integrity and objectivity, including amounts that must necessarily be based on judgments and estimates. The Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The Consolidated Financial Statements, in our opinion, fairly present the financial condition of the Association. Other financial information included in the Annual Report is consistent with that in the Consolidated 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 Consolidated Financial Statements. In addition, our independent auditors have 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 and Finance Committee consults regularly with us and meets periodically with the independent auditors and other auditors to review the scope and results of their work. The independent auditors have direct access to the Board of Directors, which is composed solely of directors who are not officers or employees of the Association.

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

A handwritten signature in black ink that reads "Daniel Erickson".

Daniel Erickson
Board Chair
Compeer Financial, ACA

A handwritten signature in black ink that reads "Jase L. Wagner".

Jase L. Wagner
President and Chief Executive Officer
Compeer Financial, ACA

A handwritten signature in black ink that reads "Betsy Horton".

Betsy Horton
Chief Financial Officer
Compeer Financial, ACA

February 27, 2026



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Compeer Financial, ACA (the Association) principal executives and principal financial officers, or persons performing similar functions, are responsible for establishing and maintaining effective internal control over financial reporting for the Association's Consolidated Financial Statements. For purposes of this report, "internal control over financial reporting" is defined as a process designed by, or under the supervision of the Association'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 information and the preparation of the Consolidated 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 the Association, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial information 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 the Association, and (3) provide reasonable assurance regarding prevention, or timely detection and correction, of unauthorized acquisition, use, or disposition of the Association's assets that could have a material effect on its Consolidated 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.

The Association'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, the Association concluded that as of December 31, 2025, the internal control over financial reporting was effective based upon the COSO criteria.

The Association'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 the Association's internal control over financial reporting as of December 31, 2025.

A handwritten signature in black ink, appearing to read "Jase L. Wagner".

Jase L. Wagner
President and Chief Executive Officer
Compeer Financial, ACA

A handwritten signature in black ink, appearing to read "Betsy Horton".

Betsy Horton
Chief Financial Officer
Compeer Financial, ACA

February 27, 2026



REPORT OF AUDIT AND FINANCE COMMITTEE

The Consolidated Financial Statements were prepared under the oversight of the Audit and Finance Committee. The Audit and Finance Committee is composed of a subset of the Board of Directors of Compeer Financial, ACA (the Association). The Audit and Finance Committee oversees the scope of the Association's internal audit program, the approval and independence of PricewaterhouseCoopers LLP (PwC) as independent auditors, the adequacy of the Association'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 and Finance Committee's responsibilities are described more fully in the Internal Control Policy and the Audit and Finance Committee Charter.

Management is responsible for the preparation of the Consolidated 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 Consolidated Financial Statements. PwC is responsible for expressing opinions on the Consolidated Financial Statements and internal control over financial reporting based on their integrated audits which are performed in accordance with generally accepted auditing standards in the United States of America. The Audit and Finance Committee's responsibilities include monitoring and overseeing these processes.

In this context, the Audit and Finance Committee reviewed and discussed the audited Consolidated Financial Statements for the year ended December 31, 2025, with management. The Audit and Finance Committee also reviewed with PwC the matters required to be discussed by Statement on Auditing Standards AU-C 260, *The Auditor's Communication with Those Charged with Governance*, and both PwC and the internal auditor directly provided reports on any significant matters to the Audit and Finance Committee.

The Audit and Finance Committee had discussions with and received written disclosures from PwC confirming its independence. The Audit and Finance 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 and Finance Committee discussed with management and PwC any other matters and received any assurances from them as the Audit and Finance Committee deemed appropriate.

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

A handwritten signature in black ink, appearing to read "Gregory Pollesch", written in a cursive style.

Gregory Pollesch
Chair of the Audit and Finance Committee
Compeer Financial, ACA

Audit and Finance Committee Members:

Rod Bosma
Daniel Scheider
Tracy Travis
Stephanie Wise

February 27, 2026



Report of Independent Auditors

To the Board of Directors of Compeer Financial, ACA:

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated financial statements of Compeer Financial, ACA, and its subsidiaries (the "Association"), which comprise the consolidated statements of condition as of December 31, 2025, 2024, and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Association as of December 31, 2025, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We also have audited the Association'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 Association 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.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements and Internal Control over Financial Reporting section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Association changed the manner in which it accounts for the allowance for credit losses in 2023. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements and Internal Control over Financial Reporting

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of effective internal control over financial reporting relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. Management is also responsible for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Report on Internal Control over Financial Reporting.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements and Internal Control over Financial Reporting

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and about whether effective internal control over financial reporting was maintained in all material respects, and to issue an auditors' report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of financial statements or an audit of internal control over financial reporting conducted in accordance with US GAAS will always detect a material misstatement or a material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit of consolidated financial statements and an audit of internal control over financial reporting in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances.
- Obtain an understanding of internal control over financial reporting relevant to the audit of internal control over financial reporting, assess the risks that a material weakness exists, and test and evaluate the design and operating effectiveness of internal control over financial reporting based on the assessed risk.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the financial statement audit.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the information included in the 2025 Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Definition and Inherent Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with accounting principles generally accepted in the United States of America. 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 accounting principles generally accepted in the United States of America, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and those charged with governance; and (iii) provide reasonable assurance regarding prevention, or timely detection and correction, 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 and correct, misstatements. Also, projections of any assessment 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.



Minneapolis, Minnesota
February 27, 2026

CONSOLIDATED STATEMENTS OF CONDITION

Compeer Financial, ACA

(in thousands)

As of December 31,	2025	2024	2023
ASSETS			
Loans held to maturity	\$ 31,557,426	\$ 30,562,522	\$ 28,273,503
Allowance for credit losses on loans	211,152	113,022	75,630
Net loans held to maturity	31,346,274	30,449,500	28,197,873
Loans held for sale	7,981	26,554	16,091
Net loans	31,354,255	30,476,054	28,213,964
Cash	2,400	2,400	2,400
Investment securities (net of allowance for credit losses)	2,157,389	1,892,514	1,592,685
Assets held for lease, net	160,865	169,045	147,826
Accrued interest receivable	375,377	354,250	311,492
Investment in AgriBank, FCB	1,346,081	1,214,354	1,103,132
Premises and equipment, net	124,856	120,390	108,965
Other assets	545,801	488,422	419,583
Total assets	\$ 36,067,024	\$ 34,717,429	\$ 31,900,047
LIABILITIES			
Note payable to AgriBank, FCB	\$ 29,565,560	\$ 28,666,750	\$ 26,133,298
Subordinated debt	200,000	200,000	200,000
Accrued interest payable	271,318	271,470	242,969
Patronage distribution payable	166,734	199,898	197,009
Other liabilities	200,437	243,976	261,195
Total liabilities	30,404,049	29,582,094	27,034,471
Contingencies and commitments (Note 13)			
EQUITY			
Preferred stock	400,000	100,000	100,000
Capital stock and participation certificates	58,261	53,103	47,280
Capital stock and participation certificates receivable	(50,616)	(43,412)	(34,078)
Additional paid-in capital	1,780,603	1,780,603	1,780,603
Allocated retained earnings	58,043	110,331	162,937
Unallocated retained earnings	3,420,484	3,141,264	2,816,109
Accumulated other comprehensive loss	(3,800)	(6,554)	(7,275)
Total equity	5,662,975	5,135,335	4,865,576
Total liabilities and equity	\$ 36,067,024	\$ 34,717,429	\$ 31,900,047

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Compeer Financial, ACA

(in thousands)

For the year ended December 31,	2025	2024	2023
Interest income	\$ 1,877,341	\$ 1,825,928	\$ 1,599,130
Interest expense	1,105,465	1,078,308	891,093
Net interest income	771,876	747,620	708,037
Provision for credit losses	174,864	113,960	113,053
Net interest income after provision for credit losses	597,012	633,660	594,984
Non-interest income			
Patronage income	122,782	128,466	187,158
Net operating lease income	15,627	13,624	10,484
Financially related services income	63,088	49,429	50,034
Fee and other non-interest income	86,613	81,485	72,710
Total non-interest income	288,110	273,004	320,386
Non-interest expense			
Salaries and employee benefits	271,429	253,812	241,444
Farm Credit System insurance	26,628	25,577	42,006
Other operating expense	134,408	130,227	114,594
Other non-interest expense	51,891	12,827	12,515
Total non-interest expense	484,356	422,443	410,559
Income before income taxes	400,766	484,221	504,811
(Benefit from) provision for income taxes	(5,113)	6,382	26,865
Net income	\$ 405,879	\$ 477,839	\$ 477,946
Other comprehensive income			
Employee benefit plans activity	\$ 2,754	\$ 721	\$ 4,149
Total other comprehensive income	2,754	721	4,149
Comprehensive income	\$ 408,633	\$ 478,560	\$ 482,095

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Compeer Financial, ACA

(in thousands)

	Preferred Stock	Capital Stock and Participation Certificates and Receivable, Net	Additional Paid-in Capital	Allocated Retained Earnings	Unallocated Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
Balance as of December 31, 2022	\$ 200,000	\$ 19,633	\$ 1,780,603	\$ 215,380	\$ 2,487,557	\$ (11,424)	\$ 4,691,749
Cumulative effect of change in accounting principle	--	--	--	--	7,343	--	7,343
Net income	--	--	--	--	477,946	--	477,946
Other comprehensive income	--	--	--	--	--	4,149	4,149
Redemption of prior year allocated patronage	--	--	--	(52,443)	64	--	(52,379)
Preferred stock issued	--	--	--	--	--	--	--
Preferred stock redeemed	(100,000)	--	--	--	--	--	(100,000)
Preferred stock dividends	--	--	--	--	(12,548)	--	(12,548)
Other distributions	--	--	--	--	(11,342)	--	(11,342)
Unallocated retained earnings designated for patronage distributions	--	--	--	--	(132,911)	--	(132,911)
Capital stock and participation certificates issued	--	10,118	--	--	--	--	10,118
Capital stock and participation certificates retired	--	(2,692)	--	--	--	--	(2,692)
Additions to capital stock and participation certificates receivable, net	--	(13,857)	--	--	--	--	(13,857)
Balance as of December 31, 2023	100,000	13,202	1,780,603	162,937	2,816,109	(7,275)	4,865,576
Cumulative effect of change in accounting principle	--	--	--	--	--	--	--
Net income	--	--	--	--	477,839	--	477,839
Other comprehensive income	--	--	--	--	--	721	721
Redemption of prior year allocated patronage	--	--	--	(52,606)	61	--	(52,545)
Preferred stock issued	--	--	--	--	--	--	--
Preferred stock redeemed	--	--	--	--	--	--	--
Preferred stock dividends	--	--	--	--	(4,875)	--	(4,875)
Other distributions	--	--	--	--	(12,898)	--	(12,898)
Unallocated retained earnings designated for patronage distributions	--	--	--	--	(134,972)	--	(134,972)
Capital stock and participation certificates issued	--	8,691	--	--	--	--	8,691
Capital stock and participation certificates retired	--	(2,868)	--	--	--	--	(2,868)
Additions to capital stock and participation certificates receivable, net	--	(9,334)	--	--	--	--	(9,334)
Balance as of December 31, 2024	100,000	9,691	1,780,603	110,331	3,141,264	(6,554)	5,135,335
Cumulative effect of change in accounting principle	--	--	--	--	--	--	--
Net income	--	--	--	--	405,879	--	405,879
Other comprehensive income	--	--	--	--	--	2,754	2,754
Redemption of prior year allocated patronage	--	--	--	(52,288)	22	--	(52,266)
Preferred stock issued	300,000	--	--	--	(7,065)	--	292,935
Preferred stock redeemed	--	--	--	--	--	--	--
Preferred stock dividends	--	--	--	--	(4,875)	--	(4,875)
Other distributions	--	--	--	--	(14,741)	--	(14,741)
Unallocated retained earnings designated for patronage distributions	--	--	--	--	(100,000)	--	(100,000)
Capital stock and participation certificates issued	--	8,397	--	--	--	--	8,397
Capital stock and participation certificates retired	--	(3,239)	--	--	--	--	(3,239)
Additions to capital stock and participation certificates receivable, net	--	(7,204)	--	--	--	--	(7,204)
Balance as of December 31, 2025	\$ 400,000	\$ 7,645	\$ 1,780,603	\$ 58,043	\$ 3,420,484	\$ (3,800)	\$ 5,662,975

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Compeer Financial, ACA

(in thousands)

For the year ended December 31,	2025	2024	2023
Cash flows from operating activities			
Net income	\$ 405,879	\$ 477,839	\$ 477,946
Depreciation on premises and equipment	12,108	13,703	11,704
Gain on sale of premises and equipment, net	(890)	(957)	(1,275)
Depreciation on assets held for lease	29,428	26,608	23,825
Gain on disposal of assets held for lease, net	(165)	(148)	(126)
Decrease (increase) in loans held for sale	18,573	(10,463)	(11,077)
Net amortization of premiums on loans and investment securities	18,509	16,864	14,581
Provision for credit losses	174,864	113,960	113,053
Stock patronage received from Farm Credit institutions	(15)	(36,957)	(40,124)
(Gain) loss on other property owned, net	(525)	133	2
Gain on derivative activities	--	--	(40)
Changes in operating assets and liabilities:			
Increase in accrued interest receivable	(63,450)	(73,913)	(98,567)
Increase in other assets	(29,945)	(69,264)	(120,933)
(Decrease) increase in accrued interest payable	(152)	28,501	78,395
(Decrease) increase in other liabilities	(38,575)	(14,113)	42,568
Net cash provided by operating activities	525,644	471,793	489,932
Cash flows from investing activities			
Increase in loans, net	(1,061,859)	(2,358,147)	(1,649,018)
Purchases of investment in AgriBank, FCB, net	(131,727)	(74,322)	(140,480)
Purchases of investment in other Farm Credit institutions, net	(1,210)	(3,309)	(1,878)
Purchases of investment securities	(663,894)	(626,610)	(560,496)
Proceeds from investment securities	379,198	308,881	257,577
Sales of derivatives, net	--	--	40
Purchases of assets held for lease, net	(21,083)	(47,679)	(33,023)
Proceeds from sales of other property owned	6,845	16,092	335
Purchases of premises and equipment, net	(15,684)	(24,171)	(31,140)
Net cash used in investing activities	(1,509,414)	(2,809,265)	(2,158,083)
Cash flows from financing activities			
Increase in note payable to AgriBank, FCB, net	898,810	2,533,452	1,984,228
Patronage and other distributions paid	(200,171)	(197,526)	(210,158)
Proceeds from preferred stock issuance	292,935	--	--
Preferred stock dividends paid	(4,875)	(4,875)	(12,548)
Preferred stock redeemed	--	--	(100,000)
Capital stock and participation certificates (retired) issued, net	(2,046)	5,823	7,426
Net cash provided by financing activities	984,653	2,336,874	1,668,948
Net change in cash and restricted cash	883	(598)	797
Cash and restricted cash at beginning of year	5,594	6,192	5,395
Cash and restricted cash at end of year	\$ 6,477	\$ 5,594	\$ 6,192
Supplemental information			
Interest paid	\$ 1,105,617	\$ 1,049,807	\$ 812,698
Taxes paid, net	11,013	20,521	21,271

The accompanying notes are an integral part of these Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Compeer Financial, ACA

NOTE 1: ORGANIZATION AND OPERATIONS

Association

Compeer Financial, ACA (the Association) and its subsidiaries, Compeer Financial, FLCA and Compeer Financial, PCA (subsidiaries) are lending institutions of the Farm Credit System (System). We are a borrower-owned cooperative providing credit and credit-related services to, or for the benefit of, eligible member stockholders for qualified agricultural purposes in the counties of Aitkin, Anoka, Benton, Blue Earth, Brown, Carlton, Carver, Cass, Chisago, Cook, Cottonwood, Crow Wing, Dakota, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Hennepin, Houston, Isanti, Itasca, Jackson, Kanabec, Lake, LeSueur, McLeod, Martin, Mille Lacs, Morrison, Mower, Murray, Nicollet, Nobles, Olmsted, Pine, Pipestone, Ramsey, Rice, Rock, St. Louis, Scott, Sherburne, Sibley, Stearns, Steele, southern Todd, Wabasha, Waseca, Washington, Watonwan, Winona, and Wright counties in the state of Minnesota; Adams, Boone, Brown, Bureau, Carroll, Cook, DeKalb, DuPage, Fulton, Grundy, Hancock, Henderson, Henry, Jo Daviess, Kane, Kankakee, Kendall, Knox, Lake, LaSalle, Lee, Livingston, Marshall, Mason, McDonough, McHenry, McLean, Mercer, Ogle, Peoria, Pike, Putnam, Rock Island, Schuyler, Stark, Stephenson, Tazewell, Warren, Whiteside, Will, Winnebago, and Woodford in the state of Illinois; and Adams, Ashland, Barron, Bayfield, Buffalo, Burnett, Calumet, Chippewa, Columbia, Crawford, Dane, Dodge, Douglas, Dunn, Eau Claire, Fond du Lac, Grant, Green, Green Lake, Iowa, Iron, Jackson, Jefferson, Juneau, Kenosha, La Crosse, Lafayette, Marquette, Milwaukee, Monroe, Ozaukee, Pepin, Pierce, Polk, Racine, Richland, Rock, Rusk, St. Croix, Sauk, Sawyer, Sheboygan, Trempealeau, Vernon, Walworth, Washburn, Washington, Waukesha, and Winnebago counties in the state of Wisconsin.

