CFC
Cooperative Finance

FY26

REPORT TO MEMBERS

About CFC

Created and owned by America's electric cooperative network, the National Rural Utilities Cooperative Finance Corporation (CFC)—a member-owned finance cooperative with over $40 billion of total assets—provides capital and industry-leading financial products to serve the needs of America's nearly 1,000 consumer-controlled electric cooperatives.

CFC operates under the seven cooperative principles and our core values of Service, Integrity and Excellence. By delivering unparalleled industry expertise, flexibility and responsiveness, we help our members maintain a sophisticated system of generation, transmission and distribution resources that spans the United States. This infrastructure provides a safe, reliable and affordable flow of power to approximately 42 million consumers each day and plays a critical role in boosting the nation's economy and rural quality of life.

CFC operates from its corporate headquarters in Dulles, Virginia.

MESSAGE FROM THE CEO AND BOARD PRESIDENT

CFC's fiscal year 2026 (FY26) marked another successful year of fulfilling CFC's mission to electric cooperatives by demonstrating strong financial and operational performance.

During FY26, which began June 1, 2025, and ended May 31, 2026, CFC continued to see strong loan demand from members. In fact, total loans to members increased by $1.3 billion to $38.4 billion.

CFC's long-term loan advances in FY26 totaled $3.2 billion, of which approximately 87% was provided to members for capital expenditures, 5% was provided for business acquisitions, 1% was provided for bridge financing, 1% was provided for the refinancing of loans made by other lenders and 6% was provided for other purposes.

CFC's financial position remains strong as we continue to generate solid financial metrics. During FY26, our adjusted net income was $245 million, our adjusted times interest earned ratio (TIER) was 1.17 and our adjusted debt-to-equity ratio was approximately 7.46-to-1.*

From a financial performance standpoint, FY26 was also a strong year for CFC's affiliate, NCSC, which is now doing business as Utility Capital Solutions. Total NCSC loans totaled $1.7 billion for FY26, with electric loans accounting for $1.1 billion and telecom loans accounting for $583 million.

In July 2026, the CFC board approved a patronage capital allocation of $72 million for fiscal year 2026 and a cash retirement of $62 million, which represents $36 million from FY26 margins and an additional $26 million that has been held in accordance with board policy since fiscal year 2001.

Since 1980, CFC has returned more than $2 billion to members, a number unrivaled among rural electric cooperative organizations.

CFC's credit ratings from Fitch, Moody's and S&P remain strong and stable at A+/A1/A- on a senior secured basis and A/A2/A- on a senior unsecured basis. These ratings are a testament to our members. The overall quality of CFC's loan portfolio continues to be strong, with 98% of our loans to rural electric utility systems. We say it often, but it bears repeating—CFC's strength is your strength.

In addition, CFC has continued to execute on our digital strategy to enhance internal operations and improve member-owners' user experience. FY26 saw a major upgrade to our transactional platform on the CFC Member Website, providing a new interface with user-friendly screens and expanded functionality. We also expanded our array of financial tools, digital news offerings, training and publications.

As the electric cooperative industry continues to evolve and grow, we are committed to innovating how we serve our member-owners while demonstrating strong financial performance. We are excited about what the future holds and look forward to supporting our members in the coming year.

Andrew Don

CFC CEO

Mark Suggs

CFC President (FY26)

**CFC reported GAAP net income of $263 million, TIER of 1.18 and a debt-to-equity ratio of 10.85-to-1 for the fiscal year ended May 31, 2026. Please refer to our Form 10-K for the fiscal year ended May 31, 2026, as filed with the SEC and posted on the CFC website, for a discussion of why we believe our adjusted measures provide useful information in analyzing CFC's financial performance and the reconciliation to the most comparable GAAP measures.*

CFC Board of Directors

Fiscal Year 2026

From Electric Co-ops, For Electric Co-ops

CFC is guided by 23 board members who represent 10 geographically defined districts, an at-large financial expert from a member electric system and two representatives of the cooperative network's national trade association. Comprised exclusively of electric cooperative directors, trustees and executives, the board sets overall policy, establishes programs and develops strategies for CFC.

