



Corporate Social Responsibility Report

June 2023



FHLBANKS
A NATION OF LOCAL LENDERS

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LETTER FROM FEDERAL HOME LOAN BANKS' PRESIDENTS AND CEOs

The Federal Home Loan Bank System was created by Congress in 1932, at the height of the Great Depression, to help provide a reliable and readily accessible flow of liquidity to member financial institutions. For more than 90 years, this foundational liquidity mission has driven everything that the Federal Home Loan Banks have achieved for our cooperatives, for our members, and for the communities that we serve. Through our unique liquidity products and our innovative community development programs, the Federal Home Loan Banks have been a cornerstone of financial stability and housing finance in the United States for nine decades.

Since our founding in 1932, we have continued to grow, learn, innovate, improve, and evolve to meet the ever-changing needs of our members and the communities we collectively serve – through up and down economic cycles, demographic changes, structural market changes, and technological innovations, all while working to foster stability within the U.S. financial system. The Federal Home Loan Banks are crucial during times of crisis, stable during calm markets, and dependable in all economic cycles.

By accessing reliable liquidity through the Federal Home Loan Banks, our members can offer long-term, competitively-priced mortgages, small business and other loans, and buy and hold mortgage backed securities supporting an active market for mortgage backed securities which contributes to affordable mortgages. We also partner with our members to provide funding and grants that promote affordable housing and community and economic development initiatives. We are proud of the positive impact the Federal Home Loan Banks have had for our members, and, through them, for homeowners, renters, and communities across the nation.

Our decentralized, cooperatively-owned organizational structure, diverse workforce, boards

of directors fully independent of management, and Affordable Housing Advisory Councils align our work with our values, purpose, and mission.

While distinct legal entities with our own management teams and boards of directors, the Federal Home Loan Banks share a common mission and safety and soundness regulator. As Government Sponsored Enterprises, we are subject to federal mission and safety and soundness regulation by the Federal Housing Finance Agency and are committed to robust and prudential risk management and governance. The 11 Federal Home Loan Banks also have a shared responsibility for the repayment of all Consolidated Obligations, which helps to prudently manage business risks and view financial performance through a long-term lens so that the Federal Home Loan Bank System remains well-positioned to serve future generations.

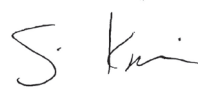
We are strongly committed to Diversity & Inclusion principles among our workforce, vendors, and dealers. Our programs foster more inclusive environments for our employees, and we are proud of our Diverse Dealer and Supplier Diversity programs in which we partner with companies owned by minorities, women, persons with disabilities, veterans, and members of the LGBTQ+ community, among others.

We are committed to delivering on our core mission of providing liquidity to our members and, by working through these members, promoting access to housing across the communities we serve.

This report focuses on the positive social impact we have achieved through our programs and initiatives, all of which flows from our ability to execute on our foundational liquidity mission. We are proud to present the Federal Home Loan Banks' inaugural Corporate Social Responsibility Report.



Timothy J. Barrett
President and CEO, FHLBank of Boston



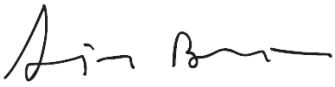
Cindy L. Konich
President and CEO, FHLBank of Indianapolis



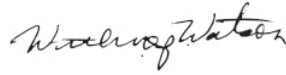
Teresa Bryce Bazemore
President and CEO, FHLBank of San Francisco



Kirk Malmberg
President and CEO, FHLBank of Atlanta



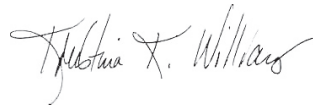
Sanjay Bhasin
President and CEO, FHLBank of Dallas



Winthrop Watson
President and CEO, FHLBank of Pittsburgh



Michael A. Ericson
President and CEO, FHLBank of Chicago



Kristina K. Williams
President and CEO, FHLBank of Des Moines



José R. González
President and CEO, FHLBank of New York



Mark E. Yardley
President and CEO, FHLBank of Topeka



Andrew S. Howell
President and CEO, FHLBank of Cincinnati



INTRODUCTION TO FEDERAL HOME LOAN BANKS

INTRODUCTION TO FEDERAL HOME LOAN BANKS

The Federal Home Loan Banks (FHLBanks) were established in 1932 as Government Sponsored Enterprises (GSEs) with the core mission of providing a reliable and readily accessible flow of liquidity to member financial institutions. Reflecting regulatory and industry changes, the FHLBank System has expanded over the decades since our founding. We serve approximately 6,500 commercial banks, credit unions, insurance companies, thrifts, and community development financial institutions (CDFIs). Each FHLBank is individually owned and capitalized by its members, who purchase stock in their respective FHLBank. By providing members with access to often same-day funding, the FHLBanks enlarge the aggregate supply of market liquidity that is available to credit-worthy borrowers. This supports the creation of credit for residential mortgages and targeted community development – which has flowed uninterrupted for 90 years since our founding in 1932, through all economic and credit cycles. Throughout our history, we have fulfilled this mission to bring tangible benefits to the U.S. financial system, homeowners, and communities.

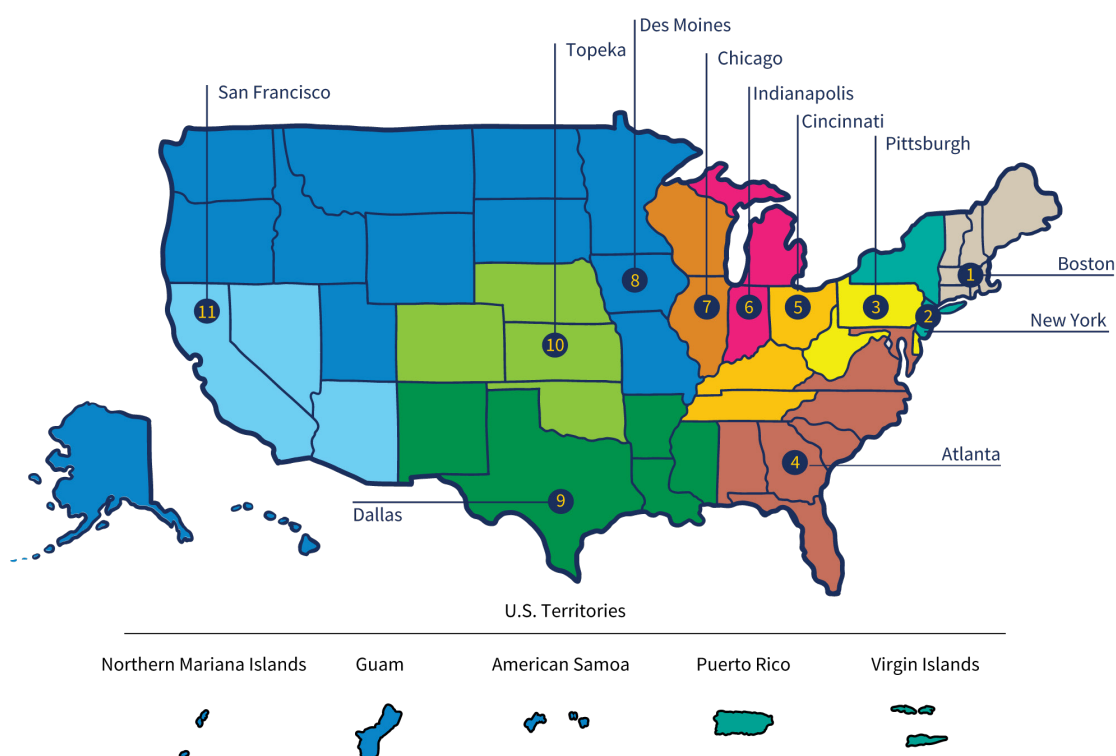
The FHLBank System comprises 11 regional districts and the Office of Finance. Our regional structure underpins our success. It enables us to build deep relationships with members and communities across

the U.S., so that we remain highly responsive to their needs. As separate entities, each FHLBank has its own board of directors and management team. We raise funds by issuing debt securities (Consolidated Obligations) through the Office of Finance, which is a joint office of the 11 FHLBanks and acts as the FHLBank System’s fiscal agent.

As of December 31, 2022, the FHLBanks had a combined \$1.25 trillion in assets and approximately 3,300 employees. During the year ended December 31, 2022, the FHLBanks earned \$3.2 billion of net income and set-aside \$355 million for Affordable Housing Program (AHP) assessments.¹

The FHLBank System is subject to robust and independent federal regulatory oversight by the Federal Housing Finance Agency (FHFA). FHFA establishes and enforces regulations, and other regulatory guidance, designed to ensure that each FHLBank operates in a safe and sound manner. In addition to ensuring we remain adequately funded with sufficient permanent capital, liquidity, and reserves, FHFA conducts in-depth annual examinations, regulates compliance to our congressionally-chartered mission, and conducts ongoing monitoring of each of the 11 FHLBanks and the Office of Finance.

The 11 FHLBank districts enable us to be responsive to local needs



OUR PRODUCTS AND SERVICES

Reliable access to liquidity through our products and services enables our members to lend with confidence whenever a need arises, facilitating credit for, among other things, mortgages, job creation, and economic development.

We fulfill our mission of delivering liquidity to members through short-, intermediate-, and long-term loans called advances, participating in mortgage purchase programs, and by offering letters of credit to help our members secure municipal deposits and provide support for a variety of other public purposes.

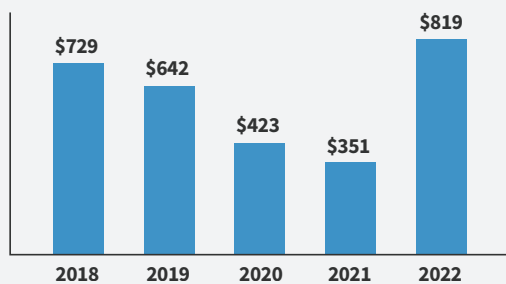
Advances are collateralized loans made to members, secured primarily by individual mortgage loans, housing and real estate-related collateral such as mortgage-backed securities (MBS), commercial real estate loans, and government and agency securities. Advances are the linchpin of liquidity programs for our members. During 2018-2022, we originated an average of \$7.4 trillion of advances a year, serving as an indispensable source of funding for members across the U.S.² During the same period, the vast majority (64%) of the collateral pledged to FHLBanks for member advances was housing-related collateral – including single-family and multifamily mortgage loans.³ This strong collateral linkage to housing helps our members provide significant funding for housing and community development.

Most FHLBanks participate in **mortgage purchase programs** in which FHLBanks directly purchase mortgage loans from members. This gives members yet another means to access liquidity, while providing sellers and originators with an alternative to the traditional GSE securitization channels. The FHLBank mortgage purchase programs are unique in that they incent long-term risk management. Since members and the FHLBanks share the risk of default, our programs compensate members for managing credit risk of mortgages sold through our programs.

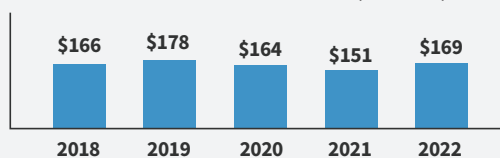
Through these mortgage purchase programs, FHLBanks purchase fixed-rate 15-year to 30-year mortgages secured by one-to-four family residential properties. Programs vary across the FHLBank System and include the Mortgage Partnership Finance[®] (MPF[®]) Program administered by FHLBank Chicago for six FHLBanks – Boston, Chicago, Dallas, Des Moines, Pittsburgh, and Topeka – the Mortgage Purchase Program (MPP) offered by FHLBank Cincinnati and FHLBank Indianapolis, and the Mortgage Asset Program (MAP[®]) offered by FHLBank New York.

