



2026 Quarterly Report

June 30, 2026

Quarterly Report

June 30, 2026

AgWest Farm Credit, ACA

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following commentary is a review of the consolidated financial condition and results of operations of AgWest Farm Credit, an Agricultural Credit Association (ACA) and its wholly-owned subsidiaries (collectively referred to as AgWest) for the three and six months ended June 30, 2026. These comments should be read in conjunction with the unaudited consolidated financial statements and related notes included in this report, as well as the 2025 AgWest Annual Report to Stockholders. Dollar amounts are in thousands unless otherwise stated.

Effective January 1, 2023, Farm Credit West, ACA (Farm Credit West) and its PCA and FLCA subsidiaries merged with and into Northwest Farm Credit Services, ACA (the continuing association) and its respective PCA and FLCA subsidiaries (Northwest FCS). Northwest FCS acquired 100 percent of the assets and liabilities of Farm Credit West. In connection with the merger, Northwest FCS and its PCA and FLCA subsidiaries changed their names to AgWest Farm Credit, ACA, AgWest Farm Credit, PCA and AgWest Farm Credit, FLCA, respectively.

AgWest and its predecessors' quarterly and annual reports to stockholders may be obtained free of charge on AgWest's website, www.AgWestFC.com, or upon request at AgWest Farm Credit, ACA, P.O. Box 2515, Spokane, Washington 99220-2515, by telephone at (509) 340-5300, or toll free at (866) 552-9172. Additionally, the financial condition and results of operations of CoBank, ACB (CoBank), may materially affect the risk associated with stockholder investments in AgWest. Stockholders of AgWest may obtain copies of CoBank's financial statements free of charge by accessing CoBank's website, www.cobank.com, or upon request at AgWest.

The consolidated financial statements were prepared under the oversight of the Audit Committee.

Forward-Looking Statements

Certain statements contained in this report that are not historical facts are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Words such as "believes," "could," "estimates," "anticipates," "may," "should," "will," or other variations of these terms or similar expressions are intended to identify forward-looking statements. These statements are based on assumptions and analyses made in light of experience, historical trend, current conditions and expected future developments. However, actual results and developments may differ materially from AgWest's expectations and predictions due to a number of risks and uncertainties that are beyond its control. These risks and uncertainties include, but are not limited to risks and uncertainty associated with the evolving domestic and international political environment, government trade policies in the United States and other countries, international territorial disputes, fluctuations in the economy, the relative strengths and weaknesses in the agricultural credit sectors and real estate market, the actions taken by the Federal Reserve in implementing monetary policy and merger integration. Readers are cautioned not to place undue reliance on these forward-looking statements. AgWest will not update any forward-looking statements to reflect events or circumstances arising after they are made.

Notice of Significant or Material Events

Effective May 25, 2026, Catherine Fanucchi resigned from the AgWest Board of Directors. AgWest will fill the vacated position in accordance with its bylaws and Farm Credit Administration (FCA) requirements.

Results of Operations

Net income for the three months ended June 30, 2026, was \$161.3 million compared to \$160.3 million for the same period of the prior year. The increase between the three month comparative period was primarily due to an increase in Net interest income and a decrease in the Provision for credit losses, partially offset by an increase in Noninterest expense and a decrease in Noninterest income. Net income for the six months ended June 30, 2026, was \$348.5 million compared to

\$361.1 million for the same period of the prior year. The decrease for the six month comparative periods was primarily due to increases in the Provision for credit losses and Noninterest expense, partially offset by increases in Net interest income and Noninterest income.

Net interest income was \$243.8 million for the three months ended June 30, 2026, compared to \$232.0 million for the same period of the prior year. Net interest income was \$482.6 million for the six months ended June 30, 2026, compared to \$460.9 million for the same period of the prior year. The increase in Net interest income for the three and six months ended comparative periods is presented in the following tables:

<i>Change between the three months ended June 30, 2026 and 2025</i>	<i>Change in income/expense</i>	<i>Change in rate</i>	<i>Change in volume</i>
Interest income on total loans	\$ (12,088)	\$ (35,980)	\$ 23,892
Interest income on investment securities	5,065	726	4,339
Total interest income	\$ (7,023)	\$ (35,254)	\$ 28,231
Total interest expense	18,850	36,605	(17,755)
Net interest income	\$ 11,827	\$ 1,351	\$ 10,476

<i>Change between the six months ended June 30, 2026 and 2025</i>	<i>Change in income/expense</i>	<i>Change in rate</i>	<i>Change in volume</i>
Interest income on total loans	\$ (23,781)	\$ (69,794)	\$ 46,013
Interest income on investment securities	10,543	1,216	9,327
Total interest income	\$ (13,238)	\$ (68,578)	\$ 55,340
Total interest expense	34,939	69,767	(34,828)
Net interest income	\$ 21,701	\$ 1,189	\$ 20,512

Net interest margin is a measure of the interest earned on assets compared to interest paid on interest-bearing liabilities. Information regarding the average daily balances and average rates earned and paid are presented in the following tables:

<i>For the three months ended June 30,</i>	<i>2026</i>	<i>2025</i>
Net interest income	\$ 243,786	\$ 231,959
Average balances:		
Total loans	\$ 32,804,822	\$ 31,364,456
Investment securities	2,574,566	2,114,586
Average interest earning assets	\$ 35,379,388	\$ 33,479,042
Note payable to CoBank, ACB	\$ 29,314,009	\$ 27,704,557
Advanced conditional payments and other interest bearing liabilities	781,510	757,699
Average interest bearing liabilities	\$ 30,095,519	\$ 28,462,256
Net interest margin	2.76%	2.78%

For the six months ended June 30,

	2026	2025
Net interest income	\$ 482,585	\$ 460,884
Average balances:		
Total loans	\$ 32,747,107	\$ 31,355,357
Investment securities	2,519,213	2,020,374
Average interest earning assets	\$ 35,266,320	\$ 33,375,731
Note payable to CoBank, ACB	\$ 29,206,687	\$ 27,659,787
Advanced conditional payments and other interest bearing liabilities	798,097	723,162
Average interest bearing liabilities	\$ 30,004,784	\$ 28,382,949
Net interest margin	2.76%	2.78%

During the three and six months ended June 30, 2026, there were Provision for credit losses of \$37.7 million and \$73.7 million, respectively. These are compared to Provision for credit losses of \$44.0 million and \$58.4 million for the three and six months ended June 30, 2025, respectively. The increase for the six month comparative periods was primarily due to a decline in credit quality. The allowance for credit losses (ACL) is comprised of the Allowance for loan losses (ALL) and the reserve for unfunded commitments, which is presented on the Consolidated Balance Sheets in Other liabilities. Refer to Note 3 to the consolidated financial statements for additional discussion on the provision and allowance for credit losses.

Noninterest income for the three months ended June 30, 2026 and 2025, was \$70.1 million and \$70.5 million, respectively, a decrease of \$0.4 million. Noninterest income for the six months ended June 30, 2026 and 2025, was \$161.1 million and \$151.0 million respectively, an increase of \$10.1 million. The decrease in Noninterest income between the three month comparative periods was primarily due to decreases in Patronage, Financially related services and Loan and other fees, partially offset by an increase in Other noninterest income. The increase in Noninterest income between the six month comparative periods was primarily due to an increase in Other noninterest income, as a result of the \$16.9 million FCSIC refund received in 2026 compared to the \$5.8 million FCSIC refund received in 2025, partially offset by decreases in Patronage and Financially related services.

Noninterest expense for the three months ended June 30, 2026 and 2025, was \$114.0 million and \$98.1 million, respectively, an increase of \$15.9 million. Noninterest expense for the six months ended June 30, 2026 and 2025, was \$222.3 million and \$192.2 million, respectively, an increase of \$30.1 million. The increase in Noninterest expense for the three and six month comparative periods was primarily due to increases in Information technology services, Salaries and employee benefits and Other noninterest expenses.

Financial Condition

Loan Portfolio

Loans by type are presented in the following table:

	June 30, 2026	December 31, 2025	Change
Production agriculture:			
Real estate mortgage	\$ 15,062,331	\$ 15,041,820	\$ 20,511
Production and intermediate-term	8,339,054	9,002,674	(663,620)
Agribusiness:			
Processing and marketing	4,396,096	4,348,449	47,647
Loans to cooperatives	1,118,049	996,337	121,712
Farm-related business	1,064,231	1,100,726	(36,495)
Rural infrastructure:			
Energy	1,227,218	1,124,635	102,583
Communications	995,773	914,998	80,775
Water and waste disposal	214,380	193,727	20,653
Financing leases	177,448	195,439	(17,991)
Rural residential real estate	172,360	182,388	(10,028)
Other	143,283	143,537	(254)
Total	\$ 32,910,223	\$ 33,244,730	\$ (334,507)

The following table shows the primary agricultural commodities produced by AgWest members based on the Standard Industrial Classification System (SIC) published by the federal government. This system is used to assign commodity or industry categories based on the primary business of the customer. Further diversification exists within the identified commodities as most member operations produce more than one commodity.

