



## NOMINATING COMMITTEE CHARTER

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### **Purpose**

The ArborOne Farm Credit ("ArborOne") Nominating Committee is elected by the Association voting stockholders ("stockholders"). The Nominating Committee is responsible for identifying, evaluating, and nominating candidates for election to the ArborOne Board of Directors (the "Board").

### **Independence and Impartiality**

The Nominating Committee is responsible for carrying out its duties and making its decisions independently of ArborOne and the Board. Additionally, the Nominating Committee shall strive to ensure that impartiality exists in all aspects of the nomination process.

### **Membership, Vacancies, and Term of Office**

#### *Membership*

The Nominating Committee is elected by the voting stockholders. The Nominating Committee is comprised of 6 members and shall have 3 alternates, who own or jointly own Class C Common Stock of the Association to serve a term for one year. An individual designated in accordance with the Bylaws to vote the Class C Common Stock held by a voting stockholder may serve as a member or alternate on the Nominating Committee of the Association so long as that individual meets all of the other requirements for serving on the Nominating Committee. All members and alternates must certify that they are willing to run and have met the requirements for eligibility as listed in the Association's Bylaws, policies, and procedures.

#### *Vacancies*

During the term of the Committee, vacancies on the Nominating Committee shall be filled from among the alternates.

#### *Term*

Members shall not serve more than four (4) consecutive one (1) year terms. Alternates also shall not serve more than four (4) consecutive one (1) year terms. Nominating committee members may be re-elected to the committee after a one (1) year break in service. For the avoidance of doubt, members and alternates shall be permitted to serve non-consecutive terms so long as the above conditions are met.

## **Responsibilities**

The Nominating Committee shall be responsible for the following:

- Reviewing lists of Association Stockholders to serve as directors. Additionally, the committee may request from the Association a list of stockholders interested in open director positions from which the nominating committee may identify potential eligible director candidates.
- Ascertain the willingness of eligible Stockholders to serve and run for a specified open director seat.
- Endeavor to ensure representation from all areas of ArborOne's territory and, as nearly as possible, all types of agriculture practiced within the territory.
- Evaluate the qualifications of the director candidates.
  - The evaluation process must consider the Director qualifications listed in the related ArborOne policy and Bylaws.
  - The evaluation process must consider whether there are any known obstacles preventing a candidate from performing the duties of the position.
- Endeavor to nominate at least two (2) candidates for each Director position being voted on by stockholders.
  - If fewer than two (2) nominees are willing to run or are identified for an available position, the Nominating Committee must provide written explanation to the Board of the efforts to locate candidates or the reasons for disqualifying any candidates that resulted in fewer than two (2) nominees. Such written explanation, or a summary of it, shall be reported in the Annual Meeting Information Statement (the "AMIS").
  - The list of candidates shall indicate for which seat each such candidate has been nominated. Such list shall be provided to the Corporate Secretary.
- Maintain records of its meetings, including a record of attendance at meetings.
- Identify, evaluate, and nominate eligible individuals for service on the next Nominating Committee.

## **Meetings**

The Nominating Committee shall assemble at such times as necessary to ensure due deliberation on the nominees for director election.

- The Nominating Committee may assemble in person or via telephonic conference call.
- The Nominating Committee shall appoint a chairperson (Chair) and a secretary to record the official actions of the Nominating Committee.
- A majority of the Nominating Committee shall constitute a quorum for transacting the business of the Committee.

- Each member of the Nominating Committee shall use his or her best efforts to attend each meeting. However, if such member cannot attend, the alternate may attend in the member's place.

## **Minutes**

The Nominating Committee shall maintain records of its meetings, including a record of attendance at meetings. Meeting minutes shall be kept as permanent records of ArborOne.

## **Recusal**

Nominating Committee members and alternates, as applicable, shall recuse, or refrain from deliberations, whenever their participation could present a conflict of interest or the appearance thereof. For example, a Nominating Committee member who has a family member or business partner seeking election to the Board may recuse him/herself from the nomination process.

## **Confidentiality**

Nominating Committee members and alternates, as applicable, shall execute a Confidentiality Statement at the onset of each election cycle. In accordance with this Confidentiality Statement, members and alternates, as applicable, shall maintain the confidentiality of all Nominating Committee discussions and deliberations.

## **Resources/Employee Involvement**

ArborOne officers and employees may provide administrative assistance to the Nominating Committee. This administrative assistance shall generally include, but not be limited to, the following:

- Providing the Nominating Committee with copies of any regulatory guidance published by FCA;
- Providing the Nominating Committee with a current list of Association stockholders, the most recent Bylaws, a copy of relevant ArborOne policies related to director qualifications, nominations and elections, and standards of conduct.
- On request of the Nominating Committee, a summary of the current Board self-assessment.
- On request of the Nominating Committee, ArborOne may assist in the preparation, distribution and accumulation of candidate disclosure documents, and in the accumulation of Association stockholder recommendations as to candidates.

However, in no event shall an ArborOne officer or employee, directly or indirectly, take any part in the nomination or election of candidates to the Board, or make any oral or written statements that may be construed as intended to influence any vote in director nominations or elections.