Letters of credit are issued by the FHLBanks on behalf of members to support obligations of the members (or the members' customers) to third parties and are secured by the collateral pledged by the members. Letters of credit have many practical uses such as assisting members and non-member housing associates in facilitating residential housing finance, community lending, and asset-liability management, and providing liquidity. For example, FHLBank-issued letters of credit may be used to support deposits from federal, state, and local government agencies. A letter of credit may also be used to facilitate a community bank member's lending to its customers by enhancing the credit quality of the member's letter of credit, which may be issued by the member to help support its customer's obligations as a tenant under a lease agreement. With the backing of the FHLBank credit rating, communities benefit as investors are able to more readily provide funds for projects that can profoundly shape communities for the better.

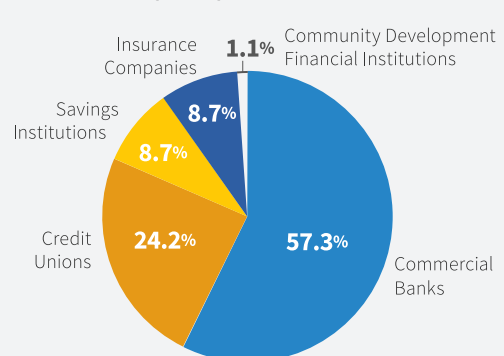
Year-end advances balance (Billions)



Year-end letters of credit balance (Billions)



Membership composition (Year-end 2022)



AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

The FHLBanks are significant contributors to affordable housing and community development across the U.S. We partner with our members to provide funding and grants that promote affordable housing and economic development within their communities. Our programs include the Affordable Housing Program (AHP), Community Investment Cash Advance (CICA) including the Community Investment Program (CIP), and additional district-specific programs.

Affordable Housing Program

AHP provides subsidies to assist in the purchase, construction, or preservation of rental and owner-occupied housing. For owner-occupied housing, AHP assists families and individuals with incomes up to 80% of area median income (AMI). For rental housing projects, at least 20% of the units must be occupied by and affordable for households whose income does not exceed 50% of AMI. These subsidies may be in the form of a grant or a reduced interest rate on an advance.

By statute, the FHLBanks contribute a minimum of 10% of our annual net income to the AHP.⁴ The FHLBanks also make voluntary contributions to programs typically funded by the AHP, CICA, and other discretionary district-specific programs, above the required AHP contribution.

Community Investment Cash Advance

CICA programs⁵ offer funding to members at a discounted rate compared to our standard advances in order to support projects that make a positive difference in communities. This includes housing for low- and moderate-income families and economic development activities that benefit low- and moderate-income households, small businesses, and lower-income communities.

Community Investment Program

CIP, a leading program under CICA, offers discounted advances to members for investment in housing for low- and moderate-income families (Housing CIP), and for economic development activities that benefit low- and moderate-income families (Economic Development CIP).

Additional CICA Programs

Some FHLBanks offer additional community lending programs and grants to provide financing for economic development projects for targeted beneficiaries in their districts (referred to as Additional CICA Programs in this report).



FHLBanks also provide additional district-specific programs that support affordable housing and targeted economic development, including programs for small businesses, underserved geographic areas, and defined income levels. Our tailored programs are valuable sources of funding for communities throughout the U.S. and catalysts for economic development and homeownership.



IMPACT OF FEDERAL HOME LOAN BANKS

DRIVING IMPACT GUIDED BY OUR MISSION

Mission

Provide reliable liquidity to member institutions to support housing finance and community investment

Borrowers and Homeowners
(through our members large and small)

Financial System and Members

Communities
(through our members large and small)



Helping Address Housing Needs



Serving Borrowers and Homeowners



Providing Member Liquidity and Reliable Funding



Strengthening Local Economies



Supporting Social and Environmental Outcomes

Foundational Principles

Commitment to Diversity and Inclusion:

D&I efforts, inclusive culture for employees and members / borrowers, business partners and industry (e.g., development opportunities, diverse vendors)

Strong Risk Management and Governance:

Multi-layered governance structures, robust data security, business ethics and risk management policies, FHFA oversight

A decorative graphic consisting of several overlapping squares and circles in yellow, blue, and black, arranged in a cluster on the left side of the page.

BORROWERS AND HOMEOWNERS

HELPING ADDRESS HOUSING NEEDS

The prepayable, fully amortizing 30-year fixed-rate mortgage is a cornerstone of U.S. housing, and provides American borrowers with significant advantages. Homeowners enjoy the benefit of locking in long-term fixed-rates – which alleviates the risk of escalating interest rates squeezing family budgets through increased monthly mortgage payments. It also allows borrowers to refinance to different loan terms including a lower rate. Prepayability enables freedom of mobility – which allows borrowers to relocate due to changes in family size, life events, or taking a new job in a different city – and contributes to the dynamism of the U.S. economy.

Support for 30-Year Fixed-Rate Mortgage

The FHLBanks provide funding to members who pledge mortgage loans and eligible securities as collateral, and by doing so, promote the health, vibrancy, and availability of the 30-year fixed-rate mortgage. The FHLBanks purchase loans directly from lenders, invest in MBS, and accept mortgage loans and securities as collateral. During 2018-2022, the FHLBanks purchased mortgage loans totaling \$78.1 billion.⁶ Additionally, FHLBanks' accepting MBS as collateral for advances facilitates our members' ability to hold these securities that represent a pooled collection of individual loans secured by residential properties.

\$78.1
billion

2018 - 2022

Mortgage loans
purchased 2018-2022

Mortgage Purchase Programs

Nine of the 11 FHLBanks purchase mortgage loans directly from members that can be used to provide liquidity for addressing housing needs. Through these mortgage programs, our members funded more than 62,950 mortgages to borrowers in 2022, including more than 8,800 first-time homebuyers. Additionally, these programs help to level the playing field between larger and smaller institutions, specifically allowing our small- and mid-sized members to offer lower-cost loans.

FHLBank mortgage programs more effectively align long-term risk and economic incentives; instead of paying guarantee fees to the purchaser of the loan, members can receive fee income for originating and selling mortgage loans with low default rates to their FHLBank. The FHLBank mortgage programs were used by more than 590 members selling or servicing loans in the fourth quarter of 2022. Considering 2022 purchases, the majority (85%) of these sellers had assets below \$5 billion and 60% were designated community financial institutions as adjusted annually by FHFA.⁷

The FHLBanks' mortgage purchase programs create a "multiplier effect" by freeing up the balance sheets of members, enlarging the pool of capital that is available to support loan origination. In addition, most mortgage programs offer members the option to retain the servicing rights, so they can build long-term relationships with their customers. The unique feature – and what differentiates FHLBank mortgage programs from other secondary markets – is that members retain a portion of the credit risk, which helps foster responsible lending practices.



A study by a researcher at the University of Wisconsin shows institutions that are members of an FHLBank increase their mortgage lending by an estimated 15-20% and offer mortgages with approximately one-fifth of a point lower interest rate, once they become FHLBank members. In total, members lend approximately \$130 billion in additional mortgages and save borrowers approximately \$13 billion in interest payments per year due to our lower-cost source of mortgage funding – while also increasing competition amongst financial institutions in local markets, resulting in lower-cost mortgages for borrowers.⁸

Together, our members support homeownership across the U.S. through competitive, long-term, and well-priced mortgages.

VOICE OF MEMBERS:

Helping members offer mortgages (FHLBank Topeka)

“We actively use the Mortgage Partnership Finance® Program, which allows us to sell loans to the FHLBank and are able to retain servicing and keep personal contact with our customers. This product has enabled our bank to be voted The Best Place to get a mortgage in Ottawa County (OK) 17 years in a row.”

*Executive VP
Welch State Bank*



SERVING RENTERS, BORROWERS, AND HOMEOWNERS

Across the U.S., our programs support the communities our members serve by providing access to funding to build or preserve affordable housing, facilitate homeownership, and boost economic development activity.

Affordable Housing Program

Between 2018-2022, FHLBanks committed \$1.6 billion in funding through the AHP.⁹ In 2022, the FHLBanks' combined net income resulted in AHP assessments of \$355 million, which are available for use in 2023. In addition to statutory AHP assessments, the FHLBanks collectively made voluntary AHP contributions totaling \$17 million during the year. Separately, certain FHLBanks also made voluntary contributions to community investment programs, which totaled \$44 million during the year.¹⁰

AHP grants and loans enable access to housing for underserved populations by funding qualified affordable housing projects. These projects assist people in need – very low-income households, individuals with special needs, seniors, veterans, at-risk youth, and people experiencing homelessness, among others – to have an affordable place to call home.

Our members work in partnership with local affordable housing developers and community organizations to sponsor projects that are service enriched, meaning these developments can offer a menu of supportive services, such as counseling, vocational and educational services, medical support, and other forms of assistance funded through complementary sources.

**\$1.6
billion**

2018 - 2022

Amount allocated via
Affordable Housing
Program 2018-2022

CASE STUDY:

Affordable and accessible rental housing for the disabled
(FHLBank Boston)



WATCH VIDEO 

Affordable Housing Program support for affordable housing development in Freeport, ME.

VOICE OF MEMBERS:

Providing liquidity to members to finance affordable housing
(FHLBank Des Moines)

“We're very thankful for the partnership with the Federal Home Loan Bank. Without [FHLBank Des Moines], we wouldn't have been able to bring in or keep 440 units of affordable housing to the state of Utah since 2017.”

*Vice President
Zions Bank*

Down Payment Assistance

As part of our AHP, we provide down payment assistance to help low- and moderate-income households, including first-time homebuyers, overcome one of the greatest barriers to achieving the dream of homeownership – saving for a down payment – as these grants can supplement homebuyer savings to cover down payment and closing costs. Down payment initiatives are a successful strategy to increase access to homeownership and a particularly important tool for reducing wealth disparity.¹¹

CASE STUDY:

Down payment assistance for first-time homebuyers
(FHLBank Indianapolis)



Homeownership Opportunities Program (HOP) helps first-time homebuyers with down payment assistance. In 2022, FHLBank Indianapolis awarded \$189,300 in HOP grants to 38 households.

Darius Jones, recipient of HOP grant, sits on the porch of his home with his fiancée and child.

Photo credit: Steve Koss, Model D Media.

Homeownership Counseling

Another area of focus for the FHLBanks is our commitment to preparing borrowers for the responsibility of homeownership and helping homeowners remain in their homes, so they can build credit, generational wealth, and equity. These efforts come to life through our members' partnerships with housing counseling agencies. Our grants made to these organizations help borrowers access education, information, and resources that guide them through the home-buying process.

Unplanned events like medical emergencies or unexpected home repairs can often result in unforeseen costs. This unfortunately can inhibit homeowners' ability to make timely payments on their mortgage loans and may lead to the loss of their homes. Local housing counseling agencies

provide access to tools and resources that can bridge such short-term emergencies, and offer lifelong financial literacy education resources for successful homeownership, encouraging community stability.

Homelessness Services

People experiencing homelessness and those who are at risk of losing their home are a crucial focus as part of our mission. The FHLBanks work with our members, state housing finance agencies, Continuum of Care organizations, and the broader homeless service provider network in our districts to provide funding that can address crucial local needs. The funding can also lead to innovative housing solutions, such as homelessness prevention and diversion, which may otherwise be overlooked by traditional funding.

CASE STUDY:

Preserving homeownership opportunities (FHLBank New York)

FHLBank New York awarded a \$431,000 AHP subsidy to St. Joseph's Carpenter Society for the Camden Home Repair Program project, which supported health and safety repairs to 25 single-family dwellings for households throughout Camden, NJ. 60% of the households earn less than 50% of the area median income.

CASE STUDY:

Constructing transitional housing for homelessness relief services (FHLBank Pittsburgh)

In 2022, First Columbia Bank & Trust Co. received a \$650,000 grant through FHLBank Pittsburgh's AHP for converting the former West Street Church into transitional housing for homelessness relief services. The project included nine rental units, with five units dedicated to those transitioning from homelessness to permanent housing, built in partnership with local nonprofits and federal, state, and local funding.

