



POWERING THE FUTURE OF RURAL AMERICA



2023

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COVER PHOTOS COURTESY PHOTO OF BRIAN DOLL, SOLV ENERGY
AND NORTH FLORIDA SOLAR

To Our Members, Investors, Employees and Other Stakeholders:

Created in 1969 to provide electric cooperatives with the capital they need to deliver affordable, dependable electricity, CFC now helps our member-owners invest in renewable energy, grid resilience and broadband infrastructure—resources that are as essential to communities today as the poles and wires that brought electricity to rural America decades ago.

While these resources are critical to the economic vitality and quality of life of any community, they are particularly valuable in rural America, which represents 70% of the “persistent poverty counties,” according to Federal Reserve Chairman Jerome Powell. CFC’s work on behalf of electric cooperatives and the communities they serve has never been more important.

Today, CFC provides both the intellectual and financial capital that electric cooperatives require to meet the changing needs of rural communities. In addition to being a \$34 billion private-sector lender to rural electric cooperatives with an A+ senior-secured credit rating from Fitch, we offer strategic planning, financial analysis and other services that enhance the efficiency of our member-owners’ investments.

The \$400 million sustainability bond that CFC issued in 2022—our second since 2020 to finance broadband projects—received a positive response from investors and underscored how electric cooperatives are prioritizing the expansion of high-speed internet access in rural communities.

CFC is also well-positioned to support electric cooperatives in leveraging the historic funding opportunities provided by the Inflation Reduction Act and direct-pay tax incentives for new energy investments.

True to our core values of service, integrity and excellence, CFC continues to help electric cooperatives contribute to the communities that created them, whether it is through contributions from CFC’s Educational Fund or helping them access capital from the USDA’s Rural Economic Development Loan and Grant program that supports economic development.

In this report for fiscal year 2023, we provide an account of how CFC serves our member-owners and rural America, along with how we manage our environmental footprint and the investment we make in our employees and the communities in which we operate. As a values-based, financial services cooperative, we are demonstrably committed to help create a better, more sustainable world.

Regards,



Bruce Vitosh
Board President



Andrew Don
Chief Executive Officer



SERVING OUR MEMBERS AND RURAL AMERICA

CFC's members continually invest in sophisticated systems of electricity and broadband resources that span 56% of the U.S. land mass. Since most of our members serve rural communities, we enable them to deliver the affordable and dependable services these communities need to power their economies.

NRECA, April 2023, Co-op Facts and Figures.
<https://www.electric.coop/electric-cooperative-fact-sheet>

Electric Cooperative Economic Impact

America's electric cooperatives play a vital role in the U.S. economy. In addition to delivering electricity, our members provide hundreds of thousands of jobs, as well as hundreds of billions of dollars in gross domestic

product. Equally significant is that electric cooperatives engage in their local communities, driving economic activity and fostering development. While the role of electric cooperatives in the national economy is important, their impact

on rural economies is nothing less than critical. Electric cooperatives are owned and managed by their members and are committed to the communities they serve.

AMERICA'S ELECTRIC COOPERATIVE NETWORK

A study released in 2019 by FTI Consulting found that, between 2013 and 2017, America's electric cooperatives were responsible for the following economic gains:



Over the course of the same five-year period, America's electric cooperatives contributed \$359.5 billion to the national economy across a spectrum of expenditures:

OPERATIONS
\$273.8
BILLION

CAPITAL INVESTMENTS
\$60.3
BILLION

MAINTENANCE
\$20.3
BILLION

\$5 BILLION in capital credits refunded to consumer-members—yet another benefit of the cooperative model.



Connecting Rural America to Broadband

As a member-owned cooperative, CFC is committed to financing improved access to broadband for rural communities. Reliable, high-quality internet service is essential to bridging the urban-rural divide and providing access to education, business, economic development, telehealth and other opportunities that are critical to the quality of life in rural America. CFC is proud to have more than \$2 billion of loans outstanding to electric cooperatives in support of broadband efforts. These efforts have enabled many rural communities to access affordable high-speed internet service for the first time—transforming lives and opening new opportunities.





