



FEDERAL HOME LOAN BANK OF CINCINNATI BOARD OF DIRECTORS SKILLS AND EXPERIENCE STATEMENT - 2024

The Federal Home Loan Bank of Cincinnati (FHLB Cincinnati) is a Government Sponsored Enterprise (GSE), chartered by Congress in 1932 as one of now 11 regional cooperative FHLBanks providing financial services to its member financial institutions (members) in support of residential housing and economic development. The FHLBanks do not receive direct taxpayer funding and are SEC registrants. As a GSE, the FHLBanks are subject to Congressional oversight and an independent regulator, the Federal Housing Finance Agency (FHFA). The FHLB Cincinnati serves more than 600 members in Kentucky, Ohio and Tennessee. The FHLB Cincinnati is owned by its members and operated by its employees and Board of Directors (the Board). The Board is currently comprised of ten member directors and seven independent directors. The Director of the FHFA determines the size and composition of the Board. Member directors must make up at least a majority, but no more than 60% of the Board's membership. At least two independent directors must qualify to serve as a public interest director and be so designated by the Board. The statutory and regulatory eligibility requirements for directors are described in regulations 12 CFR 1261 Subpart B, as linked from the FHLB Cincinnati's public website at <https://www.fhlbcin.com/who-we-are/leadership/>.

In addition to statutory and regulatory eligibility requirements, below is a non-exhaustive list of desired skills, experience, attributes and characteristics that represent guidelines for targeted recruitment designed to achieve a Board with diversity of perspective, thought, and experience.

EXPERIENCE

Directors should have a proven track record of expertise or experience in one or more of the areas listed below. The Board defines **expertise** as having advanced skill, credentials, or knowledge and having been directly accountable for outcomes in a certain skill area; and the Board defines **experience** as having participated in decisions in a skill area, such as having been a part of a leadership or executive team who supervised outcomes.

- Auditing and accounting, including public accounting and auditing
- Capital markets and market risk management
- Community development
- Corporate governance, board experience
- CFA credentials
- CPA credentials
- Cybersecurity
- Crypto/Blockchain



- Derivatives
- Diversity, equity and inclusion
- Economic modeling, forecasting, or analysis
- Enterprise risk management
- ESG, climate risk management
- Executive banking, insurance or community development financial institution (CDFI) industry management
- Executive non-banking/insurance/(CDFI) management
- Financial management, including corporate financial planning and analysis
- FinTech / AI in FinTech industry
- Government relations, public policy, federal or state regulatory agency
- Housing development, affordable housing development
- HR, compensation and benefits, leadership development, succession planning
- Information technology
- Juris Doctor credentials, active or inactive law license
- Legal experience, including experience representing businesses in securities, business transaction, secured lending, employment, litigation, and other corporate matters
- Mergers and acquisitions
- Marketing and sales
- Secondary mortgage market
- Strategy development
- Vendor management, supply chain

DIVERSITY, EQUITY & INCLUSION

The FHLB Cincinnati encourages the consideration of diversity in nominating or soliciting nominees for positions on the Board.

To enrich decision making and governance and to represent the needs and concerns of the communities and people served by the FHLB Cincinnati, the Board values a diversity of perspectives. The FHLB Cincinnati strongly promotes diversity and inclusion on its Board. We encourage all member institutions to consider the importance of diversity on our Board when nominating individuals to run as member directors. The FHLB supports this same diversity



goal in the selection process of independent directors. The Board will consider all independent director applicants without regard to race, color, religion, sex, national origin, disability status, age, genetic information, veteran status, marital status, sexual orientation, transgendered status, gender identity, status as a parent or any other characteristic protected by law.

PERSONAL CHARACTERISTICS OF DIRECTORS

Integrity and Accountability

Character is the primary consideration in evaluating any director. Directors must have high ethical standards and integrity in their personal and professional dealings. Directors must be willing to act on and remain accountable for their boardroom decisions.

Informed Judgment

A director should be able to provide wise, thoughtful counsel on a wide range of issues. Directors should possess high intelligence and wisdom, and be able to apply it to decision making. Directors should be able to comprehend new concepts quickly.

Financial Literacy

Directors should be financially literate. Directors should know how to read a financial statement and understand financial ratios. Directors should have a working familiarity with basic finance and accounting practices.

Mature Confidence

Directors should approach others in a self-assured, responsible and supportive manner. Directors should value board and team performance over individual performance. Directors should be able to raise tough questions in a manner that encourages open discussions. Directors should be inquisitive and curious and ask questions of management.

High Performance Standards

Directors should have a history of achievement that reflects high standards for themselves and others. Directors must be able to attend Board and System meetings throughout the United States.

Political Awareness

Directors should possess an awareness of the importance of political and public policy considerations, and comprehend the public-private partnership inherent to the operation of a government-sponsored enterprise.