



Human Capital Committee Charter

I. Purpose

The AgWest Farm Credit, ACA (the Association) Human Capital Committee (the Committee) is established by and reports to the Association Board of Directors.

The Committee assists the Board in fulfilling its fiduciary responsibilities to oversee and monitor Association's human capital plans and controls including,

1. Compensation and benefit philosophies, policies, and plans for all AgWest employees,
2. CEO performance goals, performance evaluation, compensation, retention, and succession,
3. Senior officer compensation strategies, policies, programs, and succession plans,
4. Director compensation and related matters,
5. The Association's Human Capital Plan and diversity and inclusion efforts.

II. Authority and Responsibilities

General

1. Review and recommend for Board approval the total compensation philosophy for the Association, to ensure alignment with mission, business objectives, and the strategic business plan.
2. Review and recommend for Board approval compensation, benefit, and Association internal Human Resource policies.
3. Review and recommend for Board approval Association short-term and long-term incentive plans for employees.
4. Review and discuss with management the Association's practices and progress related to human capital management, including diversity, equity and inclusion, retention, talent management and succession.
5. Undertake such other responsibilities or duties as the Board may delegate or assign to the Committee from time to time.
6. The Committee shall have access to all information, records, and files available to the Board.

Relative to the CEO

1. Approve and recommend for Board approval the CEO compensation including base salary, short-term and long-term incentives, supplemental benefits, perquisites, any other compensation to be paid to the CEO, and any employment or severance agreement between the Association and CEO. The CEO may not be present during deliberations or voting with respect to his or her compensation.
2. Prepare, approve, and recommend performance goals for the CEO for full Board approval.
3. Prepare the initial evaluation of the CEO's performance for full Board approval.

4. Periodically review a point in time analysis of the CEO's compensation to ensure the Board is aware of any potential payouts in the event of termination and accrual of benefits.
5. Oversee development and implementation of succession plans for the CEO (including an emergency succession action plan), and make recommendations to the Board with respect to such plans.

Relative to Operating Committee and Chief Auditor

1. Review, evaluate, and recommend for full Board approval:
 - Overall compensation plans for Operating Committee members and Chief Auditor,
 - Incentive plan performance metrics and participation in those plans,
 - Any exceptions to those plans.
2. Review Operating Committee members and Chief Auditor compensation including base salary, short-term and long-term incentives, supplemental benefits, perquisites, and any other compensation for said employees, and any employment or severance agreement between Association and any said employee, in advance of the effective date.
3. In coordination with the CEO, oversee succession planning for Operating Committee members and Chief Auditor (except for the CEO which shall be overseen by the Board) and monitor talent management and development programs.

Relative to Other Compensation Matters

1. Periodically review plans and plan administration with independent outside compensation professionals to ensure plans remain competitive, effective in accomplishing organizational goals, account for market conditions and comparable industry "Best Practices", and comply with all laws and regulations.
2. Periodically review the health, welfare and retirement benefits approved by the Farm Credit Foundations Plan Sponsor Committee to ensure these programs are competitive and to assess their financial impact to the Association.
3. Review the potential financial impacts of incentive-based compensation programs and payments and determine whether they are unreasonable or disproportionate to the services performed.
4. Oversee and approve recoupment policies allowing the Association to recover compensation paid to employees, to the extent necessary or as required by applicable law.
5. Review Annual Report compensation disclosures of directors, CEO, and senior officers and ensure they meet regulatory requirements of section 620.6 of the FCA Handbook, and that the discussion is prominent, inclusive, and understandable.
6. Oversee investment policies, trustees, investment managers, and other third-party vendors necessary to administer compensation or benefit plans not administered through Farm Credit Foundations.
7. Review and recommend for Board approval director compensation, forms of payment, compensation exceptions, and related policies including compensation for board and committee leadership.

III. Composition/Quorum Power to Act

- A. The Committee members shall consist of at least three but no more than six directors as recommended by the Board Chair and Vice-chair and approved by the Board. Each director appointed to the Committee shall, in accordance with association standards of conduct policies and procedures, be free of any relationship that would interfere with the exercise of independent judgment as a Committee member. In appointing Committee members, the Board will also consider the personal characteristics and qualifications of those appointed to the Committee.
- B. Annually, the Committee members will elect the chair and vice-chair of the Committee (subject to full Board approval) at the same time as the annual Board reorganization following Director Elections. The Board may, at any time and in its complete discretion, remove any member of the Committee and may fill any vacancy on the Committee.
- C. A majority of the total number of members shall constitute a quorum of the Committee. A quorum of the members of the Committee shall be empowered to act on behalf of the Committee.

IV. Procedures

A. Meetings/Reporting

The Committee will meet at such frequency as necessary and appropriate to fulfill its responsibilities and conduct its business. Committee materials (except sensitive material) will typically be distributed to all Board members as part of the Board materials.

The Committee shall keep formal minutes of all meetings, including attendance. Minutes will provide sufficient detail on reasons for decisions to avoid disputes regarding prior decisions. Committee members will be provided ready access to past minutes of the Committee for purposes of reference or review. The Committee shall provide meeting minutes and reports of its actions to the Board at its next regularly scheduled meeting.

B. Resources

The Committee shall have authority to retain such consultants, outside counsel and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms. The Association will provide any other monetary and non-monetary resources necessary for the Committee to fulfill its purpose.

C. Communication/Collaboration

The Chair will be responsible for liaison with representatives of management to develop meeting agendas and information needed to make decisions. The Committee will communicate and collaborate with the Chief Financial Officer and Head of Human Resources, so the flow of information between the Committee and management is not impeded. The Committee will ensure protection of all confidential information presented to or prepared by the Committee.

D. Learning and Development

The Committee will establish, in cooperation with the Board and other Board committees, a schedule for learning and development as deemed necessary and/or recommended by management and informed by the Board's annual self-assessment and learning survey. This learning ensures Committee members continue to develop their experience and effectiveness.

E. Self-Assessment

As part of the Board self-assessment process, the Committee will complete an annual self-assessment. The purpose of the Committee's self-assessment survey is to assist the Board in evaluating the Committee's composition, effectiveness and the support/resources provided to the Committee.

V. Delegation

The Committee may, in its discretion, delegate some of its duties and responsibilities to a subcommittee appointed by and responsible to the Committee.

VI. Disclosure of the Charter

This Charter will be posted on the Association's website and will be available in print to any shareholder requesting it.

VII. Charter Review

The Board recognizes, for this Charter to be useful, it must be kept current and relevant. To that end, the Board will conduct a Charter review at least annually and make any changes that are needed to meet the Charter's purpose.