Community Housing

In 2022, we provided \$3.6 billion to our members in funding through CIP, including housing advances and economic development advances.¹² Of those advances, Housing CIP advances totaling \$3.2 billion went to support affordable housing projects. Our members can use these funds to finance bridge loans (a type of short-term loan that can be used until longer-term financing is secured), construction loans, and permanent loans to support housing projects, such as affordable housing and community and government buildings, in addition to economic development projects. These special programs can enable our members to fund housing projects and activities that revitalize neighborhoods and strengthen relationships within their local communities.



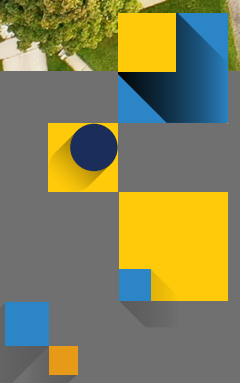
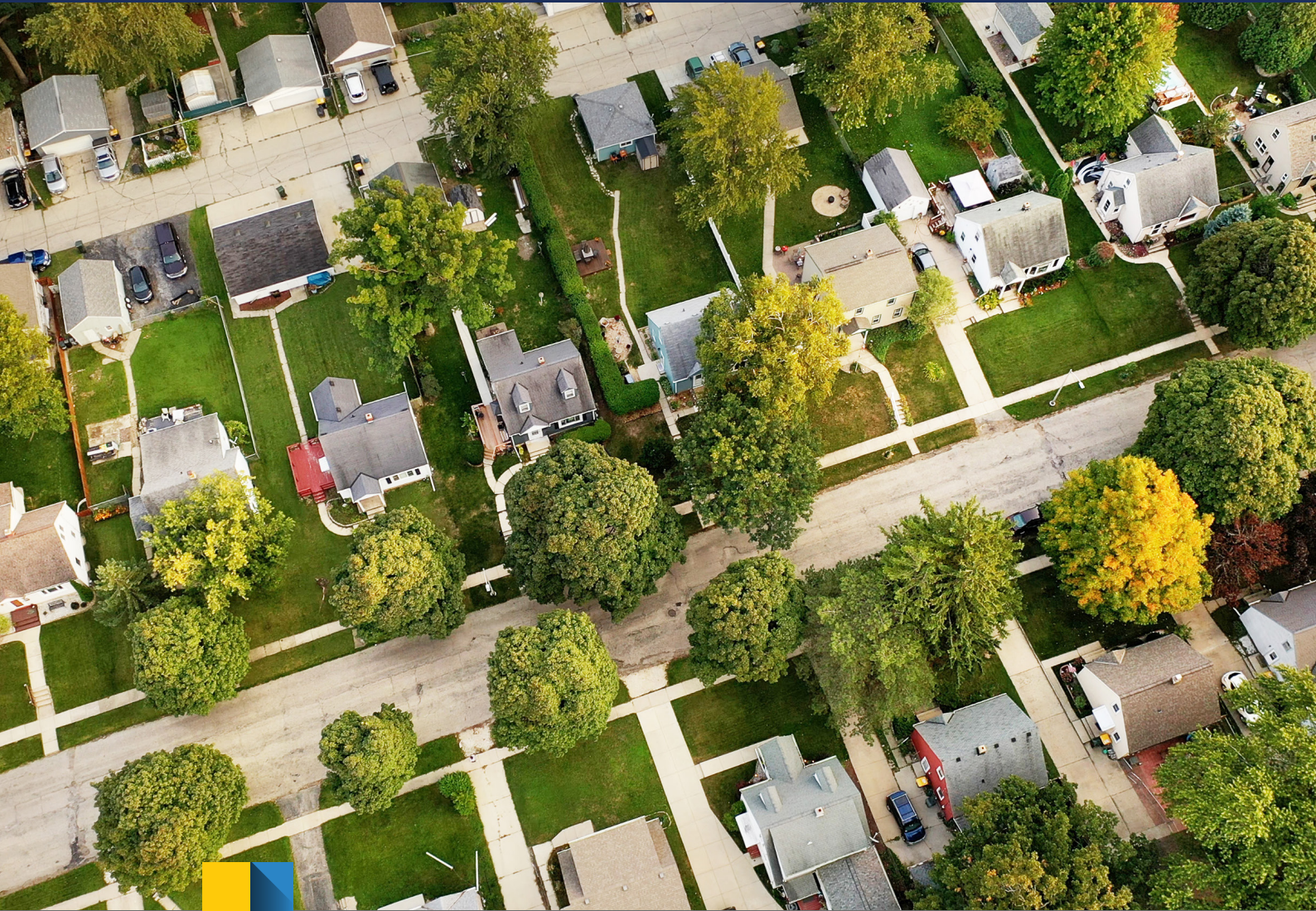
Advances extended via Community Investment Program to support affordable housing in 2022

CASE STUDY:

Housing finance for communities (FHLBank San Francisco)



Lion Creek Crossings, located in Oakland, CA, in an area with some of the lowest incomes in the region, is a catalyst for community renewal and a place where families and seniors have an opportunity to connect with one another and with services and programs that help them thrive. The project received a total of \$2.9 million in AHP grants from FHLBank San Francisco, in partnership with members Cathay Bank and Pacific Western Bank, and former member MUFG Union Bank.



COMMUNITIES



STRENGTHENING LOCAL ECONOMIES

The FHLBanks promote investment in local communities through economic development projects, programs for small businesses, and targeted local development initiatives.

Supporting Small Businesses

Our members can use our discounted advances offered through Economic Development CIP and Additional CICA Programs to help small businesses expand and drive job creation in a diverse range of industries that are essential to communities. Our targeted and deliberate efforts provide much-needed capital for development initiatives ranging from farming equipment to hospital and road improvements to environmentally-friendly residential and commercial upgrades. FHLBank-supplied funding enables these businesses to grow, thereby promoting job creation and expansion of the services they can provide, which benefits their customers and communities.

Helping Communities Thrive

Additionally, our funding supports commercial initiatives in traditionally under-resourced communities including shopping centers, office buildings, hotels, factories, and assembly plants, while also benefiting public facilities like fire department buildings. We believe that the creation of thriving communities requires more than just the construction or rehabilitation of housing units. A robust network of supporting services for local residents offered by businesses, nonprofits, and government entities is essential to promote the

CASE STUDY:

Funding local business expansion (FHLBank New York)

Local lenders can access their FHLBank membership to further strengthen their relationships with small business clients. In 2021, Century Savings Bank partnered with FHLBank New York to utilize the Business Development Advance (BDA) to finance more than \$1 million of high-technology, environmentally-friendly upgrades at the Glassboro, NJ, facility of Demountable Concepts, a longtime customer. This is exactly the kind of result the FHLBank New York envisioned when it first launched the BDA.

CASE STUDY:

Community development funding (FHLBank Topeka)

Through discounted Community Development Program funding, FHLBank Topeka member NBC Oklahoma was able to finance the rehabilitation of the Hart Building in the center of Oklahoma City's historic film row.

 [Click here to read more](#)

vitality of local communities and the well-being of their residents. Our members and partners can leverage funding to help generate economic activity, which results in more stable and vibrant neighborhoods in the communities they support so individuals and families can prosper.

Creating Financial Stability

In 2022, we provided \$1.7 billion through our Economic Development CIP and Additional CICA Programs to target economic development projects that benefited low- to moderate-income households and revitalized local economies. Our members and their community partners used these funds to help support underserved households, neighborhoods, and communities, including creating and preserving jobs and delivering training programs that provided pathways for economic advancement and future homeownership. With the support of our financing, our members helped to create and retain more than 10,250 jobs in 2022,¹³ providing valuable sources of income to individuals and households.

\$ 1.7
billion
2 0 2 2

Investment in programs designed to create or retain jobs and improve economic status of communities through Economic Development CIP and Additional CICA Programs

CASE STUDY:

Support for small businesses (FHLBank Chicago)



As part of its Community Small Business Advance program, FHLBank Chicago offers 0% interest rate advances to members to fund low-cost loans to small businesses in income-eligible communities in Illinois and Wisconsin – including businesses in agriculture, commercial, service, retail, hospitality and recreation, software, social services, industrial manufacturing, trades, and professional services.

Joe and Mary Holle with son, Jonathan. The Holle family are third-generation corn and dairy farmers from Baldwin, WI. In response to challenging economic headwinds, the farm utilized a Community Small Business Advance from the FHLBank Chicago and provided by First Bank of Baldwin. The Holle Family used the discounted funding provided from the advance to retain three jobs and purchase a new corn planter, which helps them more efficiently apply seed and fertilizer.



SUPPORTING COMMUNITIES THROUGH ENVIRONMENTAL AND SOCIAL CRISES

The regionally-based, decentralized structure of the 11 FHLBanks allows us to be deeply embedded in the communities and districts we serve. As such, the FHLBanks create programs, initiatives, and funding sources that serve the unique needs of our districts in time of crisis – both environmental and social.

When natural disasters such as hurricanes, tornadoes, floods, and wildfires strike, FHLBanks can step in to quickly provide members with lower-cost funding that provides relief for communities in distress. Our programs are flexible, so they can be created and rapidly deployed to support disaster recovery efforts. For example, we provide zero- or lower-cost funding for construction, repair, and rehabilitation of residential housing and commercial properties throughout the U.S.

Many FHLBanks have programs that go beyond lower-cost funding and provide meaningful grants to homeowners or renters who are displaced, helping them to repair, rebuild, or relocate homes. For community partners looking to rebuild in the wake of a disaster, our programs can provide a pivotal source of funds to fill gaps in insurance or federal rebuilding programs.

Real Results when Crises Strike

We have answered the call to help in several recent natural disasters:

- FHLBank Dallas in the wake of the devastation of Hurricane Ida in Louisiana
- FHLBank New York in response to severe earthquakes in Puerto Rico
- FHLBank Cincinnati after tornadoes in Dayton, OH
- FHLBank San Francisco in response to devastating wildfires in California
- FHLBank Atlanta in response to damage caused by Hurricane Ian in Florida

The FHLBanks have also made contributions in the wake of other disasters – donating \$2 million towards relief efforts after Hurricanes Harvey and Irma.¹⁴

More examples of the swift actions of FHLBanks to support their communities as they recovered from disasters are highlighted in the FHLBank-specific pages of this report.

Designed to optimize flexibility, our programs are engineered to be a financial solution when unique needs arise. For example, during the early stages of the COVID-19 pandemic, eligible collateral reflected the new types of federal loans being made by lenders to assist in the financial recovery and keep employees on payrolls so they could make their mortgage and rent payments. We rapidly delivered an additional \$158 billion in advances in Q1 2020 compared to Q4 2019 to our members.¹⁵ At a time like no other, our vital role as a reliable source of funding for members and their communities helped provide stability in the banking and financial industries.

CASE STUDY:

Community liquidity needs during the COVID-19 pandemic (FHLBank Cincinnati, FHLBank Atlanta)

FHLBank Cincinnati created the RISE Program, a dedicated offering of \$2 billion in 6-month advances at 0% interest to support COVID-19 related assistance.

“The RISE Program was a tremendous help to our bank as we worked around the clock to keep paychecks in the hands of workers in the communities we serve. Thank you FHLB Cincinnati for helping us help others.”

President & CEO
Farmers Bank & Trust Company

COVID relief program:

FHLBank Atlanta provided approximately \$6 billion in discounted advance funding in response to the COVID-19 pandemic and provided collateral relief and enhanced AHP programs to meet unique needs arising from the pandemic.

As needs arose and evolved throughout the COVID-19 pandemic, we quickly developed and deployed solutions, including new programs to meet those needs. These included providing the flexibility to pledge new collateral in the form of Paycheck Protection Program (PPP) loans. Select FHLBanks also worked to provide collateral relief as needed to help members facing other unique challenges.