Front row (from left): Ingrid Kessler, Brent McRae, Mark A. Suggs, Shane Larson, Laura T. Phillips, Timothy Eldridge. Second row (from left): John Bartley, John Metcalf, Charles A. Abel II, Bruce Everhart, William A. Roberts, Jeff Rehder and Mike McDonald. Third row (from left): Jared Echternach, Kendall J. Montgomery, Scott Peters, Anthony Larson, William Keith Hayward, Donnie Bidegain, Jimmy Taylor, Mike Partin and Michael J. Heinen. Not pictured: Ryan Schilreff.

District 1

Laura T. Phillips
Board Secretary-Treasurer, Delaware Electric Cooperative, DE

Mark A. Suggs
CFC Board President
EVP and General Manager, Pitt & Greene Electric Membership Corporation, NC

District 2

Mike McDonald
Board Chair, Washington Electric Membership Corporation, GA

John Bartley
CEO, Gulf Coast Electric Cooperative, FL

District 3

Timothy Eldridge
Director, Fleming-Mason Energy Cooperative, KY

William Keith Hayward
General Manager and CEO, North East Mississippi Electric Power Association, MS

District 4

Bruce Everhart
Director, RushShelby Energy, IN

John Metcalf
President and CEO, Mid-Ohio Energy Cooperative, OH

District 5

Jeff Rehder
Board President, North West Rural Electric Cooperative, IA

Shane Larson
CFC Board Secretary-Treasurer
CEO, Rock Energy Cooperative, WI

District 6

Anthony Larson
Board Vice President, Slope Electric Cooperative, ND

Jared Echternach
President and CEO, Beltrami Electric Cooperative, MN

District 7

Charles A. Abel II
Board Vice Chair, Sangre de Cristo Electric Association, CO

Ryan Schilreff
EVP and General Manager, Wyrulec Company, WY

District 8

Jimmy Taylor
Board President, Northfork Electric Cooperative, OK

Michael J. Heinen
General Manager, Jefferson Davis Electric Cooperative, LA

District 9

Brent McRae
CFC Board Vice President
Director, McCone Electric Cooperative, MT

Scott Peters
CEO, Columbia Rural Electric Association, WA

District 10

Donnie Bidegain
Board Vice President, Farmers' Electric Cooperative of New Mexico, NM

Kendall J. Montgomery
General Manager and CEO, Fort Belknap Electric Cooperative, TX

