

20 IMPACT
25 REPORT

THE Funding Future



Financial Highlights

(dollars in millions)

SELECTED ITEMS AT YEAR-END	2025	2024	2023	2022	2021
Total assets	\$129,405	\$ 132,328	\$123,996	\$108,610	\$ 60,618
Advances	70,143	79,347	73,553	67,019	23,055
Mortgage loans held for portfolio, net	8,680	7,244	7,109	7,163	7,588
Investments	50,079	45,139	42,641	33,605	29,392
Deposits	1,061	1,094	1,114	1,039	1,416
Consolidated obligations	120,775	123,327	115,447	100,359	54,440
Retained earnings	1,995	1,839	1,658	1,401	1,293
Total capital	6,540	6,737	6,427	6,502	3,796
ANNUAL OPERATING RESULTS					
Net income	\$ 575	\$ 608	\$ 668	\$ 252	\$ 42
Operating expenses	98	94	87	76	71
Affordable Housing Program assessments	64	68	74	29	5
Total dividends paid	419	427	411	144	53
Weighted average dividend rate	8.62%	9.00%	7.60%	4.31%	2.00 %
PERFORMANCE RATIOS					
Return on average assets	0.42%	0.49%	0.49%	0.25%	0.07 %
Return on average equity (ROE)	8.45%	9.48%	9.63%	4.78%	1.08 %
Operating expenses to average assets	0.072%	0.074%	0.063%	0.077%	0.116 %
Average Secured Overnight Financing Rate (SOFR)	4.24%	5.14%	5.01%	1.65%	0.04 %
ROE spread to average SOFR	4.21%	4.34%	4.62%	3.13%	1.04 %
CAPITAL RATIOS AT YEAR-END					
Capital-to-assets ratio – GAAP	5.05%	5.09%	5.18%	5.99%	6.26 %
Capital-to-assets ratio – Regulatory	5.06%	5.13%	5.26%	6.05%	6.28 %

Table OF Contents

**20 IMPACT
25 REPORT**

The Federal Home Loan Bank of Cincinnati is a regional wholesale bank providing financial services for residential housing and economic development to 599 member stockholders in the FHLB System's Fifth District of Kentucky, Ohio and Tennessee.



Funding THE Future

01

Financial Highlights

03

A Message to Our Members

05

- 05** CLIF Advance
- 06** Affordable Rate Program
- 06** New Advances
- 07** Events and Outreach
- 07** Fieldstone Cottages
- 08** Strengthening Housing Stability for Seniors
- 09** Rebuilding Homes, Restoring Hope
- 10** Pitch in for Parkwood

The Federal Home Loan Bank of Cincinnati's 2025 annual report on Form 10-K, as filed with the Securities and Exchange Commission, is available on the FHLB's website, www.fhlbcin.com.

11

Performance

17

Board of Directors

18

Senior Management & Advisory Council

We have prepared the information in this Report to provide a general overview of the Federal Home Loan Bank of Cincinnati's impact through their activities. It is for informational purposes, is not intended to be relied upon for making any investment decisions, and does not constitute an offer to sell or a solicitation of offers to buy any debt or other securities of the Federal Home Loan Banks. This Report does not address the performance of our vendors, dealers, contractors, or members.

The information in this Report is a summary and does not provide a complete description of all our relevant activities. Our approach to the inclusion of information in this Report differs significantly from disclosures in mandatory regulatory reporting (including those under applicable laws, Securities and Exchange Commission regulations, or Federal Housing Finance Agency regulations).

This Report has been prepared using data and methodologies that are subject to certain limitations, including techniques and standards for measuring and analyzing relevant data, as well as judgments, estimations, and assumptions regarding the availability of relevant data. Furthermore, the data included in this Report is not necessarily prepared in accordance with generally accepted accounting principles. We did not employ any third-party firm to audit this Report. This Report speaks only as of its referenced date, and we do not undertake to update or correct any information contained herein.

No reports, documents, or websites cited or referred to in this Report shall be deemed to form part of this Report. Certain information contained in this Report has been obtained from publicly available or other third-party sources believed to be reliable, but we make no representation or warranty regarding the quality, completeness, or accuracy of such information. The sources of third-party information referred to in this Report retain all rights with respect to such data.