We borrow from AgriBank, FCB (AgriBank), a System Farm Credit Bank, and provide financing and related services to our clients. Our Agricultural Credit Association (ACA) holds all the stock of the Federal Land Credit Association (FLCA) and Production Credit Association (PCA) subsidiaries and provides lease financing options for agricultural production or operating purposes. The FLCA makes secured long-term agricultural real estate, rural home, and part-time farmer mortgage loans and holds certain types of investments. The PCA makes short-term and intermediate-term loans and holds certain types of investments.

We offer various risk management services, including credit life, term life, credit disability, title, crop hail, and multi-peril crop insurance for clients and those eligible to borrow. We also offer services, such as, farm records services, fee appraisals, cash management, farm business consulting, producer education, title search, fleet management services, income tax planning and preparation services, and retirement and succession planning to our clients.

Farm Credit System and District

The System is a federally chartered network of borrower-owned lending institutions comprised of cooperatives and related service organizations, established by Congress to meet the credit needs of American agriculture. As of January 1, 2026, the System consisted of three Farm Credit Banks, one Agricultural Credit Bank, and 55 borrower-owned cooperative lending institutions (associations). The AgriBank Farm Credit District (AgriBank District or the District) is primarily comprised of AgriBank and its District associations. The AgriBank District associations consist of ACAs that each have 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 subsidiaries. Associations are authorized to provide lease financing options for agricultural purposes and are also authorized to purchase and hold certain types of investments. AgriBank provides funding to all associations chartered within the District.

Associations are authorized to provide, either directly or in participation with other lenders, credit and related services to eligible borrowers. Eligible borrowers may include farmers, ranchers, producers or harvesters of aquatic products, rural residents, and farm-related service businesses. In addition, associations can 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.

The Farm Credit Administration (FCA) is authorized by Congress to regulate the System banks and associations. The Association is examined by the FCA and certain association actions are subject to the prior approval of the FCA and/or AgriBank.

The Farm Credit System Insurance Corporation (FCSIC) 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.

At the discretion of the FCSIC, the Insurance Fund is also available to provide assistance to certain troubled System institutions and for the operating expenses of the FCSIC. 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 2.0% of the aggregate outstanding insured obligations adjusted to reflect the reduced risk on loans or investments guaranteed by federal or state governments. This percentage of aggregate obligations can be changed by the FCSIC, 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 FCSIC is required to reduce premiums and, under certain circumstances, is required to transfer excess funds to establish Allocated Insurance Reserves Accounts (AIRAs). The FCSIC may also distribute all or a portion of the AIRAs to the System banks, which AgriBank passes on as income to the associations. The basis for assessing premiums is insured debt. Nonaccrual loans and impaired investment securities are assessed a surcharge, while guaranteed loans and investment securities are deductions from the premium base. AgriBank, in turn, assesses premiums to District associations each year based on similar factors.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Principles and Reporting Policies

Our accounting and reporting policies conform to generally accepted accounting principles in the United States of America (GAAP) and the prevailing practices within the financial services industry. Preparing financial statements in conformity with GAAP requires us 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 Consolidated Financial Statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Principles of Consolidation

The Consolidated Financial Statements present the consolidated financial results of Compeer Financial, ACA and its subsidiaries. All material intercompany transactions and balances have been eliminated in consolidation.

Significant Accounting Policies

Loans Held to Maturity: Loans are carried at their principal amount outstanding, net of any unearned income, cumulative net charge-offs, unamortized deferred fees and costs on originated loans, and unamortized premiums or discounts on purchased loans. Loan interest is accrued and credited to interest income based upon the daily principal amount outstanding. Origination fees, net of related costs, are deferred and recognized over the life of the loan as an adjustment to net interest income. The net amount of loan fees and related origination costs are not material to the Consolidated Financial Statements taken as a whole.

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 in 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 that are sold as participations are transferred as entire financial assets, groups of entire financial assets, or participating interests in the loans. The transfers of such assets or participating interests are structured such that control over the transferred assets, or participating interests have been surrendered and that all the conditions have been met to be accounted for as a sale.

Loans Held for Sale: Loans held for sale include rural residential mortgages originated for sale. We elected the fair value option for all loans held for sale. Loans are valued on an individual basis and gains or losses are recorded in "Fee and other non-interest income" in the Consolidated Statements of Comprehensive Income. Direct loan origination costs and fees for loans held for sale are recognized in income at origination. Interest income on loans held for sale is calculated based upon the note rate of the loan and is recorded in "Interest income" in the Consolidated Statements of Comprehensive Income.

Allowance for Credit Losses: Effective January 1, 2023, we adopted Accounting Standards Update 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 asset's 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 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 (ACL) 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 ACL 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 ACL 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 Consolidated Statements 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. For more information see the Collateral Dependent Loans policy in the significant accounting policies section of this report.

In estimating the pooled component of the ACLL that share common risk characteristics, loans are pooled and segregated into loan classes 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 first consider multiple economic scenarios over a reasonable and supportable forecast period of three years. The economic forecasts used in our model are provided by an independent third-party on a quarterly basis, and incorporate macroeconomic variables, some of which apply to multiple loan segments and others that apply to a single loan segment. The most significant macroeconomic variables utilized include cash receipts for corn, soybeans, dairy, and swine; selected input costs for producers (land cash rents and prices of seed, fertilizer, and feed); net farm income; real gross domestic product levels; stock market index; unemployment rates; housing price index; agricultural land values; and interest rates (prime and conventional mortgage rates). 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

Under CECL, we evaluate the need for an allowance for credit losses on unfunded commitments, which is included in "Other liabilities" in the Consolidated Statements of Condition. The related provision is included as part of the "Provision for credit losses" in the Consolidated Statements 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 Association 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 held-to-maturity investment portfolio for credit losses. When the present value of cash flows expected to be collected from the security is less than the amortized cost basis of the security, an allowance for credit losses on investment securities is recognized and is limited to the amortized cost less the fair value. For securities that are guaranteed by the United States (U.S.) government or other governmental agencies, we have not recognized an allowance for credit losses on investment securities 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, management reassesses the need for adjustments to the loan's expected credit loss measurements and, where appropriate, records 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 receivable is presented separately in the Consolidated Statements of Condition and includes accrued interest on loans and investment securities.

Investment Securities: We are authorized by the FCA to purchase and hold certain types of investments. As we have the positive intent and ability to hold these investments to maturity, they have been classified as held-to-maturity and are carried at amortized cost, net of allowance for credit losses on investment securities. Purchased premiums and discounts are amortized or accreted using the interest method over the terms of the respective securities.

We consider an investment security contractually past due when any payment of principal or interest required by the investment security is not received on or before the due date. The accrual of interest income is suspended for investments that are in default or for which the collectability of principal or interest is doubtful. When an investment security is in default and the interest is determined to be uncollectible, we immediately reverse any accrued interest.

Other Investments: The carrying amount of the investments in the Rural Business Investment Companies, in which we are a limited partner and hold non-controlling interests, are accounted for under the equity method. The investments are included in "Other assets" in the Consolidated Statements of Condition. The investments are assessed for impairment. If impairment exists, losses are included in Net income in the Consolidated Statements of Comprehensive Income in the year of impairment.

Leases: We are the lessor in finance and operating leases. Under finance leases, unearned income from lease contracts represents the excess of gross lease receivables plus residual receivables over the cost of leased equipment. We amortize net unearned finance lease income to earnings using the interest method. The carrying amount of finance leases is included in "Loans held to maturity" in the Consolidated Statements of Condition and represents lease rent and residual receivables net of the unearned income. Under operating leases, property is recorded at cost and depreciated on a straight-line basis over the lease term to an estimated residual value. We recognize operating lease revenue evenly over the term of the lease in "Net operating lease income" in the Consolidated Statements of Comprehensive Income. We charge depreciation and other expenses against revenue as incurred. The amortized cost of operating leases is included in "Assets held for lease, net" in the Consolidated Statements of Condition and represents the asset cost net of accumulated depreciation.

Investment in AgriBank: Our stock investment in AgriBank is on a cost plus allocated equities basis.

Premises and Equipment: The carrying amount of premises and equipment is at cost, less accumulated depreciation. Calculation of depreciation is generally on the straight-line method over the estimated useful lives of the assets. Depreciation and maintenance and repair expenses are included in "Other operating expense" in the Consolidated Statements of Comprehensive Income and improvements are capitalized.

Other Property Owned: Other property owned, consisting of real and personal property acquired through foreclosure or deed in lieu of foreclosure, is recorded at the fair value less estimated selling costs upon acquisition and is included in "Other assets" in the Consolidated Statements of Condition. Any initial reduction in the carrying amount of a loan to the fair value of the collateral received is charged to the allowance for credit losses on loans. Revised estimates to the fair value less costs to sell are reported as adjustments to the carrying amount of the asset, provided that such adjusted value is not in excess of the carrying amount at acquisition. Related income, expenses, and gains or losses from operations and carrying value adjustments are included in "Other non-interest expense" in the Consolidated Statements of Comprehensive Income.

Post-Employment Benefit Plans: The District has various post-employment benefit plans in which our employees participate. Expenses related to these plans, except for the AgriBank District Pension Restoration Plan, are included in "Salaries and employee benefits" in the Consolidated Statements of Comprehensive Income.

We participate in the AgriBank District Retirement Plan (qualified plan). The plan is comprised 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. Benefit 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 AgriBank District Retirement Plan utilizes the "Projected Unit Credit" actuarial method for financial reporting and funding purposes.

We participate in the AgriBank District 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 certain Internal Revenue Code limits. The pension liability attributable to the Pension Restoration Plan at the Association and the related accumulated other comprehensive loss are included in the Consolidated Statements of Condition. The components of the net periodic cost other than the service cost component, are included in "Other operating expense" in the Consolidated Statements of Comprehensive Income. Service costs are included in "Salaries and employee benefits" in the Consolidated Statements of Comprehensive Income.

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.

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

We participate in the Nonqualified Deferred Compensation Plan. Eligible participants must meet one of the following criteria: certain salary thresholds as determined by the Internal Revenue Service (IRS), are 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.

Income Taxes: The ACA and PCA accrue federal and certain state income taxes. The ACA and PCA are exempt from Minnesota state income tax. Deferred tax assets and liabilities are recognized for future tax consequences of temporary differences between the carrying amounts and tax basis of assets and liabilities. Net deferred tax assets are included in "Other assets" in the Consolidated Statements of Condition and net deferred tax liabilities are included in "Other liabilities" in the Consolidated Statements of Condition. Deferred tax assets are recorded if the deferred tax asset is more likely than not to be realized. If the realization test cannot be met, the deferred tax asset is reduced by a valuation allowance. The expected future tax consequences of uncertain income tax positions are accrued.

The FLCA is exempt from federal and other taxes to the extent provided in the Farm Credit Act.

Patronage Program: We accrue patronage distributions according to a prescribed formula approved by the Board of Directors that is expected to be paid in the following year. Nonqualified patronage distributions do not qualify as a deduction from our taxable income, and the client receiving it does not record it as taxable income, until it is redeemed at some future date. The redemption of nonqualified patronage distributions is at the discretion of the Board of Directors.

Off-Balance Sheet Credit Exposures: Commitments to extend credit are agreements to lend to a borrower as long as there is not a violation of any condition established in the loan contract. The commitments to extend credit 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. We evaluate the need for an allowance for credit losses on unfunded commitments, which is included in "Other liabilities" in the Consolidated Statements of Condition. For more information see the allowance for credit losses on unfunded commitments policy in the significant accounting policies section of this report.

Cash: For purposes of reporting cash flows, cash includes cash on hand and deposits in banks. Cash balances at times may exceed federally insured limits. Restricted cash is recorded in "Other assets" in the Consolidated Statements of Condition.

Fair Value Measurement: The accounting guidance describes three levels of inputs that may be used to measure fair value.

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 the reporting entity's 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.

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

Net income is used to evaluate the overall Association 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.

The Association 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 Association 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 December 2023, the FASB issued Accounting Standards Update (ASU) 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This guidance is effective for public business entities for annual periods beginning after December 15, 2024.	This guidance requires more transparency about income tax information through improvements to income tax disclosures. The improvements applicable to our Association include adding percentages and information by state jurisdiction to the rate reconciliation and income taxes paid disclosures.	We adopted this standard for the year ended December 31, 2025. The adoption of this guidance did not have a material impact on our financial statements, but modified certain disclosures beginning in our 2025 Annual Report on a prospective basis.

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." This guidance is effective for public business entities for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. This guidance can be applied either prospectively for reporting periods after the effective date or retrospectively for 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 financial statement 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 2025, 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 all entities 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 as of January 1, 2027. We are currently assessing the impact of this standard on our financial statements and disclosures.
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.	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.	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.
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.	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.	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.

NOTE 3: LOANS HELD TO MATURITY AND ALLOWANCE FOR CREDIT LOSSES ON LOANS

Loans by Type

(dollars in thousands)

As of December 31,

	2025		2024		2023	
	Amortized Cost	%	Amortized Cost	%	Amortized Cost	%
Real estate mortgage	\$ 16,491,011	52.2%	\$ 15,765,866	51.6%	\$ 14,413,534	51.0%
Production and intermediate-term	5,130,235	16.3%	5,001,507	16.4%	4,809,634	17.0%
Agribusiness	6,305,965	20.0%	6,215,229	20.3%	5,758,154	20.4%
Other	3,630,215	11.5%	3,579,920	11.7%	3,292,181	11.6%
Total	\$ 31,557,426	100.0%	\$ 30,562,522	100.0%	\$ 28,273,503	100.0%

The other category is composed of rural infrastructure, rural residential real estate, and agricultural export finance related loans as well as finance leases and certain assets characterized as mission related investments. Total loans include loans held to maturity and finance leases (hereinafter collectively referred to as loans).

Throughout Note 3 accrued interest receivable on loans of \$357.9 million, \$337.6 million, and \$290.8 million at December 31, 2025, 2024, and 2023, respectively, has been excluded from the amortized cost of loans and is presented in "Accrued interest receivable" in the Consolidated Statements of Condition.

Portfolio Concentrations

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. We lend primarily within agricultural industries.

As of December 31, 2025, amortized cost on loans plus commitments, reduced by government guaranteed portions of loans, to our ten largest borrowers totaled an amount equal to 3.0% of total loans and commitments.

Total loans plus any unfunded commitments represent a proportionate maximum potential credit risk. However, substantial portions of our lending activities are collateralized. In addition, a certain portion of our loans are guaranteed by the Federal Agricultural Mortgage Corporation (Farmer Mac) or U.S. government agencies. Accordingly, the credit risk associated with lending activities is generally less than the recorded loan principal. The amount of collateral obtained, if deemed necessary upon extension of credit, is based on management's credit evaluation of the borrower. Collateral held varies, but may include real estate, equipment, inventory, livestock, and income-producing property.

Participations

We may purchase or sell participation interests with other parties to diversify risk, manage portfolio size, or comply with the limitations of the FCA Regulations or General Financing Agreement (GFA) with AgriBank.

