

**TOTAL COMPENSATION PHILOSOPHY
OF
FIRST SOUTH FARM CREDIT, ACA**

A total compensation philosophy expresses management's values and views about compensation. It also communicates commitment and expectations to employees; facilitates compensation and benefit plan design; serves as a reference point to measure the success of total compensation programs; and reinforces the organization's culture and goals.

Our total compensation philosophy is based on these key principles:

- We strive to link total compensation to our stated business objectives;
- We design our pay and incentive programs so that we pay for performance, recognize key talent and ensure that programs are market competitive;
- We offer flexible benefit options and meaningful choices;
- We use our total compensation structure to enhance our ability to attract, retain, and motivate a diverse group of talented individuals.