A Message TO OUR Members



Nancy E. Uridil
Chair, Board of Directors



Andrew S. Howell
President and CEO



Funding the future begins with ensuring that financial institutions have access to reliable liquidity to respond quickly to the needs of communities and invest meaningfully for the future. In an environment where economic cycles can shift quickly, our role is to equip members with the resources that allow them to keep moving forward—supporting homebuyers, strengthening local businesses and building the foundation for neighborhoods to thrive.



New research from the Urban Institute, highly respected for its rigorous and data-driven research, underscores the importance of this mission: the Federal Home Loan Bank System creates an estimated \$13.2 to \$21.4 billion in annual economic value and reduces systemic risk in the economic system, demonstrating just how critical dependable funding is to the country's stability and future.

The strength of our cooperative model, which is member owned and not funded with tax payer dollars, becomes even more evident during times of financial stress. As liquidity tightens, our members have turned to FHLB Cincinnati for support confirming that the FHLBank System provides a flexible and responsive backstop when it matters most. These stabilizing effects ripple far beyond individual institutions. FHLBank membership reduces bank failure rates by roughly 10 percent, producing an estimated \$950 million in annual savings for the federal deposit insurance system and lowering systemic risk across the broader financial sector.

Financial and Operating Performance

Earnings came in at \$575 million in 2025, a decrease of \$33 million (5.5 percent) from 2024 performance. The decrease in net income was primarily due to lower average interest rates, which decreased the earnings generated from investing the FHLB's capital in interest-earning assets, and lower spreads earned on mortgage loans held for portfolio.

Credit activity for the year was strong, with Advances ending the year at \$70.1 billion and Letters of Credit ending at \$46.5 billion. Average balances remained relatively consistent throughout the year. Additional details about 2025 performance are available in the Performance section beginning on page 11.

\$104 Million of Transformational Contributions to Affordable Housing and Community Investment Programs

Our Housing and Community Investment (HCI) initiatives funded the future of our region by supporting affordable housing and economic development through multiple new and existing programs. Our Board of Directors voluntarily increased funding in 2025 for these important programs with \$40 million in additional funds. Earnings in 2025 resulted in a \$64 million set-aside for our 2026 Affordable Housing Program (AHP)—equaling a total of \$104 million allocated to support required and voluntary affordable housing and community investment programs.

In 2025, a total of \$51.9 million was awarded through our competitive AHP offering to help create or preserve 2,990 units of housing all of which was in Kentucky, Ohio and Tennessee. Through the Welcome Home Program an additional \$27.0 million in grants was disbursed to help 1,364 homebuyers purchase homes.



04

1. FHLB's Todd Berry and Andy Howell greet each other at the Mortgage Purchase Program User Group Conference hosted in Cincinnati
 2. Senator Bernie Moreno and FHFA Director Bill Pulte stop for a photo with the FHLB team during a visit to the Cincinnati Scholar House



05

3. Pedretti Place in Delhi Township, Ohio opens with assistance from FHLB's Affordable Housing and Community Investment programs
 4. Community partners and FHLB attend a ribbon cutting for Cascades Phase 1 in Yellow Springs, Ohio
 5. FHLB's Damon Allen volunteers at a Habitat for Humanity of Greater Cincinnati build site

This year we launched three new Housing and Community Investment programs aimed at filling the housing affordability and accessibility needs of our District. The Hundred Homes Initiative offered \$50,000 grants to those in mobile homes to transition them into housing taxed as real property. The CDFI Loan Investment Fund (CLIF) Advance introduced a new approach to funding our CDFI members in a way to spur the good work they are doing in their communities through zero interest financing. Our final and most popular new program, the Affordable Rate Program (ARP) aimed to promote housing affordability for low-income homebuyers through the Mortgage Purchase Program (MPP) by offering 2 percent lower note rates on MPP loans. Read more about those programs starting on page 6.

The Board and Senior Management

Members elected two Kentucky member directors and one independent director to four-year terms, commencing January 1, 2026. In Kentucky, incumbent member director Wade Berry, President and CEO, Farmers Bank & Trust Company, Marion, Ky. and Tim Barnes, Chief Executive Officer, Hometown Bank, Corbin, Ky. were elected. Incumbent Danny Herron, President and CEO, Habitat for Humanity of Greater Nashville, Tenn. was elected to the Board as an independent public interest director.

Mike Pell, President and CEO, First State Bank, Winchester, Ohio, was elected to serve as Board Chair. Lewis Diaz, Partner, Dinsmore & Shohl, LLP, Covington, Ky. was elected to serve as Board Vice Chair.