Participations Purchased and Sold

(in thousands)	AgriBank		Other Farm Credit Institutions		Non-Farm Credit Institutions		Total	
	Participations		Participations		Participations		Participations	
	Purchased	Sold	Purchased	Sold	Purchased	Sold	Purchased	Sold
As of December 31, 2025								
Real estate mortgage	\$ --	\$ (2,362,859)	\$ 308,595	\$ (816,840)	\$ 5,017,391	\$ (48,012)	\$ 5,325,986	\$ (3,227,711)
Production and intermediate-term	--	(1,235,858)	730,304	(1,519,765)	2,170,995	(16,735)	2,901,299	(2,772,358)
Agribusiness	--	(1,227,326)	2,783,649	(3,943,844)	1,289,482	(13,737)	4,073,131	(5,184,907)
Other	--	(431,390)	3,958,507	(1,230,854)	112,009	--	4,070,516	(1,662,244)
Total	\$ --	\$ (5,257,433)	\$ 7,781,055	\$ (7,511,303)	\$ 8,589,877	\$ (78,484)	\$ 16,370,932	\$ (12,847,220)

As of December 31, 2024	AgriBank		Other Farm Credit Institutions		Non-Farm Credit Institutions		Total	
	Participations		Participations		Participations		Participations	
	Purchased	Sold	Purchased	Sold	Purchased	Sold	Purchased	Sold
Real estate mortgage	\$ --	\$ (1,577,672)	\$ 352,045	\$ (807,507)	\$ 4,501,628	\$ (54,421)	\$ 4,853,673	\$ (2,439,600)
Production and intermediate-term	--	(954,161)	513,657	(1,441,372)	2,278,493	(19,093)	2,792,150	(2,414,626)
Agribusiness	--	(1,028,263)	2,524,559	(3,806,116)	1,414,046	(29,876)	3,938,605	(4,864,255)
Other	--	(352,158)	3,973,671	(1,221,372)	88,183	--	4,061,854	(1,573,530)
Total	\$ --	\$ (3,912,254)	\$ 7,363,932	\$ (7,276,367)	\$ 8,282,350	\$ (103,390)	\$ 15,646,282	\$ (11,292,011)

As of December 31, 2023	AgriBank		Other Farm Credit Institutions		Non-Farm Credit Institutions		Total	
	Participations		Participations		Participations		Participations	
	Purchased	Sold	Purchased	Sold	Purchased	Sold	Purchased	Sold
Real estate mortgage	\$ --	\$ (1,453,100)	\$ 285,740	\$ (687,759)	\$ 3,825,375	\$ (50,200)	\$ 4,111,115	\$ (2,191,059)
Production and intermediate-term	--	(1,040,422)	523,610	(1,683,086)	2,676,764	(15,441)	3,200,374	(2,738,949)
Agribusiness	--	(794,124)	2,201,962	(3,337,595)	1,362,106	(38,213)	3,564,068	(4,169,932)
Other	--	(274,437)	3,638,426	(1,107,532)	41,656	--	3,680,082	(1,381,969)
Total	\$ --	\$ (3,562,083)	\$ 6,649,738	\$ (6,815,972)	\$ 7,905,901	\$ (103,854)	\$ 14,555,639	\$ (10,481,909)

Credit Quality and Delinquency

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. 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% of the original appraised value of the property taken as security or up to 97% 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 6-point scale addressing loss given default. Probability of default 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. We review the probability of default category on at least an annual basis, or when a credit action is taken.

We utilize the FCA Uniform Classification System, which categorizes loans into five credit quality categories, based on their assigned probability of default rating. The categories are:

- Acceptable – loans are non-criticized loans 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) – loans are currently collectible but exhibit some potential weakness. These loans involve increased credit risk, but not to the point of justifying a substandard classification.
- Substandard – loans exhibit some serious weakness in repayment capacity, equity, and/or collateral pledged on the loan.
- Doubtful – loans exhibit similar weaknesses as substandard loans. Doubtful loans have additional weaknesses in existing factors, conditions, and values that make collection in full highly questionable.
- Loss – loans are considered uncollectible.

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

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 the acceptable category to special mention and grows significantly as a loan moves to a substandard (viable) level. A substandard (non-viable) rating indicates that the probability of default is almost certain.

Credit Quality of Loans as a Percentage of Total Loans

As of December 31, 2025	Acceptable	Special Mention	Substandard/ Doubtful	Total
Real estate mortgage	95.5%	2.0%	2.5%	100.0%
Production and intermediate-term	90.4%	5.0%	4.6%	100.0%
Agribusiness	89.9%	4.5%	5.6%	100.0%
Other	97.2%	1.0%	1.8%	100.0%
Total	93.7%	2.9%	3.4%	100.0%

As of December 31, 2024	Acceptable	Special Mention	Substandard/ Doubtful	Total
Real estate mortgage	95.6%	1.6%	2.8%	100.0%
Production and intermediate-term	93.2%	3.2%	3.6%	100.0%
Agribusiness	91.4%	3.8%	4.8%	100.0%
Other	97.0%	1.5%	1.5%	100.0%
Total	94.5%	2.3%	3.2%	100.0%

As of December 31, 2023	Acceptable	Special Mention	Substandard/ Doubtful	Total
Real estate mortgage	96.6%	1.1%	2.3%	100.0%
Production and intermediate-term	95.0%	1.6%	3.4%	100.0%
Agribusiness	94.1%	2.5%	3.4%	100.0%
Other	96.5%	2.8%	0.7%	100.0%
Total	95.8%	1.7%	2.5%	100.0%

Credit Quality and Origination Year of Loans

(in thousands)	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term Loans	Total
	2025	2024	2023	2022	2021	Prior			
Amortized Cost as of December 31, 2025									
Real estate mortgage									
Acceptable	\$ 3,155,578	\$ 1,976,554	\$ 1,148,153	\$ 1,384,535	\$ 2,096,715	\$ 5,589,283	\$ 370,028	\$ 23,380	\$ 15,744,226
Special mention	37,655	47,510	34,561	56,491	15,852	92,641	46,451	196	331,357
Substandard/doubtful	9,180	28,185	40,800	49,268	86,615	197,391	3,291	698	415,428
Total real estate mortgage	\$ 3,202,413	\$ 2,052,249	\$ 1,223,514	\$ 1,490,294	\$ 2,199,182	\$ 5,879,315	\$ 419,770	\$ 24,274	\$ 16,491,011
Production and intermediate-term									
Acceptable	\$ 1,001,547	\$ 310,680	\$ 203,308	\$ 149,841	\$ 129,457	\$ 124,068	\$ 2,712,464	\$ 6,728	\$ 4,638,093
Special mention	41,811	12,520	15,072	12,363	2,901	1,402	171,059	968	258,096
Substandard/doubtful	15,873	23,424	57,804	7,324	2,100	11,492	81,740	34,289	234,046
Total production and intermediate-term	\$ 1,059,231	\$ 346,624	\$ 276,184	\$ 169,528	\$ 134,458	\$ 136,962	\$ 2,965,263	\$ 41,985	\$ 5,130,235
Agribusiness									
Acceptable	\$ 1,212,805	\$ 859,924	\$ 414,494	\$ 594,289	\$ 247,944	\$ 692,600	\$ 1,642,530	\$ 5,334	\$ 5,669,920
Special mention	22,471	82,172	19,085	74,648	39,040	--	45,016	--	282,432
Substandard/doubtful	13,295	34,642	28,276	50,587	63,713	59,823	102,751	526	353,613
Total agribusiness	\$ 1,248,571	\$ 976,738	\$ 461,855	\$ 719,524	\$ 350,697	\$ 752,423	\$ 1,790,297	\$ 5,860	\$ 6,305,965
Other									
Acceptable	\$ 701,108	\$ 681,368	\$ 851,659	\$ 372,194	\$ 191,454	\$ 589,128	\$ 139,462	\$ 1,811	\$ 3,528,184
Special mention	3,845	12,311	2,520	8,022	178	9,923	972	--	37,771
Substandard/doubtful	3,565	24,559	16,467	3,289	2,883	13,452	45	--	64,260
Total other	\$ 708,518	\$ 718,238	\$ 870,646	\$ 383,505	\$ 194,515	\$ 612,503	\$ 140,479	\$ 1,811	\$ 3,630,215
Total									
Acceptable	\$ 6,071,038	\$ 3,828,526	\$ 2,617,614	\$ 2,500,859	\$ 2,665,570	\$ 6,995,079	\$ 4,864,484	\$ 37,253	\$ 29,580,423
Special mention	105,782	154,513	71,238	151,524	57,971	103,966	263,498	1,164	909,656
Substandard/doubtful	41,913	110,810	143,347	110,468	155,311	282,158	187,827	35,513	1,067,347
Total	\$ 6,218,733	\$ 4,093,849	\$ 2,832,199	\$ 2,762,851	\$ 2,878,852	\$ 7,381,203	\$ 5,315,809	\$ 73,930	\$ 31,557,426

Charge-offs for the year ended December 31, 2025

Real estate mortgage	\$ --	\$ --	\$ --	\$ 6,072	\$ 3,062	\$ 790	\$ --	\$ --	\$ 9,924
Production and intermediate-term	140	89	686	1,849	228	733	17,824	12,217	33,766
Agribusiness	--	4,976	502	2,328	1,632	5,125	15,864	89	30,516
Other	650	1,874	211	1,467	81	61	1,389	--	5,733
Total	\$ 790	\$ 6,939	\$ 1,399	\$ 11,716	\$ 5,003	\$ 6,709	\$ 35,077	\$ 12,306	\$ 79,939

(in thousands)	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term Loans	Total
	2024	2023	2022	2021	2020	Prior			
Amortized Cost as of December 31, 2024									
Real estate mortgage									
Acceptable	\$ 2,618,732	\$ 1,434,388	\$ 1,614,956	\$ 2,382,797	\$ 2,205,558	\$ 4,437,352	\$ 351,274	\$ 20,073	\$ 15,065,130
Special mention	22,279	25,274	56,709	19,708	34,051	68,907	29,461	310	256,699
Substandard/doubtful	6,981	20,133	71,673	93,276	101,062	123,701	25,102	2,109	444,037
Total real estate mortgage	\$ 2,647,992	\$ 1,479,795	\$ 1,743,338	\$ 2,495,781	\$ 2,340,671	\$ 4,629,960	\$ 405,837	\$ 22,492	\$ 15,765,866
Production and intermediate-term									
Acceptable	\$ 764,141	\$ 453,478	\$ 330,506	\$ 212,578	\$ 120,023	\$ 114,805	\$ 2,661,834	\$ 7,594	\$ 4,664,959
Special mention	25,143	9,911	5,614	4,110	3,375	1,332	108,050	627	158,162
Substandard/doubtful	19,084	9,344	4,604	1,670	9,635	5,565	88,819	39,665	178,386
Total production and intermediate-term	\$ 808,368	\$ 472,733	\$ 340,724	\$ 218,358	\$ 133,033	\$ 121,702	\$ 2,858,703	\$ 47,886	\$ 5,001,507
Agribusiness									
Acceptable	\$ 1,102,693	\$ 713,270	\$ 730,489	\$ 397,715	\$ 271,402	\$ 772,464	\$ 1,684,221	\$ 4,041	\$ 5,676,295
Special mention	35,186	657	72,971	30,217	51,016	8,045	39,993	--	238,085
Substandard/doubtful	45,377	2,545	34,827	102,234	13,376	19,449	82,548	493	300,849
Total agribusiness	\$ 1,183,256	\$ 716,472	\$ 838,287	\$ 530,166	\$ 335,794	\$ 799,958	\$ 1,806,762	\$ 4,534	\$ 6,215,229
Other									
Acceptable	\$ 759,997	\$ 1,011,391	\$ 559,049	\$ 311,210	\$ 150,291	\$ 577,267	\$ 99,722	\$ 2,274	\$ 3,471,201
Special mention	14,661	6,355	1,461	17,146	8,574	4,844	875	--	53,916
Substandard/doubtful	25,290	4,095	5,307	1,733	2,950	14,012	1,416	--	54,803
Total other	\$ 799,948	\$ 1,021,841	\$ 565,817	\$ 330,089	\$ 161,815	\$ 596,123	\$ 102,013	\$ 2,274	\$ 3,579,920
Total									
Acceptable	\$ 5,245,563	\$ 3,612,527	\$ 3,235,000	\$ 3,304,300	\$ 2,747,274	\$ 5,901,888	\$ 4,797,051	\$ 33,982	\$ 28,877,585
Special mention	97,269	42,197	136,755	71,181	97,016	83,128	178,379	937	706,862
Substandard/doubtful	96,732	36,117	116,411	198,913	127,023	162,727	197,885	42,267	978,075
Total	\$ 5,439,564	\$ 3,690,841	\$ 3,488,166	\$ 3,574,394	\$ 2,971,313	\$ 6,147,743	\$ 5,173,315	\$ 77,186	\$ 30,562,522

Charge-offs for the year ended December 31, 2024

Real estate mortgage	\$ --	\$ --	\$ 2,152	\$ --	\$ --	\$ 4,269	\$ --	\$ --	\$ 6,421
Production and intermediate-term	229	1,583	1,536	--	308	2,579	15,474	2,415	24,124
Agribusiness	8,279	83	5,730	9,713	--	8,374	14,049	267	46,495
Other	1,295	--	--	39	--	264	1,556	--	3,154
Total	\$ 9,803	\$ 1,666	\$ 9,418	\$ 9,752	\$ 308	\$ 15,486	\$ 31,079	\$ 2,682	\$ 80,194

Amortized Cost as of December 31, 2023	Term Loans by Origination Year						Revolving Loans	Converted to Term Loans	Total
	2023	2022	2021	2020	2019	Prior			
Real estate mortgage									
Acceptable	\$ 1,905,549	\$ 1,787,748	\$ 2,516,003	\$ 2,403,502	\$ 878,388	\$ 4,101,303	\$ 308,895	\$ 20,074	\$ 13,921,462
Special mention	7,175	3,582	46,669	18,409	5,842	60,645	15,699	--	158,021
Substandard/doubtful	5,015	66,044	76,304	41,228	35,186	82,727	25,495	2,052	334,051
Total real estate mortgage	\$ 1,917,739	\$ 1,857,374	\$ 2,638,976	\$ 2,463,139	\$ 919,416	\$ 4,244,675	\$ 350,089	\$ 22,126	\$ 14,413,534
Production and intermediate-term									
Acceptable	\$ 784,899	\$ 483,139	\$ 308,217	\$ 201,894	\$ 71,723	\$ 131,645	\$ 2,582,187	\$ 5,577	\$ 4,569,281
Special mention	16,629	2,507	3,570	2,601	1,333	524	49,685	26	76,875
Substandard/doubtful	17,879	42,643	4,686	12,320	7,795	5,051	65,147	7,957	163,478
Total production and intermediate-term	\$ 819,407	\$ 528,289	\$ 316,473	\$ 216,815	\$ 80,851	\$ 137,220	\$ 2,697,019	\$ 13,560	\$ 4,809,634
Agribusiness									
Acceptable	\$ 860,814	\$ 1,115,235	\$ 667,863	\$ 362,188	\$ 217,908	\$ 681,232	\$ 1,510,568	\$ 5,210	\$ 5,421,018
Special mention	--	13,797	55,813	21,487	--	3,168	37,041	10,350	141,656
Substandard/doubtful	2,060	33,868	49,717	17,961	26,215	14,299	50,531	829	195,480
Total agribusiness	\$ 862,874	\$ 1,162,900	\$ 773,393	\$ 401,636	\$ 244,123	\$ 698,699	\$ 1,598,140	\$ 16,389	\$ 5,758,154
Other									
Acceptable	\$ 981,597	\$ 737,971	\$ 437,961	\$ 236,411	\$ 133,253	\$ 574,478	\$ 75,796	\$ 2,623	\$ 3,180,090
Special mention	2,948	711	9,708	45,231	87	30,454	1,466	--	90,605
Substandard/doubtful	3,751	10,959	1,195	559	389	2,323	2,310	--	21,486
Total other	\$ 988,296	\$ 749,641	\$ 448,864	\$ 282,201	\$ 133,729	\$ 607,255	\$ 79,572	\$ 2,623	\$ 3,292,181
Total									
Acceptable	\$ 4,532,859	\$ 4,124,093	\$ 3,930,044	\$ 3,203,995	\$ 1,301,272	\$ 5,488,658	\$ 4,477,446	\$ 33,484	\$ 27,091,851
Special mention	26,752	20,597	115,760	87,728	7,262	94,791	103,891	10,376	467,157
Substandard/doubtful	28,705	153,514	131,902	72,068	69,585	104,400	143,483	10,838	714,495
Total	\$ 4,588,316	\$ 4,298,204	\$ 4,177,706	\$ 3,363,791	\$ 1,378,119	\$ 5,687,849	\$ 4,724,820	\$ 54,698	\$ 28,273,503
Charge-offs for the year ended December 31, 2023									
Real estate mortgage	\$ --	\$ --	\$ --	\$ 3	\$ 258	\$ --	\$ --	\$ --	\$ 261
Production and intermediate-term	203	190	--	77	6,487	256	5,059	8,637	20,909
Agribusiness	--	--	--	34,040	--	11,810	2,220	909	48,979
Other	491	--	--	458	1,001	--	--	--	1,950
Total	\$ 694	\$ 190	\$ --	\$ 34,578	\$ 7,746	\$ 12,066	\$ 7,279	\$ 9,546	\$ 72,099

Aging Analysis of Loans at Amortized Cost

(in thousands)	30-89 Days		90 Days or More		Not Past Due or Less Than 30 Days Past Due		Accruing Loans 90 Days or More Past Due	
	Past Due	Past Due	Total Past Due	Total or Less Than 30 Days Past Due	Total	Total	Total	
As of December 31, 2025								
Real estate mortgage	\$ 125,684	\$ 89,053	\$ 214,737	\$ 16,276,274	\$ 16,491,011	\$ 33,058		
Production and intermediate-term	34,322	85,333	119,655	5,010,580	5,130,235	292		
Agribusiness	14,928	5,512	20,440	6,285,525	6,305,965	--		
Other	6,764	13,145	19,909	3,610,306	3,630,215	4,753		
Total	\$ 181,698	\$ 193,043	\$ 374,741	\$ 31,182,685	\$ 31,557,426	\$ 38,103		

