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Standards of Conduct Policy

References: 12 C.F.R. Part 612; EM 31-9

I. **Philosophy**

It is important for directors and employees of Golden State Farm Credit, ACA (Association) to maintain high standards of honesty, integrity, and impartiality in conducting Association and Farm Credit System (System) business, and to act in the best interest of the Association to maintain public confidence in the Association, the System and each of its Institutions.

II. **Objective/Purpose**

The maintenance of high standards of industry, honesty, integrity, impartiality, and conduct by directors and employees of the Association is essential to ensure the proper performance of the Association's business and continued public confidence in the System. The avoidance of misconduct and Conflicts of Interest, real or apparent, is indispensable to the maintenance of these standards.

III. **Scope**

This Policy is applicable to all Employees, Officers, and Directors of the Association, and related policies and procedures are also applicable to all Employees, Officers, and Directors of the Association. If there are any differences between this Policy and the FCA SOC regulations (the "Regulations") or the Farm Credit Act (the "Act"), the Regulations and the Act will override the conflicting Association policies and procedures.

IV. **Delegated Authority**

The Board shall designate a Standards of Conduct Official (SOCO) for the Association, who shall have the authority to carry out the responsibilities set forth in this Policy and the SOC Procedures. In carrying out these responsibilities, the SOCO shall have access to adequate resources for implementing a successful SOC Program, including direct access to the Board of Directors (the "Board") for purposes of discussing and reporting on matters related to this Policy and the SOC Procedures. Moreover, the SOCO, as further enumerated in the Regulations and SOC Procedures, will:

1. Provide guidance and information to Directors, Officers, and Employees concerning the provisions of this Policy, the SOC Procedures, and Code of Ethics including the identification and reporting of conflicts of interest.
2. Monitor and evaluate compliance with this Policy and the SOC Procedures;
3. Review conflict of interest reports, investigate and take appropriate action in addressing disclosures, reports, and deviations from this Policy.
4. Take appropriate action, including investigation and reporting, of any matter reviewed pursuant to §612.2170, pursuant to applicable guidance including Section VIII of this Policy.
5. Give SOC training to all directors and employees at the institution which complies with the requirements of § 612.2137 and the Association's SOC policies and procedures.
6. Maintain all SOC program records for the required period of time, including documentation that explains how conflicts are being handled

V. Policy Statement

In accordance with the standards of conduct (SOC) regulations of the Farm Credit Administration (FCA) at 12 C.F.R. Part 12, it is the responsibility of the Board of Directors of each System institution to adopt policies and procedures that set forth the core principals of the FCA SOC regulations, including the prompt disposition of Conflicts of Interest, actual or potential. Accordingly, the following Policy has been adopted by the Board of the Golden State Farm Credit, ACA (the "Association").

VI. Operating Principles

It is the policy of the Association that all Directors, Officers, and Employees shall observe, to the best of their abilities, the letter and intent of all applicable laws and regulations of the FCA, maintain high ethical standards, exercise diligence and good judgment in carrying out their duties, obligations, and responsibilities, and act in the best interests of the Association. Accordingly, all activities and the activities of its Directors, Officers, and Employees should be evaluated and in accordance with this Policy and the SOC Procedures.