District 11

Mike Partin
Board President, NRECA, VA

Ingrid Kessler
Board Vice President, NRECA, VA

At-Large Director

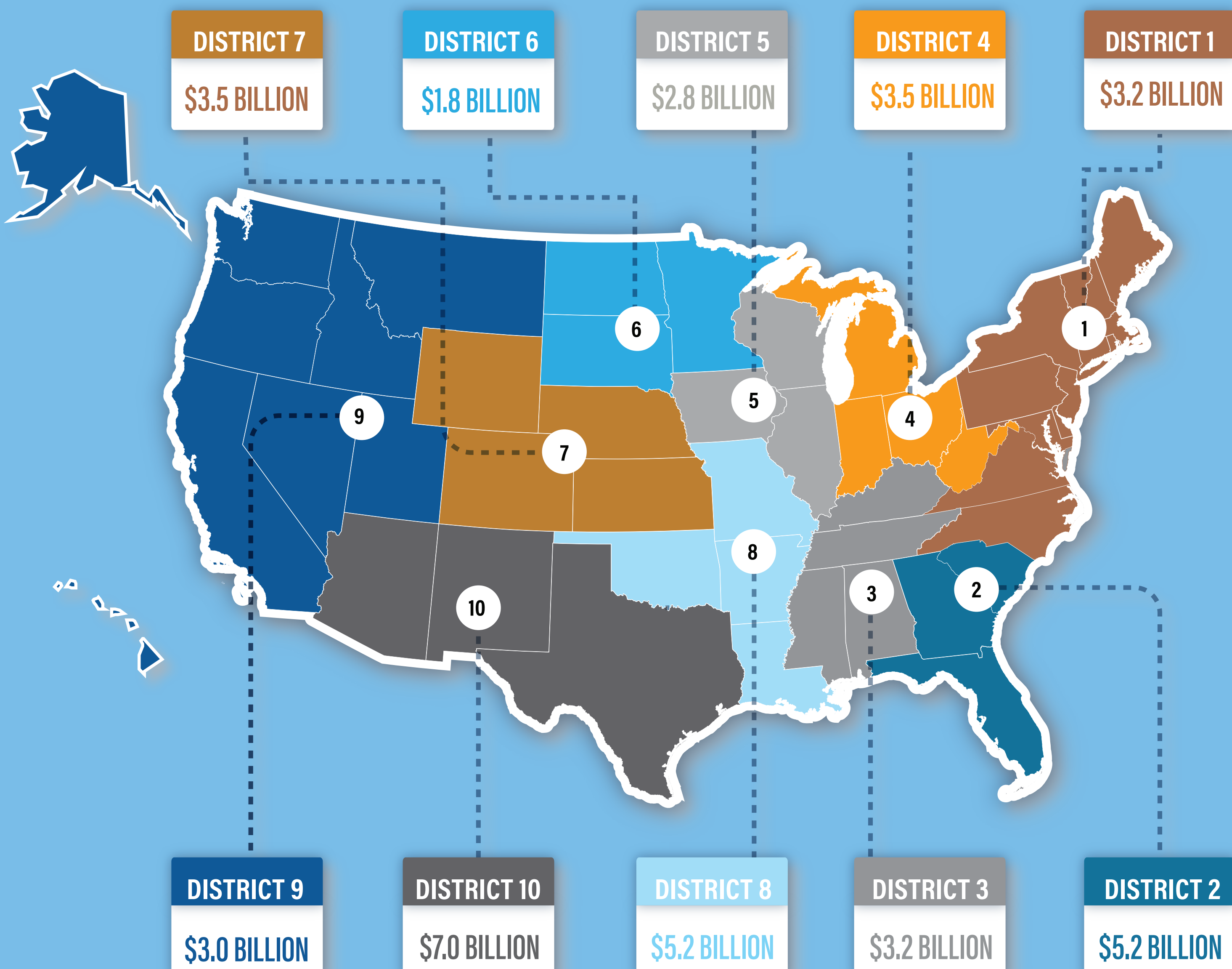
William Roberts
Vice President of Finance and CFO, Buckeye Power, OH