As of December 31, 2024	30-89 Days		90 Days or More		Not Past Due or Less Than 30 Days Past Due		Accruing Loans 90 Days or More Past Due	
	Past Due	Past Due	Total Past Due	Total or Less Than 30 Days Past Due	Total	Total	Total	
Real estate mortgage	\$ 92,180	\$ 74,750	\$ 166,930	\$ 15,598,936	\$ 15,765,866	\$ --		
Production and intermediate-term	39,382	61,119	100,501	4,901,006	5,001,507	--		
Agribusiness	17,481	21,644	39,125	6,176,104	6,215,229	--		
Other	17,401	17,480	34,881	3,545,039	3,579,920	10,644		
Total	\$ 166,444	\$ 174,993	\$ 341,437	\$ 30,221,085	\$ 30,562,522	\$ 10,644		

As of December 31, 2023	30-89 Days		90 Days or More		Not Past Due or Less Than 30 Days Past Due		Accruing Loans 90 Days or More Past Due	
	Past Due	Past Due	Total Past Due	Total or Less Than 30 Days Past Due	Total	Total	Total	
Real estate mortgage	\$ 111,561	\$ 19,183	\$ 130,744	\$ 14,282,790	\$ 14,413,534	\$ --		
Production and intermediate-term	36,962	25,126	62,088	4,747,546	4,809,634	1,461		
Agribusiness	10,903	22,759	33,662	5,724,492	5,758,154	--		
Other	3,261	32,444	35,705	3,256,476	3,292,181	30,874		
Total	\$ 162,687	\$ 99,512	\$ 262,199	\$ 28,011,304	\$ 28,273,503	\$ 32,335		

Nonaccrual Loans

Nonaccrual Loans Information

(in thousands)	As of December 31, 2025		For the year ended December 31, 2025	
	Amortized Cost	Amortized Cost Without Allowance	Amortized Cost	Interest Income Recognized
Nonaccrual loans:				
Real estate mortgage	\$ 166,035	\$ 109,200	\$	4,466
Production and intermediate-term	110,073	14,296		2,334
Agribusiness	89,252	14,129		--
Other	23,388	10,124		25
Total	\$ 388,748	\$ 147,749	\$	6,825
	As of December 31, 2024		For the year ended December 31, 2024	
	Amortized Cost	Amortized Cost Without Allowance	Amortized Cost	Interest Income Recognized (Reversed)
Nonaccrual loans:				
Real estate mortgage	\$ 135,682	\$ 83,525	\$	410
Production and intermediate-term	88,485	33,405		(4,241)
Agribusiness	102,120	29,540		(1)
Other	15,101	8,498		29
Total	\$ 341,388	\$ 154,968	\$	(3,803)
	As of December 31, 2023		For the year ended December 31, 2023	
	Amortized Cost	Amortized Cost Without Allowance	Amortized Cost	Interest Income Recognized
Nonaccrual loans:				
Real estate mortgage	\$ 96,298	\$ 62,919	\$	1,831
Production and intermediate-term	50,546	26,709		1,318
Agribusiness	54,289	1,622		--
Other	6,569	1,769		83
Total	\$ 207,702	\$ 93,019	\$	3,232

At the time loans transfer to nonaccrual status, we write-off accrued interest receivable as a reversal of interest income. We wrote-off accrued interest receivable of \$6.9 million, \$6.7 million, and \$5.6 million for the years ended December 31, 2025, 2024, and 2023, respectively.

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. Loans that both modify and are paid off or charged-off during the period, resulting in an amortized cost balance of zero at the end of the period, are not included in the modification disclosures.

Loan Modifications at Amortized Cost

(dollars in thousands)	Interest Rate	Term Extension	Payment Deferral	Principal Forgiveness	Combination -	Combination -	Combination -	Total	Percentage of Total Loans
					Interest Rate Reduction and Term Extension	Interest Rate Reduction and Payment Deferral	Term Extension and Payment Deferral		
For the year ended December 31, 2025									
Real estate mortgage	\$ 9,059	\$ 8,731	\$ 33,837	\$ --	\$ 506	\$ 1,867	\$ 329	\$ 54,329	0.17%
Production and intermediate-term	1,090	19,194	2,486	--	14,961	--	94	37,825	0.12%
Agribusiness	--	19,536	--	--	152	--	--	19,688	0.06%
Other	--	11,344	--	--	--	--	--	11,344	0.04%
Total	\$ 10,149	\$ 58,805	\$ 36,323	\$ --	\$ 15,619	\$ 1,867	\$ 423	\$ 123,186	0.39%
Loan modifications granted as a percentage of total loans	0.03%	0.18%	0.12%	--	0.05%	0.01%	0.00%	0.39%	

For the year ended December 31, 2024	Interest Rate Reduction	Term Extension	Payment Deferral	Principal Forgiveness	Combination - Interest Rate Reduction and Term Extension	Combination - Interest Rate Reduction and Payment Deferral	Combination - Term Extension and Payment Deferral	Total	Percentage of Total Loans
Real estate mortgage	\$ 565	\$ 6,546	\$ 5,896	\$ --	\$ --	\$ --	\$ --	\$ 13,007	0.04%
Production and intermediate-term	1,786	64,713	547	--	11,889	--	3,062	81,997	0.27%
Agribusiness	153	41,804	--	17,614	--	--	--	59,571	0.20%
Total	\$ 2,504	\$ 113,063	\$ 6,443	\$ 17,614	\$ 11,889	\$ --	\$ 3,062	\$ 154,575	0.51%

Loan modifications granted as a percentage of total loans 0.01% 0.37% 0.02% 0.06% 0.04% -- 0.01% 0.51%

For the year ended December 31, 2023	Interest Rate Reduction	Term Extension	Payment Deferral	Principal Forgiveness	Combination - Interest Rate Reduction and Term Extension	Combination - Interest Rate Reduction and Payment Deferral	Combination - Term Extension and Payment Deferral	Total	Percentage of Total Loans
Real estate mortgage	\$ 7,951	\$ 1,271	\$ 1,439	\$ --	\$ --	\$ --	\$ --	\$ 10,661	0.04%
Production and intermediate-term	--	28,647	428	--	537	--	--	29,612	0.10%
Agribusiness	--	10,897	2,430	--	--	--	--	13,327	0.05%
Total	\$ 7,951	\$ 40,815	\$ 4,297	\$ --	\$ 537	\$ --	\$ --	\$ 53,600	0.19%

Loan modifications granted as a percentage of total loans 0.03% 0.14% 0.02% -- 0.00% -- -- 0.19%

Financial Effect of Loan Modifications

	Weighted Average Interest Rate Reduction (%)	Weighted Average Term Extension (months)	Weighted Average Payment Deferral (months)	Principal Forgiveness (\$ in thousands)
For the year ended December 31, 2025				
Real estate mortgage				
Interest rate reduction	0.5%			
Term extension		212		
Payment deferral			6	
Combination - interest rate reduction and term extension	0.5%	279		
Combination - interest rate reduction and payment deferral	0.3%		12	
Combination - term extension and payment deferral		189	189	
Production and intermediate-term				
Interest rate reduction	2.4%			
Term extension		40		
Payment deferral			6	
Combination - interest rate reduction and term extension	4.3%	5		
Combination - term extension and payment deferral		48	48	
Agribusiness				
Term extension		16		
Combination - interest rate reduction and term extension	0.0%	11		
Other				
Term extension		34		

	Weighted Average Interest Rate Reduction (%)	Weighted Average Term Extension (months)	Weighted Average Payment Deferral (months)	Principal Forgiveness (\$ in thousands)
For the year ended December 31, 2024				
Real estate mortgage				
Interest rate reduction	4.2%			
Term extension		191		
Payment deferral			11	
Production and intermediate-term				
Interest rate reduction	1.2%			
Term extension		26		
Payment deferral			8	
Combination - interest rate reduction and term extension	3.6%	16		
Combination - term extension and payment deferral		14	11	
Agribusiness				
Interest rate reduction	2.0%			
Term extension		43		
Principal forgiveness				3,441
For the year ended December 31, 2023				
Real estate mortgage				
Interest rate reduction	4.5%			
Term extension		95		
Payment deferral			9	
Principal forgiveness				119
Production and intermediate-term				
Term extension		7		
Payment deferral			5	
Principal forgiveness				838
Combination - interest rate reduction and term extension	3.6%	75		
Agribusiness				
Term extension		13		
Payment deferral			11	
Combination - term extension and principal forgiveness		30		560

The following table presents the amortized cost of loans to borrowers experiencing financial difficulty that defaulted during the years ended December 31, 2025, 2024, or 2023, in which modifications were within twelve months preceding the default.

Loan Modifications that Subsequently Defaulted

(in thousands)	Interest Rate Reduction	Term Extension	Payment Deferral	Combination - Interest Rate Reduction and Term Extension	Combination - Term Extension and Payment Deferral
For the year ended December 31, 2025					
Real estate mortgage	\$ --	\$ --	\$ 32,142	\$ --	\$ --
Production and intermediate-term	292	1,909	92	2,464	331
Agribusiness	--	309	--	--	--
Total	\$ 292	\$ 2,218	\$ 32,234	\$ 2,464	\$ 331
For the year ended December 31, 2024					
Production and intermediate-term	\$ 662	\$ 4,320	\$ 384	\$ --	\$ 1,460
Agribusiness	--	336	1,962	--	--
Total	\$ 662	\$ 4,656	\$ 2,346	\$ --	\$ 1,460

For the year ended December 31, 2023	Interest			Combination -	Combination -
	Rate Reduction	Term Extension	Payment Deferral	Interest Rate Reduction and Term Extension	Term Extension and Payment Deferral
Production and intermediate-term	\$ --	\$ 2,960	\$ --	\$ --	\$ --
Agribusiness	--	65	--	--	--
Total	\$ --	\$ 3,025	\$ --	\$ --	\$ --

The following table presents the payment status at amortized cost of loans that have been modified for borrowers experiencing financial difficulty within twelve months of the respective reporting period.

Payment Status of Loan Modifications

(in thousands)	Not Past Due or Less than 30 Days Past Due	30-89 Days Past Due	90 Days or More Past Due	Total
As of December 31, 2025				
Real estate mortgage	\$ 21,774	\$ 413	\$ 32,142	\$ 54,329
Production and intermediate-term	28,354	6,442	3,029	37,825
Agribusiness	19,536	--	152	19,688
Other	11,344	--	--	11,344
Total	\$ 81,008	\$ 6,855	\$ 35,323	\$ 123,186
As of December 31, 2024				
Real estate mortgage	\$ 12,615	\$ 392	\$ --	\$ 13,007
Production and intermediate-term	54,600	22,710	4,687	81,997
Agribusiness	59,303	--	268	59,571
Total	\$ 126,518	\$ 23,102	\$ 4,955	\$ 154,575
As of December 31, 2023				
Real estate mortgage	\$ 10,497	\$ 164	\$ --	\$ 10,661
Production and intermediate-term	23,537	3,115	2,960	29,612
Agribusiness	13,262	--	65	13,327
Total	\$ 47,296	\$ 3,279	\$ 3,025	\$ 53,600

Accrued interest receivable related to loan modifications granted to borrowers experiencing financial difficulty was \$5.5 million, \$5.1 million, and \$912 thousand at December 31, 2025, 2024, and 2023, respectively.

Additional commitments to lend to borrowers experiencing financial difficulty whose loans were modified during the years ended December 31, 2025, 2024, and 2023 were \$21.0 million, \$59.4 million, and \$16.0 million, respectively.

Allowance for Credit Losses

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 our lending authorities limit the types of loans we can originate, 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 and utilizing a multitude of macroeconomic variables. The key macroeconomic variables that most significantly affect our estimate of the allowance for credit losses on loans and unfunded commitments include the following: cash receipts for corn, soybeans, dairy, and swine; selected input costs for producers (land cash rents and prices of seed, fertilizer, and feed); net farm income; U.S. real gross domestic product; Dow Jones total stock market index; civilian unemployment rates; consumer price index, housing price index; agricultural land values; and interest rates (prime and conventional mortgage rates).

We consider multiple macroeconomic scenarios in the estimate of the allowance for credit losses on loans and unfunded commitments which include base, adverse, and positive scenarios. The adverse scenario includes macroeconomic factors reflecting downside potential relative to the base scenario. The positive scenario includes potential upside in the macroeconomic factors above the base scenario. As of December 31, 2025, we utilized only the

base scenario in determining our estimate of the allowance for credit losses on loans and unfunded commitments. Subsequent changes in the macroeconomic forecasts will be reflected in the provision for credit losses in future periods.

Changes in Allowance for Credit Losses

(in thousands)

As of December 31,	2025	2024	2023
Allowance for Credit Losses on Loans			
Balance at beginning of year	\$ 113,022	\$ 75,630	\$ 52,663
Cumulative effect of change in accounting principle	--	--	(14,328)
Provision for credit losses on loans	173,252	116,738	108,628
Loan recoveries	4,817	848	766
Loan charge-offs	(79,939)	(80,194)	(72,099)
Balance at end of year	\$ 211,152	\$ 113,022	\$ 75,630
Allowance for Credit Losses on Unfunded Commitments			
Balance at beginning of year	\$ 5,839	\$ 8,617	\$ --
Cumulative effect of change in accounting principle	--	--	4,192
Provision for credit losses on unfunded commitments	746	(2,778)	4,425
Balance at end of year	\$ 6,585	\$ 5,839	\$ 8,617
Total allowance for credit losses	\$ 217,737	\$ 118,861	\$ 84,247

The increase in allowance for credit losses on loans from December 31, 2024, was directly related to specific reserves established on loans transferred to nonaccrual during 2025, particularly within our Capital Markets, Animal Agriculture, and AA Financial Services business units. In addition to the specific reserves established on nonaccrual loans, the increase is also due to changes in the forecasts for future economic conditions, as well as a management adjustment added to capture credit quality and delinquency trends in the AA AgriFintech Retailers business unit. The increase in allowance was partially offset by a reduction in allowance due to the participation sale to AgriBank on September 1, 2025. Additionally, there were charge-offs totaling \$79.9 million on a limited number of loans within our Capital Markets and AA Financial Services business units, as well as loans within our AA AgriFintech Retailers business unit that decreased the allowance.

Changes in Allowance for Credit Losses on Loans by Loan Type

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agribusiness	Other	Total
Allowance for credit losses on loans:					
Balance as of December 31, 2024	\$ 16,902	\$ 49,118	\$ 39,908	\$ 7,094	\$ 113,022
Provision for credit losses on loans	41,501	67,698	54,054	9,999	173,252
Loan recoveries	484	2,483	1,850	--	4,817
Loan charge-offs	(9,924)	(33,766)	(30,516)	(5,733)	(79,939)
Balance as of December 31, 2025	\$ 48,963	\$ 85,533	\$ 65,296	\$ 11,360	\$ 211,152
Allowance for credit losses on loans:					
Balance as of December 31, 2023	\$ 21,675	\$ 16,924	\$ 30,585	\$ 6,446	\$ 75,630
Provision for credit losses on loans	1,331	55,802	55,803	3,802	116,738
Loan recoveries	317	516	15	--	848
Loan charge-offs	(6,421)	(24,124)	(46,495)	(3,154)	(80,194)
Balance as of December 31, 2024	\$ 16,902	\$ 49,118	\$ 39,908	\$ 7,094	\$ 113,022
Allowance for credit losses on loans:					
Balance as of December 31, 2022	\$ 21,663	\$ 13,740	\$ 13,363	\$ 3,897	\$ 52,663
Cumulative effect of change in accounting principle	(6,731)	(3,619)	(2,884)	(1,094)	(14,328)
Provision for credit losses on loans	6,914	27,481	68,657	5,576	108,628
Loan recoveries	90	231	428	17	766
Loan charge-offs	(261)	(20,909)	(48,979)	(1,950)	(72,099)
Balance as of December 31, 2023	\$ 21,675	\$ 16,924	\$ 30,585	\$ 6,446	\$ 75,630

NOTE 4: LOANS HELD FOR SALE

Loans held for sale represent mortgage loans we intend to sell. The interest rate on these loans is set prior to funding. We are subject to the effects of changes in mortgage interest rates from the date of the interest rate lock commitment through the sale of the loan to a third party investor. As a result, we are exposed to interest rate risk and related price risk during the period from the date of the interest rate lock commitment through the interest rate lock commitment cancellation or expiration date or through the date of sale to a third party investor.