Workforce Support for Communities

We proudly support our workforce as our employees create positive change in communities. Our employees are active in neighborhoods across the country through employee-giving campaigns and organization-sponsored volunteer work. Across the 11 FHLBanks, we support charities and volunteer groups and encourage our employees to contribute to the causes they are passionate about.

CASE STUDY:

Community engagement activities (FHLBank Boston)



FHLBank Boston employees participated in a Habitat for Humanity Build day in Massachusetts and helped to fill bags of donated food for the United Way Thanksgiving Project, which provides all the ingredients for a Thanksgiving meal to families in need in Greater Boston.

CASE STUDY:

Sustainable activities (FHLBank Dallas)

Through its newly formed ESG Committee, Sustainability Subcommittee, and Climate Risk Subcommittee, FHLBank Dallas undertook several initiatives in 2022 related to environmental and sustainability issues. Efforts included commissioning energy, water, and green building audits to help identify future areas of opportunity while continuing long-held practices such as recycling and lowering energy and water consumption. Key 2022 accomplishments include:

100%

replacement of fluorescent lighting in the interior dock corridor with energy-efficient LED lighting.

95%

replacement of exterior safety and security lights with energy-efficient LED lighting.

50%

reduction in printers and copiers.

94%

reduction in annual paper orders from 3,942 reams in 2019 to 217 reams in 2022.

81%

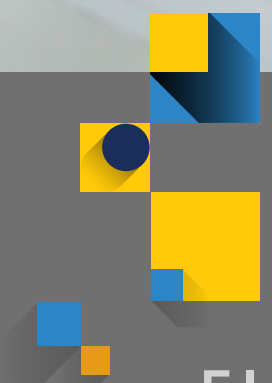
reduction in annual orders of printer toner cartridges from 164 cartridges in 2019 to 31 cartridges in 2022.

6,000

disposable water bottles prevented from entering landfills in 2022 by use of water-bottle refilling stations.

33

automation projects implemented in 2022 and employee training on several software programs provided to increase workflow efficiencies, digitize knowledge management, and reduce waste.



FINANCIAL SYSTEM AND MEMBERS

PROVIDING MEMBER LIQUIDITY AND RELIABLE FUNDING

The FHLBanks reflect the breadth and diversity of the U.S. financial system, and we serve as trusted partners to financial institutions of all types and sizes. The inherent diversity of the U.S. financial system requires that we serve financial institutions on a customized basis. For example, while a very large, systemically important institution may place a high value on our ability to provide it with immediate and reliable market execution at scale, many small- to mid-sized members need a more consultative-based approach to funding and liquidity solutions, and rely on FHLBanks for our knowledge, resources, and market position to access the capital markets. This agility in serving members enables us to help financial institutions fully unlock the value of their FHLBank membership, and is particularly effective at leveling the playing field by providing smaller or rural members with tools that help them compete with their larger peers, helping to reach underserved markets.

VOICE OF STAKEHOLDERS:

Members highlighted the benefits of FHLBank Membership (FHLBank Topeka, FHLBank Chicago)

“Chickasaw Community Bank has largely used the Federal Home Loan Bank of Topeka for liquidity needs. It has been a lifesaver, a lifeline at times for us. There are some of these projects that we could not do without the Federal Home Loan Bank.”

CEO

Chickasaw Community Bank

“The System allows life insurers to access additional, short-term liquidity to meet claims while providing flexibility during all economic cycles, and that liquidity provided by the System to its insurance company members is extremely important.”

Regional CEO and CIO
Allianz

VOICE OF STAKEHOLDERS:

Providing liquidity to members

“The Federal Home Loan Banks have provided critical liquidity to credit unions, including many smaller community lenders that often do not have access to other sources of low-cost funding.”

Senior Regulatory Affairs Council
NAFCU

Market Access for Small Lenders

The majority of our members are smaller financial institutions and have assets under \$10 billion.¹⁶ These smaller members include financial institutions often serving rural and underserved communities. Smaller banks, credit unions, and CDFIs are proportionately the largest users of Federal Home Loan Bank services, using advances as a greater share of their assets than large members.¹⁷ The reliability and timeliness of funding made available by the FHLBanks gives our smaller members the confidence to lend even in less certain economic conditions, which fosters greater consumer choice and ultimately lowers the cost of borrowing.

Access to Member Services

Our members recognize and appreciate the operational benefits to their businesses gained from their partnerships with FHLBanks. In addition to ready access to liquidity, secondary market outlets for their mortgage loans, and efficiencies and liquidity from our letters of credit, members also gain convenient and affordable access to safekeeping, depository, electronic funds transfer, and settlement services.

Our products are designed to be cost effective, efficient, and flexible to provide our members with reliable options to manage their liquidity needs and diversify funding sources, reducing overall funding costs and increasing their financial stability. Members can efficiently access the funding they need through online platforms or phone calls, and tailor amounts and terms to fit both short- and long-term business objectives. Each member works with an FHLBank representative to identify and meet its unique needs.

Leadership in LIBOR Transition

The FHLBanks have been strong market leaders in supporting the industry-wide transition from the London Interbank Offered Rate (LIBOR) to the Secured Overnight Financing Rate (SOFR). From very early in the benchmark rate reform process, the FHLBanks understood the importance of LIBOR transition for the U.S. financial system, and as one of the largest issuers of debt securities and users of interest rate derivatives globally, we were early adopters and quickly became leaders in SOFR usage.

In 2022, the FHLBanks issued approximately \$391 billion SOFR-linked floating rate note securities, a more than five-fold annual increase from 2021 issuance.¹⁸ This market leadership helped pave the way for broader market acceptance and adoption of SOFR, and facilitated our members' ability to transition from LIBOR to SOFR.

Since we began issuing SOFR-linked debt securities in 2018, we have consistently expanded our offerings of SOFR-indexed advances, with the goal of providing our members with a range of funding solutions to support their businesses in a post-LIBOR world. At year-end 2022, outstanding advances linked to SOFR stood at approximately \$174 billion, a more than twelve-fold increase from 2021, while outstanding advances linked to LIBOR fell by nearly 60% over the same period of time.¹⁹

Additionally, we have provided our members with educational resources and guidance on the transition by hosting webinars and other educational events to deepen the understanding of this reform to the U.S. banking and financial

system and better manage risks associated with offering SOFR-based credit products to customers.

Funding in all Economic Cycles

The FHLBanks have a track record of meeting member needs, particularly during challenging periods. Our strong asset quality, high levels of regulatory capital, and access to deep pools of liquidity allow us to support members through economic cycles.

For example, we provided crucial liquidity during the Global Financial Crisis (2007-2008) and the early stages of the COVID-19 pandemic (2020).

During the Global Financial Crisis, outstanding member advances increased by approximately 40% (by \$258 billion from second quarter 2007 to fourth quarter 2008). The FHLBanks were the largest source of crisis-related liquidity until the Federal Reserve acted in March 2008.²⁰

In the early stages of the COVID-19 pandemic, outstanding member advances increased by 25% (by \$158 billion in Q1 2020) prior to Federal Reserve and fiscal actions.²¹

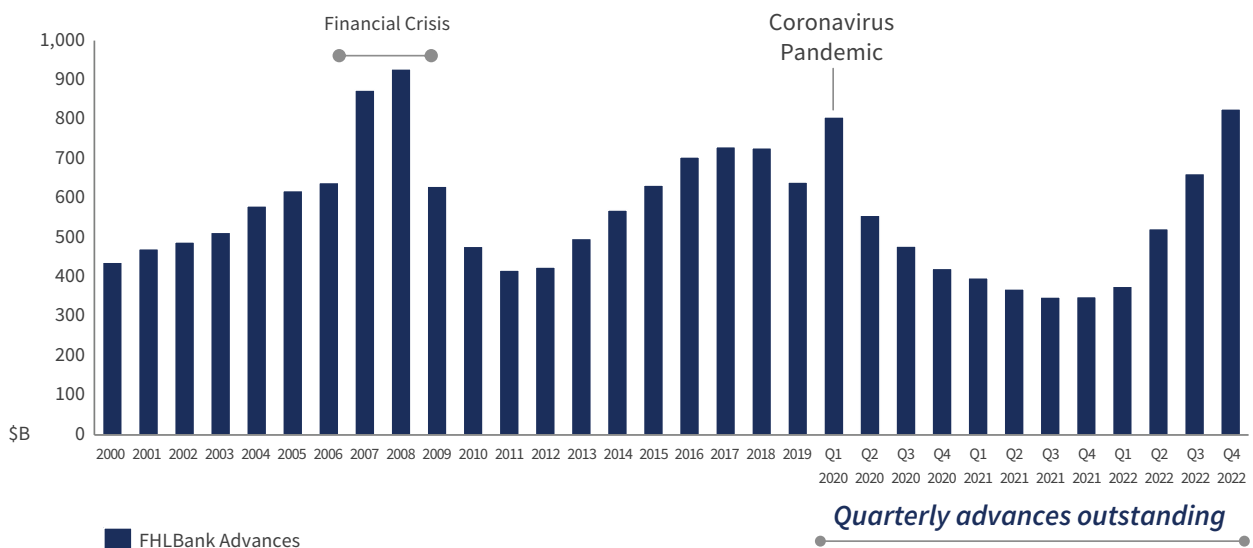
VOICE OF STAKEHOLDERS:

Liquidity provided by FHLBanks enables members to operate through crises

“No one can forget the critical role they [the FHLBanks] provided in 2008, or early in COVID.”

*Institute Fellow
Urban Institute*

Liquidity provided by FHLBanks enables members to operate through crises



VOICE OF STAKEHOLDERS:

Providing member liquidity to large and small members (FHLBank Pittsburgh, FHLBank Atlanta)

“FHLBanks play a huge role across the country. There are so many places in our area that can benefit from their funding and support, and we are fortunate that FHLBank Pittsburgh has always responded.”

*President
Bank of Monroe*

“I cannot overstate the importance of the Federal Home Loan Bank for timely and reliable liquidity. If we look back at the beginning of the PPP program, we had no idea what was coming. We were able to quickly raise \$50 million [from our FHLBank].”

*President and CEO
Bank of Clark County*

CASE STUDY:

Providing liquidity to broad membership base (FHLBank Dallas)



First Financial Bank in Abilene, TX, prides itself on being a community bank that serves customers through all stages in life. The bank uses FHLBank advances to meet a variety of funding needs such as seasonal agricultural lending. It also uses the Mortgage Partnership Finance® Program to free up liquidity for home lending and has tapped FHLBank grants for disaster assistance in the wake of Hurricanes Harvey and Ike.

Sharing Expertise so Members Succeed

In addition to our financing activities, we are proud to serve our members in ways that reflect their unique needs, lending our expertise and delivering market information and product solutions that help members grow, thrive, and optimize their businesses. Additionally, we provide products and solutions that assist in interest rate risk management, such as SOFR adoption, and support members' ability to hold loans on their balance sheets and give them the capacity to keep credit flowing to their communities.



FOUNDATIONAL PRINCIPLES



DIVERSITY & INCLUSION HIGHLIGHTS

Employees

44%

Women

38%

Minority

Boards of Directors

27%

Women

23%

Minority

Diverse Vendors Expense

awarded to vendors who are women, minority, disabled-owned, and non-diverse vendors with diverse spend

\$89

Million
2022

Diverse Dealers

debt issued through women, minority, and disabled-veteran owned capital market dealers

\$728

Billion
2022

COMMITMENT TO DIVERSITY & INCLUSION (D&I)

The 11 FHLBanks along with the Office of Finance are unified in our commitment to Diversity & Inclusion (D&I) principles. Our commitment has solidified as our programs have grown, matured, and expanded to all lines of business. The FHLBanks' commitment extends beyond the walls of our institutions to the communities our members serve and in which our employees work and live.

