

CODE OF ETHICS

Capital Farm Credit (“CFC” or the “Association”) adopted this Code of Ethics (“Code”) which applies to every director, officer, and employee. We are committed to conducting business in accordance with the highest ethical standards as set forth in CFC’s Standards of Conduct Program and accompanying or related policies and procedures.

CFC is responsible for the preparation and distribution of its financial statements and related disclosures. Such information must be true, accurate, relevant, and complete when distributed to the Funding Corporation for use in preparing the Farm Credit System financial statements and related disclosures.

Accordingly, CFC expects and requires all of its directors, officers, employees, and agents to maintain the highest standards of personal and professional integrity in all aspects of their business transactions and activities. This includes complying with all applicable laws, rules, and regulations.

This also includes deterring wrongdoing and abiding by our Standards of Conduct Program and other policies and procedures that govern the conduct of CFC directors, officers, employees, and agents. To achieve these high ethical standards, conflicts of interest and self-dealing should be avoided.

The Code is incorporated into our overall Standards of Conduct Program and reaffirms the high standards of business conduct required of CFC and its directors, officers, and employees as set forth in 12 C.F.R. §612.2135. Terms referenced in this Code of Ethics are defined in CFC’s Standards of Conduct procedures.

Requirements Applicable to All Directors, Officers, Employees, and Agents

- Maintain high ethical standards, including high standards of honesty, integrity, and fairness.
- Act in the best interests of the Association.
- Preserve the reputation of CFC and the public’s confidence in the Farm Credit System.
- Exercise diligence and good business judgment in carrying out official duties and responsibilities.
- Identify and disclose to the Standards of Conduct Official (SOCO) any conflicts of interest and/or circumstances or transactions that have the appearance of creating a conflict of interest.
- Refrain from participating in official action or discussion on any matter if there is an actual or perceived conflict of interest.
- Work with the SOCO to identify conflicts and resolve reported conflicts of interest and appearances of conflicts of interest.
- Avoid self-dealing or acceptance of gifts or favors that may be deemed as offered, or have the appearance of being offered, to influence official actions or decisions.
- Comply with all applicable laws, rules, and regulations, as well as the rules and regulations of self-regulatory agreements to which CFC is a party.
- Promptly report any possible illegal or unethical activity, or violation of the Standards of Conduct Program and the Code to the SOCO or through the anonymous reporting procedures.
- Take all reasonable measures to protect the confidentiality of non-public information about CFC and its customers obtained or created in connection with its activities and to prevent the unauthorized disclosure of this information unless required by applicable law or regulation, or legal or regulatory process.

Additional Requirements Applicable to Directors and Officers

- Directors and Officers must produce full, fair, accurate, timely, and understandable disclosures of financial statements and related financial reports or communications. This includes reports and documents filed with, or submitted to, the Farm Credit Bank of Texas, the Farm Credit Administration, and independent public accountants.
- Directors and officers are explicitly prohibited from taking any action to fraudulently coerce, manipulate, or mislead CFC's independent public accountant for the purposes of rendering the financial statements misleading.

Compliance with the Code

All directors, officers, employees, and agents will be held accountable for compliance with and adherence to this Code. Violations may result in disciplinary action, up to and including termination of employment or removal from the board of directors and may result in civil or criminal penalties. Each director, officer, and employee is required to sign a statement annually that he or she has read and understands this Code and agents will be made aware of our expectations.

ADDITIONAL GUIDANCE

Availability of Standards of Conduct Policy for Agents

The Association's Standards of Conduct Policy for Agents is available [here](#) or upon request.

Gifts and Favors

Directors and employees should not ask for or accept gifts, entertainment, educational opportunity, or any other favor if doing so might compromise or appear to compromise their ability to make objective business decisions in the best interest of CFC or that may be viewed as intended to influence official action or decisions.

Generally, no director or employee of CFC shall at any time solicit or accept any gift or present from any borrower or loan applicant, for themselves or another director or employee of a System institution. No director or employee of CFC may at any time give any gift to any borrower or loan applicant.

The prohibition on gifts does not apply to de minimis gifts valued at less than \$500 individually or \$1,000 in aggregate in a given year that are exchanged as a part of acceptable social traditions or under the following circumstances:

- A gift is exchanged at a non-business, personal event outside of and unrelated to CFC's business, between two individuals whose relationship with one another is based on a connection outside of CFC's business; or
- A gift is offered, solicited, given, or received by the family of the director or employee.
- Directors and employees may accept or provide educational opportunity or entertainment (including, but not limited to, meals, sporting events, conference registration fees, lodging,

transportation, and tickets) as long as it is an event at which the giver is present or such event affords an opportunity to discuss business and/or develop business relationships.

An employee or director must promptly report any gift—tangible or intangible—received in excess of the de minimis value that does not meet one of the exceptions listed above and the SOCO will provide appropriate guidance.

FCA Enforcement Authorities

Agents of System institutions are “institution-affiliated parties” as that term is defined in the Farm Credit Act of 1971, as amended, and therefore subject to certain FCA enforcement authorities contained in 12 U.S.C. 2267a (Sec. 5.31A). An “institution-affiliated party” is:

- (1) A director, officer, employee, shareholder, or agent of a System institution;
- (2) An independent contractor (including an attorney, appraiser, or accountant) who knowingly or recklessly participates in:
 - (i) A violation of law (including regulations) that is associated with the operations and activities of one or more System institutions;
 - (ii) A breach of fiduciary duty; or
 - (iii) An unsafe practice that causes or is likely to cause more than a minimum financial loss to, or a significant adverse effect on, a System institution; or
- (3) Any other person, as determined by the Farm Credit Administration (by regulation or on a case-by-case basis) who participates in the conduct of the affairs of a System institution.