NOTE 5: INVESTMENT SECURITIES

We held investment securities, net of allowance for credit losses, of \$2.2 billion, \$1.9 billion, and \$1.6 billion at December 31, 2025, 2024, and 2023, respectively. Our investment securities consisted of:

- Mortgage-backed securities issued and guaranteed by the Federal Agricultural Mortgage Corporation (Farmer Mac) or by the United States Department of Agriculture (USDA)
- Asset-backed securities issued and guaranteed by the Small Business Administration (SBA)
- Municipal revenue bonds and corporate debt securities (Bonds)

All of our investment securities, except \$20.7 million, \$66.0 million, and \$60.2 million at December 31, 2025, 2024, and 2023, respectively, were fully guaranteed by Farmer Mac, the SBA, or the USDA. Premiums paid to purchase investments are not guaranteed and are amortized as a reduction of interest income.

The investment securities have been classified as held-to-maturity and are evaluated for an allowance for credit losses. For securities that are guaranteed by the U.S. government or other governmental agencies, we have not recognized an allowance for credit losses on investment securities as our expectation of nonpayment of the amortized cost basis, based on historical losses, is zero. We had an allowance for credit losses on non-guaranteed investment securities of \$866 thousand at December 31, 2025. There was no allowance for credit losses on investment securities at December 31, 2024, or 2023.

Additional Investment Securities Information

(dollars in thousands)	Amortized	Unrealized	Unrealized	Fair	Weighted
As of December 31, 2025	Cost	Gains	Losses	Value	Average
					Yield
MBS and bonds ¹	\$ 631,142	\$ 4,475	\$ (38,556)	\$ 597,061	4.2%
ABS	1,526,247	5,461	(6,319)	1,525,389	5.4%
Total	\$ 2,157,389	\$ 9,936	\$ (44,875)	\$ 2,122,450	5.1%

As of December 31, 2024	Amortized	Unrealized	Unrealized	Fair	Weighted
	Cost	Gains	Losses	Value	Average
					Yield
MBS and bonds	\$ 679,384	\$ 2,197	\$ (55,581)	\$ 626,000	4.2%
ABS	1,213,130	2,004	(22,722)	1,192,412	5.2%
Total	\$ 1,892,514	\$ 4,201	\$ (78,303)	\$ 1,818,412	4.9%

As of December 31, 2023	Amortized	Unrealized	Unrealized	Fair	Weighted
	Cost	Gains	Losses	Value	Average
					Yield
MBS and bonds	\$ 662,622	\$ 1,746	\$ (56,829)	\$ 607,539	4.0%
ABS	930,063	1,168	(21,110)	910,121	5.6%
Total	\$ 1,592,685	\$ 2,914	\$ (77,939)	\$ 1,517,660	4.9%

¹Amortized cost is presented net of the allowance for credit losses on investment securities of \$866 thousand at December 31, 2025.

Accrued interest receivable on investment securities is presented in "Accrued interest receivable" in the Consolidated Statements of Condition and was \$17.5 million, \$16.6 million, and \$20.7 million at December 31, 2025, 2024, and 2023, respectively.

Investment income is recorded in "Interest income" in the Consolidated Statements of Comprehensive Income and totaled \$102.4 million, \$90.0 million, and \$70.3 million in 2025, 2024, and 2023, respectively.

Contractual Maturities of Investment Securities

(in thousands)

As of December 31, 2025	Amortized Cost	Fair Value
One to five years	\$ 51,331	\$ 52,063
Five to ten years	904,038	901,866
More than ten years	1,202,020	1,168,521
Total	\$ 2,157,389	\$ 2,122,450

Actual maturity of the investment securities may be less than contractual maturity due to prepayments.

NOTE 6: INVESTMENT IN AGRIBANK

Our investment in AgriBank was \$1.3 billion, \$1.2 billion, and \$1.1 billion at December 31, 2025, 2024, and 2023, respectively. As of December 31, 2025, we were required by AgriBank to maintain an investment equal to 3.1% of the average quarterly balance of our note payable. We are also required to hold AgriBank stock based on a contractual agreement under any asset pool program in which we participate. The required investment amount varies by asset pool program and is generally a percentage of the loan balance in the pool.

AgriBank's capital plan provides for annual retirement of AgriBank stock and optimizes capital at AgriBank by distributing all available AgriBank earnings in the form of patronage, either in cash or stock. The plan is designed to maintain capital adequacy such that sufficient earnings will be retained in the form of unallocated retained earnings and allocated stock to meet the leverage ratio target and other regulatory or policy constraints prior to any cash patronage distributions.

NOTE 7: NOTE PAYABLE TO AGRIBANK

Our note payable to AgriBank represents borrowings, in the form of a line of credit, to fund our loan portfolio. The line of credit is at a variable rate as governed by a GFA and substantially all of our assets serve as collateral.

Note Payable Information

(dollars in thousands)

As of December 31,	2025	2024	2023
Line of credit	\$ 45,000,000	\$ 45,000,000	\$ 35,000,000
Outstanding principal under the line of credit	29,565,560	28,666,750	26,133,298
Interest rate	3.7%	3.8%	3.9%

Our note payable is scheduled to mature on October 31, 2027. We intend to renegotiate the note payable no later than the maturity date.

The GFA provides for limitations on our ability to borrow funds based on specified factors or formulas relating primarily to outstanding balances, credit quality, and financial condition. Additionally, we have requirements to maintain an effective program of internal controls over financial reporting. At December 31, 2025, and throughout the year, we were not declared in default under any GFA covenants or provisions.

NOTE 8: SUBORDINATED DEBT

In May 2021, we issued \$150.0 million of aggregate principal amount of unsecured subordinated notes due on June 1, 2036, with an option to redeem all or some of the notes, at any time after a date 10 years from the closing date. The notes bear a fixed-to-floating interest rate of 3.375% per annum through May 31, 2031. Beginning June 1, 2031, the interest rate shall reset quarterly to an interest rate per annum equal to the then three-month term Secured Overnight Financing Rate (SOFR) plus 196.5 basis points. Concurrently, we issued \$50.0 million of aggregate principal amount of unsecured subordinated notes due on June 1, 2031, with an option to redeem all or some of the notes, at any time after a date five years from the closing date. The notes bear a fixed-to-floating interest rate of 2.75% per annum through May 31, 2026. Beginning June 1, 2026, the interest rate shall reset quarterly to an interest rate per annum equal to the then three-month term SOFR plus 203.0 basis points. These notes are unsecured and subordinate to all other categories of creditors, including general creditors, and senior to all classes of stock. Proceeds have increased our regulatory permanent capital and total capital ratios and position us for the future. The subordinated notes are not Systemwide debt and are not an obligation of, nor guaranteed by any System entity. Payments on the subordinated notes are not insured by the Farm Credit Insurance Fund.

NOTE 9: EQUITY

Capitalization Requirements

In accordance with the Farm Credit Act, each client is required to invest in us as a condition of obtaining a loan. As authorized by the Agricultural Credit Act and our capital bylaws, the Board of Directors has adopted a capital plan that establishes a customer level stock purchase requirement for obtaining a loan of one thousand dollars. The purchase of one \$5.00 participation certificate is required of all non-stockholder customers to whom a lease is issued or who purchase crop insurance. The Board of Directors may increase the amount of required investment to the extent authorized in the capital bylaws.

The client acquires ownership of capital stock or participation certificates at the time the loan or lease is made. Clients are not currently required to make a cash investment to acquire capital stock or participation certificates. However, their obligation to pay for the capital stock or participation certificates is

maintained as an interest free obligation with the Association, which is reflected in the Consolidated Statements of Condition as a contra line item titled "Capital stock and participation certificates receivable". The capital stock and participation certificates are at-risk investments as described in our capital bylaws. We retain a first lien on common stock or participation certificates owned by our clients. Stock is retired in accordance with our bylaws. Clients are responsible for payment of the cash investment upon demand by the Association.

Additional Paid-In Capital

Additional paid-in capital represents the excess value received over the par value of capital stock and participation certificates issued in connection with mergers.

Regulatory Capitalization Requirements

Regulatory Capital Requirements and Ratios

As of December 31,	2025	2024	2023	Regulatory Minimums	Capital Conservation Buffer	Total
Risk-adjusted:						
Common equity tier 1 ratio	12.2%	12.3%	12.6%	4.5%	2.5%	7.0%
Tier 1 capital ratio	13.0%	12.7%	13.1%	6.0%	2.5%	8.5%
Total capital ratio	14.3%	13.7%	14.1%	8.0%	2.5%	10.5%
Permanent capital ratio	13.7%	13.4%	13.9%	7.0%	N/A	7.0%
Non-risk-adjusted:						
Tier 1 leverage ratio	12.7%	12.5%	13.1%	4.0%	1.0%	5.0%
Unallocated retained earnings and equivalents leverage ratio	11.7%	11.7%	11.9%	1.5%	N/A	1.5%

Risk-adjusted assets have been defined by the FCA Regulations as the Consolidated 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 are 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 (not all items below may be applicable to our Association):

- Common equity tier 1 ratio is statutory minimum purchased member stock, other required member stock held for a minimum of 7 years, allocated equities held for a minimum of 7 years or not subject to retirement, unallocated retained earnings as regulatorily prescribed, paid-in capital, less certain regulatory required deductions including the amount of allocated investments in other System institutions, and the amount of purchased investments in other System institutions under the corresponding deduction approach, divided by average risk-adjusted assets.
- Tier 1 capital ratio is common equity tier 1 plus non-cumulative perpetual preferred stock, divided by average risk-adjusted assets.
- Total capital is tier 1 capital plus other required member stock held for a minimum of 5 years, allocated equities held for a minimum of 5 years, subordinated debt, and limited-life preferred stock greater than 5 years to maturity at issuance subject to certain limitations, allowance for credit losses on loans, unfunded commitments, and investment securities subject to certain limitations, less certain investments in other System institutions under the corresponding deduction approach, divided by average risk-adjusted assets.
- Permanent capital ratio is all at-risk borrower stock, any allocated excess stock, unallocated retained earnings as regulatorily prescribed, paid-in capital, subordinated debt, and preferred stock subject to certain limitations, less certain allocated and purchased 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.
- Unallocated retained earnings and equivalents leverage ratio is unallocated retained earnings as regulatorily prescribed, paid-in capital, allocated retained earnings not subject to retirement less certain regulatory required deductions including the amount of allocated investments in other System institutions divided by average assets less regulatory deductions subject to tier 1 capital.

If the capital ratios fall below the total requirements, including the buffer amounts, capital distributions (dividends, patronage, equity redemptions, and other distributions) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval.

Description of Equities

The following represents information regarding classes and number of shares of stock and participation certificates outstanding. All shares and participation certificates are stated at a \$5.00 par value, except for Series B-1 and C-1 preferred stock, which are \$1,000 par value.

As of December 31,	Number of Shares		
	2025	2024	2023
Class B common stock (at-risk)	10,912,082	9,991,214	8,934,567
Class E participation certificates (at-risk)	740,158	629,519	521,494
Series B-1 preferred stock	100,000	100,000	100,000
Series C-1 preferred stock	300,000	--	--

Under our bylaws, we are also authorized to issue Class C and Class D common stock. Each of these classes of common stock is at-risk and nonvoting with a \$5.00 par value per share. Currently, no stock of these classes has been issued.

In May 2013, we issued \$100.0 million of Series A-1 non-cumulative perpetual preferred stock. This series was held or transferred in blocks having an aggregate par value of not less than \$250,000 and required an investor to hold at least 250 shares. We used the net proceeds from the Series A-1 preferred stock issuance to increase our regulatory capital pursuant to FCA Regulations in effect at the time of issuance, for the continued development of our business, and for general corporate purposes.

Dividends on the Series A-1 preferred stock, if declared by the Board of Directors in its sole discretion, were non-cumulative and paid quarterly in arrears on the 15th day of February, May, August, and November, beginning on August 15, 2013. Dividends accrued at a fixed annual rate of 6.75% from the date of issuance through August 14, 2023, and beginning on August 15, 2023, accrued at an annual rate equal to the 3-month United States Dollar London Inter-bank Offered Rate (LIBOR), reset quarterly, plus 4.58%. If LIBOR was not readily available at this time, a new 3-month rate was determined as outlined in the preferred stock documentation. The Series A-1 preferred stock was not mandatorily redeemable at any time. However, the Series A-1 preferred stock was redeemable at par value, in whole or in part, at our option, quarterly beginning on August 15, 2023. On November 15, 2023, we redeemed the entire \$100.0 million of Series A-1 noncumulative perpetual preferred stock.

In May 2021, we issued \$100.0 million of Series B-1 non-cumulative perpetual preferred stock, representing 100,000 shares at \$1,000 per share par value. This series may be held or transferred in blocks having an aggregate par value of not less than \$250,000 and an investor must hold at least 250 shares. We used the net proceeds from the Series B-1 preferred stock issuance to increase our permanent capital, tier 1 capital, and total capital ratios and for general corporate purposes, including to pay down a portion of our outstanding note payable to AgriBank.

Dividends on the Series B-1 preferred stock, if declared by the Board of Directors in its sole discretion, are non-cumulative and are payable quarterly in arrears on the 15th day of February, May, August, and November, beginning on August 15, 2021. Dividends will accrue at a fixed annual rate of 4.875% from the date of issuance through August 14, 2026, and beginning on August 15, 2026, will accrue at an annual rate equal to the five-year treasury rate, reset quarterly, plus 4.10%. The Series B-1 preferred stock is not mandatorily redeemable at any time. However, the Series B-1 preferred stock will be redeemable at par value, in whole or in part, at our option, quarterly beginning on August 15, 2026. In addition, the Series B-1 preferred stock will be redeemable in whole, at our option, at any time upon the occurrence of certain defined regulatory events.

In November 2025, we issued \$300.0 million of Series C-1 non-cumulative perpetual preferred stock, representing 300,000 shares at \$1,000 per share par value. This series may be held or transferred in blocks having an aggregate par value of not less than \$250,000 and an investor must hold at least 250 shares. We used the net proceeds from the Series C-1 preferred stock issuance to pay down a portion of our outstanding note payable to AgriBank, fund loans for eligible borrowers, and for general corporate purposes.

Dividends on the Series C-1 preferred stock, if declared by the Board of Directors in its sole discretion, are non-cumulative and are payable quarterly in arrears on the 15th day of February, May, August, and November, beginning on February 15, 2026. Dividends will accrue at a fixed annual rate of 7.875% from the date of issuance through February 14, 2031, and beginning on February 15, 2031, will accrue at an annual rate equal to the five-year treasury rate, reset quarterly, plus 4.155%. The Series C-1 preferred stock is not mandatorily redeemable at any time. However, the Series C-1 preferred stock will be redeemable at par value, in whole or in part, at our option, quarterly beginning on February 15, 2031. In addition, the Series C-1 preferred stock will be redeemable in whole, at our option, at any time upon the occurrence of certain defined regulatory events.

The Series B-1 and C-1 preferred stock is junior to any subordinated debt, existing and future debt obligations, and to any series of preferred stock we may issue in the future with priority rights. Series B-1 and C-1 preferred stock have the same ranking and are senior to outstanding Class B, Class C, or Class D common stock, Class E participation certificates, and patronage equities. Series B-1 and C-1 preferred stockholders do not have any voting rights, but may appoint two board observers after six unpaid dividend payments. The Series B-1 and C-1 preferred stock have a preference as to dividends and on liquidation or dissolution over all other classes of equities.

Only holders of Class B common stock have voting rights. Our bylaws allow us to pay dividends on any classes of stock. However, no dividends have been declared to date other than on Series A-1, B-1, and C-1 preferred stock.

Our bylaws generally permit stock and participation certificates to be retired at the discretion of our Board of Directors and in accordance with our capitalization plans, provided prescribed capital standards have been met. At December 31, 2025, we exceeded the prescribed standards. We do not anticipate any significant changes in capital that would affect the normal retirement of stock.

In the event of our liquidation or dissolution, according to our bylaws, any remaining assets after payment or retirement of all liabilities will be distributed in the following order of priority:

- first, to holders of Series B-1 and C-1 preferred stock pro rata to all such stock,
- second, to holders of Class B, Class C, and Class D common stock and Class E participation certificates pro rata to all such stock,
- third, to member stockholders who have received capital through patronage transactions pro rata to all such capital, and
- lastly, any remaining assets shall be distributed to current and former member stockholders based on relative patronage transactions.

In the event of stock impairment, losses will be absorbed by unallocated capital reserves, patronage equities, or the concurrent impairment of all classes of stock, in a manner deemed to be fair and equitable by the Board of Directors, provided that no shares of Series B-1 and C-1 preferred stock will be impaired until all classes of junior stock have been impaired in their entirety.

All classes of stock and participation certificates, other than Series B-1 and C-1 preferred stock, are transferable to other clients who are eligible to hold such class of stock or participation certificates. Transfers of Class B common stock are subject to the approval of the Board of Directors. Transfers of Class C or Class D common stock or Class E participation certificates are only allowed if we meet the regulatory minimum capital requirements. Series B-1 and C-1 preferred stock may only be transferred to qualified institutional buyers and institutional accredited investors, as those terms are defined by the Securities Act of 1933, as amended, and only in accordance with the terms and limitations of the Series B-1 and C-1 preferred stock offering documents.