Serving our electric cooperative members for

57 YEARS

Loans Outstanding

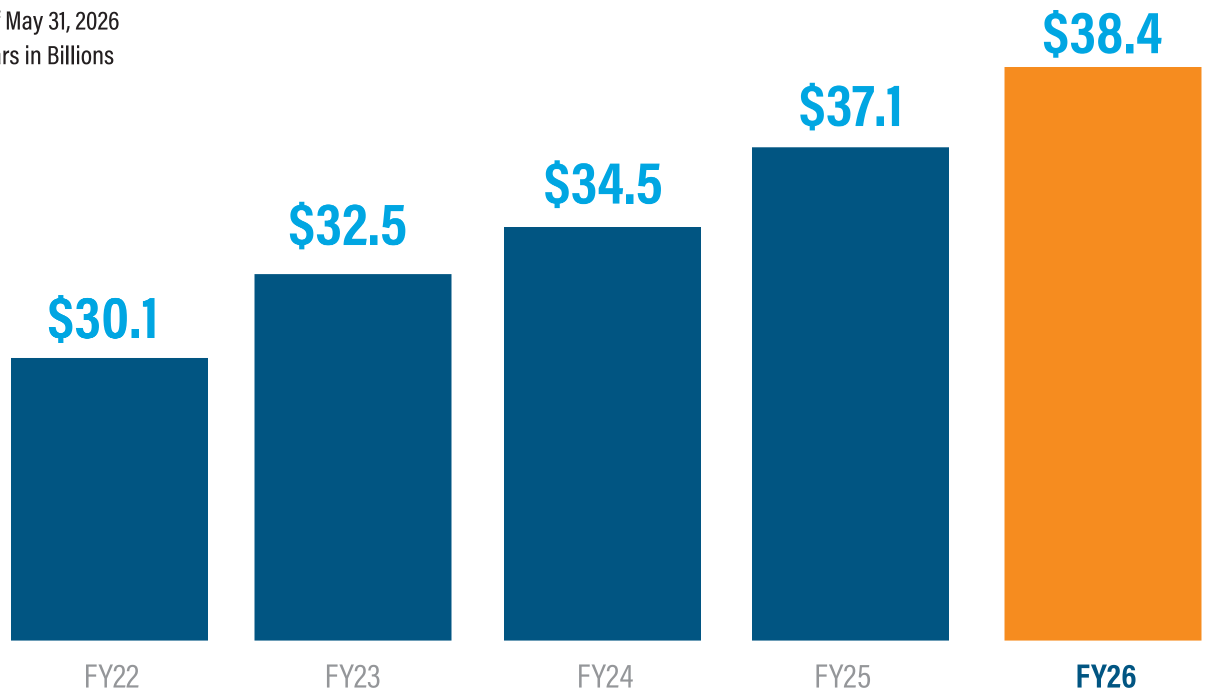
BY CFC DISTRICT



Meeting Members' Financing Needs

Total Loans Outstanding

As of May 31, 2026
Dollars in Billions



Total Loans by Member Class

As of May 31, 2026
Dollars in Millions

$30,085 Electric Distribution — **78%**

$6,403 Power Supply (G&T) — **17%**

$1,656 National Cooperative Services Corporation (NCSC) — **5%**

$258 Statewide & Associate — **<1%**

Key Financial Metrics*

As of May 31, 2026

** CFC reported GAAP net income of $263 million, TIER of 1.18 and a debt-to-equity ratio of 10.85-to-1 for the fiscal year ended May 31, 2026.*