	June 30, 2026	December 31, 2025
Tree nuts	11.1%	11.8%
Dairy	10.9%	12.2%
Cattle and livestock	9.5%	9.2%
Agricultural processing	8.3%	7.9%
Tree fruit	7.6%	7.4%
Grains	7.0%	7.2%
Forest products	6.7%	6.3%
Wine/Vineyard	6.2%	6.1%
Agricultural services	4.7%	4.7%
Other concentrations in aggregate	28.0%	27.2%
Total	100.0%	100.0%

Agricultural processing includes the processing and preparation of agricultural products to be suitable for the market and consumption. Agricultural services includes equipment and input supply providers, ensuring the health and productivity of crops and livestock, and facilitation of the efficient production and distribution of food and other agricultural products.

For additional information on the industries served by AgWest, visit Industry Insights in the Education and Resources section of www.AgWestFC.com.

Nonperforming assets consist of nonaccrual loans, accrual loans 90 days or more past due, and other property owned. A summary of nonperforming assets is presented in the following table:

	June 30, 2026	December 31, 2025
Nonperforming assets:		
Nonaccrual loans	\$ 685,928	\$ 674,405
Accrual loans 90 days or more past due	42,464	37,958
Other property owned, net	22,797	4,530
Total nonperforming assets	\$ 751,189	\$ 716,893

Total nonperforming assets at June 30, 2026, increased by \$34.3 million compared to December 31, 2025. Nonaccrual loans increased by \$11.5 million. The increase as compared to year-end is primarily due to transfers to nonaccrual and disbursements, partially offset by repayments, transfers to Other property owned, net, and net charge-offs. Accrual loans 90 days or more past due increased by \$4.5 million from December 31, 2025. These past due loans were believed to be fully collectible and are actively managed. The status of these loans will continue to be assessed until they are paid off, brought current, or a restructuring action has been finalized. Other property owned, net increased by \$18.3 million compared to December 31, 2025. The increase compared to year-end is primarily due to transfers into other property owned, partially offset by the sale of an existing property in the current period.

The ACL at June 30, 2026, was \$294.0 million compared to \$232.5 million at December 31, 2025. The increase as compared to year-end is primarily due to a decline in credit quality. For additional information, refer to Note 1 and Note 3 to the consolidated financial statements.

At June 30, 2026, Patronage receivable decreased by \$125.2 million compared to December 31, 2025, as a result of the receipt of prior year patronage, partially offset by accruals recorded related to the estimate of Patronage receivable for 2026.

At June 30, 2026, Patronage payable decreased by \$217.0 million compared to December 31, 2025, as a result of the disbursement of prior year patronage, partially offset by accruals recorded related to the estimate of Patronage payable for 2026.

Liquidity, Investment Securities and Funding Source

The primary source of AgWest liquidity and funding is a direct loan from CoBank that is reported as a Note payable to CoBank, ACB in the Consolidated Balance Sheets. The funding arrangement is governed by the General Financing Agreement. AgWest is currently in compliance with this agreement, including repayment, pursuant to the terms and conditions of each debt obligation to CoBank and does not foresee issues with obtaining funding or maintaining liquidity and sensitivity requirements. At June 30, 2026, AgWest's Note payable to CoBank, ACB was \$29.3 billion which is net of \$172.2 million in remaining unamortized net discounts related to the merger. For additional information, refer to Note 1 to the consolidated financial statements.

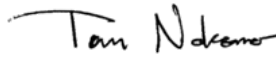
AgWest has two secondary sources of liquidity and funding, with the first being a liquidity investments portfolio managed by AgWest. The liquidity investments portfolio holds investment securities primarily to maintain a liquidity reserve and to assist with interest rate risk management. In accordance with Board-approved policies, AgWest purchases high credit quality investment securities to ensure the investment portfolio is readily marketable and available to serve as a source of liquidity in the event of disruption to AgWest's normal funding sources. Additional investment securities information is in Note 1 and Note 2 to the consolidated financial statements. AgWest's other secondary source of liquidity and funding is through an uncommitted federal funds line of credit with Wells Fargo Bank, N.A. The amount available through this line is \$125.0 million and is intended to provide liquidity for disaster recovery or other emergency situations. At June 30, 2026, no balance was outstanding on this line of credit.

Certification

The undersigned certify that they have reviewed this report and it has been prepared in accordance with all applicable statutory or regulatory requirements and that the information contained herein is true, accurate and complete to the best of their knowledge and belief. There were no material changes in the internal control over financial reporting during the three and six months ended June 30, 2026.



Bill Perry
President and CEO
August 7, 2026



Tom Nakano
Chief Financial Officer
August 7, 2026



Mark A. Cook
Chair of the Board
August 7, 2026

Consolidated Balance Sheets

(dollars in thousands) (unaudited)

	<u>June 30, 2026</u>	<u>December 31, 2025</u>
ASSETS		
Cash	\$ 16,422	\$ 58,326
Investment securities	2,567,694	2,378,212
Loans	32,910,223	33,244,730
Less: allowance for loan losses	267,000	210,000
Net loans	<u>32,643,223</u>	<u>33,034,730</u>
Accrued interest receivable	389,831	420,820
Investment in CoBank, ACB	956,764	949,645
Patronage receivable	105,924	231,104
Investment in other Farm Credit System entities	33,993	38,168
Premises and equipment, net	144,180	139,079
Other assets	<u>247,444</u>	<u>228,542</u>
Total assets	<u>\$ 37,105,475</u>	<u>\$ 37,478,626</u>
LIABILITIES		
Note payable to CoBank, ACB	\$ 29,273,824	\$ 29,578,275
Advance conditional payments and other interest bearing liabilities	873,352	781,997
Accrued interest payable	155,661	166,258
Patronage payable	212,225	429,200
Other liabilities	<u>136,902</u>	<u>165,110</u>
Total liabilities	<u>30,651,964</u>	<u>31,120,840</u>
MEMBERS' EQUITY		
Capital stock and participation certificates	39,142	39,106
Less: capital stock and participation certificates receivable	(39,142)	(39,106)
Additional paid-in-capital	2,149,282	2,149,282
Accumulated other comprehensive (loss) income	(23,607)	17,178
Unallocated retained earnings	<u>4,327,836</u>	<u>4,191,326</u>
Total members' equity	<u>6,453,511</u>	<u>6,357,786</u>
Total liabilities and members' equity	<u>\$ 37,105,475</u>	<u>\$ 37,478,626</u>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Income and Comprehensive Income

(dollars in thousands) (unaudited)

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
NET INTEREST INCOME				
Interest income	\$ 533,176	\$ 540,199	\$ 1,061,182	\$ 1,074,420
Interest expense	289,390	308,240	578,597	613,536
Net interest income	243,786	231,959	482,585	460,884
Provision for credit losses	37,744	44,033	73,740	58,413
Net interest income after provision for credit losses	206,042	187,926	408,845	402,471
NONINTEREST INCOME				
Patronage	52,907	54,057	105,125	108,294
Loan and other fees	10,194	10,374	20,126	17,560
Financially related services	3,691	4,405	11,312	12,595
Other noninterest income	3,334	1,662	24,571	12,566
Total noninterest income	70,126	70,498	161,134	151,015
NONINTEREST EXPENSE				
Salaries and employee benefits	57,882	53,181	114,061	105,576
Information technology services	25,178	18,861	47,226	35,638
Insurance fund premiums	6,628	6,301	13,295	12,669
Occupancy and equipment	4,394	3,955	9,018	7,952
Other noninterest expenses	19,939	15,792	38,700	30,377
Total noninterest expense	114,021	98,090	222,300	192,212
Income before income taxes	162,147	160,334	347,679	361,274
Provision for (benefit from) income taxes	808	27	(779)	204
Net income	<u>\$ 161,339</u>	<u>\$ 160,307</u>	<u>\$ 348,458</u>	<u>\$ 361,070</u>
OTHER COMPREHENSIVE INCOME				
Net pension adjustment	\$ —	\$ —	\$ (11)	\$ (5)
Net change in unrealized (losses) gains on investment securities	(19,075)	14,340	(40,774)	37,848
Other comprehensive (loss) income	(19,075)	14,340	(40,785)	37,843
Total comprehensive income	<u>\$ 142,264</u>	<u>\$ 174,647</u>	<u>\$ 307,673</u>	<u>\$ 398,913</u>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Members' Equity