Patronage Distributions

Patronage is a distribution of earnings and can be allocated and/or distributed in the form of cash, qualified written notices of allocations, and/or nonqualified written notices of allocation. The Board of Directors may authorize a distribution of earnings provided we meet all statutory and regulatory requirements.

As authorized by the Board of Directors, we accrued patronage distributions of \$152.0 million at December 31, 2025, for our cash patronage and nonqualified patronage programs. The cash patronage distributions of \$100.0 million are expected to be paid in cash during 2026. The redemptions of \$52.0 million of the nonqualified equities issued to former stockholders of AgStar Financial Services, ACA (AgStar), 1st Farm Credit Services, ACA (1st FCS), and Badgerland Financial, ACA (Badgerland) are expected to be paid in the first quarter of 2026, and will also include \$288 thousand of other retirements. We accrued patronage distributions of \$187.0 million at December 31, 2024, for our cash patronage and nonqualified patronage programs. The cash patronage distributions of \$135.0 million were paid in cash during 2025. The redemptions of \$52.0 million of the nonqualified equities issued to former stockholders of AgStar, 1st FCS, and Badgerland were paid in the first quarter of 2025, and also included \$606 thousand of other retirements. We accrued patronage distributions of \$185.0 million at December 31, 2023, for our cash patronage and nonqualified patronage programs. The cash patronage distributions of \$133.0 million were paid in cash during 2024. The redemptions of \$52.0 million of the nonqualified equities issued to former stockholders of AgStar, 1st FCS, and Badgerland were paid in the first quarter of 2024, and also included \$443 thousand of other retirements.

Upon the merger, all allocated retained earnings issued by 1st FCS and Badgerland became allocated retained earnings in the merged Association. The allocated retained earnings held by former AgStar patrons remains outstanding as allocated retained earnings of the merged Association. With the exception of allocated retained earnings designated as permanent allocations, all allocated retained earnings is eligible to be redeemed in the future, if approved by the Board of Directors subject to compliance with Compeer Financial, ACA's bylaws and FCA Regulations. Redemptions of permanent allocations shall not be eligible to be redeemed. We made no net nonqualified patronage allocations at December 31, 2025, 2024, or 2023. Patronage equities have no voting rights, are redeemed at the sole discretion of the Board of Directors and are transferable only if specifically authorized by the Board of Directors.

The Board of Directors authorized the payment of \$14.8 million, \$12.9 million, and \$11.3 million of distributions on approved transactions in 2025, 2024, and 2023, respectively.

The timing and amounts of all future patronage redemptions and distribution payments remains at the discretion of the Board of Directors based on a combination of factors including the risk in our portfolio, earnings, and our current capital position. Further information regarding the tax impact of our patronage distributions is included in Note 10.

NOTE 10: INCOME TAXES

(Benefit from) Provision for Income Taxes

(Benefit from) Provision for Income Taxes			
(dollars in thousands)			
For the year ended December 31,	2025	2024	2023
Current:			
Federal	\$ (191)	\$ 7,398	\$ 17,304
State	1,170	1,823	4,679
Total current	\$ 979	\$ 9,221	\$ 21,983
Deferred:			
Federal	\$ (4,168)	\$ (1,571)	\$ 5,002
State	(1,924)	(1,268)	(120)
Total deferred	(6,092)	(2,839)	4,882
(Benefit from) provision for income taxes	\$ (5,113)	\$ 6,382	\$ 26,865
Effective tax rate	(1.3%)	1.3%	5.3%

Reconciliation of Taxes at Federal Statutory Rate to (Benefit from) Provision for Income Taxes

(dollars in thousands)

For the year ended December 31,	2025	
	Amount	%
Income before income taxes	\$ 400,766	
Federal tax at statutory rates	\$ 84,161	21.0%
State and local income taxes, net of federal income tax effect ¹	(596)	(0.1%)
Tax credits	(610)	(0.2%)
Nontaxable or nondeductible items:		
Patronage distributions	(9,820)	(2.5%)
Effect of non-taxable entity	(77,947)	(19.4%)
Other	135	0.0%
Other prior year adjustments	(436)	(0.1%)
(Benefit from) provision for income taxes	\$ (5,113)	(1.3%)

¹ State taxes in Illinois and Wisconsin made up the majority (greater than 50 percent) of the tax effect in this category.

We had no foreign income or foreign provision for (benefit from) income taxes during the years ended December 31, 2025, 2024, or 2023. Refer to the income taxes policy in Note 2 for information on exemptions related to our non-taxable entity.

For the year ended December 31, 2025, we adopted ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The information in the following table was required prior to the adoption of ASU 2023-09 and is no longer required prospectively.

Reconciliation of Taxes at Federal Statutory Rate to Provision for Income Taxes

(in thousands)

For the year ended December 31,	2024	2023
Federal tax at statutory rates	\$ 101,686	\$ 106,010
State tax, net	741	2,677
Patronage distributions	(8,195)	(6,432)
Effect of non-taxable entity	(87,753)	(78,930)
Other prior year adjustments	(97)	3,540
Provision for income taxes	\$ 6,382	\$ 26,865

Income Taxes Paid**Taxes Paid, Net**

(in thousands)

For the year ended December 31,	2025
Federal	\$ 9,000
State:	
Illinois	935
Wisconsin	800
Other	278
Total	\$ 11,013

We had no foreign taxes paid during the years ended December 31, 2025, 2024, or 2023.

Deferred Income Taxes

Tax laws require certain items to be included in our tax returns at different times than the items are reflected on our Consolidated Statements of Comprehensive Income. Some of these items are temporary differences that will reverse over time. We record the tax effect of temporary differences as deferred tax assets and liabilities netted on our Consolidated Statements of Condition.

Deferred Tax Assets and Liabilities

(in thousands)

As of December 31,	2025	2024	2023
Allowance for credit losses on loans	\$ 35,756	\$ 22,117	\$ 12,759
Accrued incentive	1,555	1,578	1,541
Leasing related, net	(81,977)	(70,562)	(65,059)
Accrued patronage income not received	(7,435)	(7,301)	(6,689)
Accrued pension asset	(8,051)	(8,600)	(8,898)
Other assets	5,511	2,090	2,847
Other liabilities	(638)	(693)	(711)
Deferred tax liabilities, net	\$ (55,279)	\$ (61,371)	\$ (64,210)
Gross deferred tax assets	\$ 42,822	\$ 25,785	\$ 17,147
Gross deferred tax liabilities	\$ (98,101)	\$ (87,156)	\$ (81,357)

A valuation allowance for the deferred tax assets was not necessary at December 31, 2025, 2024, or 2023.

We have not provided for deferred income taxes on approximately \$115.9 million of patronage allocations received from AgriBank prior to 1993. Such allocations, distributed in the form of stock, are subject to tax only upon conversion to cash. Our intent is to permanently maintain this investment in AgriBank. Also, we have not provided deferred income taxes on \$8.8 million of patronage allocations in the form of AgriBank stock distributed in 2002 to the ACA and PCA. The Board of Directors has passed a resolution that, should this stock ever be converted to cash, creating a tax liability, an equal amount will be distributed to patrons at that time under our patronage program. Additionally, we have not provided deferred income taxes on accumulated FLCA earnings of \$2.7 billion as it is our intent to permanently maintain this equity in the FLCA or to distribute the earnings to stockholders in a manner that results in no additional tax liability to us.

Our income tax returns are subject to review by various U.S. taxing authorities. However, we believe we are no longer subject to income tax examinations for years prior to 2022. In addition, we have concluded that we have taken no uncertain income tax positions at December 31, 2025, that would result in recording an accrual.

NOTE 11: EMPLOYEE BENEFIT PLANS**Pension and Post-Employment Benefit Plans**

Complete financial information for the pension and post-employment benefit plans may be found in the AgriBank 2025 Annual Report.

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 comprised of elected or appointed representatives (senior leadership and/or Board of Director members) from the participating organizations. The Plan Sponsor Committee is responsible for employer decisions regarding all benefit plans including retirement benefits. These decisions could include plan design changes, vendor changes, determination of employer subsidies (if any), and termination of specific benefit 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.

Pension Plan: We participate in the AgriBank District Retirement Plan (qualified plan), a District-wide multi-employer defined benefit retirement plan. The plan is comprised of two benefit formulas. At their option, employees hired prior to October 1, 2001, are on the cash balance formula or the final average pay formula. New benefits-eligible employees hired between October 1, 2001, and December 31, 2006, are on the cash balance formula. Effective January 1, 2007, the defined benefit retirement plan was closed to new employees. 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 underfunded 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 eligible compensation 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	\$ 55,397	\$ (31,065)
Projected benefit obligation	1,092,018	1,096,604	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
For the year ended December 31,	2025	2024	2023
Total plan expense	\$ 23,889	\$ 41,090	\$ 55,535
Our allocated share of plan expenses	7,152	11,906	16,030
Contributions by participating employers	14,872	40,000	45,000
Our allocated share of contributions	4,693	11,614	13,132

The funded (unfunded) status reflects the net of the fair value of the plan assets and the projected benefit obligation at 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 plan during 2026 is \$13.3 million. Our allocated share of these pension contributions is expected to be \$4.5 million. 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 amounts reflected in the District financial statements.

Nonqualified Retirement Plan: We also participate in the District-wide 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 certain Internal Revenue Code limits.

Pension Restoration Plan Information

(in thousands)

As of December 31,	2025	2024	2023
Our unfunded status	\$ (11,551)	\$ (13,555)	\$ (31,170)
For the year ended December 31,	2025	2024	2023
Our cash contributions	\$ 1,069	\$ 19,202	\$ 1,539

The nonqualified plan is funded as the benefits are paid; therefore, there are no assets in the plan and the unfunded status is equal to the projected benefit obligation. The amount of the pension benefits funding status is subject to many variables including 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 participants in the plan. The Pension Restoration Plan is unfunded and we make annual contributions to fund benefits paid to our retirees covered by the plan. Our cash contributions are equal to the benefits paid. There were no benefits paid under the Pension Restoration Plan to our senior officers who were actively employed during the year.

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. Net periodic benefit cost is included in "Salaries and employee benefits" in the Consolidated Statements of Comprehensive Income. Postretirement benefit costs related to the retiree medical plans were not considered material for any of the years presented. Our cash contributions were equal to the benefits paid.

Defined Contribution Plans

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

We also participate in a District-wide Nonqualified Deferred Compensation Plan. Eligible participants must meet one of the following criteria: certain salary thresholds as determined by the IRS, are 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 defined contribution plan if it were not for certain IRS limitations.

Employer contribution expenses for these plans, included in "Salaries and employee benefits" in the Consolidated Statements of Comprehensive Income, were \$15.5 million, \$13.9 million, and \$12.6 million in 2025, 2024, and 2023, respectively. These expenses were equal to our cash contributions for each year.

NOTE 12: RELATED PARTY TRANSACTIONS

In the ordinary course of business, we may enter into loan transactions with our officers, directors, their immediate family members, and other organizations with which such persons may be associated. Such transactions may be subject to special approval requirements contained in the FCA Regulations and are made on the same terms, including interest rates, amortization schedules, and collateral, as those prevailing at the time for comparable transactions with other persons. In our opinion, none of these loans outstanding at December 31, 2025, involved more than a normal risk of collectability. There were no material related party transactions other than the loan transactions disclosed in the following related party loans information table.

Related Party Loans Information

(in thousands)

As of December 31,	2025	2024	2023
Total related party loans	\$ 35,243	\$ 37,019	\$ 30,429
For the year ended December 31,	2025	2024	2023
Advances to related parties	\$ 16,521	\$ 21,749	\$ 16,576
Repayments by related parties	15,988	16,942	18,025

The related parties can be different each year end primarily due to changes in the composition of the Board of Directors and the mix of organizations with which such persons may be associated. Advances and repayments on loans in the preceding table are related to those considered related parties at each respective year end.

As described in Note 7, we borrow from AgriBank, in the form of a line of credit, to fund our loan portfolio. Interest expense of \$1.1 billion, \$1.1 billion, and \$881.7 million was paid to AgriBank in 2025, 2024, and 2023, respectively, and is included in "Interest expense" in the Consolidated Statements of Comprehensive Income.

Total patronage from AgriBank (which includes ProPartners Financial) and partnership distributions from AgDirect, LLP, totaled \$122.1 million, \$128.0 million, and \$187.0 million in 2025, 2024, and 2023, respectively. Patronage income for 2025 was received in cash. Patronage income for 2024 and 2023 was received in cash and AgriBank stock.

In addition, we received compensation of \$8.9 million, \$7.0 million, and \$5.3 million in 2025, 2024, and 2023, respectively, from AgriBank for servicing loans.

Refer to Note 3 for information on participations sold to AgriBank and Note 6 for stock investment in AgriBank information.

We purchase various business services, primarily financial reporting, from AgriBank. We also purchase the following services from SunStream Business Services (SunStream): financial and retail information technology, collateral, tax reporting, and insurance. In addition, we purchase human resource, benefit, payroll, and workforce management services from Farm Credit Foundations (Foundations). SunStream and Foundations are both System service corporations within the AgriBank District and the costs incurred are included in the following table in AgriBank District purchased services. In addition to the services we purchase from AgriBank, SunStream, and Foundations we also hold an investment in each of these institutions.

Additional Related Party Information

(in thousands)

As of December 31,	2025	2024	2023
Investment in AgriBank	\$ 1,346,081	\$ 1,214,354	\$ 1,103,132
Investment in AgDirect, LLP	42,849	41,221	37,870
Investment in SunStream	5,625	5,625	5,625
Investment in Foundations	154	154	154
For the year ended December 31,	2025	2024	2023
AgriBank District purchased services	\$ 10,069	\$ 9,236	\$ 8,198

NOTE 13: CONTINGENCIES AND COMMITMENTS

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

We may be named as a defendant in certain lawsuits or legal actions in the normal course of business. On an ongoing basis, management (after consultation with legal counsel) assesses our liabilities and contingencies in connection with such proceedings. For those matters where it is probable that we will incur losses and the amounts of the losses can be reasonably estimated, we record an expense and corresponding liability in the Consolidated Financial Statements. We had no such probable losses recognized as of December 31, 2025, that were material to our consolidated financial position. At the date of these Consolidated Financial Statements, our management team is not aware of any pending or additional material actions. However, management cannot ensure that such actions or other contingencies will not arise in the future.

We have commitments to extend credit and letters of credit to satisfy the financing needs of our borrowers. These financial 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 as long as there is not a violation of any condition established in the loan contract. Standby letters of credit are agreements to pay a beneficiary if there is a default on a contractual arrangement. At December 31, 2025, we had commitments to extend credit and unexercised commitments related to standby letters of credit of \$7.2 billion. Additionally, we had \$171.8 million of issued standby letters of credit and \$13.6 million of other commitments as of December 31, 2025.

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 balance sheet 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 policies. The amount of collateral obtained, if deemed necessary by us upon extension of credit, is based on management's credit evaluation of the borrower.

We guarantee the amounts borrowed by SunStream on their line of credit with AgriBank, up to \$50.0 million. The term of the line of credit is 36 months and scheduled to mature on June 30, 2027, and may be extended. The guarantee is in effect until any outstanding balance is paid in full. While we are primarily liable for our pro rata portion of SunStream's indebtedness to AgriBank, we are jointly and severally liable with certain other owners of SunStream. In the event of default by SunStream, we are responsible for the prompt and full payment of amounts outstanding. However, we may seek reimbursement from the remaining owners of SunStream subject to the guarantee agreement. The outstanding balance on the SunStream line of credit at December 31, 2025, was \$17.5 million. At this time we believe it is unlikely that we will be required to make payment under this guarantee.

We and other Farm Credit institutions are among the limited partners for Rural Business Investment Companies. As of December 31, 2025, our total commitment was \$278.4 million, of which \$137.1 million was unfunded.

NOTE 14: FAIR VALUE MEASUREMENTS

We use fair value measurements to record fair value adjustments to certain assets and liabilities and to fulfill fair value disclosure requirements. Certain assets and liabilities are recorded at fair value on a recurring basis. Additionally, on other assets and liabilities, we record fair value adjustments on a non-recurring basis. The following sections include information on both recurring and non-recurring measurements, as well as our estimates of fair value for financial instruments that are not recorded at fair value.

Fair value is defined as 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 in the principal or most advantageous market for the asset or liability. Accounting guidance also establishes a fair value hierarchy, with three input levels that may be used to measure fair value. Refer to Note 2 for a more complete description of the three input levels.