PHOTO COURTESY OF OKLAHOMA ELECTRIC COOPERATIVE

Oklahoma Electric Cooperative (OEC) serves parts of seven rural counties in central Oklahoma, a region driven by farming, oil production, cattle raising and horse breeding. In 2018, Oklahoma placed 47th in the nation for internet connectivity. Residents either had no internet service option or had to rely on digital subscriber line services, the slowest of internet options.

In April 2018, the cooperative started its OEC Fiber broadband project to bring gigabit speeds to communities in its service territory. The project was completed in May 2022. The cooperative has 5,240 miles of fiber completed and 34,478 subscribers to date.

SEMO Electric Cooperative serves six rural counties in southeast Missouri, a region with cultural and economic ties to agriculture and the Mississippi River. The region has struggled with generational poverty, lower levels of educational attainment, high unemployment and lack of jobs. Prior to SEMO Electric's broadband service, most of its members had to rely on slow internet.

In March 2017, the cooperative started the GoSEMO broadband project to bring a minimum of 100/100 Mbps high-speed internet, HDTV and phone services to SEMO members. The initial project was completed in 2021 and has since expanded. The cooperative has 2,000 miles of fiber completed and over 7,500 subscribers to date.



PHOTO COURTESY OF SEMO ELECTRIC COOPERATIVE

Enhancing Energy Resilience

Energy resilience has become increasingly important for electric cooperatives as wildfires, hurricanes, winter storms and other extreme weather events threaten the stability of critical infrastructure and pose a risk to the lives of members. Many electric cooperatives are mitigating risks from these events by identifying priority vulnerabilities and building out resilience efforts accordingly.



Blazing wildfires are a persistent threat for Plumas-Sierra Rural Electric Cooperative (PSREC), a distribution cooperative that provides electric and telecom service to Plumas, Sierra and Lassen counties in California and Washoe County in Nevada. The cooperative relies on a multipronged approach to mitigate wildfire risk that includes mastication, fire-resistant mesh and flame retardant.

The cooperative clears unwanted trees and debris from right-of-way areas near poles using a process called mastication. PSREC also protects poles by wrapping them in fire-resistant mesh, which prevents flames from spreading. Wood utility poles are also pretreated ahead of a spreading fire with Phos-Check, a flame retardant that consists of a concentrate that easily mixes with water and can then be sprayed on any combustible substance.

The cooperative utilized all three approaches when it battled the monstrous Dixie Fire from July 13 to October 25, 2021. "It always comes back to what works," PSREC General Manager Bob Marshall said. "We will use whatever tool it takes to stop these fires from destroying our poles and wires."

PHOTO COURTESY OF PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE



Poudre Valley Rural Electric Association (PVREA), a distribution cooperative in northern Colorado, has installed a microgrid system to increase resilience for Red Feather Lakes, a remote mountain community is vulnerable to winter storms, wildfires and tornadoes.

PVREA's microgrid system leverages an 8-kW photovoltaic array, a 130-kW propane generator and a 140-kW/446-kWh Tesla Powerpack to maintain power for up to eight hours when other parts of the grid are temporarily unavailable, though the generator can extend the duration time considerably.

"The generator can not only carry some of the load, but recharge the battery," said Tony Francone, PVREA Energy Resources Specialist. "During times of light electrical load, the system can serve some of the area indefinitely as long as there is propane in the tank."

According to PVREA President and CEO Jeff Wadsworth, what's just as exciting as the microgrid system technology is the cooperative spirit that made the project possible. "Here was a situation where a community recognized a need and came together to meet it—with support from local, regional and national partners," Wadsworth said.

Economic Development

In addition to providing safe, reliable and affordable electricity to their communities, electric cooperatives are important contributors to local economic development. Electric cooperatives can utilize the U.S. Department of Agriculture's (USDA) Rural Economic Development Loan and Grant (REDL&G) program to help develop their communities. CFC supports REDL&G through the proceeds it pays to participate in a USDA guarantee program. Over the past 20 years, CFC has contributed an estimated \$222 million to REDL&G.