(dollars in thousands) (unaudited)

	<i>Capital stock and participation certificates and receivable</i>	<i>Unallocated retained earnings</i>	<i>Additional paid- in-capital</i>	<i>Accumulated other comprehensive income (loss)</i>	<i>Total members' equity</i>
Balance at December 31, 2024	\$ —	\$ 3,838,000	\$ 2,149,282	\$ (32,317)	\$ 5,954,965
Comprehensive income	—	361,070	—	37,843	398,913
Capital stock and participation certificates issued	1,720	—	—	—	1,720
Capital stock and participation certificates retired	(1,328)	—	—	—	(1,328)
Less: capital stock and participation certificates receivable	(392)	—	—	—	(392)
Patronage	—	(216,621)	—	—	(216,621)
Balance at June 30, 2025	\$ —	\$ 3,982,449	\$ 2,149,282	\$ 5,526	\$ 6,137,257
Balance at December 31, 2025	\$ —	\$ 4,191,326	\$ 2,149,282	\$ 17,178	\$ 6,357,786
Comprehensive income	—	348,458	—	(40,785)	307,673
Capital stock and participation certificates issued	1,612	—	—	—	1,612
Capital stock and participation certificates retired	(1,576)	—	—	—	(1,576)
Less: capital stock and participation certificates receivable	(36)	—	—	—	(36)
Patronage	—	(211,948)	—	—	(211,948)
Balance at June 30, 2026	\$ —	\$ 4,327,836	\$ 2,149,282	\$ (23,607)	\$ 6,453,511

The accompanying notes are an integral part of these consolidated financial statements.

AgWest Farm Credit, ACA

Notes to Consolidated Financial Statements (unaudited)

NOTE 1 – Organization and Significant Accounting Policies

Organization

A description of the organization and operations of AgWest Farm Credit, ACA (AgWest), the significant accounting policies followed, and the financial condition and results of operations for the year ended December 31, 2025, are contained in the 2025 AgWest Annual Report to Stockholders. These unaudited results for the three and six months ended June 30, 2026, should be read in conjunction with the 2025 AgWest Annual Report to Stockholders.

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and prevailing practices within the financial services industry for interim financial information. Accordingly, they do not include all of the disclosures required by GAAP for annual financial statements.

In the opinion of management, the unaudited financial information is complete and reflects all adjustments, consisting of normal recurring adjustments, necessary for the fair statement of results for the interim period. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The Consolidated Statements of Income and Comprehensive Income for interim periods are not necessarily indicative of the results to be expected for the full year ending December 31, 2026. Descriptions of the significant accounting policies are included in the 2025 AgWest Annual Report to Stockholders and remain unchanged unless otherwise noted in this report. In the opinion of management, these policies and the presentation of the interim financial condition and results of operations conform with GAAP and prevailing practices within the financial services industry.

Effective January 1, 2023, Farm Credit West, ACA (Farm Credit West) and its PCA and FLCA subsidiaries merged with and into Northwest Farm Credit Services, ACA (the continuing association) and its respective PCA and FLCA subsidiaries (Northwest FCS). Northwest FCS acquired 100 percent of the assets and liabilities of Farm Credit West. In connection with the merger, Northwest FCS and its PCA and FLCA subsidiaries changed their names to AgWest Farm Credit, ACA, AgWest Farm Credit, PCA and AgWest Farm Credit, FLCA, respectively. The merger was accounted for as a business combination using the acquisition method of accounting. Pursuant to these rules, AgWest acquired the assets and assumed the liabilities of Farm Credit West at their acquisition-date fair value.

Principles of Consolidation

The consolidated financial statements present the financial results of AgWest Farm Credit, ACA and its subsidiaries AgWest Farm Credit, FLCA and AgWest Farm Credit, PCA. All intercompany transactions and balances have been eliminated in consolidation.

Recently Issued or Adopted Accounting Pronouncements

In December 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2025-11 Interim Reporting (Topic 270): Narrow-Scope Improvements. The update provides narrow-scope improvements to interim reporting guidance (ASC 270) to enhance clarity, navigability and completeness of interim financial statements and disclosures, without fundamentally changing reporting requirements. Key changes include clarifying who is subject to ASC 270, adding comprehensive lists of required disclosures for other Codification topics and establishing a principle to disclose events since the end of the last annual reporting period that have a material impact on the entity. The standard is effective for public business entities for interim reporting periods beginning after December 15, 2027, and for other entities after December 15, 2028, with early adoption permitted. AgWest is currently evaluating the potential impact of adoption on the Association's financial condition, results of operations and cash flows.

In November 2025, the FASB issued ASU 2025-09 Derivatives and Hedging (Topic 815): Hedge Accounting Improvements. The amendment simplifies hedge accounting by allowing broader grouping of forecasted transactions with “similar risk exposure” (not identical), provides a new model for hedging “choose-your-rate” debt, expanding nonfinancial component hedging and clarifying the use of net written options as instruments, aiming to reduce complexity and better align accounting with actual risk management. The standard is effective for public business entities for annual periods (including interim periods within those annual periods) starting after December 15, 2026, and for other entities a year later (after December 15, 2027), with early adoption permitted. AgWest is currently evaluating the potential impact of adoption on the Association’s financial condition, results of operations and cash flows.

In November 2025, the FASB issued ASU 2025-08 Financial instruments-Credit Losses (Topic 326)-Purchased Loans. The amendment simplifies accounting for purchased loans by expanding the “gross-up” method to “purchased seasoned loans” (PSLs). This eliminates Day 1 credit loss expense for most acquired loans, improves comparability and reduces earnings volatility by creating a more consistent accounting approach similar to that used for previously purchased credit-deteriorated (PCD) loans. The standard is effective for annual periods beginning after December 15, 2026, including interim periods within those years. Early adoption is permitted. The adoption of this guidance did not have an impact on the Association’s financial condition, results of operations and cash flows.

In September 2025, the FASB issued ASU 2025-06 Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. The amendment introduces several key changes: (1) eliminates the stage-based rules for capitalization, (2) replaces these rules with a principles-based framework where capitalization occurs when management has authorized and committed to funding, and it is probable that the project will be completed and the software used as intended, (3) clarifies website developments costs and (4) modifies the disclosure requirements for capitalized software costs. The standard is effective for annual periods starting after December 15, 2027, with early adoption permitted as of the beginning of any annual reporting period. AgWest is currently evaluating the potential impact of adoption on the Association’s financial condition, results of operations and cash flows.

NOTE 2 – Investment Securities

Investment balances are carried at fair value. The following is a summary of investments held and classified as available-for-sale:

	U.S. Treasury debt securities					Weighted average yield
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value		
June 30, 2026	\$ 2,589,799	\$ 3,106	\$ (25,211)	\$ 2,567,694		3.89 %
December 31, 2025	\$ 2,359,543	\$ 25,444	\$ (6,775)	\$ 2,378,212		3.85 %

A summary of amortized cost, fair value and weighted average yield of investment securities by remaining contractual maturity at June 30, 2026 follows:

June 30, 2026	Contractual Maturity				Total
	One year or less	One to five years	Five to ten years		
U.S. Treasury debt securities					
Amortized cost	\$ 223,545	\$ 1,202,401	\$ 1,163,853	\$	2,589,799
Fair value	\$ 223,023	\$ 1,193,246	\$ 1,151,425	\$	2,567,694
Weighted average yield	3.62%	3.78%	4.06%		3.89%

The following table shows gross unrealized losses and fair value, aggregated by the length of time the securities have been in a continuous unrealized loss position, where the length of continuous loss position is based on the date the unrealized loss was first identified:

June 30, 2026	Less than 12 months		Greater than 12 months	
	Fair value	Unrealized losses	Fair Value	Unrealized losses
U.S. Treasury debt securities	\$ 1,838,498	\$ (19,350)	\$ 183,658	\$ (5,861)

As of June 30, 2026, AgWest expects to collect all principal and interest on its investment securities. AgWest does not intend to sell the securities in significant unrealized loss positions nor is it likely that AgWest will be required to sell such securities for regulatory, liquidity or other purposes.