Recurring Basis

The following represents a summary of the assets, valuation techniques, and inputs used to measure fair value on a recurring basis:

Loans Held For Sale: The loans held for sale portfolio is held at fair value. Fair value is based on the prices for other similar mortgage loans with similar characteristics. As necessary, these prices are adjusted for typical securitization activities, including servicing value, portfolio composition, market conditions, and liquidity. We had loans held for sale of \$8.0 million, \$26.6 million, and \$16.1 million as of December 31, 2025, 2024, and 2023, respectively, which were valued using Level 3 inputs. Gains and losses related to these loans are recognized in "Fee and other non-interest income" and "Other non-interest expense", respectively, in the Consolidated Statements of Comprehensive Income and were not material for 2025, 2024, or 2023.

Non-Recurring Basis

We may also be required, from time to time, to measure certain assets at fair value on a non-recurring basis. The following represents a summary of the assets, valuation techniques, and inputs used to measure fair value on a non-recurring basis:

Loans Held to Maturity: Represents the carrying amount of loans evaluated individually for credit losses and deemed to be collateral dependent. The carrying value amount 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.

Other Property Owned: Represents the fair value of foreclosed assets measured based on the collateral value, which is generally determined using appraisals, or other indications based on sales of similar properties. Costs to sell represent transaction costs and are not included as a component of the asset's fair value. If the process uses observable market-based information, they are classified as Level 2. If the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the property and other matters, they are classified as Level 3.

Assets Measured at Fair Value on a Non-Recurring Basis

(in thousands)

As of December 31, 2025	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
Loans held to maturity	\$ --	\$ --	\$ 92,003	\$ 92,003
Other property owned	--	--	36,661	36,661

As of December 31, 2024	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
Loans held to maturity	\$ --	\$ --	\$ 118,225	\$ 118,225
Other property owned	--	--	6,990	6,990

As of December 31, 2023	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
Loans held to maturity	\$ --	\$ --	\$ 79,634	\$ 79,634
Other property owned	--	--	1,486	1,486

Other Financial Instrument Measurements

For financial instruments not recorded at fair value, estimates of fair value are based on relevant market data and information about the instruments. An active market does not exist for certain instruments. Fair value estimates for these instruments are based on current economic conditions and interest rate risk characteristics, loss experience, and other factors. Many of these estimates involve uncertainties and matters of significant judgment and cannot be determined with precision. Therefore, the fair value estimates in many instances cannot be substantiated by comparison to independent markets. In addition, changes in assumptions could significantly affect these fair value estimates.

Estimating the fair value of our investment in AgriBank is not practical because the stock is not traded. As discussed in Note 6, the investment is a requirement of borrowing from AgriBank.

The following table presents each class of our financial instruments, measured at carrying amounts and not measured at fair value on the Consolidated Statements of Condition, for which it is practical to estimate that value:

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

(in thousands) As of December 31, 2025	Total Carrying Amount	Fair Value Measurement Using			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets:					
Cash	\$ 2,400	\$ 2,400	\$ --	\$ --	\$ 2,400
Net loans held to maturity ¹	31,258,652	--	--	30,406,757	30,406,757
Investment securities	2,157,389	--	1,524,688	597,762	2,122,450
Financial liabilities:					
Note payable to AgriBank, FCB	29,565,560	--	--	28,902,469	28,902,469
Subordinated debt	200,000	--	--	174,875	174,875

As of December 31, 2024	Total Carrying Amount	Fair Value Measurement Using			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets:					
Cash	\$ 2,400	\$ 2,400	\$ --	\$ --	\$ 2,400
Net loans held to maturity ¹	30,336,905	--	--	28,935,767	28,935,767
Investment securities	1,892,514	--	1,196,165	622,247	1,818,412
Financial liabilities:					
Note payable to AgriBank, FCB	28,666,750	--	--	27,426,135	27,426,135
Subordinated debt	200,000	--	--	153,000	153,000

As of December 31, 2023	Total Carrying Amount	Fair Value Measurement Using			Total Fair Value
		Level 1	Level 2	Level 3	
Financial assets:					
Cash	\$ 2,400	\$ 2,400	\$ --	\$ --	\$ 2,400
Net loans held to maturity ¹	28,122,031	--	--	26,745,288	26,745,288
Investment securities	1,592,685	--	916,051	601,609	1,517,660
Financial liabilities:					
Note payable to AgriBank, FCB	26,133,298	--	--	25,003,273	25,003,273
Subordinated debt	200,000	--	--	132,750	132,750

¹Net loans includes all loans not individually evaluated for credit losses.

NOTE 15: SUBSEQUENT EVENTS

We have evaluated subsequent events through February 27, 2026, which is the date the Consolidated Financial Statements were available to be issued. There have been no material subsequent events that would require recognition in our 2025 Consolidated Financial Statements or disclosure in the Notes to Consolidated Financial Statements.

DISCLOSURE INFORMATION REQUIRED BY REGULATIONS

Compeer Financial, ACA
(Unaudited)

Description of Business

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

Description of Property

Property Information

Location	Description	Usage	Location	Description	Usage
Illinois			Wisconsin		
Aledo	Owned	Branch	Baldwin	Owned	Branch
Bloomington	Owned	Branch	Dodgeville	Owned	Branch
Bourbonnais	Leased	Branch	Eau Claire	Leased	Branch
Edwards	Owned	Branch	Fond Du Lac	Owned	Branch
Freeport	Owned	Branch	Janesville	Owned	Branch
Geneseo	Owned	Branch	Johnson Creek	Owned	Branch
Macomb	Owned	Branch	Lancaster	Owned	Branch
Monmouth	Owned	Branch	Onalaska	Owned	Branch
Morton	Owned	Branch	Prairie du Sac	Owned	Branch
Naperville	Leased	Branch	Rice Lake	Owned	Branch
Oregon	Owned	Branch	Sun Prairie	Owned	Corporate Headquarters
Ottawa	Owned	Branch			
Princeton	Owned	Branch			
Quincy	Owned	Branch			
Rock Falls	Leased	Branch			
Sycamore	Leased	Branch			
Minnesota			Other		
Blue Earth	Leased	Branch	Nampa, ID	Leased	Contact Office
Duluth	Leased	Contact Office	Des Moines, IA	Leased	Contact Office
Glencoe	Owned	Branch			
Lakeville	Owned	Branch			
Mankato	Owned	Branch			
Mankato	Leased	Corporate Facility			
Rochester	Leased	Branch			
St. Paul	Leased	Commercial Unit			
Waite Park	Owned	Branch			
Worthington	Leased	Branch			

Legal Proceedings

Information regarding legal proceedings is included in Note 13 to the Consolidated Financial Statements in this Annual Report. We were not subject to any enforcement actions as of December 31, 2025.

Description of Capital Structure

Information regarding our capital structure is included in Note 9 to the Consolidated Financial Statements in this Annual Report.

Description of Liabilities

Information regarding liabilities is included in Notes 7, 8, 9, 10, 11, 13, and 14 to the Consolidated Financial Statements in this Annual Report. All debt and other liabilities in the financial statements are uninsured.

Selected Financial Data

The Consolidated Five-Year Summary of Selected Financial Data is presented at the beginning of this Annual Report.

Management's Discussion and Analysis

Information regarding any material aspects of our financial condition, changes in financial condition, and results of operations are discussed in the Management's Discussion and Analysis section of this Annual Report.

Board of Directors

Our Board of Directors is organized into the following committees to carry out Board responsibilities:

- The **Audit and Finance Committee** oversees financial reporting, the adequacy of our internal control systems, the scope of our internal audit program, the independence of the outside auditors, the processes for monitoring compliance with laws and regulations and the code of ethics. The Audit and Finance Committee also oversees the adequacy of management's actions with respect to recommendations arising from auditing activities.
- The **Compensation and Governance Committee** addresses issues of Board governance and the Board's continuing efforts to strengthen and renew the Board, administers a process for maintaining and periodically reviewing Board policies, oversees and provides overall direction and/or recommendations for compensation, benefits and human resource performance management programs.
- The **Enterprise Risk Committee** oversees the integration of risk management activities throughout our organization. Committee members review ongoing risk assessments of current and emerging risks to ensure adequate planning and resources are directed at managing the identified risks. The Committee also establishes and promotes an effective risk culture throughout our organization.

Board of Directors as of December 31, 2025, including business experience during the last five years

Name	Principal occupation, business experience, and other business affiliations
Daniel Erickson Board Chair Current Term: 2025 - 2029	Principal occupation: Self-employed grain farmer and custom heifer producer Other business affiliations: Director: AgriBank District Farm Credit Council, a trade association representing the AgriBank District
Ashley Ahl Board Vice Chair Current Term: 2022 - 2026	Principal occupation: Acting Managing Partner: Northern Family Farms, LLP, a Christmas tree and nursery farm Other business affiliations: Member: B&A Ventures LLC, apartment rentals President and Member: NFF Holdings LLC, apartment rentals and real estate group Treasurer: Black River Falls Area Foundation, a non-profit community development organization Member: NFF Wetland Preserve LLC, wetland bank credit generation Vice President: NCT Transport LLC, trucking President: Whitespire Hills LLC, a real estate development group Member: United States Department of Agriculture Christmas Tree Promotion Board's Promotion Committee Member: Wisconsin Governor's Council on Migrant Labor, an advisory council that advises the Governor and State officials on issues affecting migrant and seasonal farm workers
Rod Bosma Current Term: 2023 - 2027	Principal occupation: Self-employed grain and livestock farmer
Ann Broome Outside Director Current Term: 2023 - 2027	Principal occupation: Self-employed Human Resources Consultant Other business affiliations: President: Sienna Group, Human Resources Consulting
Allyn Buhrow Current Term: 2023 - 2027	Principal occupation: Self-employed corn and soybean farmer and seed sales agent Other business affiliations: Director: AgriBank District Farm Credit Council, a trade association representing the AgriBank District
Mark Cade Current Term: 2024 - 2028	Principal occupation: Self-employed beef and grain farmer Owner: Windy Ridge Properties, LLC, rental properties Other business affiliations: Director: VernonCom, a communications company
Larry Fischer Current Term: 2021 - 2026	Principal occupation: President: Fischer Dairy, a grain and beef farm (d/b/a Trohadin Farms) President: Fischer Ridge, LLC, a land partnership
Dale Holmgren Current Term: 2024 - 2028	Principal occupation: Self-employed grain and livestock farmer Other business affiliations: President: Svin Hus, Inc., a swine operation

Name	Principal occupation, business experience, and other business affiliations
Sarah Jansen Outside Director Current Term: 2023 - 2027	Business experience: Retired Chief Information Officer of Thrivent Financial Other business affiliations: President: Women's Fund for the Fox Valley Region, a non-profit supporting girls and women
Dave Peters Current Term: 2024 - 2028	Principal occupation: Self-employed wheat, soybean, and corn farmer Other business affiliations: Trustee: Manteno Township Fire Protection District
Greg Pollesch, CPA Outside Director Current Term: 2022 - 2026	Principal occupation: Owner and Manager: GSP Associates LLC, a business consultation service provider Owner and Operator: UPS Store, a shipping and receiving store Other business affiliations: Member: 3ELeventures LLC, a business services provider Director: Galloway Company, a sweetened condensed milk and ice cream mix manufacturer Owner and Manager: 82 West LLC, a real estate investment group
Daniel Scheider Current Term: 2022 - 2026	Principal occupation: President: Scheidairy Farms, Inc., a dairy and grain farm Other business affiliations: Director: Buckeye Mutual Insurance Co., a local mutual insurance company
Tracy Travis Current Term: 2023 - 2027	Principal occupation: Self-employed wheat, soybean, and corn farmer Owner and Manager: ImpactTT Collective LLC, a business consultation service provider Lecturer: University of Wisconsin-Whitewater since September 2023 Business experience: Marketing: Credit Union National Association from 2003 to 2022 Other business affiliations: Director: Rural Investment to Protect Our Environment, an agricultural advocate Board Member: School District of Cambridge
Kimberly Wedig Current Term: 2025 - 2029	Principal occupation: Self-employed grain, dairy, and cow-calf farmer Other business affiliations: Director: AgriBank District Farm Credit Council, a trade association representing the AgriBank District
Stephanie Wise Current Term: 2025 - 2029	Principal occupation: Corn, soybean, and popcorn farming operation Owner: Gripp Farms, LLC, agribusiness/corn production Owner: Bright Prairies, LLC, general merchandise Owner: Gripp Farm Nutrients, LLC, agribusiness/fertilizer (dissolved in December 2024) Other business affiliations: Director: Farm Credit Foundations, a pension and benefits service provider

Typically each director's respective term ends following the fourth annual meeting after being elected, and until a successor is elected.

Pursuant to our bylaws, Directors are paid a reasonable amount for attendance at board meetings, committee meetings, or other special assignments. Directors are also reimbursed for reasonable expenses incurred in connection with such meetings or assignments. In 2025, the Board of Directors' per diem rate was \$600 per day plus travel time compensation for each meeting attended. The per diem rate was increased to \$620 per day, effective January 1, 2026. The Board of Directors regular monthly meetings are normally two days in length. In addition, they hold two, three-day planning sessions annually. In 2025, each Director received a \$2,100 per month retainer fee, with the exception of the Board chair who received a \$2,600 per month retainer fee and the Board vice chair and Board committee chairs who received a \$2,300 per month retainer fee. Effective January 1, 2026, the per month retainer fee was increased to \$2,150 for each Director, with the exception of the Board chair retainer which increased to \$2,700 per month, and the Board vice chair and Board committee chairs retainers increasing to \$2,400 per month. Each Director is eligible for a variable retainer fee based on companywide financial and business objectives. The award is calculated as a percentage of the Director's annual per diem compensation. The performance criteria include return on equity, operating revenue growth, average daily balance (ADB) growth, adverse assets to risk funds ratio, net operating rate, efficiency ratio, client satisfaction, and client loyalty. Under the terms of the plan, no payments are made in the event our return on equity or adverse assets to risk funds ratio fall outside specified threshold levels. The percentage used in the award calculation depends on the actual results for each performance criteria.

Information regarding compensation paid to each director who served during 2025 follows:

Name	Number of Days Served		Compensation Paid for Service on a Board Committee	Name of Committee	Total Compensation Paid in 2025 ¹
	Board Meetings	Other Official Activities			
Ashley Ahl	17	22	\$ 4,800	Audit and Finance	\$ 72,293
Rod Bosma	17	34	5,400	Audit and Finance	85,781
Ann Broome	17	27	2,400	Compensation and Governance	81,685
Allyn Buhrow	15	32	2,400	Enterprise Risk	78,573
Mark Cade	17	33	2,400	Compensation and Governance	82,234
Daniel Erickson	17	42	2,400	Enterprise Risk	92,459
Larry Fischer	17	23	2,400	Compensation and Governance	78,221
Dale Holmgren	17	27	2,400	Enterprise Risk	78,578
Sarah Jansen	17	38	2,400	Enterprise Risk	81,990
Dave Peters	17	26	2,400	Enterprise Risk	76,153
Greg Pollesch	17	21	4,800	Audit and Finance	75,235
Daniel Scheider	16	26	5,400	Audit and Finance	75,936
Tracy Travis	15	37	4,800	Audit and Finance	79,113
Kimberly Wedig	16	30	2,400	Compensation and Governance	79,892
Stephanie Wise	17	28	2,400	Compensation and Governance	86,088
					\$ 1,204,231

¹Total compensation paid in 2025 includes total per diem compensation, monthly retainer fees, tax fringe benefits, and variable retainer fees earned during 2024 and paid in 2025.