Diversity & Inclusion in our Workforce

Our commitment to D&I is demonstrated in a variety of ways, beginning with our workforce. Each FHLBank has a designated Office of Minority and Women Inclusion officer as part of the senior management team to lead its D&I efforts. We proactively recruit, hire, and develop talented employees, including from under-represented backgrounds. We provide career development opportunities where employees can demonstrate their talents and grow professionally and personally. In 2022, our workforce comprised 44% women and 38% minority employees.²²

One of the ways we strengthen our diverse workplace and create opportunities for employees is through our Employee Resource Groups (ERG), which are voluntarily established and led by our employees. With a particular focus on women and minority employees, ERGs provide a venue to share common experiences, learn from each other's cultural differences, and grow networks. All employees are encouraged to participate in ERGs as we believe they foster cultural understanding and a positive environment of collaboration. Our employees bring unique and diverse perspectives; ERG programs provide personal and professional development through sharing those perspectives.

Another way we encourage our employees' professional growth is through tuition reimbursement and internally-sponsored skill development opportunities. These include expert-led learning and development programs that facilitate continuous learning for our employees as they progress in their careers. We also develop talent from diverse

backgrounds through our internship opportunities that provide students with real-world learning experiences and cultivate a talent pipeline for FHLBanks and the financial industry at large.

CASE STUDY:

Employee well-being (FHLBank Cincinnati)



FHLBank Cincinnati uses ERGs to fuel purpose and employee well-being. While a Flexible Work Arrangement policy was established to support a healthy work-life balance by providing employees the flexibility to work from home, the FHLBank recognized that face-to-face interactions were important to building relationships and connections among employees. Cincinnati's BEING FHLB ERG focuses on employees feeling welcome and included by hosting networking events that provide access and resources that foster personal and professional growth and development. Participants also have the opportunity to develop leadership skills and connect with peers. The group has helped many build stronger and healthier relationships at work and create a culture of well-being throughout the organization.

CASE STUDY:

Professional development through Employee Resource Groups (FHLBank Indianapolis)



At FHLBank Indianapolis, employee-driven groups help foster a more inclusive workplace as well as give employees who share common interests or passions a supportive place to collaborate and grow personally and professionally.

The Women's Employee Resource Group held two events in 2022 centered around professional development. The group hosted an interactive workshop from LeanIn.org titled "50 Ways to Fight Bias" with the focus of combating the unconscious biases women face at work. Later in 2022, a session titled "Ceiling Shattering Tools for Women" was led by a Women in Tech thought leader, Tonya T. Wallace, who gave insights on how women can own their careers by leveraging actionable and practical tools.

Additionally, the Bank's African American Employee Resource Group prepared attendees for the new year by hosting a "A Taste of Goal Setting" session in December of 2022. This session provided a high-level overview of goal setting and focused on topics such as: why written goals matter; holistic goal setting; what makes a good goal; and three types of goal-setting tools.

Diversity & Inclusion in our Board of Directors

Our focus on D&I is a priority for the boards of directors across all FHLBanks. With the goal that our boards reflect the communities we serve, we have focused on efforts to increase diversity in the FHLBanks' boards of directors. We have made progress on both increasing diversity in our boards by interviewing diverse candidates for independent director positions and taking steps for increasing the number of board members from underrepresented backgrounds. In 2022, 27% of our directors were women and 23% were minorities.

CASE STUDY:

FHLBank San Francisco's commitment to D&I recognized by NACD Awards (FHLBank San Francisco)

[Click here to read more](#)

FHLBank San Francisco's majority-diverse board has twice been recognized by the National Association of Corporate Directors (NACD) for leveraging the power of D&I to enhance governance and create long-term value for their organizations and stakeholders. FHLBank San Francisco was among three winners of the annual NACD DE&I Award™ in 2021 and among 20 finalists for the award in 2022. The awards recognize boards that have improved their governance and created long-term value for stakeholders by implementing forward-thinking D&I practices. The composition of the FHLBank San Francisco's board is a result of the value that more than 300 member financial institutions – who nominate and elect our diverse mix of both member and independent directors – place on D&I.

Diversity & Inclusion in our Partnerships

FHLBanks' commitment to D&I is not solely focused on our employees and directors. Our commitment extends to our business practices, including our partnership with the financial broker-dealers we transact business with to execute on our mission. Fostering and promoting D&I across our dealers is a strategic imperative of the FHLBanks. Given our mission and the significant size of the U.S. banking and insurance sector, harnessing the power of diverse dealers is crucial to serving our members effectively and at scale, enabling them to deliver the products and services needed to support housing within their local communities.

While the FHLBanks have a long partnership with diverse dealers going back decades, structural changes that have altered how legacy players serve institutional clients, along with a deeper understanding of our own social purpose and public

responsibility, reinforce the importance of diverse dealers in fulfilling the FHLBank mission. Despite a material consolidation among fixed income dealers over the past 25 years, the number of diverse dealers has increased to 20 diverse dealers, a historical high.

As a result of our focus on supporting diverse dealers, the percentage of FHLBank debt issuance underwritten by diverse dealers has grown significantly in recent years, from just 2.5% in 2016 to slightly over 11% in 2022. Diverse dealer issuance volume increased to \$728 billion in 2022, compared to \$301 billion in 2021, and higher issuance volume enabled diverse dealers to capture additional market share with investors, particularly with state and local municipal investors. Throughout 2022, the FHLBanks conducted strategic business sessions with 16 diverse dealers, held 32 unique investor meetings with 13 diverse dealers, and hosted a D&I dealer annual event.



Additionally, we work with diverse vendors as part of our supplier programs. Partnering with diverse suppliers helps us build and expand our business, serve our members, and positively impact the health, vitality, and growth of the communities where we live, work, and do business. In 2022, we spent \$89 million with vendors who are women, minority, disabled-owned, and non-diverse vendors with diverse spend.²³ These engagements included businesses with underrepresented racial and ethnic demographics, women, and people with disabilities.

We believe our partnerships with diverse vendors can have a significant ripple effect throughout local economies.²⁴ Through training programs and other resources, diverse suppliers can grow their business

beyond FHLBanks. Our programs include, for example, support to obtain industry certifications valuable in pursuing new opportunities, partnerships with advocacy organizations to broaden our network of diverse vendors, and creation of dedicated procurement portals to provide diverse vendors with access to compete for contracts.

The FHLBanks recently published our first FHLBank System-wide D&I report: [Opening Doors, Changing Lives – Diversity, Equity and Inclusion at FHLBanks](#). These stories demonstrate the breadth and depth of our commitment.

CASE STUDY:

Increasing diversity within financial services industry (FHLBank Des Moines)



Diversify DSM, founded by the Federal Home Loan Bank Des Moines in collaboration with the Greater Des Moines Partnership, is a cohort of small- and mid-sized Central Iowa-based financial and insurance service companies committed to increasing the diverse and female representation within our industry.

STRONG RISK MANAGEMENT AND GOVERNANCE

Given the size, complexity, and integral role of the FHLBanks to the U.S. financial system, we are organized and governed in a way that prudently manages risk and effectively fulfills our mission as a cornerstone of the housing market.

Leadership by our Boards of Directors

Each FHLBank is governed by its own board of directors of approximately 15-20 individuals, with directors from member institutions comprising approximately 60% of each board. Our member directors are drawn from across our membership and include leaders of banks, credit unions, insurance companies, and CDFIs. Our independent directors bring expertise in areas including cybersecurity, accounting and auditing, financial management, risk management, affordable housing, and law. Boards include independent directors who are specifically elected so that the FHLBanks have directors with expertise in community interests and community priorities.

Each board is responsible for oversight of strategy and direction of their respective FHLBank and directing actions through its respective committees. Each board also evaluates the FHLBank's performance against its goals. Of the various committee types, each FHLBank board has an audit committee, which oversees financial reporting and audit; a risk committee, which tracks and evaluates risk management practices and performance; and a human resources or compensation committee, which evaluates the compensation and benefits packages for executives. This helps create alignment with the priorities of the FHLBank stakeholders. These committees and others tap into the expertise and knowledge of individual directors to provide guidance to board and management teams.

Each board is advised by its district's Affordable Housing Advisory Council (AHAC), made up of nonprofit and community leaders who advocate for affordable housing and local economic development. The AHAC provides direction and recommendations to its respective board on the priority development needs of its communities to shape grants and credit programs.

Leadership across the FHLBanks

Though we take great pride in our decentralized and independent management structure, the 11 FHLBank Presidents, members of their executive management, and teams across the FHLBanks and the Office of Finance are in regular communication, as we all have a responsibility as an FHLBank System to fulfill our common mission.

Putting the right teams in place is fundamental to our internal risk management practices. These teams are overseen by management committees made up of senior executives responsible for governance, strategic planning, and policy making, including on operational, technology, and market risks. The FHLBanks follow the Three Lines Model of risk management.²⁵ Managers of each business unit are empowered to act as a first line of defense in owning and managing risks. Clear expectations are set through policies – including various risk management, code of ethics, whistleblower, anti-fraud, and Bank Secrecy Act policies – to guide employees to identify, report, and mitigate risk. For the second line, our risk teams proactively identify and monitor risk, including articulating clear policies on risk management. For the third line, the FHLBanks employ internal audit departments, providing assurance that risk management practices are appropriate and functioning as intended. Effective collaboration and coordination across the three lines provide for an effective overall risk management program.

Leadership through Regulatory Oversight

In addition to our internal risk management and governance practices, independent regulatory oversight by the FHFA is recognized as crucial by key stakeholders including our debt investors, rating agencies, FHLBank members, and their regulators. We are subject to federal mission and safety and soundness regulation by the FHFA, and the FHFA conducts annual formal examinations of each FHLBank and the Office of Finance, as well as ongoing oversight with each FHLBank's and Office of Finance's management team.

Finally, each FHLBank is registered with the U.S. Securities and Exchange Commission (SEC) and publishes periodic reports that provide the public with transparency into each FHLBank's operations. Each FHLBank is required to file its quarterly and annual reports with the SEC, and disclose major events, such as capital plan, board, and bylaw changes. Each FHLBank's financial statements and internal controls are subject to independent audit, which provides a high level of transparency and accountability into each FHLBank's operations and financial results.





CORPORATE SOCIAL
RESPONSIBILITY HIGHLIGHTS
AT FEDERAL HOME LOAN BANKS



ATLANTA



Federal Home Loan Bank of Atlanta (FHLBank Atlanta) is dedicated to fostering long-term generational wealth and enhancing financial literacy within the communities it serves.

Partnerships with organizations to bolster heirs' property prevention and resolution efforts

Heirs' property is a significant challenge for marginalized and historically disadvantaged communities within the FHLBank Atlanta region. Heirs' property occurs when a property owner dies without a will that designates a successor owner or when property is left to multiple beneficiaries, resulting in a fractured title that is unmarketable. If left unresolved, this "tangled" title can limit the ability to sell or improve the property, creating a significant barrier to generational wealth accumulation through home equity appreciation and devaluing surrounding areas if the property is left to deteriorate.

In 2021, we convened a forum of experts, philanthropic organizations, and financial institutions to explore innovative solutions to the challenge of heirs' property. We established our Heirs' Property Prevention and Resolution Grant Initiative to tackle this issue. In 2022, we awarded \$1 million in grant funding to 24 organizations that participated in the forum. Our next step will be to assess the results from these initiatives to better target resources to the most effective solutions.

Homebuyer education through the City of Tifton Financial Literacy Initiative

Financial literacy, such as understanding the importance of saving for the long term, can help residents in our communities understand how to become homeowners. FHLBank Atlanta leveraged its financial literacy platform and partnered with the city of Tifton, GA to support the Tifton Financial Literacy Initiative. This initiative will provide financial literacy education to residents of Tifton over the course of three years, with multiple classes for employees, seniors, students, and future homebuyers. The Initiative will also further the work of Launch Tifton – the city's plan to promote housing options for residents.