NOTE 3 – Loans and Allowance for Credit Losses

Loan balances are generally carried at their principal amount outstanding, adjusted for net business combination discounts, deferred loan fees net of costs, and charge-offs. The remaining net business combination discounts at June 30, 2026 and December 31, 2025, were \$325.5 million and \$355.0 million, respectively. A summary of loans follows:

	June 30, 2026	December 31, 2025
Real estate mortgage	\$ 15,062,331	\$ 15,041,820
Production and intermediate-term	8,339,054	9,002,674
Agribusiness	6,578,376	6,445,512
Rural infrastructure	2,437,371	2,233,360
Financing leases	177,448	195,439
Rural residential real estate	172,360	182,388
Other	143,283	143,537
Total loans	\$ 32,910,223	\$ 33,244,730

AgWest may purchase or sell participation interests with other parties in order to diversify risk, manage loan volume and comply with FCA regulations. The following tables present information regarding participations purchased and sold.

Participations purchased volume in the tables excludes syndications:

June 30, 2026	Farm Credit institutions		Non- Farm Credit institutions		Total	
	Participations purchased	Participations sold	Participations purchased	Participations sold	Participations purchased	Participations sold
Real estate mortgage	\$ 850,103	\$ 3,065,895	\$ —	\$ —	\$ 850,103	\$ 3,065,895
Production and intermediate-term	1,504,283	5,269,862	—	—	1,504,283	5,269,862
Agribusiness	2,631,434	2,535,946	2,050	—	2,633,484	2,535,946
Rural infrastructure	2,437,371	—	—	—	2,437,371	—
Financing leases	80,625	6,905	—	—	80,625	6,905
Other	110,551	—	31,915	—	142,466	—
Total	\$ 7,614,367	\$10,878,608	\$ 33,965	\$ —	\$ 7,648,332	\$10,878,608

December 31, 2025	Farm Credit institutions		Non- Farm Credit institutions		Total	
	Participations purchased	Participations sold	Participations purchased	Participations sold	Participations purchased	Participations sold
Real estate mortgage	\$ 845,059	\$ 3,134,202	\$ —	\$ —	\$ 845,059	\$ 3,134,202
Production and intermediate-term	1,483,865	5,300,173	—	—	1,483,865	5,300,173
Agribusiness	2,512,809	2,435,782	2,093	—	2,514,902	2,435,782
Rural infrastructure	2,233,360	—	—	—	2,233,360	—
Financing leases	90,352	9,037	—	—	90,352	9,037
Other	110,513	—	32,068	—	142,581	—
Total	\$ 7,275,958	\$10,879,194	\$ 34,161	\$ —	\$ 7,310,119	\$10,879,194

Credit Quality

Credit risk arises from the potential inability of an obligor to meet its payment obligation and exists in AgWest's outstanding loans, letters of credit and unfunded loan commitments. AgWest manages credit risk associated with lending activities through an analysis of the credit risk profile of an individual borrower using its own set of underwriting standards and lending policies, approved by the board of directors, which provides direction to lending staff.

The credit risk management process begins with an analysis of the borrower's credit history and, among other factors, includes the following:

- Character – borrower integrity, credit history and management capabilities,
- Capital – ability of the operation to survive unanticipated risks and support growth,
- Capacity – repayment capacity of the borrower based on cash flows from operations or other sources of income,
- Collateral – lender protection in the event of default and also to serve as a secondary source of loan repayment and,
- Conditions – intended use of the loan funds, terms and restrictions.

Differential analysis is applied to various loan requests based on the overall risk of the request in relation to the association's risk-bearing capacity.

AgWest uses a two-dimensional loan risk rating model based on internally generated combined Farm Credit System risk rating guidance that incorporates a 14-point probability of default rating scale to identify and track the probability of borrower default in the next 12 months and a separate scale addressing loss given default, defined as the economic loss the association would expect to have assuming default occurs during the remaining life of the loan. A default is considered to have occurred if the lender believes the borrower will not be able to pay its obligation in full or the borrower or the loan is classified as nonaccrual. This credit risk rating process incorporates objective and subjective criteria to identify inherent strengths, weaknesses and risks in a particular relationship. AgWest generally reviews the probability of default category on an annual basis or when a credit action is taken.

AgWest classifies loans according to the FCA Uniform Loan Classification System (UCS). Each of the probability of default categories carries a distinct percentage of default probability. The probability of default rate between one and nine of the acceptable categories is very narrow and would reflect almost no default to a minimal default percentage. The probability of default rate grows more rapidly as a loan moves from acceptable to other assets especially mentioned and grows significantly as a loan moves to a substandard (viable) level. A substandard (non-viable) rating indicates that the probability of default is almost certain. The following are definitions of the five UCS classifications:

- Acceptable – assets are expected to be fully collectible and represent the highest quality.
- Other assets especially mentioned (OAEM) – assets are currently collectible but exhibit some potential weakness.
- Substandard – assets exhibit some serious weakness in repayment capacity, equity and/or collateral pledged on the loan.
- Doubtful – assets exhibit similar weaknesses to substandard assets; however, doubtful assets have additional weaknesses in existing factors, conditions and values that make collection in full highly questionable.
- Loss – assets are considered uncollectible.

The following tables show loans classified under the UCS as a percentage of total loans by loan type:

<i>June 30, 2026</i>	<i>Acceptable</i>	<i>OAEM</i>	<i>Substandard/ doubtful</i>	<i>Total</i>
Real estate mortgage	88.1%	4.6%	7.3%	100.0%
Production and intermediate-term	83.9%	6.9%	9.2%	100.0%
Agribusiness	84.2%	8.8%	7.0%	100.0%
Rural infrastructure	97.0%	1.5%	1.5%	100.0%
Financing leases	82.3%	4.4%	13.3%	100.0%
Rural residential real estate	98.0%	0.7%	1.3%	100.0%
Other	100.0%	0.0%	0.0%	100.0%
Total	87.0%	5.8%	7.2%	100.0%

<i>December 31, 2025</i>	<i>Acceptable</i>	<i>OAEM</i>	<i>Substandard/ doubtful</i>	<i>Total</i>
Real estate mortgage	89.1%	4.3%	6.6%	100.0%
Production and intermediate-term	86.2%	7.3%	6.5%	100.0%
Agribusiness	88.4%	6.7%	4.9%	100.0%
Rural infrastructure	98.2%	0.7%	1.1%	100.0%
Financing leases	81.4%	4.6%	14.0%	100.0%
Rural residential real estate	97.9%	0.6%	1.5%	100.0%
Other	99.9%	0.0%	0.1%	100.0%
Total	88.8%	5.3%	5.9%	100.0%

Nonperforming assets consist of nonaccrual loans, accruing loans 90 days or more past due, and other property owned as presented in the following table:

	<i>June 30, 2026</i>	<i>December 31, 2025</i>
Nonaccrual loans:		
Real estate mortgage	\$ 364,054	\$ 375,059
Production and intermediate-term	207,749	192,278
Agribusiness	95,276	83,105
Rural infrastructure	17,171	21,487
Financing leases	893	1,527
Rural residential real estate	785	949
Total nonaccrual loans	\$ 685,928	\$ 674,405
Accrual loans 90 days or more past due:		
Real estate mortgage	\$ 17,853	\$ 2,699
Production and intermediate-term	13,517	34,198
Agribusiness	11,094	1,008
Financing leases	—	53
Total accrual loans 90 days or more past due	\$ 42,464	\$ 37,958
Total nonperforming loans	\$ 728,392	\$ 712,363
Other property owned, net	22,797	4,530
Total nonperforming assets	\$ 751,189	\$ 716,893
Nonaccrual loans as a percentage of total loans	2.1 %	2.0 %
Nonperforming assets as a percentage of total loans and other property owned	2.3 %	2.2 %
Nonperforming assets as a percentage of members' equity	11.6 %	11.3 %

The following tables provide the amortized cost for nonaccrual loans with and without a related allowance for loan losses (ALL):

<i>June 30, 2026</i>	<i>Amortized cost with allowance</i>	<i>Amortized cost without allowance</i>	<i>Total amortized cost</i>
Nonaccrual loans:			
Real estate mortgage	\$ 112,646	\$ 251,408	\$ 364,054
Production and intermediate-term	99,316	108,433	207,749
Agribusiness	87,078	8,198	95,276
Rural infrastructure	17,080	91	17,171
Financing leases	—	893	893
Rural residential real estate	—	785	785
Total nonaccrual loans	\$ 316,120	\$ 369,808	\$ 685,928