The REDL&G program provides grants and loans to electric cooperatives, which can then provide funding to local businesses in support of job creation or to community-based entities for important initiatives.



PHOTO COURTESY OF EDGECOMBE-MARTIN EMC

With funding from REDL&G, electric cooperatives have assisted local business incubators, helped provide facilities and equipment for education and job training, and supported business expansion efforts, improvements to healthcare facilities and infrastructure upgrades for local governments.

In the federal government's fiscal year 2022, REDL&G funded \$47 million in loans and more than \$9.4 million in grants for rural organizations to foster community and economic development. In the process, these loans and grants assisted 143 rural businesses and created or saved 1,851 jobs.

Edgecombe-Martin EMC in North Carolina leveraged a \$300,000 REDL&G grant to support the Conetoe Volunteer Fire and Rescue Department's efforts to build a new fire station to serve Conetoe and the surrounding area. The previous station flooded several times following hurricanes. As part of the grant requirement, Edgecombe-Martin EMC contributed \$60,000 in matching funds to lend a total of \$360,000. Construction on the new fire station was completed in April 2022.



PHOTO COURTESY OF CORN BELT POWER COOPERATIVE, PRAIRIE ENERGY COOPERATIVE AND IOWA SPECIALTY HOSPITAL

Two Iowa cooperatives—Prairie Energy Cooperative in Clarion and power supplier Corn Belt Power in Humboldt—leveraged the REDL&G program to help Iowa Specialty Hospital finance a \$5.5 million expansion project aimed at boosting labor, delivery, recovery and postpartum (LDRP) care. Through the REDL&G program, Corn Belt Power sponsored a pass-through loan for \$1 million. Corn Belt Power also sponsored a grant for \$300,000 with a \$60,000 match from Corn Belt Power to

loan a total of \$1.36 million to the hospital. Prairie Energy also sponsored a loan of \$1 million toward this project. The loans and grant come as the north central Iowa hospital is experiencing an unprecedented baby boom. The expansion will result in three additional LDRP rooms and additional specialty clinic space, improving the lives of expectant families.

Disaster Assistance

When Mother Nature strikes and the lights go out, cooperatives often need millions of dollars in a hurry, and they know they can call on CFC. Our emergency lines of credit ensure quick access to funds following natural disasters or other emergencies.

Our member representatives—regional and associate vice presidents—understand that rural Americans depend on their local electric cooperative to move

quickly, and they respond the same way. Our staff have a process in place to advance money as easily as possible when communities need it most. From being proactive before the storm, to driving down debris-strewn roads with paperwork to sign when all other channels of communication are down, our representatives are committed to ensuring members have the credit they need to power their communities.



PHOTO COURTESY OF SOUTHSIDE ELECTRIC COOPERATIVE

When Southside Electric Cooperative in Virginia was hit by a devastating ice storm in February 2021, the cooperative turned to CFC for help with financing its restoration efforts. The storm left 80% of its members without power and damaged the majority of its infrastructure. CFC assisted with a \$10 million line of credit. “During an extreme weather event, especially one during the winter, it is critical we restore power as quickly and safely as possible,” Southside EC CEO Jason Loehr said. “CFC was available and very responsive to our needs. The additional cash afforded us the ability to use every possible internal and external resource during the restoration, which played a big part in why we were able to restore 80% of our system in 13 days.”



PHOTO COURTESY OF SOUTH LOUISIANA ELECTRIC COOPERATIVE ASSOCIATION

Hurricane Ida's fierce Category 4 winds and torrential rain in August 2021 destroyed South Louisiana Electric Cooperative Association's (SLECA) headquarters and left nearly all of its members in the dark. CFC immediately put in place a \$20 million emergency line of credit to assist, which was increased to \$125 million as the damage continued to be assessed.

"Hurricane Ida was by far the worst storm I have ever seen," SLECA GM Matthew Peters said. "CFC got in touch immediately and offered 'whatever we needed' to help us. When people reach out to lend a hand at your lowest point, it means everything. CFC is family to us."

