

GOVERNANCE COMMITTEE CHARTER

Approval/Revision Date: 11/20/17; 10/18/18; 10/16/19; 10/15/20; 10/21/21; 7/21/22; 7/20/23;
12/19/24; 12/18/25

OVERVIEW

The High Plains Farm Credit, ACA (Association) Board of Directors (Board) has created a committee of directors to be known as the Governance Committee (Committee) with its purpose, organization, and responsibilities as follows.

SPECIFIC POLICIES AND ACTIONS

PURPOSE

This Governance Committee Charter (Charter) governs the operations of the Committee. The Committee will monitor significant developments in the law, regulation, and practice of corporate governance. The Committee will also review the duties and responsibilities of directors of similarly situated organizations, including other Farm Credit associations, and shall develop and recommend to the Board a set of corporate governance principles applicable to the Association. The Committee shall be provided with such resources as it needs to fulfill its responsibilities, including outside consultants, as applicable and appropriate.

ORGANIZATION AND TERM

The Committee shall consist of three (3) or more members of the Board appointed by the Chairperson of the Board on an annual basis, to serve for a term of one (1) year. Any director, including any appointed director(s), is eligible to serve on the Committee, and may, at the discretion of the Chairperson of the Board, serve multiple, consecutive terms. The Chairperson of the Board may participate on a non-voting basis.

A chairperson shall be elected from among the Committee members to serve for a term of one (1) year. A chairperson may serve multiple, consecutive terms.

The Committee may form and delegate authority to subcommittees when appropriate. The Committee shall be subject to the provisions of the Association's Bylaws relating to committees of the Board of Directors, including those provisions relating to removing Committee members and filling vacancies.

MEETINGS

The Committee will meet a minimum of three (3) times per year, in conjunction with regular meetings of the Board, or on a more frequent basis as necessary to carry out its responsibilities.

RESPONSIBILITIES

In discharging its appointment, the Committee will:

1. Review and recommend a set of corporate governance principles and code of ethics to the Board for approval. The Committee shall review the principles and code of ethics on an annual basis, or more frequently if appropriate, and recommend changes as necessary;
2. Periodically review the adequacy of the Association's Standards of Conduct Programs and coordinate with the Standards of Conduct Official to assure compliance with applicable Board policies and FCA Regulations;
3. Annually review the Board's committees and make scope, roles, and responsibilities recommendations as necessary to the Board Chairperson and/or Executive Committee;
4. Develop and recommend to the Board for its approval, a periodic self-evaluation process of the Board and its committees. The Committee shall oversee the Board self-evaluation process;
5. Recommend and supervise a self-assessment process with outside resources at least every four (4) years;
6. Review Director Training needs as a result of the Board's self-assessment or other relevant input and recommend training that is available for directors to further develop their skills, knowledge, and expertise;
7. Identify and develop programs that will assist in the orientation of new directors in order to promote a basic understanding of Board policies and the Association's business, and oversee continuing education programs for all directors;
8. Review all Association corporate governance policies on a periodic basis and make appropriate recommendations to the Board regarding each policy;
9. Assist the Board in determining the appropriate general qualifications and criteria for directorships and identify and recommend qualified candidates for appointments for outside directors, an appointed stockholder director, and vacancies in elected board positions;
10. Oversee and conduct any permitted coordination with and assistance to the Association Nominating Committee, recognizing the Association Nominating Committee's work must be conducted without influence from the Board or Management;
11. In carrying out its responsibilities, the Committee may draw on the expertise of management and the corporate staff and, when appropriate, may hire outside legal, accounting, or other experts or advisors to assist the Committee with its work;
12. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall also annually review its own performance; and
13. Undertake all further actions and discharge all further responsibilities imposed upon the Committee from time to time by the Board or any appropriate supervisory or regulatory agency.

14. In addition to all of the foregoing, the Committee may also exercise oversight as to other areas not covered by other standing committees of the Board, as may be appropriate. The Committee is authorized to carry out these and such other responsibilities and take any actions reasonably related to the mandate of this Charter.

REPORTING

The Committee shall submit the minutes of all meetings of the Committee to the Board and, if requested by the Board, review the matters discussed at each Committee meeting.