<i>December 31, 2025</i>	<i>Amortized cost with allowance</i>	<i>Amortized cost without allowance</i>	<i>Total amortized cost</i>
Nonaccrual loans:			
Real estate mortgage	\$ 98,285	\$ 276,774	\$ 375,059
Production and intermediate-term	77,407	114,871	192,278
Agribusiness	58,712	24,393	83,105
Rural infrastructure	21,487	—	21,487
Financing leases	199	1,328	1,527
Rural residential real estate	—	949	949
Total nonaccrual loans	\$ 256,090	\$ 418,315	\$ 674,405

The following tables present interest income recognized on nonaccrual loans:

	<i>Three months ended June 30, 2026</i>	<i>Six months ended June 30, 2026</i>
Real estate mortgage	\$ 2,021	\$ 3,580
Production and intermediate-term	332	824
Agribusiness	7	39
Rural residential real estate	18	19
Total	\$ 2,378	\$ 4,462

	<i>Three months ended June 30, 2025</i>	<i>Six months ended June 30, 2025</i>
Real estate mortgage	\$ 2,977	\$ 4,042
Production and intermediate-term	919	1,857
Agribusiness	1	2
Rural residential real estate	13	62
Total	\$ 3,910	\$ 5,963

The following tables provide an aging analysis of past due loans at amortized cost by portfolio segment:

<i>June 30, 2026</i>	<i>Current loans</i>	<i>30-89 days past due</i>	<i>90+ days past due</i>	<i>Total past due</i>	<i>Total loans</i>	<i>Loans > 90 days and accruing</i>
Real estate mortgage	\$ 14,798,805	\$ 46,225	\$ 217,301	\$ 263,526	\$ 15,062,331	\$ 17,853
Production and intermediate-term	8,124,668	98,816	115,570	214,386	8,339,054	13,517
Agribusiness	6,477,295	28,099	72,982	101,081	6,578,376	11,094
Rural infrastructure	2,415,372	8,548	13,451	21,999	2,437,371	—
Financing leases	174,832	1,881	735	2,616	177,448	—
Rural residential real estate	171,162	666	532	1,198	172,360	—
Other	143,283	—	—	—	143,283	—
Total	\$ 32,305,417	\$ 184,235	\$ 420,571	\$ 604,806	\$ 32,910,223	\$ 42,464

<i>December 31, 2025</i>	<i>Current loans</i>	<i>30-89 days past due</i>	<i>90+ days past due</i>	<i>Total past due</i>	<i>Total loans</i>	<i>Loans > 90 days and accruing</i>
Real estate mortgage	\$ 14,829,721	\$ 49,292	\$ 162,807	\$ 212,099	\$ 15,041,820	\$ 2,699
Production and intermediate-term	8,816,379	86,425	99,870	186,295	9,002,674	34,198
Agribusiness	6,375,784	19,554	50,174	69,728	6,445,512	1,008
Rural infrastructure	2,233,360	—	—	—	2,233,360	—
Financing leases	191,616	3,163	660	3,823	195,439	53
Rural residential real estate	180,866	844	678	1,522	182,388	—
Other	143,537	—	—	—	143,537	—
Total	\$ 32,771,263	\$ 159,278	\$ 314,189	\$ 473,467	\$ 33,244,730	\$ 37,958

Loan Modifications to Borrowers Experiencing Financial Difficulty

The following tables show the amortized cost at the end of the reporting period for loan modifications granted to borrowers experiencing financial difficulty, disaggregated by loan type and type of modification granted:

<i>For the three months ended June 30, 2026</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>	<i>Total</i>	<i>Modification as a percentage of loan class</i>
Real estate mortgage	\$ —	\$ —	\$ 4,763	\$ 191	\$ —	\$ 4,954	0.0%
Production and intermediate-term	—	—	—	653	131,557	132,210	1.6%
Agribusiness	—	4,187	—	—	5,373	9,560	0.1%
Total	\$ —	\$ 4,187	\$ 4,763	\$ 844	\$ 136,930	\$ 146,724	0.4%

<i>For the three months ended June 30, 2025</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>	<i>Total</i>	<i>Modification as a percentage of loan class</i>
Real estate mortgage	\$ —	\$ —	\$ 28,017	\$ —	\$ —	\$ 28,017	0.2%
Production and intermediate-term	—	7,958	54	600	28,417	37,029	0.5%
Agribusiness	—	1,052	—	—	27,858	28,910	0.5%
Total	\$ —	\$ 9,010	\$ 28,071	\$ 600	\$ 56,275	\$ 93,956	0.3%

Accrued interest receivable, as of the reporting periods, related to loan modifications granted to borrowers experiencing financial difficulty during the three months ended June 30, 2026 and 2025, was \$0.9 million and \$2.6 million, respectively.

<i>For the six months ended June 30, 2026</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>	<i>Total</i>	<i>Modification as a percentage of loan class</i>
Real estate mortgage	\$ —	\$ —	\$ 4,763	\$ 191	\$ —	\$ 4,954	0.0%
Production and intermediate-term	516	3,120	—	653	148,027	152,316	1.8%
Agribusiness	—	11,539	17,709	—	6,369	35,617	0.5%
Total	\$ 516	\$14,659	\$ 22,472	\$ 844	\$ 154,396	\$ 192,887	0.6%

<i>For the six months ended June 30, 2025</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>	<i>Total</i>	<i>Modification as a percentage of loan class</i>
Real estate mortgage	\$ —	\$ —	\$ 34,039	\$ 3,148	\$ 350	\$ 37,537	0.3%
Production and intermediate-term	—	7,958	54	600	86,446	95,058	1.2%
Agribusiness	—	1,052	—	—	40,808	41,860	0.7%
Total	\$ —	\$ 9,010	\$ 34,093	\$ 3,748	\$ 127,604	\$ 174,455	0.6%

Accrued interest receivable, as of the reporting periods, related to loan modifications granted to borrowers experiencing financial difficulty during the six months ended June 30, 2026 and 2025, was \$1.8 million and \$4.1 million, respectively.

The following tables describe the financial effect of the modifications made to borrowers experiencing financial difficulty during the three months ended June 30, 2026 and June 30, 2025:

<i>For the three months ended June 30, 2026</i>	<i>Weighted average interest rate pre-modification for interest rate reductions</i>	<i>Weighted average interest rate post-modification for interest rate reductions</i>	<i>Weighted average term extensions (months)</i>	<i>Weighted average payments deferred (months)</i>
Real estate mortgage	3.85 %	3.39 %	108	16
Production and intermediate-term	4.20 %	3.77 %	15	15
Agribusiness	— %	— %	13	12

<i>For the three months ended June 30, 2025</i>	<i>Weighted average interest rate pre-modification for interest rate reductions</i>	<i>Weighted average interest rate post-modification for interest rate reductions</i>	<i>Weighted average term extensions (months)</i>	<i>Weighted average payments deferred (months)</i>
Real estate mortgage	— %	— %	—	7
Production and intermediate-term	3.96 %	3.45 %	14	14
Agribusiness	— %	— %	13	13

The following tables describe the financial effect of the modifications made to borrowers experiencing financial difficulty during the six months ended June 30, 2026 and June 30, 2025:

<i>For the six months ended June 30, 2026</i>	<i>Weighted average interest rate pre-modification for interest rate reductions</i>	<i>Weighted average interest rate post-modification for interest rate reductions</i>	<i>Weighted average term extensions (months)</i>	<i>Weighted average payments deferred (months)</i>
Real estate mortgage	3.85 %	3.39 %	108	16
Production and intermediate-term	4.75 %	4.40 %	16	15
Agribusiness	— %	— %	28	9

<i>For the six months ended June 30, 2025</i>	<i>Weighted average interest rate pre-modification for interest rate reductions</i>	<i>Weighted average interest rate post-modification for interest rate reductions</i>	<i>Weighted average term extensions (months)</i>	<i>Weighted average payments deferred (months)</i>
Real estate mortgage	3.73 %	3.60 %	117	35
Production and intermediate-term	3.96 %	3.45 %	13	13
Agribusiness	— %	— %	15	15

The following tables present the amortized cost of loans to borrowers experiencing financial difficulty that have defaulted during the three months ended June 30, 2026 and 2025, and received a modification in the twelve months before default:

<i>For the three months ended June 30, 2026</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>
Real estate mortgage	\$ —	\$ —	\$ —	\$ —	\$ —
Production and intermediate-term	—	—	—	—	534
Agribusiness	—	—	—	—	1,972
Total	\$ —	\$ —	\$ —	\$ —	\$ 2,506