CASE STUDY: Serving homeowners through Heirs' Property Prevention and Resolution Funders' Initiative

At FHLBank Atlanta, we co-hosted the Heirs' Property Prevention and Resolution Funders' Forum in December 2021. At this virtual and in-person event, 84 organizations from 22 states presented pilot initiatives designed to prevent or resolve heirs' property challenges to 40 different potential funders, including member banks, local and national trade groups, and philanthropic organizations.

Beyond Tifton, we have helped more than 33,000 households improve their financial literacy through counseling incorporated into our down payment assistance program.



Kick-off event for Tifton Financial Literacy Initiative on October 6, 2022.

CASE STUDY: Partnering with organizations to drive the Tifton Financial Literacy Initiative

With an eye toward leveraging the FHLBank Atlanta branded financial and property literacy platform, we reached out to the city of Tifton, GA to improve financial outcomes for residents. Member financial institutions and national and local community stakeholders collaborated to create a lunch event on October 6, 2022, designed to raise awareness and support for the Tifton Financial Literacy Initiative. An advisory group was formed and a curriculum was meticulously envisioned for each segment of the population. The courses will be readily available to citizens, employers, government, and support organizations over a three-year period. As a result of this initiative, residents of Tifton will have the opportunity to achieve financial and personal success that might otherwise have been unattainable. Monthly classes are planned throughout 2023.

BOSTON



As a catalyst for positive change, the Federal Home Loan Bank of Boston is committed to promoting economic development and homeownership throughout the six New England states in its district.

Enabling job creation through Jobs for New England

Through our Jobs for New England (JNE) program, we partner with our members to help create and preserve jobs, stimulate the economy, and expand small businesses – particularly those owned by women, minorities, or veterans. JNE provides members with 0% interest advances to fund low-cost loans to small businesses. Demand for JNE has been high since the program's inception in 2016. Funds are often reserved by members within minutes of the application launching, highlighting overall need for the program.

The program has supported a diverse range of businesses including, among other businesses, restaurants, dental offices, and daycare centers. To address the evolving needs of members and communities, we temporarily reshaped JNE during the COVID-19 pandemic to meet working capital needs of small businesses and nonprofits, as well as provide recovery grants for pandemic-related expenses.

In 2022, we disbursed \$3 million in interest-rate subsidies and \$17 million in advances through JNE, which helped to create and retain more than 870 jobs.²⁶ Since the program's inception in 2016, we have disbursed \$29 million in subsidies, and \$305 million in advances, creating and preserving nearly 11,000²⁷ jobs, highlighting the impact of this program.

ENABLING ACCESS TO HOMEOWNERSHIP THROUGH EQUITY BUILDER PROGRAM



Maine Molecular Quality Control facility funded through Jobs for New England program.

Through our Equity Builder Program (EBP), we partner with our members to help low-income borrowers who have struggled with escalating housing costs in New England overcome this challenge by providing grants for down payments, closing costs, and home rehabilitation, in addition to new homeowner education and counseling.

In 2022, we disbursed \$3 million through EBP to assist 144 borrowers achieve homeownership. Building on the success of EBP, we will be launching Lift Up Homeownership Program in 2023 to provide down payment and closing cost assistance grants to people of color purchasing their first home who earn less than 120% of the area median income. This new pilot program aims to help close the homeownership gap for people of color.

CASE STUDY: Supporting the growth of Maine Molecular Quality Controls, Inc.

Maine Molecular Quality Controls, Inc. secured JNE funds through the Saco & Biddeford Savings Bank to add 37,000 square footage for offices, labs, specialized manufacturing suites, conference rooms, and a distribution center, which enabled them to grow to about 50 employees.

CASE STUDY: Supporting homebuyers in Western Massachusetts

Greylock Federal Credit Union used \$220,000 in Equity Builder Program funds to assist 10 homebuyers.

“The down payment is usually the biggest obstacle for many first-time buyers who are seeking homeownership so being able to offer this grant money through the Equity Builder Program is very helpful.”

Mortgage Loan Officer
Greylock Federal Credit Union

CHICAGO



The Federal Home Loan Bank of Chicago (FHLBank Chicago) plays a vital role in enabling access to affordable housing through the products and services provided to members and through a successful joint program with fellow FHLBanks.

Competitive mortgage financing through the Mortgage Partnership Finance® (MPF®) Program²⁸

As the founder of the MPF Program, we serve as the administrator and master servicer, enabling the members of FHLBanks to provide competitive mortgage terms to borrowers and local communities. In 2022, the FHLBanks purchased \$8.1 billion in mortgages under the MPF Program and the MPF Program had a balance of \$65.6 billion in residential mortgage loans outstanding across all MPF products. Through the 25-year history of the MPF program, the FHLBanks have purchased \$340 billion in mortgages to help more than 3 million borrowers finance their homes.

Our MPF products address changing marketing conditions, providing our members with an alternative secondary mortgage market option to enable mortgage originations for their borrowers. Unique among secondary mortgage market options, the MPF Program pays members for retaining part of the credit risk of their mortgages, directly rewarding them for providing high-quality loans. To date, the MPF Program has paid approximately \$1 billion in credit enhancement income to more than 1,500 members.

Our services are particularly important in low-income areas and for smaller members across FHLBanks. Across all MPF products in 2022, 79% of the sellers were banks and credit unions with less than \$1.3 billion in assets. In addition, in 2022, 36% of the mortgages purchased for investment by FHLBanks participating in the MPF Program or securitized through MPF Government MBS were made to low- and very low-income borrowers or made to borrowers in a low-income area.

VOICE OF STAKEHOLDERS: Enabling members to offer competitive mortgage financing to borrowers

“ The MPF Program keeps us competitive in the markets we serve through their unique mortgage products. The fact that we can retain servicing is an important feature that allows us to keep that ‘small town bank’ feel as we continue to develop customer relationships. ”

*Vice President
Western Nebraska Bank*

Providing funding for affordable housing and economic development through our Community First® Fund

Our Community First® Fund (CFF) is a revolving loan fund that provides unsecured loans to community organizations, including non-depository CDFIs, to support their affordable housing and economic development lending throughout Illinois and Wisconsin. CFF provides reduced-rate, long-term, unsecured financing to partner organizations that finance or invest in affordable housing, commercial real estate, community facilities, or small businesses. The first fund of its kind in the FHLBank System, CFF currently supports eight CDFIs working in our district. Since inception in 2014 we have deployed \$46.5 million that our CFF partners have used to support the creation or retention of 4,971 jobs and 9,510 affordable housing units. In 2022, 106 FHLBank Chicago members engaged with CFF participants via lending relationships, participation on leadership boards, and provision of banking services.

CASE STUDY: Advancing Affordable Housing Loans for Chicagoans

Community Investment Corporation (CIC) is a leading source of financing for the acquisition, rehabilitation, and preservation of affordable rental housing in Chicago’s neighborhoods and suburban communities. FHLBank Chicago provided a \$10.5 million unsecured loan to CIC through the Community First Fund. “With the help of the FHLBank’s Community First Fund, we are financing small, multifamily buildings that help generate generational and local wealth,” said Stacie Young, President and CEO at CIC. “At CIC, our loans support small development firms, half of which are led by BIPOC community members, and through this work we are able to contribute to both housing and economic opportunities in the communities we serve.”



Jay and LaJune Yancy, Owners of LJ Promise Realty Management LLC, and beneficiaries of our Community First® Fund with the help of CIC.

CINCINNATI



Providing unwavering support to communities in times of crisis and improving housing affordability for borrowers across the three states in our district are top priorities for the Federal Home Loan Bank of Cincinnati (FHLBank Cincinnati).

Grants to rebuild homes through the Disaster Reconstruction Program

Established in 2012 following devastating tornadoes in eastern Ohio, the Disaster Reconstruction Program (DRP) supports homeowners and eligible homebuyers whose homes have been destroyed, damaged, or made temporarily uninhabitable by natural disasters. The DRP provides grants to rebuild or repair single-family homes, or to assist displaced renters looking to purchase or construct a single-family home.

In 2022, we provided more than \$630,000 to support communities affected by natural disasters, benefitting 40 households. The program's impact in crises runs deep; since 2012, the DRP has provided grants to 535 households and awarded more than \$6.8 million to assist in recovery from natural disasters.



In-progress recovery efforts for homes via assistance from the Disaster Reconstruction Program.

CASE STUDY: Supporting flood recovery efforts in Kentucky's Owsley County

FHLBank Cincinnati awarded Farmers State Bank and Partnership Housing Inc. \$64,000 to benefit four families affected by flooding in December 2020 and July 2022.

“I start with one house at a time and try to complete the puzzle. And [Disaster Reconstruction Program] funds are a large piece of the puzzle.”

*Executive Director
Partnership Housing Inc.*

Assistance to veterans and military personnel through the Welcome Home Program

Despite bravely serving our country, veterans, surviving spouses of military personnel, and active-duty homebuyers often face barriers to homeownership, including funding down payments and closing costs. At FHLBank Cincinnati, we developed our flagship Welcome Home Program to provide grants of \$7,500 to our veterans, and \$5,000 for other eligible homebuyers, to help eliminate common barriers to homeownership. For 2023, we are proud to announce that we are doubling the grant amounts for both groups to \$15,000 and \$10,000, respectively.

In 2022, we disbursed more than \$2.6 million in Welcome Home grants through 145 members to help 559 individuals and families purchase homes. Since the program's inception in 1998, we have provided \$182.6 million to help more than 37,000 families become homeowners.



FHLBank Cincinnati employees visit Waverly, TN to help rebuild homes.

CASE STUDY: Supporting flood recovery efforts in Waverly, TN

In 2021, Appalachia Service Project (ASP) collaborated with the Bank of Tennessee to access our Disaster Reconstruction Program funds to support the repair of homes destroyed by flooding in Waverly, TN.

DALLAS



The Federal Home Loan Bank of Dallas is committed to revitalizing communities reeling from natural disasters and empowering small businesses to grow and create jobs, which provides benefits for the entire community and across our five-state district of Arkansas, Louisiana, New Mexico, Mississippi, and Texas.

Grants to restore homes via Disaster Rebuilding Assistance

Through our Disaster Rebuilding Assistance (DRA) program, we help homeowners who have suffered housing loss because of natural disasters. The program provides our members with funding to quickly provide communities and homeowners with the funds needed to carry out the repair, rehabilitation, or reconstruction of their homes. The funds are designed to support low-income homeowners who often do not have home or flood insurance coverage.

In 2022, 12 federally declared disasters – including hurricanes, severe storms, and wildfires – were eligible for DRA funding across our district. We provided approximately \$1 million in funding to support the repair and rehabilitation of 109 housing units. The average amount awarded per household was approximately \$9,170, money used to help the most vulnerable spring back at the most crucial times.



Betty Kennedy, recipient of DRA funding to replace damaged roof in New Orleans, LA.

Helping local businesses thrive through Small Business Boost

Small businesses frequently grapple with the challenge of getting the funding they need to grow, often due to a lack of equity or collateral. We established the Small Business Boost (SBB) program to bridge the gap between what members can finance traditionally, and the loan request made by an eligible small business. SBB funds may be used for starting or expanding a small business, including building purchase, land acquisition, construction, equipment, working capital, and other related uses. In 2022, we disbursed \$2.7 million in funds to assist 42 businesses and create or retain 174 jobs.

CASE STUDY: Replacing storm-damaged roof for a Gulf Coast resident

Betty Kennedy, a New Orleans-area homeowner, received nearly \$8,800 in 2022 Disaster Rebuilding Assistance (DRA) funding that was awarded by our bank through Fidelity Bank. The funds replaced the roof that was damaged by several storms that have hit the Gulf Coast.

“[The roof repair] would not have been possible without the DRA funds. The roof was my most important need. It allowed me to stop worrying about leaks.”

Betty Kennedy
Homeowner
(New Orleans)

CASE STUDY: Supporting small businesses to create jobs

Tommy's Express Car Wash in San Antonio, TX, received an SBB loan for \$100,000 through our member First National Bank Texas. The SBB loan issued to Jeff Ottmers, general manager and managing partner, created eight new jobs for the local economy.