NRECA International

For 60 years, electric cooperatives across the United States—working through NRECA International—have provided more than 160 million residents in developing countries around the globe with access to safe, reliable, affordable and life-changing electric service. CFC and NCSC are proud to have supported these efforts over the decades, making more than \$1 million in direct grants to NRECA International.

CFC offers a program to make it easier for electric cooperatives and their statewide associations to

participate in global electrification endeavors through NRECA International. The CFC and NCSC International Projects Matching Grants Program has awarded more than \$1 million to statewide associations to sponsor global electrification projects. The grants enable more electric cooperative line workers and other volunteers to participate in NRECA International efforts—and experience what it's like when someone flips a switch and sees the lights come on for the first time.



In December 2022, a team of 14 cooperative employees from six Florida systems brought power to the small, rural village of Guishoro in Jalapa, Guatemala. Project participants included Choctawhatchee Electric, Clay Electric, Florida Keys Electric, Glades Electric, Peace River, SECO Energy, Seminole Electric, Talquin Electric, Tri-County and Withlacoochee River (WREC). CFC and NCSC were proud to support the endeavor with grants totaling \$95,000 that supported all aspects of the project. “Without the financial support of CFC, NCSC and our other valued partners, this project would have not been possible,” WREC team leader David Lambert noted.

Governance Training

Recognizing that maintaining financial excellence, accountability and integrity are essential to instilling consumer confidence and empowering electric cooperatives, CFC is committed to assisting directors and executive staff in the electric cooperative network understand and implement good governance.

Through our “Commitment to Excellence” workshops, CFC has trained 3,255 attendees from 584 cooperatives in 39 states on governance best practices, including how electric cooperative leaders should demonstrate

principled leadership, financial stewardship and effective governance and management risk oversight.



Best Practices for Financial Analysis

With the goal of helping our members achieve financial success, CFC has developed a vital financial tool and training resources. The Key Ratio Trend Analysis (KRTA) is a set of financial and operating ratios used by CEOs and board members of distribution cooperatives to better understand how their cooperative has performed historically and against other cooperatives in the nation.

CFC developed the KRTA in 1975 to analyze distribution system operations, highlight strengths and weaknesses,

help gauge past and present performance, and to support predictions of future performance. KRTA is a one-of-a-kind benchmarking tool for the electric cooperative industry.





MANAGING OUR ENVIRONMENTAL FOOTPRINT

CFC and the members we serve are engaged in sustaining our environment across multiple fronts—from the LEED Gold-certified building and 42-acre ecofriendly campus that serves as CFC's headquarters to the many renewable energy projects we've helped finance for the electric cooperative network.

CFC Campus

CFC's commitment to environmental sustainability begins with our corporate headquarters—home to the majority of our 270 employees.

Completed in 2011, the facility achieved the Leadership in Energy and Environmental Design (LEED) Gold standard as established by the U.S. Green Building Council. When planning for the new building, smart and efficient energy use was a priority throughout the design process, influencing every system in the facility. Whether it's the use of geothermal

wells, reclaimed water, natural lighting or our solar photovoltaic array, CFC is dedicated to supporting what's best for the environment.

Beyond the energy-efficient systems in the building, CFC helps employees be good stewards of the environment through a robust recycling effort. While employees have the opportunity to participate in deskside recycling for paper and plastic products, the majority also join the effort to recycle coffee packets in the café area and even batteries, lightbulbs and

electronic devices from home, which can be brought in to convenient collection areas.

Additional efforts to foster sustainability and protect our local environment include the installation of electric vehicle charging stations for employees and the establishment of campus areas certified as Monarch butterfly waystations and other pollinator gardens. CFC has also implemented parking lot improvements that recycled the milling materials into pathway ground cover on the campus.



The Adoption of Renewable Energy by America's Cooperatives

CFC's members continue to move forward with renewable energy adoption. For decades, electric cooperatives have been producing and delivering energy through renewable resources. CFC continues to support our members by funding renewable energy initiatives that pave the way for a greener future.