<i>For the three months ended June 30, 2025</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>
Real estate mortgage	\$ —	\$ 258	\$ 395	\$ —	\$ —
Production and intermediate-term	—	—	—	—	3,545
Agribusiness	—	—	—	—	—
Total	\$ —	\$ 258	\$ 395	\$ —	\$ 3,545

The following tables present the amortized cost of loans to borrowers experiencing financial difficulty that have defaulted during the six months ended June 30, 2026 and 2025, and received a modification in the twelve months before default:

<i>For the six months ended June 30, 2026</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>
Real estate mortgage	\$ —	\$ —	\$ —	\$ —	\$ —
Production and intermediate-term	—	—	—	—	2,013
Agribusiness	—	36	—	—	1,972
Total	\$ —	\$ 36	\$ —	\$ —	\$ 3,985

<i>For the six months ended June 30, 2025</i>	<i>Interest rate reduction</i>	<i>Term extension</i>	<i>Payment deferral</i>	<i>Interest rate reduction and term extension</i>	<i>Term extension and payment deferral</i>
Real estate mortgage	\$ —	\$ 258	\$ 395	\$ —	\$ —
Production and intermediate-term	—	—	—	—	5,825
Agribusiness	—	—	—	—	—
Total	\$ —	\$ 258	\$ 395	\$ —	\$ 5,825

The following table presents an aging analysis of loans to borrowers experiencing financial difficulty that were modified during the twelve months prior to June 30, 2026:

	<i>Payment status of loans modified in the past 12 months</i>		
	<i>Current loans</i>	<i>30-89 days past due</i>	<i>90+ days past due</i>
Real estate mortgage	\$ 38,810	\$ —	\$ —
Production and intermediate-term	154,289	24,487	2,013
Agribusiness	66,085	3,514	2,008
Total	\$ 259,184	\$ 28,001	\$ 4,021

The following table presents an aging analysis of loans to borrowers experiencing financial difficulty that were modified during the twelve months prior to June 30, 2025:

	<i>Payment status of loans modified in the past 12 months</i>		
	<i>Current loans</i>	<i>30-89 days past due</i>	<i>90+ days past due</i>
Real estate mortgage	\$ 32,718	\$ 13,172	\$ 653
Production and intermediate-term	69,485	48,112	5,825
Agribusiness	14,469	38,763	—
Rural infrastructure	1,840	—	—
Total	\$ 118,512	\$ 100,047	\$ 6,478

Additional commitments to lend to borrowers experiencing financial difficulty whose loans were modified during the six months ended June 30, 2026 and 2025, were \$6.9 million and \$8.8 million, respectively.

Allowance for Credit Losses

The credit risk rating methodology is a key component of AgWest's ACL evaluation and is generally incorporated into its loan underwriting standards and internal lending limits. In addition, borrower and commodity concentration lending and leasing limits have been established by AgWest to manage credit exposure. The regulatory limit to a single borrower or lessee is 15 percent of AgWest's lending and leasing limit base, although the board of directors have established more restrictive lending limits. The ACL consists of the Allowance for loan losses and the reserve for unfunded commitments, which is listed in Other liabilities; both are on the Consolidated Balance Sheets. The Provision for credit losses or credit loss reversal is related to both loans and the reserve for unfunded commitments reported in the Consolidated Statements of Income and Comprehensive Income.

A summary of changes in the allowance for credit losses by portfolio segment are as follows:

	<i>Real estate mortgage</i>	<i>Production and intermediate-term</i>	<i>Agribusiness</i>	<i>Rural infrastructure</i>	<i>Financing leases</i>	<i>Rural residential real estate</i>	<i>Other</i>	<i>Total</i>
Allowance for loan losses:								
Balance at March 31, 2026	\$ 79,465	\$ 72,162	\$ 67,446	\$ 14,576	\$ 3,199	\$ 185	\$ 467	\$237,500
Charge-offs	(1,692)	(571)	(1,085)	(3,637)	—	(3)	—	(6,988)
Recoveries	116	126	2	—	—	—	—	244
Provision for loan losses (loan loss reversal)	3,603	10,880	19,972	1,810	(85)	7	57	36,244
Balance at June 30, 2026	\$ 81,492	\$ 82,597	\$ 86,335	\$ 12,749	\$ 3,114	\$ 189	\$ 524	\$267,000
Reserve for unfunded commitments:								
Balance at March 31, 2026	\$ 2,195	\$ 10,668	\$ 10,021	\$ 2,490	\$ —	\$ —	\$ 126	\$ 25,500
(Reversal) provision for unfunded lending commitments	(164)	(645)	2,307	(20)	—	—	22	1,500
Balance at June 30, 2026	\$ 2,031	\$ 10,023	\$ 12,328	\$ 2,470	\$ —	\$ —	\$ 148	\$ 27,000
Total allowance for credit losses at June 30, 2026	\$ 83,523	\$ 92,620	\$ 98,663	\$ 15,219	\$ 3,114	\$ 189	\$ 672	\$294,000

	<i>Real estate mortgage</i>	<i>Production and intermediate- term</i>	<i>Agribusiness</i>	<i>Rural infrastructure</i>	<i>Financing leases</i>	<i>Rural residential real estate</i>	<i>Other</i>	<i>Total</i>
Allowance for loan losses:								
Balance at December 31, 2025	\$ 74,296	\$ 68,398	\$ 49,494	\$ 14,058	\$ 2,998	\$ 276	\$ 480	\$210,000
Charge-offs	(6,695)	(1,187)	(1,097)	(3,636)	—	(3)	—	(12,618)
Recoveries	175	130	73	—	—	—	—	378
Provision for loan losses (loan loss reversal)	13,716	15,256	37,865	2,327	116	(84)	44	69,240
Balance at June 30, 2026	\$ 81,492	\$ 82,597	\$ 86,335	\$ 12,749	\$ 3,114	\$ 189	\$ 524	\$267,000
Reserve for unfunded commitments:								
Balance at December 31, 2025	\$ 2,202	\$ 9,082	\$ 8,690	\$ 2,401	\$ —	\$ —	\$ 125	\$ 22,500
(Reversal) provision for unfunded lending commitments	(171)	941	3,638	69	—	—	23	4,500
Balance at June 30, 2026	\$ 2,031	\$ 10,023	\$ 12,328	\$ 2,470	\$ —	\$ —	\$ 148	\$ 27,000
Total allowance for credit losses at June 30, 2026	\$ 83,523	\$ 92,620	\$ 98,663	\$ 15,219	\$ 3,114	\$ 189	\$ 672	\$294,000

	<i>Real estate mortgage</i>	<i>Production and intermediate- term</i>	<i>Agribusiness</i>	<i>Rural infrastructure</i>	<i>Financing leases</i>	<i>Rural residential real estate</i>	<i>Other</i>	<i>Total</i>
Allowance for loan losses:								
Balance at March 31, 2025	\$ 68,650	\$ 78,190	\$ 34,845	\$ 8,337	\$ 1,743	\$ 235	\$ 500	\$192,500
Charge-offs	(1,585)	(17,191)	(4,489)	—	—	—	—	(23,265)
Recoveries	145	5	82	—	—	—	—	232
Provision for loan losses	13,035	6,004	16,382	702	370	26	14	36,533
Balance at June 30, 2025	\$ 80,245	\$ 67,008	\$ 46,820	\$ 9,039	\$ 2,113	\$ 261	\$ 514	\$206,000
Reserve for unfunded commitments:								
Balance at March 31, 2025	\$ 2,500	\$ 8,859	\$ 8,081	\$ 1,021	\$ —	\$ —	\$ 39	\$ 20,500
Provision for unfunded lending commitments	722	759	5,391	627	—	—	1	7,500
Balance at June 30, 2025	\$ 3,222	\$ 9,618	\$ 13,472	\$ 1,648	\$ —	\$ —	\$ 40	\$ 28,000
Total allowance for credit losses at June 30, 2025	\$ 83,467	\$ 76,626	\$ 60,292	\$ 10,687	\$ 2,113	\$ 261	\$ 554	\$234,000