“It is critical to us to have the staying power that the Small Business Boost offers so we can get through that initial startup phase. [SBB has] given us the ability to not have to either pull out of retirement accounts or look for alternative loan sources.”

Jeff Ottmers
Tommy's Express Car Wash (San Antonio)
[Click here to view this SBB story](#)

DES MOINES



The Federal Home Loan Bank of Des Moines (FHLBank Des Moines) district is home to approximately 30% of the U.S. Native Population. FHLBank Des Moines has a long and proud commitment to prioritizing initiatives for members to advance community development, access affordable housing, and meet the unique needs of Native communities.

Reliable funding to our broad membership base

Our extensive membership base comprises commercial banks, savings institutions, credit unions, insurance companies, and CDFIs, which enables us to meet the dynamic needs of our communities. As of December 31, 2022, approximately 65% of our members were community

financial institutions. Our members also vary in size: 17% with assets less than \$100 million, 48% with assets between \$100 million and \$500 million, and 35% with assets greater than \$500 million.

Our broad membership base enables us to support the needs of communities across urban and rural areas, tribal lands, Alaska Native villages, and the Department of Hawaiian Homelands. Through our members, we have implemented several initiatives that support affordable housing and economic development across these communities, including Community Investment Advances that provide access to long-term fixed-rate funding for economic development and housing finance.

VOICE OF MEMBERS: Support for small members such as the People's Bank of Seneca – a \$360 million asset bank, in Seneca, MO

“What makes [People's Bank of Seneca] a little bit unique is that we are majority owned by the Eastern Shawnee Indian Tribe of Oklahoma [...]. The Federal Home Loan Bank of Des Moines, who we have worked with, is a true partner. They have been instrumental in our bank's survival, instrumental in our bank's growth, and instrumental in what we are now doing, which is thriving.”

*President and CEO
People's Bank of Seneca*

Financing for affordable housing for Native communities

We established the Native American Homeownership Initiative (NAHI) to provide eligible Native households up to \$15,000 for down payment and closing cost assistance to grow homeownership across the underserved Native population. Since NAHI's inception, we have extended \$8.3 million in down payment assistance to more than 900 households. Between 2019-2021, Native projects have been awarded, on average, 26% of total Affordable Housing Program funds to help finance affordable rental and owner-occupied housing.

Building on the strength of Native communities, the FHLBank Des Moines' Native Outreach Directory facilitates partnerships between members and Native CDFIs and Tribally Designated Housing Entities. An interactive tool, the Directory helps to unlock financial opportunities that support affordable housing and community economic development on Native lands and for Native People. We complement these efforts by incorporating the voice of Native People in our decision-making with Native representation on our Affordable Housing Advisory Council and board of directors.

CASE STUDY: Increasing access to affordable housing for Native People

We have been a crucial partner to the Sisseton Wahpeton Housing Authority, which has a mission to secure affordable housing for tribal members.

“Since 2010, FHLBank Des Moines has assisted us in rehabilitating 99 homes and securing down payment assistance for 9 families, in addition to supporting the rehabilitation and new construction of 36 rental units [...]. Our partnership with FHLBank Des Moines speaks to a broader shift in the home-buying process for tribal members who, 20 to 30 years ago, were often rejected by banks for loans.”

*Administrator
Sisseton Wahpeton Housing Authority*

INDIANAPOLIS



Expanding our reach to address housing and small business needs in Indiana and Michigan is imperative to the Federal Home Loan Bank of Indianapolis.

Deep local ties through our Detroit Hub and the Community Investment Program

The Detroit Hub has strengthened our ties with local community groups in the city and Michigan at large via partnerships and awareness-raising activities. Through the Hub, we have made tremendous strides in increasing the uptake of funds across Detroit-based members. In 2022, we awarded \$25 million in low-cost Community Investment Program advances to our Detroit-based members for community and economic development projects, \$1.5 million in affordable housing projects to support 126 housing units via our Affordable Housing Program, and an additional \$300,000 to aid 41 homeowners with home purchase or vital repairs. To further boost awareness of funds, we also deepened

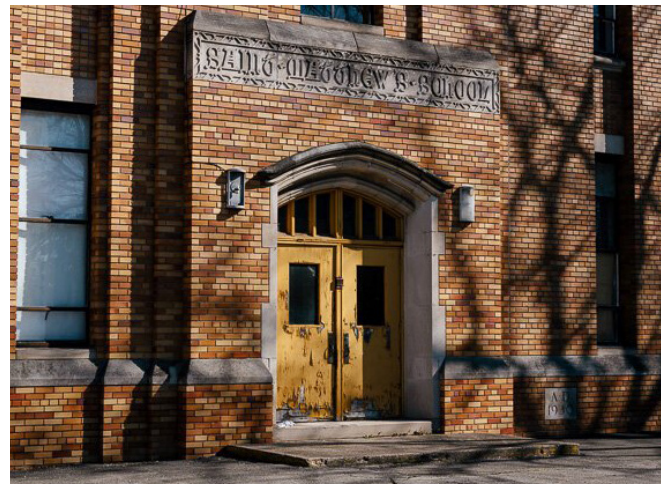
our relationships by hosting 13 events for members, community partners, and our employees in the Detroit area.

Funding to businesses with revenue less than \$1 million through Elevate grants

We established Elevate grants to support businesses across Indiana and Michigan with less than \$1 million in annual revenue. The grants are extended to recipients via our members and can be used towards business needs that focus on creating job opportunities or labor improvement, such as hiring new employees or workforce training. In 2022, we awarded more than \$500,000 in Elevate grants to 27 small businesses through 15 of our member financial institutions. During 2018-2022, we provided \$235,000 in Elevate grants to 11 small businesses in Detroit through five local financial institutions.

CASE STUDY: Affordable housing for low-income and homeless

We awarded a \$500,000 grant to Catholic Charities of Southeast Michigan to convert St. Matthew School into an affordable housing complex called the Residences at St. Matthew. Of the 46 units, 25 will be designated permanent supportive housing and set aside for the formerly homeless, while the rest will be reserved for low-income families at rates ranging from 30-60% of the area's median income.



St. Matthew School, beneficiary of the Affordable Housing Program.

CASE STUDY: Supporting small businesses via Elevate grants in Detroit

Brewery Faisan in Detroit was able to accelerate growth by switching from manual to automated canning processes, made possible by the Elevate grants.

“Our intent for purchasing a canning machine is to provide increased capacity and to automate the many steps currently required for manual filling.”

Paul Szlaga
Brewery Faisan (Detroit)

NEW YORK



Through our strong relationships with members and community partners, the Federal Home Loan Bank of New York (FHLBank New York) is positioned to help address pressing issues across our district from providing funding support for homeless housing opportunities to assisting distressed small businesses recover from natural disasters.

Disaster recovery through the Small Business Recovery Grant Program

In response to Hurricanes Irma and Maria in 2017, we launched the Small Business Recovery Grant Program (SBRG) in Puerto Rico and the U.S. Virgin Islands to assist in the wide-ranging recovery effort. During the COVID-19 pandemic, we redeployed the funding to assist small businesses across our district respond to pandemic-related declines in cash flow. In 2020-2021, working through our members, we promptly provided \$14 million in grants to more than 1,180 small businesses and 850 nonprofit organizations.



Extensive ceiling damage due to roof water leakages at Mrs. Carmen Burgos' home in Santa Isabel, Puerto Rico (pictured before repairs).

CASE STUDY: Supporting disaster recovery efforts following Hurricane Fiona in Santa Isabel, PR

About \$8,700 was provided to Mrs. Carmen Burgos, resident of Santa Isabel, PR, to finance home repairs following damages caused by Hurricane Fiona. The project was completed in December 2022, and involved repairing walls and ceilings, fixing roof water leakages, and installing a new refrigerator.

We support local organizations in Puerto Rico and the U.S. Virgin Islands in recovering from natural disasters. In 2022, we provided \$650,000 in grants to front-line relief organizations in response to Hurricane Fiona.

Using the Affordable Housing Program to help reduce Homelessness across our district

We are committed to leveraging our programs and funding, in partnership with our members and local organizations, to support initiatives that address homelessness in our district. We prioritize projects aimed at supporting people experiencing homelessness, and we have evolved our support for organizations establishing housing for impacted individuals. Since 2019, we have provided more than \$64 million in AHP grants to support 58 initiatives that increase housing accessibility for people experiencing homelessness.

CASE STUDY: Our long history of supporting the Church Avenue Merchant Block Association (CAMBA) to help address homelessness in New York City

We at FHLBank New York have supported CAMBA, a leading nonprofit providing permanent and supportive housing for people experiencing homelessness across New York City, for 15 years. We have provided them with more than \$8 million in Affordable Housing Program grants, which have helped create or maintain 900 affordable housing units in the city. At the onset of the COVID-19 pandemic, we provided CAMBA with a \$75,000 grant to restock its food pantry. Our long history of support was recognized at the annual CAMBA Night Out Awards Gala in 2022.

“We could never do these projects without the gap funding from the Federal Home Loan Bank [of New York].”

President and CEO
CAMBA, Inc

[Click here to view this CAMBA story](#)

PITTSBURGH



At the Federal Home Loan Bank of Pittsburgh (FHLBank Pittsburgh), we are committed to designing and innovating programs that meet the specific needs of our members and the communities they serve. Two examples of the voluntary programs we offer are focused on addressing the specific needs of small businesses and those who are experiencing, or are at risk of experiencing, homelessness.

Funding for small businesses with Banking On Business

Small businesses are an important driver in economic development. According to the Small Business Administration, small businesses have generated 12.9 million jobs over the past 25 years. This means that small businesses are responsible for creating two out of every three new jobs. To help support small business creation and expansion, we created Banking On Business (BOB), which provides crucial secondary funding in conjunction with our member's first loan to help qualified small businesses that would otherwise fail to meet the members' underwriting standards. While BOB has supported community development for more than 20 years, we have recently advanced our efforts to establish the Banking On Business Inclusion and Equity fund (BOBIE). BOBIE is a special purpose credit program that allows us to focus a portion of BOB funds on minority- and women-owned small businesses and is intended to meet the needs of underrepresented small businesses by offering more flexible funding terms than are otherwise available under BOB.

In 2022, we awarded \$4.1 million through our BOB program to support 30 small businesses, creating and maintaining more than 300 jobs collectively. We awarded an additional \$2.4 million through our BOBIE

fund to support 29 women- and minority-owned small businesses, creating and maintaining more than 150 jobs.

Homelessness intervention through Home4Good

Through our Home4Good program, and in partnership with the Delaware State Housing Agency, Pennsylvania Housing Finance Agency, and the West Virginia Housing Development Fund, we provide grants to fund projects, programs, and activities that help those who are experiencing homelessness or are at risk of becoming homeless. With the support of FHLBank members, Continuums of Care and service organizations serving those who are experiencing homelessness or are at risk of being homeless apply for Home4Good grants. In 2022, we contributed \$1.5 million to Home4Good. Housing finance agencies contributed an additional \$2.1 million, and our combined contributions supported 56 homeless services projects.

VOICE OF MEMBER: Banking On Business

“FHLBank members have access to programs that matter to our communities. Their Banking On Business and Home4Good programs are two examples of annual opportunities that benefit regional small businesses and address housing needs, respectively.”

*Senior Vice President
Community First Fund*

VOICE OF STAKEHOLDER: Home4Good

“Home4Good has been vital, not only in bolstering the homeless service system in providing resources that don't otherwise fit neatly into current funding parameters, but also in supporting new and innovative endeavors across our Continuum of Care.

Home4Good was particularly vital at the height of COVID in a frightening time of historic need; this program allowed providers to move quickly and effectively to assist and stabilize persons experiencing or on the verge of homelessness.