1.17
Adjusted TIER
(Times Interest Earned Ratio)

$245 Million
Adjusted Net Income

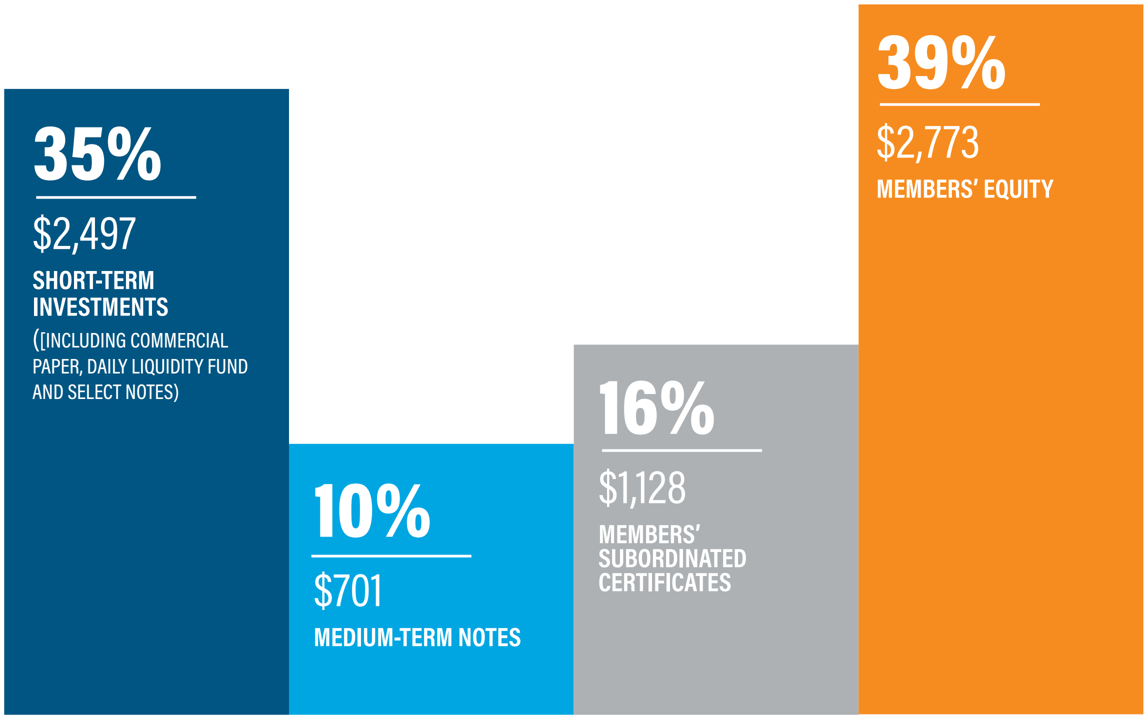
7.46-to-1
Adjusted Debt-to-Equity Ratio

Our Members' Strength Is Our Strength

Member Investments and Equity

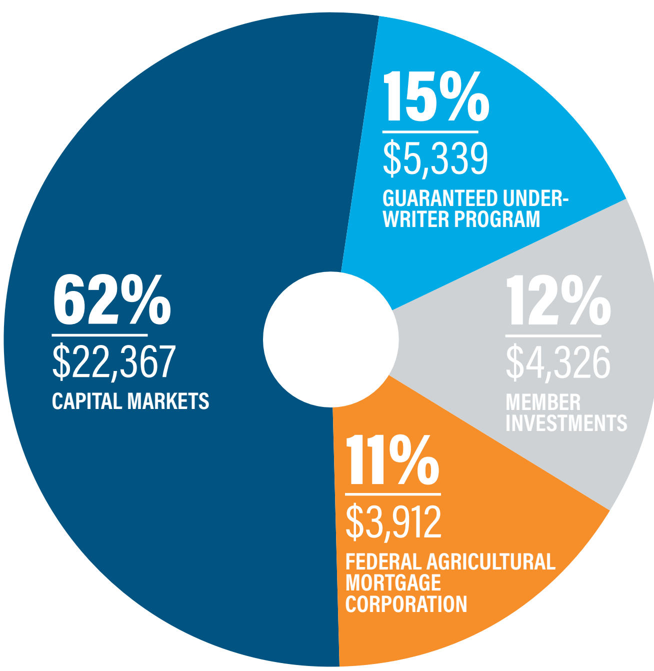
As of May 31, 2026
Dollars in Millions

Members had $7,099 million in investments and equity in CFC as of May 31, 2026.



Debt Funding Sources

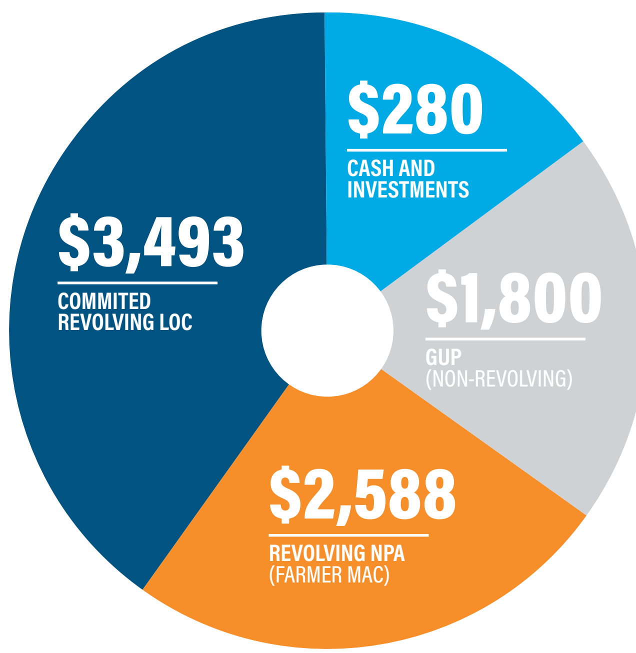
As of May 31, 2026
Dollars in Millions



As of May 31, 2026, CFC's total debt outstanding stood at $35.9 billion.