More than two-thirds of the electricity delivered by co-ops comes from low- or zero-carbon sources.



Electric co-op wind and solar capacity is enough to power more than 3.4 million homes.



Co-ops added over 900 MW of new renewable capacity in 2022.



Cooperatives reduced nitrogen oxide emissions 68% from 2005 to 2021.



Cooperatives reduced sulphur dioxide emissions 82% from 2005 to 2021.



Cooperatives reduced carbon dioxide emissions 17% from 2005 to 2021.

Because CFC's members represent the majority of the nation's electric cooperative network, we are publishing the most recent available data provided by the National Rural Electric Cooperative Association (NRECA) to offer insight into renewable energy activities.

NRECA, April 2023, Co-op Facts and Figures.
<https://www.electric.coop/electric-cooperative-fact-sheet>

In addition, electric cooperatives have developed more than 65 energy storage projects, ranging from residential batteries to large utility-scale projects paired with renewable generation. Storage is an important element of microgrids, including on military installations.

ELECTRIC COOPERATIVES ARE ALSO PARTNERS IN INNOVATIVE CARBON-CAPTURE TECHNOLOGY RESEARCH PROJECTS.

14 GW

Over the last decade, co-ops more than doubled their renewable capacity from 5.7 GW to nearly 14 GW.

>900 MW

Co-ops added over 900 MW of new renewable capacity in 2022.

>6.5 GW

Co-ops have announced more than 6.5 GW of renewable capacity additions through 2026.

10 GW

Co-ops purchase 10 GW of hydropower from federal hydropower facilities.

CFC Members Support Sustainability

CFC counts some of the most forward-thinking and progressive electric cooperatives when it comes to sustainability and achieving success with meeting environmental, social and governance (ESG) goals.

Georgia's Jackson EMC, a distribution cooperative that serves 253,854 meters, and Green Power EMC, a renewable energy supplier that serves 38 of Georgia's electric membership cooperatives (EMCs)—teamed up to build a 1 MW, onsite solar installation to support the sustainability goals of Southeast Toyota Distributors (SET), the world's largest independent distributor of Toyotas.

Located in northeast Georgia, the solar installation was part of a newly completed, more than \$100 million automotive processing facility for SET. The 1 MW solar installation, which Green Power EMC owns, features 3,600 state-of-the-art tracking solar modules coupled with more than 548 kWh of battery storage.

The solar project won a 2020 Environmental Leadership Award from Toyota Motor North America (TMNA), a subsidiary of Toyota Motor Corporation, for supporting the Toyota Environmental Challenge 2050 goal of eliminating carbon dioxide emissions from supplier activities.

According to TMNA, the solar installation will produce 2.4 million kWh of electricity annually while avoiding 1,777 metric tons of carbon dioxide and 21,346 pounds of nitrogen oxide.

Of the power produced, 29% will be used to operate SET's vehicle processing center, while the remainder powers the local community. The solar project was a win-win for SET and Jackson EMC on behalf of its members.

"This project provides our business partner, SET, with renewable energy to help achieve a goal they set for their business," Jackson EMC Director of Business Development David Cleveland said. "And Jackson EMC members are also receiving more renewable energy as part of their energy mix. Students from nearby schools are now touring the facility post-COVID and learning more about solar energy."



PHOTO COURTESY OF JACKSON EMC



Virginia-based generation and transmission (G&T) cooperative Old Dominion Electric Cooperative (ODEC), which owns and operates power plants in Virginia and Maryland and serves distribution cooperatives in Virginia, Maryland and Delaware, has established an ambitious goal to achieve net-zero carbon dioxide emissions by 2050.

ODEC has also set an interim goal to reduce its carbon intensity by 50% (from 2005 levels) by 2030. The 2050 goal further emphasizes the cooperative's dedication to using renewable energy sources and builds on ODEC's mission of providing affordable, reliable and sustainable power to its 11 member distribution cooperatives.