Home4Good has been important in helping address these community challenges. This has included providing furniture and homemaking materials to persons first entering housing after months or years on the street. It has also funded other work including new housing for homeless youth, resolving unpaid utility bills that can result in people in shelters or on the street, and staffing costs aiding broader supportive services.”

*CEO
West Virginia Coalition to End Homelessness*

SAN FRANCISCO



Delivering affordable housing, homeownership, and economic development programs and resources that change lives and help communities thrive, in partnership with our members, is core to the Federal Home Loan Bank of San Francisco (FHLBank San Francisco) mission.

Growing local economies

Through our Access to Housing and Economic Assistance for Development (AHEAD) program, we provide our members and their community partners with grants to create a brighter, more equitable future for underserved people and communities. Since 2004, we have awarded more than \$20 million in AHEAD grants to more than 700 innovative and targeted economic development projects across Arizona, California, and Nevada.

In 2022, we awarded \$1.5 million in AHEAD grants to 55 local organizations, supporting a diverse spectrum of

projects from creating jobs and boosting small businesses to delivering vital social services to unhoused populations, demonstrating the many ways local economic development makes a difference. To grow our positive impact, in 2023 we are making \$4 million available for the program, more than double the previous year.

Pathways for families to become first-time homeowners

Our Workforce Initiative Subsidy for Homeownership (WISH) Program offers grants to help families overcome barriers to homeownership. Since 2000, we have funded nearly \$142 million in down payment matching grants, helping more than 9,500 families achieve the dream of owning a home.

We are proud of our continuing legacy of providing homeownership solutions into 2023 by making \$12.5 million available for the WISH Program, and of making an additional \$10 million available for a new middle-income grant program to meet the needs of middle-income households in our district.



Chef Maria Parra Cano preparing sweet pumpkin tamales in Phoenix Indian School Visitor Center's commercial kitchen.



Doris Ealy in newly purchased one-bedroom condominium.

CASE STUDY: Native American Connections provides space for entrepreneurs

The Phoenix Indian School Visitor Center project received a \$20,000 AHEAD grant sponsored by Western Alliance Bank to fund the build-out of their commercial kitchen. Chef Maria Parra Cano is using access to the kitchen to grow her company, Sana Sana Foods, where she cooks with ancient ingredients and educates her community on the relationship between food and health outcomes.

“Our bank has been particularly supportive of Native American Connections because of their deep connection to, and support for, our community.”

Chief Credit Officer
Western Alliance Bank

CASE STUDY: Creating pathways to sustainable homeownership

At 56, Doris Ealy needed a permanent solution to her uncertain housing situation. After completing a homebuyer education program, she received a \$22,000 WISH grant through FHLBank San Francisco member Luther Burbank Savings and closed on her one-bedroom condominium in May 2022.

“It feels good to have a key to turn and be at home. It gives me peace of mind, and I love it.”

Doris Ealy
New homeowner

TOPEKA



The Federal Home Loan Bank of Topeka (FHLBank Topeka) is unique in the large percentage of its membership that is comprised of financial institutions with assets less than \$1.3 billion. FHLBank Topeka focuses on supporting these smaller members to operate as a crucial source of funding for their communities.

Reliable liquidity for our broad membership base

We take immense pride in the breadth of members we serve, with smaller members making up approximately 90% of our overall membership base. Our smaller members leverage us as a crucial partner for funding. In 2022, 63% of our smaller members utilized advances and had \$7.5 billion of advances outstanding as of the end of the year.

In addition, we have one of the highest concentrations of rural banks, as well as farm and agricultural banks in the FHLBank System, with 330 and 126 banks represented, respectively. Rural and agricultural banks partner with us to serve their local communities, help small family farms prosper, and provide vital services for the economy. To recognize members' impact in their local communities, we instituted the annual Community Leader Award in 2005 to recognize outstanding vision and leadership by a member institution. Members with just one branch up to members with locations across the region have been recognized. View a collection of videos highlighting our partnerships with our members at [Community Leader Award \(CLA\) Winners - YouTube](#).

Through our #500forGood program, we've supported the causes our members care about with \$500 microgrants

each fall. Due to increasing member demand, we've added funds to the program each year. What started in 2018 as two \$500 awards per state grew to 41 projects in 2022. Members are asked through a short survey what they'd do with \$500 in their community. Projects funded include park improvements, town revitalization, support for local schools, housing assistance, and more.

We also supported 16 minority- or women-owned institutions, of which 13 were owned by Native American or Alaskan Native American, Asian or Pacific Islander American, Black or African American, or Hispanic owners.

Affordable housing for underserved Native communities

We support underserved communities across our district, including Native American communities, via our grants and funding to small community financial institutions. We are committed to doing more. We are excited to launch the Native American Housing Initiatives Grants Program in 2023, designed to focus specifically on building housing capacity in Native communities, which are often overlooked by traditional lenders. By providing grassroots support and at least \$1 million in funding for discretionary usage related to housing, we are hoping to make a transformative impact on these communities.



CASE STUDY: Supporting our members to drive community impact

“As a community development financial institution, we are very grateful for our wholesale banking relationship with the FHLBank of Topeka. Without them, we would not be able to leverage our balance sheet and provide the impact that we do.”

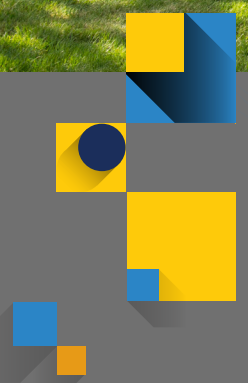
President
Mercy Community Capital

“Without FHLBank of Topeka, we would be without a main source of liquidity, and would miss out on the opportunity to provide competitive home loans in our market.”

Senior Vice President
The Farmers State Bank

CASE STUDY: Grant allows nonprofit to add opportunities for Indigenous families

Oklahoma Native Assets Coalition (ONAC), Inc., received a \$750,000 Affordable Housing Program grant through FHLBank Topeka member Gateway First Bank in Jenks, Oklahoma, to offer down payment assistance for Tribal households in Oklahoma, Colorado, Kansas, Nebraska, and across the country. The grant is helping 125 families with up to \$5,000 in closing costs and down payment. This investment helps Native American recipients build wealth for themselves and future generations.



END NOTES AND RESOURCES

END NOTES

¹ Combined Financial Report, Federal Home Loan Banks, for the Year ended December 31, 2022

² Combined Financial Reports, Federal Home Loan Banks, for the Years ended 2018, 2019, 2020, 2021, 2022

³ 64% housing-related collateral calculated from the 2018-2022 average of Single-family mortgage loans, Multifamily mortgage loans, and U.S. agency MBS and CMOs - as part of the housing related collateral as reported in Federal Home Loan Banks Combined Financial Reports, for the Years Ended 2018, 2019, 2020, 2021, 2022

⁴ For purposes of the AHP calculation, income subject to assessment is defined as net income before AHP assessments, plus interest expense related to mandatorily redeemable capital stock

⁵ CICA programs include Community Investment Program, Rural Development Funding Program, Urban Development Funding Program, and targeted community lending programs

⁶ Combined Financial Reports, Federal Home Loan Banks, for the Years ended 2018, 2019, 2020, 2021, 2022

⁷ The 2022 Community Financial Institutions total asset cap was \$1,323,000,000, based on the annual percentage increase in the Consumer Price Index for all urban consumers, as published by the Department of Labor

⁸ Government-sponsored wholesale funding and the industrial organization of bank lending, University of Wisconsin, 2020, Daying Zhang, Community Banking Research Conference

⁹ Combined Financial Report, Federal Home Loan Banks, 2022

¹⁰ Combined Financial Reports, Federal Home Loan Banks, for the Years ended 2018, 2019, 2020, 2021, 2022

¹¹ How much could down payment assistance help close homeownership rate gaps for Black and Hispanic households, Joint Center for Housing Studies of Harvard University, 2023

¹² Combined Financial Report, Federal Home Loan Banks, Year ended December 31, 2022

¹³ Numbers are self-reported by members who received funding through CICA Advances

¹⁴ Press release: FHLBanks announced \$1 million for communities impacted by Hurricane Harvey (August 31, 2017) and \$1 million relief for communities impacted by Hurricane Irma (September 27, 2017)

¹⁵ Federal Home Loan Bank System-wide advances to commercial banks and savings institution members, 2020

¹⁶ Members with assets under \$10 billion estimated from bank and credit union members with disclosed balance sheet asset sizes from S&P's SNL Banking database, 2022

¹⁷ Use of advances as a share of assets estimated from bank and credit union members with disclosed balance sheet asset sizes from S&P's SNL Banking database, 2018 - 2022

¹⁸ Source: Office of Finance

¹⁹ Combined Financial Report, Federal Home Loan Banks, Year ended December 31, 2022

²⁰ 40% increase in member advances (amounting to \$258 billion) is based on the difference in par value of Advances outstanding at the end of 4Q 2008 and 2Q 2007. The par values are obtained from the Combined Financial Reports, Federal Home Loan Banks

²¹ 25% increase in outstanding member advances (amounting to \$158 billion) is calculated from the difference in par value of Advances Outstanding at the end of 4Q 2019 and 1Q 2020. The par values are obtained from the Combined Financial Reports, Federal Home Loan Banks

²² Combined Financial Report, Federal Home Loan Banks, Year ended December 31, 2022

²³ Non-diverse vendors with diverse spend means the dollar amount paid by us to a vendor that is not a minority-, women-, or disabled-owned business but is paid to a partner, member, or other equity owner who is a minority, woman, or an individual with a disability

²⁴ Why You Need a Supplier-Diversity Program, Harvard Business Review, 2020

²⁵ The IIA's Three Lines Model, The Institute of Internal Auditors

²⁶ Number of jobs created as reported by member financial institutions

²⁷ Jobs created and preserved by Jobs for New England Programs since inception is captured as reported by Federal Home Loan Bank of Boston Members at time of application

²⁸ "Mortgage Partnership Finance[®]", "MPF[®]", and "Community First[®]" are federally registered trademarks of the Federal Home Loan Bank of Chicago

RESOURCES

Federal Home Loan Banks' Combined Financial Reports:

https://www.fhlf-of.com/ofweb_userWeb/pageBuilder/fhlfbank-financial-data-36

Federal Home Loan Banks' Opening Doors, Changing Lives Report:

<https://fhlfbanks.com/OpeningDoors/>

Federal Home Loan Bank-specific impact reports:

- **FHLBank Chicago 2022 Impact Report:**
<https://www.fhlfbc.com/impact>
- **FHLBank Cincinnati 2022 Corporate Social Responsibility Report:**
<https://www.fhlfbcin.com/media/3374/csr22-v7.pdf>
- **FHLBank Dallas Environmental, Social and Governance Report:**
<https://www.fhlf.com/getmedia/9cd26f43-96eb-4ac0-9dad-e109fd4abdb5/FHLBank-ESG-Report.pdf>
- **FHLBank Indianapolis 2022 Corporate Social Responsibility Report:**
https://www.fhlfbi.com/webres/File/resources/CSR/FHLBank_Indianapolis%20CSR.pdf
- **FHLBank Pittsburgh 2022 Impact Report:**
<https://www.fhlf-pgh.com/files/resources/2022-FHLBank-Impact-Report.pdf>

Federal Home Loan Banks' websites

- **Atlanta:** <https://corp.fhlfbatl.com>
- **Boston:** <https://www.fhlfbboston.com>
- **Chicago:** <https://www.fhlfbc.com>
- **Cincinnati:** <https://www.fhlfbcin.com>
- **Dallas:** <https://www.fhlf.com>
- **Des Moines:** <https://www.fhlfbdm.com>
- **Indianapolis:** <https://www.fhlfbi.com>
- **New York:** <https://www.fhlfny.com>
- **Pittsburgh:** <https://www.fhlf-pgh.com>
- **Topeka:** <https://www.fhlfbtpeka.com>
- **San Francisco:** <https://fhlfbsf.com>
- **Office of Finance:** <https://www.fhlf-of.com>



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