	<i>Real estate mortgage</i>	<i>Production and intermediate- term</i>	<i>Agribusiness</i>	<i>Rural infrastructure</i>	<i>Financing leases</i>	<i>Rural residential real estate</i>	<i>Other</i>	<i>Total</i>
Allowance for loan losses:								
Balance at December 31, 2024	\$ 61,630	\$ 71,727	\$ 34,869	\$ 8,030	\$ 1,976	\$ 262	\$ 506	\$179,000
Charge-offs	(1,599)	(17,197)	(4,490)	—	—	—	—	(23,286)
Recoveries	237	54	82	—	—	—	—	373
Provision for loan losses (loan loss reversal)	19,977	12,424	16,359	1,009	137	(1)	8	49,913
Balance at June 30, 2025	\$ 80,245	\$ 67,008	\$ 46,820	\$ 9,039	\$ 2,113	\$ 261	\$ 514	\$206,000
Reserve for unfunded commitments:								
Balance at December 31, 2024	\$ 2,417	\$ 7,632	\$ 8,335	\$ 1,081	\$ —	\$ —	\$ 35	\$ 19,500
Provision for unfunded lending commitments	805	1,986	5,137	567	—	—	5	8,500
Balance at June 30, 2025	\$ 3,222	\$ 9,618	\$ 13,472	\$ 1,648	\$ —	\$ —	\$ 40	\$ 28,000
Total allowance for credit losses at June 30, 2025	\$ 83,467	\$ 76,626	\$ 60,292	\$ 10,687	\$ 2,113	\$ 261	\$ 554	\$234,000

NOTE 4 – Members' Equity

Capital Stock and Participation Certificates

In accordance with the Farm Credit Act and AgWest's capitalization bylaws, each borrower is required to acquire capital stock or participation certificates in AgWest as a condition of borrowing. Borrowers acquire ownership of capital stock or participation certificates at the time a loan is made. Borrowers are not currently required to make a cash investment to acquire capital stock or participation certificates; however, their obligation to pay for the capital stock or participation certificates are at-risk investments as described in the AgWest capitalization bylaws. AgWest retains a first lien on common stock and participation certificates owned by its borrowers. Stock is retired in accordance with AgWest bylaws and only if AgWest is in compliance with its capital adequacy requirements. Borrowers are responsible for payment of the cash investment upon demand by AgWest. Capital stock and participation certificates receivable are included in Total members' equity on the Consolidated Balance Sheets under the contra account, Less: capital stock and participation certificates receivable.

Capital Regulations

The FCA sets minimum regulatory capital requirements for Banks and Associations. AgWest exceeded the regulatory minimums and capital conservation buffer amounts, where applicable, for all ratios as noted below. The following table sets forth the regulatory capital ratio requirements and ratios:

	June 30, 2026	December 31, 2025	Regulatory minimums	Total regulatory minimums with buffer
Risk-adjusted:				
Common equity tier 1 ratio	14.9%	14.9%	4.5%	7.0%
Tier 1 capital ratio	14.9%	14.9%	6.0%	8.5%
Total capital ratio	15.6%	15.5%	8.0%	10.5%
Permanent capital ratio	15.0%	15.0%	7.0%	7.0%
Non-risk-adjusted:				
Tier 1 leverage ratio ¹	15.5%	15.6%	4.0%	5.0%
Unallocated retained earnings (URE) and URE equivalents (UREE) leverage ratio	15.5%	15.6%	1.5%	1.5%

¹Must include the regulatory minimum requirement of at least 1.5 percent UREE.

See Note 8 in the 2025 AgWest Annual Report to Stockholders for additional information.

Accumulated Other Comprehensive Income (Loss)

AgWest reports Accumulated other comprehensive income (loss) as a component of Total members' equity. The following tables present the activity in the Accumulated other comprehensive income (loss) by component:

	Pension and other benefit plans	Unrealized losses on investment securities	Total accumulated other comprehensive loss
Balance at March 31, 2026	\$ (1,502)	\$ (3,030)	\$ (4,532)
Other comprehensive loss before reclassifications	—	(19,075)	(19,075)
Balance at June 30, 2026	\$ (1,502)	\$ (22,105)	\$ (23,607)

	Pension and other benefit plans	Unrealized (losses) gains on investment securities	Total accumulated other comprehensive (loss) income
Balance at March 31, 2025	\$ (1,792)	\$ (7,022)	\$ (8,814)
Other comprehensive income before reclassifications	—	14,340	14,340
Balance at June 30, 2025	\$ (1,792)	\$ 7,318	\$ 5,526

	Pension and other benefit plans	Unrealized gains (losses) on investment securities	Accumulated other comprehensive income (loss)
Balance at December 31, 2025	\$ (1,491)	\$ 18,669	\$ 17,178
Other comprehensive loss before reclassifications	(11)	(40,774)	(40,785)
Balance at June 30, 2026	\$ (1,502)	\$ (22,105)	\$ (23,607)

	Pension and other benefit plans	Unrealized (losses) gains on investment securities	Accumulated other comprehensive (loss) income
Balance at December 31, 2024	\$ (1,787)	\$ (30,530)	\$ (32,317)
Other comprehensive (loss) income before reclassifications	(5)	37,848	37,843
Balance at June 30, 2025	\$ (1,792)	\$ 7,318	\$ 5,526

NOTE 5 – Fair Value Measurements

Accounting guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market for the asset or liability. The fair value measurement is not an indication of liquidity. Fair value measurements are determined on a recurring basis or a nonrecurring basis. See Note 2 of the 2025 AgWest Annual Report to Stockholders for a more complete description.

Assets and liabilities measured at fair value on a recurring basis for each of the fair value hierarchy values are summarized in the following tables:

June 30, 2026	Fair value measurement using			
	Level 1	Level 2	Level 3	Total fair value
Assets:				
Investment securities	\$ —	\$ 2,567,694	\$ —	\$ 2,567,694
Derivative assets	—	81	—	81
Rural Business Investment Corporations (RBICs)	—	—	32,273	32,273
Total assets	\$ —	\$ 2,567,775	\$ 32,273	\$ 2,600,048
Liabilities:				
Derivative liabilities	\$ —	\$ 1,376	\$ —	\$ 1,376
Total liabilities	\$ —	\$ 1,376	\$ —	\$ 1,376

December 31, 2025	Fair value measurement using			
	Level 1	Level 2	Level 3	Total fair value
Assets:				
Investment securities	\$ —	\$ 2,378,212	\$ —	\$ 2,378,212
Derivative assets	—	317	—	317
Rural Business Investment Corporations (RBICs)	—	—	31,901	31,901
Total assets	\$ —	\$ 2,378,529	\$ 31,901	\$ 2,410,430
Liabilities:				
Derivative liabilities	\$ —	\$ 315	\$ —	\$ 315
Total liabilities	\$ —	\$ 315	\$ —	\$ 315

Assets measured at fair value on a non-recurring basis for each of the fair value hierarchy values are summarized in the following table:

	Fair value measurement using			
	Level 1	Level 2	Level 3	Total fair value
Assets:				
Nonaccrual loans				
June 30, 2026	\$ —	\$ —	\$ 215,567	\$ 215,567
December 31, 2025	\$ —	\$ —	\$ 178,611	\$ 178,611
Other property owned				
June 30, 2026	\$ —	\$ —	\$ 24,524	\$ 24,524
December 31, 2025	\$ —	\$ —	\$ 5,094	\$ 5,094

Valuation Techniques

As more fully discussed in Note 2 of the 2025 AgWest Annual Report to Stockholders, accounting guidance establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following represents a brief summary of the valuation techniques used for AgWest's assets and liabilities.

Investment Securities

Where quoted prices are available in an active market, available-for-sale securities would be classified as Level 1. If quoted prices are not available in an active market, the fair value of securities is estimated using quoted prices for similar securities received from pricing services or discounted cash flows. Generally, these securities would be classified as Level 2, and include U.S. Treasury securities. Where there is limited activity or less transparency around inputs to the valuation, the securities are classified as Level 3. The estimated fair values of investment securities also appear in Note 2 to the consolidated financial statements.

Derivative Assets and Liabilities

Exchange-traded derivatives valued using quoted prices would be classified within the fair value Level 1 hierarchy. However, few classes of derivative contracts are listed on an exchange; thus, the derivative positions are valued using vendor-provided models that use readily observable market parameters as their basis and are classified within the fair value Level 2 hierarchy. Such derivatives include interest rate swaps.

The models used to determine the fair value of derivative assets and liabilities use an income approach based on observable market inputs, including the SOFR curves and volatility assumptions about future interest rate movements.

RBICs

The RBICs facilitate equity and debt investments in agriculture-related businesses that create growth and job opportunities in rural America. These investments are not publicly traded and book value approximates their fair value. As a result, RBICs are classified within fair value Level 3 hierarchy and are included in Other assets on the Consolidated Balance Sheets.