Available Liquidity

As of May 31, 2026
Dollars in Millions



As of May 31, 2026, CFC's available liquidity totaled $8,161 million.

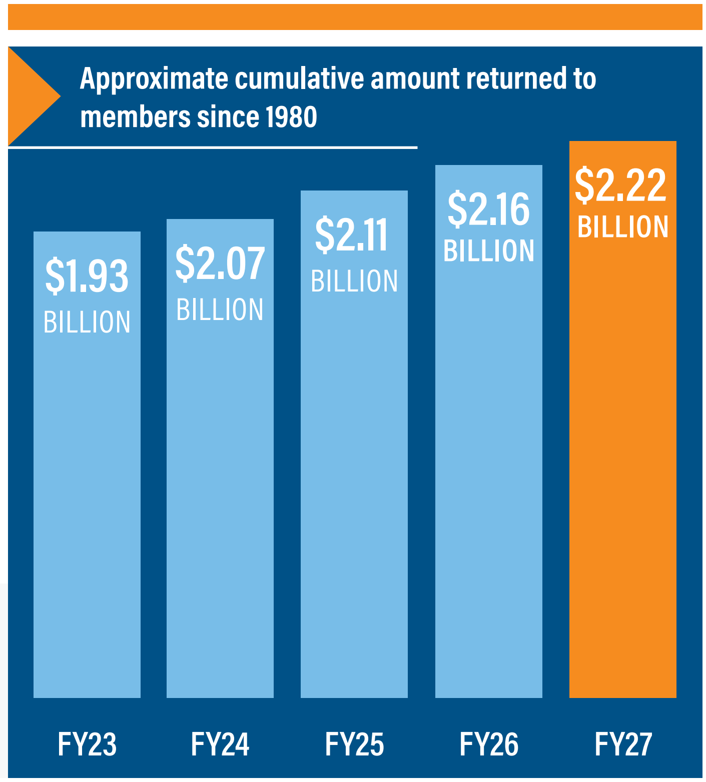
Patronage Capital Retirement

In July 2026, the CFC board approved a patronage capital retirement of $62 million to members—$36 million based on margins for FY26 and an additional $26 million in unretired patronage capital from FY 01. Since 1980, CFC has returned more than $2 billion to members, a number unrivaled among rural electric cooperative organizations.

As the only lender created and owned by America's electric cooperative network, CFC is committed to our members' financial success like no other. CFC's patronage capital retirements play a role in that commitment and represent a key tenet of the cooperative business model.

The retirement in September 2026 will represent the 47th consecutive calendar year CFC has made a cash retirement of patronage capital.

47 Consecutive Calendar Years of Cash Retirement of Patronage Capital



Credit Ratings

As of May 31, 2026

CFC is rated by three nationally recognized credit rating agencies registered with the U.S. Securities and Exchange Commission: Fitch Ratings, Moody's and S&P Global.

FitchRatings	MOODY'S	S&P Global
A **Stable Outlook**	**A2** **Stable Outlook**	**A-** **Stable Outlook**
• Strong franchise and unique competitive position. • Strong asset quality with a demonstrated track record in credit. • Ability to maintain adequate, cost-effective and diversified funding sources.	• Unique franchise provides a strong competitive position. • Loan and guarantee portfolio dominated by rural electric cooperatives. • Access to multiple funding sources provides funding diversity.	• Very strong business stability. • Low credit risk of electric utility loans. • Access to low-cost funding from the FFB, Farmer Mac and its members.

The ratings shown here have the meaning defined by each of the rating agencies. They are not recommendations to buy, sell or hold securities and are subject to revision at any time by the rating agencies.

Service

Our dedicated staff strives to exceed our members' expectations by focusing exclusively on the needs of the electric cooperative network that created us.

Integrity

We have been our members' trusted and independent finance cooperative for 57 years. Your long-term financial health is our goal.

Excellence

We provide our members with reliable access to funding regardless of market conditions, leveraging relationships in the financial community to build a stable, diverse base of funds.

CFC
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Dulles, VA 20166

www.nrucfc.coop