PHOTO COURTESY OF OLD DOMINION ELECTRIC COOPERATIVE

Even as demand for power has increased over the years, ODEC continues to reduce its carbon dioxide emissions, lowering them by 47% since 2005. ODEC continues to focus on adding renewable resources to its energy mix but has experienced significant delays due to supply chain challenges, interconnection study delays and costs, and delays in county and state permitting processes.

“We are dedicated to expanding our carbon-free energy generation,” ODEC President and CEO Marcus Harris said. “ODEC plans to pursue its carbon reduction and clean energy expansion goals but will also ensure that achieving that goal will not disrupt the reliable electric service it has provided for more than 70 years.”

Wabash Valley Power, a G&T cooperative serving an alliance of 23 member distribution cooperatives in Indiana, Illinois and Missouri, all of which are CFC members, is the sole buyer of the energy produced from two 99 MW solar arrays, the Prairie State and Dressor Plains solar projects in Illinois.

CFC and its affiliate, National Cooperative Services Corporation (NCSC), helped Wabash Valley Power by working with the Department of Agriculture's Rural Utilities Service (RUS) and D.E. Shaw Renewable Investments to facilitate the financing.

Wabash Valley Power has 30-year power purchase agreements to receive the energy from both projects. Each 99 MW solar array is expected to generate enough energy to power approximately 21,000 homes annually, according to the U.S. Environmental Protection Agency. The projects will contribute to Illinois' commitment to produce 25% of its electricity from renewables by 2025.

NCSC was one of several lenders that financed the acquisition and construction of the projects via a syndicate, while RUS provided the term loan.

PHOTO COURTESY OF BRIAN DOLL, SOLV ENERGY







CONTRIBUTING TO THE COMMUNITIES IN WHICH WE OPERATE

CFC contributes both financing and employee time to organizations that are integral to the fabric of Northern Virginia, which has been home to our organization for decades. The bulk of these efforts are led by CFC employees, including identifying various opportunities for community service and charitable giving throughout the year.

Beyond the cooperative principles we follow every day, the CFC culture also promotes the cooperative values of "Social Responsibility" and "Caring for Others." We support our employees' service efforts outside the workplace in several ways.



Power Line Worker Training Program

Recent years have seen a major wave of line worker retirements across the nation—creating huge challenges for electric cooperatives. Beginning in 2016, CFC pledged to support the Power Line Worker Training School, a pre-apprenticeship program at Southside Virginia Community College that has graduated more than 250 future utility line workers. NCSC has donated \$10,000 each of the last seven years to the program.

The Race for Cooperative Development

Teams from cooperative businesses and independent runners race every spring in the Co-op 5K to help raise funds for the Cooperative Development Foundation. Proceeds pay for loans and grants to help form new cooperatives, to provide needed services and to market access in areas where cooperative businesses offer better solutions. CFC is a proud sponsor of the event and covers registration fees for employees who participate. The race raised more than \$70,000 in 2023.



Fundraising

Beyond being generous with their time, CFC employees have long supported local neighbors in need through various fundraising efforts such as:



The Holiday Angel Tree program, which provides gifts to disadvantaged families.



Winter clothing collection for children and adults who otherwise wouldn't have a warm coat or gloves.



Summer snack packages to supplement the diets of children who miss free or reduced meals when schools are out.



Back-to-school technology and supply drives for students living in local homeless shelters.



Welcome home baskets of kitchen and household necessities for people leaving shelters to move to their own living space.



Food drives in support of Loudoun Hunger Relief, which serves the community around CFC's headquarters.



Adopt-a-Family

The cornerstone of CFC's community outreach programs is the Adopt-a-Family Foundation (AAF), an employee-founded and managed community support organization that assists local families in need, mainly by providing year-round support of Northern Virginia Family Service (NVFS).

For more than 25 years, the Adopt-a-Family Foundation has "adopted" local families in crisis, helping to lift them out of a temporary financial setback and return to the path of self-sufficiency through support of up to \$5,500 per family per calendar quarter. In 2022, the foundation provided more than \$11,000 in direct assistance to three local families, helping 13 local family members maintain stable housing, overcome medical crises and return to stability.