Nonaccrual Loans

Nonaccrual loans are evaluated for impairment under FASB impairment guidance and the fair value is based upon the underlying collateral since the loans are collateral-dependent. The fair value measurement process uses independent appraisals and other market-based information, but, in many cases, it also requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters. As a result, a majority of these loans have fair value measurements that fall within Level 3 of the fair value hierarchy. When the value of the collateral, less estimated costs to sell, is less than the principal balance of the loan, a specific reserve is established.

Other Property Owned

Other property owned is generally classified as Level 3 of the fair value hierarchy. The process for measuring the fair value of other property owned involves the use of independent appraisals or other market-based information. Costs to sell represent transaction costs and are not included as a component of the asset's fair value.

NOTE 6 – Derivative Instruments and Hedging Activities**Risk Management Objectives and Strategies**

AgWest maintains an overall risk management strategy that incorporates the use of derivative financial instruments to minimize significant unplanned fluctuations in earnings that are caused by interest rate volatility. See Note 15 of the 2025 AgWest Annual Report to Stockholders for additional information.

Accounting for Derivative Instruments and Hedging Activities

AgWest records derivatives as assets or liabilities at fair value on the Consolidated Balance Sheets. AgWest records changes in the fair value of a derivative in current period earnings. For fair value hedge transactions that hedge changes in the fair value of assets or liabilities, changes in the fair value of the derivative will generally be offset in the Consolidated Statements of Income and Comprehensive Income by changes in the hedged item's fair value attributable to the risk being hedged. For derivatives not designated as a hedging instrument, the related change in fair value is recorded in current period earnings in Interest expense in the Consolidated Statements of Income and Comprehensive Income.

Uses of Derivatives

To achieve risk management objectives and satisfy the financing needs of its borrowers, AgWest executes derivative transactions with CoBank. Derivatives (interest rate swaps) are used to manage liquidity and the interest rate risk arising from maturity and repricing mismatches between assets and liabilities. Under interest rate swap arrangements, AgWest agrees to exchange with CoBank, at specified intervals, interest payment streams calculated on a specified notional amount, with at least one interest payment stream based on a specified floating-rate index. AgWest uses receive-fixed, pay-floating interest rate swaps and receive-floating, pay-fixed interest rate swaps with payment obligations tied to specific indices.

The notional amounts of derivatives and related activity of derivatives are shown in the following tables:

	<i>Receive-fixed swaps</i>	<i>Pay-fixed swaps</i>	<i>Total</i>
December 31, 2025	\$ 50,000	\$ 30,000,000	\$ 30,050,000
Additions	67,000	90,000,000	90,067,000
Maturities	—	(90,000,000)	(90,000,000)

June 30, 2026	\$ 117,000	\$ 30,000,000	\$ 30,117,000
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	<i>Receive-fixed swaps</i>	<i>Pay-fixed swaps</i>	<i>Total</i>
December 31, 2024	\$ 2,000	\$ 5,000,000	\$ 5,002,000
Additions	12,000	68,000,000	68,012,000
Maturities	—	(47,000,000)	(47,000,000)

June 30, 2025	\$ 14,000	\$ 26,000,000	\$ 26,014,000
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Fair Value Hedges

AgWest's fair value hedging activities involve entering into receive-fixed, pay-floating interest rate swaps to either align its equity position within its overall risk management strategy (equity positioning), or to synthetically convert non-callable fixed-rate debt to floating-rate debt (liquidity management). AgWest includes the gain or loss on the hedged items in the same line item (interest expense) as the offsetting loss or gain on the related interest rate swaps.

The following amounts were recorded in the Consolidated Balance Sheets related to fair value hedges:

	<i>Carrying amount of the hedged item</i>	
	<i>June 30, 2026</i>	<i>December 31, 2025</i>
Note payable to CoBank, ACB	\$ 115,704	\$ 50,156

	<i>Cumulative amount of fair value hedging adjustment included in the carrying amount of the hedged item</i>	
	<i>June 30, 2026</i>	<i>December 31, 2025</i>
Note payable to CoBank, ACB	\$ (1,296)	\$ 156

Summary of Derivative Instruments and Hedging Activities

A summary of the impact of derivative financial instruments to the Consolidated Balance Sheets is shown in the following tables:

June 30, 2026	Fair value of derivative financial instruments	
	Derivative assets ¹	Derivative liabilities ²
Derivatives designated as hedging instruments:		
Receive fixed swaps	\$ 70	\$ 1,351
Total derivatives designated as hedging instruments	\$ 70	\$ 1,351
Derivatives not designated as hedging instruments:		
Pay-fixed swaps	\$ 11	\$ 25
Total derivatives not designated as hedging instruments	\$ 11	\$ 25
Total derivatives	\$ 81	\$ 1,376

¹Derivative assets are included in Other assets in the Consolidated Balance Sheets.

²Derivative liabilities are included in Other liabilities in the Consolidated Balance Sheets.

December 31, 2025	Fair value of derivative financial instruments	
	Derivative assets ¹	Derivative liabilities ²
Derivatives designated as hedging instruments:		
Receive fixed swaps	\$ 305	\$ 145
Total derivatives designated as hedging instruments	\$ 305	\$ 145
Derivatives not designated as hedging instruments:		
Pay-fixed swaps	\$ 12	\$ 170
Total derivatives not designated as hedging instruments	\$ 12	\$ 170
Total derivatives	\$ 317	\$ 315

¹Derivative assets are included in Other assets in the Consolidated Balance Sheets.

²Derivative liabilities are included in Other liabilities in the Consolidated Balance Sheets.

A summary of the impact of derivative financial instruments in the Consolidated Statements of Income and Comprehensive Income is shown in the following tables:

For the six months ended June 30, 2026	Effect of fair value hedge accounting on the Consolidated Statement of Income and Comprehensive Income	
	Interest income	Interest expense
Total amount of line items presented in Consolidated Statement of Income and Comprehensive Income	\$ 1,061,182	\$ 578,597
Gain (loss) on fair value hedge relationships:		
Receive fixed swaps:		
Recognized on derivatives	\$ —	\$ (1,442)
Recognized on hedged items	—	1,452
Net income recognized on fair value hedges	\$ —	\$ 10

For the six months ended June 30, 2025	Effect of fair value hedge accounting on the Consolidated Statement of Income and Comprehensive Income	
	Interest income	Interest expense
Total amount of line items presented in Consolidated Statement of Income	\$ 1,074,420	\$ (613,536)
Gain (loss) on fair value hedge relationships:		
Receive fixed swaps:		
Recognized on derivatives	\$ —	\$ 331
Recognized on hedged items	—	(330)
Net income recognized on fair value hedges	\$ —	\$ 1

Interest expense on derivatives not designated as hedges for the six months ended June 30, 2026 and 2025, was \$1.2 million and \$256.8 thousand, respectively.

Counterparty Credit Risk

The use of derivatives for risk management introduces counterparty credit risk. Generally, when the fair value of a derivative contract is positive, AgWest is exposed to credit risk. AgWest has an International Swaps and Derivatives Association, Inc. agreement with CoBank, which meets the definition of a Qualifying Master Netting Agreement per FCA Regulations and requires the net settlement of covered contracts. Collateral is not exchanged between AgWest and CoBank. Notwithstanding netting provisions, derivative assets and liabilities are not offset in the accompanying Consolidated Balance Sheets.

NOTE 7 – Subsequent Events

AgWest has evaluated subsequent events through August 7, 2026, the date the financial statements were issued or available to be issued, and determined there are no other items to disclose.

Board of Directors

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Nels DeBruycker, Vice Chair	Choteau, Montana
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Vicki Eggebrecht	Belgrade, Montana
Duane (Skip) Gray	Albany, Oregon
Robert Hansen	Hanford, California
Blake Harlan	Woodland, California
John Helle	Dillon, Montana
Greg Hirai	Wendell, Idaho
Tom Ikeda	Arroyo Grande, California
Beth Kennar	Spokane, Washington
Bill Martin	Rufus, Oregon
Colin Mellon	Yuma, Arizona
Barry T. Powell	Sacramento, California
Derek Schafer	Ritzville, Washington
Brian Talley	Arroyo Grande, California
Shawn Walters	Teton, Idaho
Andy Werkhoven	Monroe, Washington

Operating Committee

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Jeff Hennig	Chief Auditor
Tom McKeirnan	General Counsel
Tom Nakano	Chief Financial Officer
John Phelan	Chief Credit Officer
Josh Siler	Chief Lending Officer
Denise Warkomski	Chief Operating Officer