Senior Officers

Senior Officers as of December 31, 2025, including business experience during the last five years

Name and Position	Business experience and other business affiliations
Jase Wagner President and Chief Executive Officer	Business experience: President and Chief Executive Officer since January 2023 Chief Financial Officer from July 2017 to December 2022 Other business affiliations: Member: Farm Credit Foundations Trust Committee, a committee which serves as the fiduciary for the benefit plans and trust assets and oversees the administration of the plans for Farm Credit Foundations Board Member of SunStream Business Services, a technology and other business services provider Executive Council Chair of MBOLD, a coalition supporting Minnesota food and agriculture initiatives
Betsy Horton Chief Financial Officer	Business experience: Chief Financial Officer since May 2023 Chief Financial Officer of S&W Seed Company from November 2021 to April 2023 Chief Financial Officer of Miller Milling Company from November 2018 to November 2021 Other business affiliations: Board Member of Rahr Corporation, a producer and distributor of malt products Board Member and Treasurer of Project Success, an education non-profit that helps high school and middle school students plan for their futures
Greg Davis General Counsel	Business experience: General Counsel since July 2025 Deputy General Counsel from July 2017 to June 2025 Other business affiliations: Board President of ABC Counseling and Family Services, Inc., a non-profit providing family counseling and adoptive services
Bruce Feist Chief Information Officer	Business experience: Chief Information Officer since April 2024 Chief Information Officer Elect from February 2024 to March 2024 Vice President, Applications and Analytics of ECMC Group from October 2021 to February 2024 Managing Director of Format Solutions from January 2015 to October 2021

Name and Position	Business experience and other business affiliations
Matt Ginder Chief Marketplace Development Officer	Business experience: Chief Marketplace Development Officer since January 2023 Chief Core Markets Officer from July 2017 to December 2022 Other business affiliations: Trustee on the Village Board of Goodfield, IL, government Board Member/Owner of MoBean LLC, a farmland rental company
John Hemstock Chief Human Resources Officer	Business experience: Chief Human Resources Officer since January 2023 Chief Talent and Technology Officer from July 2017 to December 2022 Other business affiliations: Board Member of SunStream Business Services, a technology and other business services provider
Terry L. Hinds Chief New Markets and Related Services Officer	Business experience: Chief New Markets and Related Services Officer since July 2025 Chief New Markets and Assurance Officer from January 2023 to June 2025 Chief Asset Quality and Assurance Officer from January 2020 to December 2022 Other business affiliations: Committee Member of External Advisory Committee, University of Illinois Department of Agricultural and Consumer Economics
Paul Kohls Chief Administrative and Mission Officer	Business experience: Chief Administrative and Mission Officer since July 2025 Chief Administrative Officer and General Counsel from January 2023 to June 2025 Chief Lending Operations Officer and General Counsel from July 2017 to December 2022 Other business affiliations: Board Member of Farm Credit Foundations, a pension and benefits service provider Board Member of Farm Credit Captive Insurance Company, an insurance provider for Farm Credit System entities
Bill Moore Chief Risk Officer	Business experience: Chief Risk Officer since January 2020
Jim Roberge Chief Diversified Markets Officer	Business experience: Chief Diversified Markets Officer since January 2022 Chief Diversified Markets Officer Elect from November 2021 to December 2021 Senior Vice President, Lending Operations of Farm Credit Services of America, ACA from March 2020 to October 2021 Other business affiliations: Board Member of Minnesota AgriGrowth Council, a non-profit organization that advocates for the food and agriculture industry Board Member of The Center for Food Integrity, a non-profit focusing on helping the food system earn consumer trust
Susan Sachatello Chief Marketing Officer	Business experience: Chief Marketing Officer since May 2023 Chief Growth Officer of Allianz Insurance from September 2021 to October 2022 Head of Marketing and Distribution of Principal Financial Group from March 2020 to August 2021 Other business affiliations: Board Member of DigsFact, a provider of technology that enables remote estimates of home insurance claims

Information related to compensation paid to senior officers is provided in our Annual Meeting Information Statement (AMIS). The AMIS is available for public inspection at our office.

Transactions with Senior Officers and Directors

Transactions other than loans in the ordinary course of business involving directors and senior officers include the following: in October 2025, Compeer Financial, PCA (acting as the servicing agent of FBN Finance, LLC, in connection with a loan in which the Association had purchased a participation interest) entered into a settlement agreement with SAIR Partnership 6, LLC, an entity managed by the son of senior officer Terry Hinds. The settlement resolved a dispute relating to competing security interest claims in crops and related collateral of a defaulted borrower. The Association received an aggregate of approximately \$578 thousand, consisting of (i) borrower-operated account funds transferred to the Association in the approximate amount of \$125 thousand, subject to certain adjustments; and (ii) a payment from SAIR Partnership 6, LLC, in the approximate amount of \$453 thousand, subject to certain adjustments. In exchange, the Association assigned its loan and security interest to SAIR Partnership 6, LLC, and released its claims in the dispute. Mr. Hinds did not participate in the negotiations or approval of this transaction.

Additional information regarding related party transactions is included in Note 12 to the Consolidated Financial Statements in this Annual Report.

Travel, Subsistence, and Other Related Expenses

Directors and senior officers are reimbursed for reasonable travel, subsistence, and other related expenses associated with business functions. A copy of our policy for reimbursing these costs is available by contacting us at:

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

The total directors' travel, subsistence, and other related expenses were \$381 thousand, \$364 thousand, and \$416 thousand in 2025, 2024, and 2023, respectively.

Involvement in Certain Legal Proceedings

No events occurred 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 on January 1, 2026, or at any time during 2025.

Client Privacy

The FCA Regulations protect clients' nonpublic personal financial information. Our directors and employees are restricted from disclosing information about our Association or our clients not normally contained in published reports or press releases.

Relationship with Qualified Public Accountant

There were no changes in the independent auditors since the last Annual Report to stockholders and we are in agreement with the opinion expressed by the independent auditors. The total financial statement audit fees paid during 2025 were \$649 thousand. Our engagement letter commits to reimbursing the external auditor for reasonable out-of-pocket expenses as incurred. In addition, we incurred \$11 thousand for tax compliance services.

Financial Statements

The Report of Management, Report on Internal Control over Financial Reporting, Report of Audit and Finance Committee, Report of Independent Auditors, Consolidated Financial Statements, and Notes to Consolidated Financial Statements are presented prior to this portion of the Consolidated Financial Statements in this Annual Report.

Young, Beginning, and Small Farmers and Ranchers

Information regarding credit and services to young, beginning, and small farmers and ranchers, and producers or harvesters of aquatic products is included in an addendum to this Annual Report.

Equal Employment Opportunity

We are an equal opportunity employer. We are fully committed to and supportive of equal employment opportunity and diversity, and it's our belief all team members should be treated with dignity and respect. All human resource decisions and processes relating to Compeer team members and job applicants will be nondiscriminatory, conducted in an environment free of harassment or coercion, and without regard to race, color, sex, ancestry, creed, religion, national origin, age, disability status, marital status, familial status, sexual orientation, gender identity, pregnancy, public assistance status, current or former military member, genetic information, order of protection status, arrest and conviction record, use or non-use of lawful products, declining to attend a meeting about religious or political matters, or any other status protected by state or federal law. We are committed to recruiting, hiring, compensating, providing benefits, training, and promoting without regard to these factors.

YOUNG, BEGINNING, AND SMALL FARMERS AND RANCHERS

Compeer Financial, ACA
(Unaudited)

Compeer Financial, ACA (Compeer) is dedicated to offering products, services, and programming to serve the credit and related needs of young, beginning, and small farmers and ranchers (YBS) in our territory. The definitions of YBS as developed by the Farm Credit Administration (FCA) 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 (GFI) of agricultural or aquatic products at the date the loan is originally made.

Young, Beginning, and Small (YBS) Farmer Demographics

The 2022 United States Department of Agriculture (USDA) Agricultural Census was released in early 2024. Based on the census data, there are approximately 115,000 farms within the Compeer territory. Of those farms, 12.5% are classified as young farmers, 29.6% are beginning farmers, and 77.0% are small* farmers.

*Note: The USDA census does not categorize farms by GFI thresholds that align with the regulatory definition of \$350 thousand or less. Instead, the data is reported based on a GFI threshold of \$250 thousand or less. Using interpolation to adjust for the targeted \$350 thousand threshold suggests that approximately 81% of farms in the Compeer territory could be classified as small farms.

Mission Statement

The Young, Beginning, Small, and Emerging (YBSE) Board Committee and Compeer leadership worked together to develop the following mission statement.

Compeer is helping shape a dynamic, collaborative, and thriving future for agriculture by prioritizing efforts specific YBSE farmers through resources that address the unique, diverse needs of these farmers as they start, expand, sustain, or transition as the next generation.

Our Goals

- Create targeted solutions in the YBSE space to ensure continuous access to competitive credit and availability of financial services through the “Compeer Financial Young, Beginning, and Small Farmer Program” and the “Emerging Markets Lending Program.”
- Provide customized outreach programs to promote growth, knowledge, and innovation that empower YBSE farmers to shape a thriving future.

How We Support Our Goals

- Focus on the voice of the YBSE farmer and actively gather their insights to advocate on behalf of YBSE farmers.
- Consider agriculture in its entirety and acknowledge the varied needs of farmers, ranchers, and other producers within the agriculture sector.
- Dedicate specific resources and tailored underwriting for the programs, including team members and a dedicated committee within Compeer’s Board of Directors.
- Forge strong partnerships with organizations like the Farm Service Agency (FSA), Rural Finance Authority (RFA), local banks, other local stakeholders, and peers within the Farm Credit System.

2025 YBS Highlights

Compeer’s YBS lending program consists of special loan pricing and flexible underwriting standards. Loan programs include:

- Special Loan Pricing – This allows for discounted YBS client interest rates. This may be used in conjunction with other YBS lending programs.
- Starter Loan Program – This program provides reduced underwriting criteria for operating, intermediate term, and real estate loans/leases.
- Character Loan Program – This program provides sales team limited approval for small loans/leases where the YBS farmer does not meet the minimum scorecard approval but the sales team believes there is strength of character for success in the farm and repayment of the loan.
- Finish Barn Loan Program – This program has reduced underwriting criteria for YBS clients needing a loan for finish barn construction.
- Broiler Barn Loan Program – This program has reduced underwriting criteria for YBS clients needing a loan for broiler barn construction.
- Farm Forward Program – This program is new as of the third quarter of 2025. This program incorporates YBS underwriting standards, a reduced interest rate for the first 5 years of the life of the loan, and requires as little as 1% downpayment for YBS borrowers to purchase real estate.

Compeer places significant focus on supporting farmers operating in local and regional food systems (“Emerging Markets”) through distinctive lending programs in addition to the YBS program mentioned above. Their outreach efforts also target minority farmers and military veterans transitioning to farming after their service.

Furthermore, Compeer maximizes opportunities to coordinate credit and services with other Farm Credit System institutions, local financial institutions, as well as governmental and private credit sources that support YBS farmers and ranchers. This coordination includes actively utilizing programs like the FSA Guarantee Loan Program and the RFA Loan Participation Program.

Beyond lending programs, Compeer offers a Beginning with Compeer Grant, which emphasizes beginning farmers. Applicants must reside in Compeer's territory, have 10 years or less of farming experience, and demonstrate that agricultural production is their full-time or part-time vocation. Grant funds can be used to pay for a variety of farm-business related expenses, including but not limited to tax preparation, farm accounting services, tuition or registration fees for farm-related education, FSA guarantees, or transition service fees. Enrollment in select multi-year training programs are eligible for additional grant funds relative to that enrollment.

Education and outreach are essential elements of the YBS program. Compeer engages with a YBS Client Advisory Group, which consists of 26 clients throughout Compeer's territory. The Advisory Group met twice in-person during 2025 to discuss the program, changes and challenges facing the industry, and the specific needs of this market segment. The input from this group has helped steer the direction of the program and influenced educational opportunity decisions. Several new members were added in the fourth quarter of 2025.

Our premier YBS educational event, the Groundbreakers Conference, is held over two weekends each year. This is a two-day conference that features outstanding speakers and educational topics on farm management, financial management, industry expertise, and other important topics affecting young, beginning, and small farmers. Various other educational opportunities are offered in the form of in-person events, webinars, and other content. Every year, through a rigorous selection process, a client is chosen as GroundBreaker of the Year, and two clients are selected as honorable mentions. They are presented with the honor and a cash award.

Compeer is continuing its commitment to support rural youth in our territory through individual scholarships as well as sponsorships of 4-H, Future Farmers of America, Ag in the Classroom programs, farm conferences, and numerous other activities. Three key sponsorships offered through the YBSE program are: the Cultivating Masters program; the Wisconsin Farm Bureau Annual Meeting and Young Farmers & Agriculturalist Conference; and the Farmer Veteran Coalition Chapters in Illinois, Minnesota, and Wisconsin.

Several Compeer resources are dedicated to YBS initiatives. Compeer's New Markets team is responsible for developing program strategy and fostering collaboration across the organization. Oversight of the program is the responsibility of the YBSE Board of Directors Committee, which currently consists of 6 members. Additionally, there is a team member committee composed of a group of cross functional team members from across the organization. The team member committee is involved with project efforts and program review, as well as acting as a champion to the YBS program within the organization.

Quantitative Goals

2025 Results

(dollars in thousands)

	Total Number of Loans		Total Volume of Loans		Total Number of New Loans		Total Volume of New Loans	
	#	%	\$	%	#	%	\$	%
Young Farmers	20,390	22.9%	5,173	12.4%	6,244	21.2%	1,817	11.5%
Beginning Farmers	28,725	32.2%	7,925	19.0%	8,120	27.6%	2,483	15.7%
Small Farmers	40,134	45.0%	7,097	17.1%	12,902	43.9%	2,059	13.0%

2025 Actual vs. Goals

	Total Number of Loans		Total Volume of Loans		Total Number of New Loans		Total Volume of New Loans	
	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal
Young Farmers	22.9%	22.7%	12.4%	12.6%	21.2%	21.2%	11.5%	12.7%
Beginning Farmers	32.2%	31.9%	19.0%	19.9%	27.6%	28.0%	15.7%	17.2%
Small Farmers	45.0%	44.8%	17.1%	17.3%	43.9%	44.3%	13.0%	12.9%

Safety and Soundness of Program

The Association's Young, Beginning, and Small Farmer program has established standards and guidelines to provide for extension of sound and constructive credit, consistent with our business objectives. The program has also established lending limits for new loan extension under the program and should the Association's credit quality fall below minimum guidelines, the program calls for the Board of Directors to review the program for changes or possible suspension. At this time, the Association's credit quality is well above minimum guidelines outlined in the program.

FUNDS HELD PROGRAM

Compeer Financial, ACA
(Unaudited)

Purpose

Compeer Financial, ACA (the Association) offers a Funds Held Program (Funds Held) that provides certain borrowers with the opportunity to make advance payments on designated loans in compliance with the Farm Credit Administration (FCA) Regulation 614.4175.

Objective

The Association offers this program for the benefit and convenience of borrowers who desire to make advance payments.

The following terms and conditions apply to all Funds Held unless the loan agreement or related documents between the Association and client provide for other limitations. By opening or maintaining a Funds Held account, the client agrees to be bound by the program terms described herein, as they may be amended from time to time by the Association. The Association may change these terms and conditions at any time by providing prior notice to affected clients. The client may, at any time, terminate their agreement to maintain a Funds Held account by closing their account or by sending 30 days prior written notice, via certified mail, to the Association (in which case, the Association will close the account upon its receipt of the notice).

Advance Payment Application

Advance payments received on a loan participating in Funds Held before the loan has been billed will normally be placed in Funds Held as of the date received, to be applied against the next installment or other related charges on the installment due date. This is subject to any rights that we may have to apply such payments in a different manner as specified in loan documents governing designated loans.

Payments received on a loan participating in Funds Held after the loan has been billed will be directly applied to the installment due on the loan or other related charges and will not earn interest.

If a special prepayment of principal is desired, borrowers must so specify at the time funds are remitted.

Funds Held may not exceed the outstanding balance on the related loan(s), and may be limited by prepayment or other restrictions.

Interest on Funds Held

Interest will accrue on Funds Held at a rate determined by the Association, but the rate may never exceed the interest rate charged on the related loan. Interest on Funds Held (exclusive of funds applied directly to billed amounts) will normally accrue from the date of receipt of the funds until the date the funds are applied to the loan against an installment due or other related charges. The Association may change the interest rate from time to time, and may provide for a different interest rate for different categories of loans. If the Association changes the rate of interest, it will provide notice of the rate change by posting the new interest rate and the date of effectiveness on its website (currently at <https://www.compeer.com/ag-financing/agriculture-business-services/cash-management-services>) and it will additionally provide notice of the rate change in its next annual report. By opening or maintaining a Funds Held account, the client acknowledges and agrees: (1) to monitor the Association's website for rate changes; (2) that the client has been notified that rate change notices have been and will be published periodically on the Association's website; and (3) to accept periodic rate change notifications which are published on the website without the Association further notifying the client that the changes have been posted on its website. The interest rate paid on advance payments in Funds Held is an administered floating rate set by the Association's Asset Liability Committee on the first of every month. The following table displays the rates paid throughout 2025:

Month	Rate Paid*
January - February	4.55%
March - August	4.50%
September	4.40%
October - November	4.30%
December	4.00%

*The Funds Held rate on any individual loan is capped at the respective loan's bill rate.

Withdrawal of Funds

Funds in a Funds Held account may be withdrawn or transferred, upon request, on one or more occasions by any party authorized to withdraw funds from the account for an eligible loan purpose in lieu of increasing the client's loan. Withdrawals from Funds Held is limited to 24 withdrawals per year. The minimum withdrawal amount is the lesser of \$100 or the remaining balance. Upon death of a client who has Funds Held balances, the Association does not set up death beneficiaries or "payable on death" designations to distribute Funds Held balances.

Uninsured Account and Liquidation

Funds Held is not a depository account and is not insured. In the event of Association liquidation, all borrowers having funds in Funds Held shall be notified in accordance with FCA Regulation 627.2735. The notice shall advise that the funds ceased earning interest when the receivership was

instituted, and the funds will be applied against the outstanding indebtedness of any loans of such borrower unless, within 15 days of such notice, the borrower directs the receiver to otherwise apply such funds in the manner provided for in existing loan documents.

Termination

If we terminate Funds Held, account balances will be applied to the loan balance, and any remaining excess funds will be refunded to the borrower.



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