An additional \$7,200 was donated to general emergency funds administered by NVFS. CFC employees also participated in summer and fall food drives, our traditional Holiday Angel Tree gift event and a holiday season raffle and silent auction to benefit NVFS.



ANDREW DON PRESENTS CFC'S \$15,000 DONATION TO CDF EXECUTIVE DIRECTOR MARY GRIFFIN AND NCBA CLUSA INTERNATIONAL PRESIDENT AND CEO DOUG O'BRIEN

Accomplishing Great Things Together

Within days of Russia's invasion of Ukraine, the U.S. cooperative community responded to assist COOP Ukraine, a network of consumer cooperatives that has created more than 200,000 jobs through 15,000 trade enterprises, 3,000 restaurants, seven hotels, 300 manufacturing businesses and shops, and 300 markets, housing and education centers throughout the country.

National Cooperative Business Association CLUSA International (NCBA CLUSA) and affiliate charitable nonprofit Cooperative Development Foundation (CDF) partnered with National Co-op Grocers (NCG) to launch a fundraising drive to support the Ukrainian cooperative community's immediate and ongoing needs during the crisis. On March 17, 2022, HomeWorks Tri-County Rural Electric in Portland,

Michigan, donated \$15,000 and issued a challenge for electric cooperatives to contribute by April 30. CFC accepted the challenge and contributed \$15,000.

"This is a great example of NCBA CLUSA working to develop, advance and protect cooperative enterprises and to build a better world," CFC CEO Andrew Don said. "I'm thankful to HomeWorks for taking the lead and challenging the electric cooperative network to support the cause."

Contributions are helping COOP Ukraine arrange for accommodations and meals for internally displaced Ukrainians. COOP Ukraine is also working with the Ukrainian government to move businesses and enterprises from combat zones to safer regions.

CFC Educational Fund

Since 1981, CFC has contributed to an Educational Fund to promote appreciation of the cooperative principles and make a new generation aware of our unique business model. CFC has distributed more than \$16 million through electric cooperative statewide associations to improve educational efforts, create youth programs, fund scholarships and more.



Young Leaders

CFC and NCSC education dollars help cooperatives across the country fund activities like the annual Youth Leadership Council Rural Electric Youth Tour, which brings students from every state to the nation's capital for hands-on opportunities to develop leadership and presentation skills, broaden their

understanding of electric cooperatives, and participate in resolutions and grassroots advocacy activities. Since 2009, NCSC has given more than \$1.1 million to support training programs, camps and scholarships for rural youth.



Community Education

In Georgia, the statewide association lights up the Peach State's agricultural community each fall with a high-energy display at the Southeast's largest ag expo, which draws 100,000 visitors across three days. "Without the CFC grant, we would not have the budget or opportunity to do this," explains Dennis Chastain, Georgia EMC president and CEO. "It gives us the chance to deliver messages about electric safety, energy efficiency and legislative concerns."

Career Skills

For almost 30 years, youngsters served by Idaho electric cooperatives have been able to enjoy a life-changing experience thanks to support from CFC and NCSC. Through an annual event called Youth Rally, sponsored by the Boise-based Idaho Consumer-Owned Utilities Association (ICUA), participants are exposed to six days of fun-filled team-building and leadership training combined with instruction about the utility industry, electric cooperatives and related careers. "Only by joining forces and partnering with CFC and NCSC are we able to pull this off," says ICUA Executive Director Will Hart.





INVESTING IN OUR EMPLOYEES

Our commitment to CFC members begins with our commitment to CFC employees—the individuals who each day demonstrate our values of service, integrity and excellence. Through investments in their training and continuing education, progressive work-life policies and opportunities to contribute their time and talents to social causes that matter to them, we put CFC employees in a position to succeed for our members, as well as themselves.

In addition to the core benefits—including health, dental, vision, life and disability—CFC offers a wide variety of voluntary programs that help ensure the wellness of employees mentally as well as physically.

Training Opportunities

CFC has a very strong culture promoting professional development. We encourage employees to expand their capabilities and enhance their career potential through onsite training, tuition assistance and professional events.