1. Definitions. The definitions of terms used in this Policy can be found in the Association's SOC Procedures and in 12 C.F.R. § 612.2130.
2. SOC Procedures. With this Policy, the Board has adopted procedures on standards of conduct consistent with this Policy and the Regulations.
3. Code of Ethics. The Board has adopted a Code of Ethics, which applies to all Employees, Officers, Directors, and Agents and is publicly available on the Association's website.
4. Requirements for Employees and Directors. Each Director, Officer, and Employee shall:
 - a. Comply with the Code of Ethics;
 - b. Maintain high ethical standards, including high standards of care, honesty, integrity, and fairness;
 - c. Act in the best interests of the Association;
 - d. Preserve the reputation of the Association and the public's confidence in the Farm Credit System;
 - e. Exercise diligence and good business judgment in carrying out official duties and responsibilities;
 - f. Identify and disclose to the SOCO real or perceived Conflicts of Interest involving themselves, their Family, or any Reportable Business Entity;
 - g. Work with the SOCO to identify and resolve real or perceived Conflicts of Interest;
 - h. Refrain from participating in official action or Board discussion of a matter, transaction or activity if the Employee, Officer, or Director has a Conflict of Interest in a matter, transaction, or activity, and avoid voting on or influencing any decision directed at such a matter, transaction, or activity;
 - i. Avoid self-dealing and acceptance of gifts or favors that may be deemed as offered, or have the appearance of being offered, to influence official actions or decisions;
 - j. Timely report to the SOCO, or through use of the anonymous reporting procedures, any known or suspected activity by a person affiliated with the Association that the Employee, Officer, or Director suspects is illegal, unethical, or a violation of the Association's standards of conduct policies or procedures and Code of Ethics; and
 - k. Fulfill applicable fiduciary duties to the Association and its stockholders.
5. Reporting and Disclosures by Directors and Employees. Directors, Officers, and Employees shall comply with all reporting requirements as detailed in the SOC Procedures, including reporting any known or potential Conflicts of Interest and other transactions, interests, and relationships reportable under the Regulations.

6. Prohibited Conduct for Employees and Directors. Directors, Officers, and Employees are expressly prohibited from engaging in conduct that necessarily creates real or perceived Conflicts of Interest as further outlined in the Regulations and SOC Procedures.
7. Review and Resolution. The SOC Procedures shall address the process for resolving Conflicts of Interest, including the SOCO's role in the resolution process, and identify those with authority to implement a resolution.
8. Director and Employee Training.
 - a. New Directors. Newly elected or appointed Directors must receive standards of conduct training within 60 calendar days of the Director assuming their position.
 - b. New Employees. New Officers and Employees must receive standards of conduct training within 10 business days of beginning work.
 - c. Periodic Training. At least annually, the SOCO shall conduct training for all Directors, Officers, and Employees, which will include, at a minimum, updates to the SOC Program and Code of Ethics, and the SOCO must obtain written certification of participation in such trainings and maintain those records in accordance with the Regulations and SOC Procedures.
9. Policy for Agents. The Association shall maintain a separate Standards of Conduct Policy for Agents, which will be distributed to all Agents of the Association.

VII. Process for Addressing Exceptions

The Board recognizes that situations may arise in which an exception to this Policy is appropriate. Exceptions are to be documented by the SOCO, and approved by the Board.

VIII. Reporting Requirements

The SOCO shall report to the Board as follows:

1. At least quarterly, report on any Material Conflict of Interest determination. A Material Conflict of Interest determination means any case the SOCO has a duty to investigate and disclose to the Board under 12 C.F.R. § 612.2170(d) and this Policy.
2. The SOCO shall present to the Board on an annual basis, or on a more frequent basis if required by the Board, a summary report on all Conflicts of Interest and Code of Ethics matters or SOC violations for the previous twelve (12) months.
3. The SOCO shall also act as the reporting official for all cases investigated under 12 C.F.R. § 612.2170 subpart B (criminal referrals).
4. The SOCO must report to both the Association's board and the Farm Credit Administration's Office of General Counsel all investigations:
 - (i) which result in the preliminary identification of a criminal violation;
 - (ii) which result in the removal of a director or discharge of an employee; or
 - (iii) of violations negatively impacting public confidence in the Association, the Farm Credit System or its institutions.

The SOCO must report investigations to the Board and FCA Office of General Counsel whether or not a criminal referral is actually made.

IX. Authorities Retained By The Board

Any amendments or modifications to this policy must be submitted to and approved by the Board. Moreover, the Board retains the right to withdraw any delegated authorities under this Policy at any time. This policy will be reviewed in accordance with the Association's policy review schedule.

Revision History

Version	Date	Owner	Summary of Changes
1.0	11/17/2022	VP HR	Initial Release. Replaces prior versions that distinguish between employees and directors in one universally applicable document
2.0	5/17/2023	VP HR	Off-Cycle Review. Inclusion of references to specific FCA regs regarding SOCO's reporting requirements
3.0	11/30/2023	VP HR	Off-Cycle Review. Edits in response to updates to FCA exam manual
4.0	10/23/2024	VP HR	Scheduled Review. Validation of authorities, clarification of Board exception approval retained authority, non-substantive edits