Tuition Assistance

CFC provides employees up to \$5,250 annually to support their own higher education. This benefit is given to employees who desire job or industry-related education and/or professional certifications. As an added benefit, CFC will advance tuition funds pending employee completion of their coursework in order to help employees manage the expense of pursuing their educational goals.



External Professional Training

CFC sets aside a generous budget for individual development, seminars, conferences and/or skills training. Last year, approximately one-quarter of the workforce attended at least one company-sponsored external training event and as a whole, CFC staff completed over 500 hours of external training on topics such as CPA ethics training, leadership development, data analysis, technical and soft skills training, and more.



CFC University

CFC's onsite training program, CFC University, conducted more than 2,500 training hours last year alone. Recent training programs include Code of Conduct and Business Ethics, cyber security awareness and business writing. In addition, CFC also launched the "Learning Bites" program, which allows employees to learn from internal experts on different topics such as data analysis and project management.

Training Opportunities



Toastmasters

CFC sponsors an onsite Toastmasters chapter, allowing employees the self-development opportunity to build strong leadership skills, develop better speaking and presentation skills, gain self-confidence and collaborate and inspire fellow

employees. The group meets monthly to improve their skills in a safe and supportive environment.

Generous Work/Life Benefits

CFC has earned the CARE (Companies as Responsive Employers) Award, sponsored by Northern Virginia Family Service, eight times. The annual award recognizes employers in Northern Virginia that demonstrate a commitment to employees by providing family-friendly policies and benefits.



Wellness Programs

CFC offers a robust wellness program that encourages healthy habits to include a fully equipped, onsite fitness center. In addition, employees have access to a broad scope of mental and physical health services including counseling, wellness coaching, and child care, legal and financial resources as part of an Employee Assistance Program, as well as an additional mental health and wellness benefit at no cost to employees.



Employee Financial Planning

CFC employees have access to Personal Investment & Retirement Counseling (PIRC) through our partnership with NRECA. At no cost to the employee, PIRC representatives provide active and retired CFC employees and their families with financial and retirement planning guidance. CFC staff also have access to financial education seminars, one-on-one consulting, written individual retirement plans and a Financial Wellness Achievement Center, which provides information about budgeting, saving, managing debt and credit, and planning for different stages of life.



Culture of Work-Life Balance

CFC is committed to helping employees strike the right balance between work and life. Beyond a generous leave policy, including a parental leave benefit, we help employees manage their work and life responsibilities by offering frequent wellness and financial planning programs as an integrated part of workplace activities. These programs allow employees to focus on what matters most to them, such as hobbies, family time or community service.

7 COOPERATIVE PRINCIPLES

1 Open and Voluntary Membership

Owned by the members they serve.



2 Democratic Member Control

One member, one vote.



3 Members' Economic Participation

Equal share in financial success.



4 Autonomy and Independence

Member controlled.



5 Education, Training and Information

Empowering members, representatives and employees.



6 Cooperation Among Cooperatives

Cooperatives are stronger together.



7 Concern for Community

Giving back to sustain the membership.



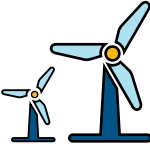
Cooperatives operate according to a core set of seven principles. CFC's operations are grounded in these principles, and we adhere to our core values of service, integrity and excellence.

Our Promise

As our industry and world changes, CFC has taken steps to continue progressing with our members, the environment, the community and our employees. We promise to:



Continue delivering service, integrity and excellence in everything we do.



Work with fellow cooperatives to move forward with renewable energy initiatives.



Support the financial needs of our members by offering tools, webinars, classes and other resources to ensure their success.



Offer training, educational and volunteer opportunities for our employees' personal and professional growth.

Moving Forward Together

CFC is proud to deliver the tools cooperatives need to support their future success; deliver unparalleled industry expertise, flexibility and responsiveness; and provide opportunities for employment growth and community involvement. Our industry is evolving, and CFC is here to continue supporting electric cooperative success just like we have done for over 50 years.

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