In 2025, we were notified by our regulator, the Federal Housing Finance Agency (FHFA), that our board of 17 directors would be reduced effective December 31, 2025 by two Ohio member directors, with terms expiring December 31, 2025 and December 31, 2027, and one independent director with a term expiring December 31, 2026. Through this abrupt reduction in Board size, we bid farewell to Bob Lameier, Director, Miami Savings Bank, Miamitown, Ohio, Kathleen Rogers, Director, Fifth Third Bancorp, Cincinnati, Ohio and Nancy Uridil, Board Chair and Retired Global CPG Executive, Avon Lake, Ohio, all of whom served the FHLB with distinguished leadership.

We also said goodbye to Greg Caudill, Director, Farmers National Bank, Danville, Ky., term-limited Kentucky member director. We are grateful for our departing directors' keen insight, valued contributions and many years of dedicated service.

In March 2026, we also welcomed a new member to our senior management team, Chris Dawson. Chris has taken on the role of Senior Vice President, Chief Information Officer. Chris brings 20 years of experience to the role most recently as CIO at FHLB Indianapolis. He is filling this role in anticipation of Brian Comp's July 1 retirement after more than 10 years of service.

Looking Ahead

Funding the future means recognizing that liquidity does more than address immediate needs, it creates the stability that allows communities and businesses to grow. Across our District, our members put this principle into action. They rely on us not only for the funding that supports their balance sheets, but the assurance that dependable liquidity will be there no matter the economic cycle.

As we move forward, we will continue working alongside our members to create more homeowners, strengthen community development and foster the financial stability that enables long-term prosperity. The stories and data in the pages ahead reflect the real and lasting impact of our shared commitment.

Thank you for your trust, your partnership, and your dedication to building strong and resilient communities. Funding the future happens piece by piece with the work you do every day—issuing mortgages, financing construction and more. It's our honor to be your partner in making that future happen.

Sincerely,

Nancy E. Uridil
 Chair, Board of Directors

Andrew S. Howell
 President and CEO

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Thank You

The Board and Bank Management thank Greg Caudill, Bob Lameier, Kathy Rogers and Nancy Uridil for their Board service. The group's vast knowledge of community banking, capital markets and organizational management helped steer the Bank successfully through unprecedented times.



Funding **THE** Future

Funding the future means ensuring reliable liquidity is available for members to fund real progress in their communities. From new home construction and mortgages to needed infrastructure and small business loans, members are using FHLB Cincinnati products and services to fund the transformation of communities.

\$35
MILLION

Total CLIF Advance
Deployment

Locally and nationally, Urban Institute research shows the FHLBank System plays a critical role in expanding credit, promoting housing access and stabilizing markets across economic cycles. Between 2002 and 2024, Advances supported an estimated \$1.82 trillion in additional lending, including \$850 billion in residential real estate. Access to Advances is also linked to higher mortgage originations, including for low and moderate-income households, particularly among small and midsize lenders.

For FHLB Cincinnati, these findings reinforce our mission and cooperative partnership with members. In the stories ahead, read more about how we are working together to fund the future.

CLIF Advances Make a Difference in Local Communities

In 2025, FHLB Cincinnati launched the CDFI Loan Investment Fund (CLIF) Advance to expand access to affordable, flexible

capital for non-depository Community Development Financial Institutions (CDFIs). The voluntary Advance offered up to \$5 million per member in a zero percent, five-year Advance supporting CDFIs that serve low- and moderate-income communities across Ohio, Kentucky and Tennessee.

Demand was immediate. The initial subsidy was fully utilized within two weeks, prompting expanded funding that enabled all seven FHLB CDFI members to participate fully. By August 2025, the program had reached \$35 million in total deployment, providing long-term capital investment that helps communities plan, build and grow. As of December 2025, more than 80 percent of CLIF proceeds had been deployed, with nearly 69 percent directed to affordable housing. These investments helped create or preserve 1,483 housing units for seniors, individuals with developmental disabilities, and low-income households. CLIF funding also supported small businesses, job creation and retention and community facilities. In total, CLIF leveraged more than \$252 million in additional capital,

“ The CLIF program is a vital tool to scale affordable housing investment across Ohio, Kentucky and Tennessee. By pairing long-term, low-cost capital with mission-driven lenders, CLIF dollars are being leveraged many times over—dramatically expanding their impact. For organizations like OCFC, the program strengthens our ability to attract private capital, reduce financing gaps and deliver more affordable homes to communities that need them most.

Jon Welty, President, Ohio Capital Finance Corporation

”



extending its impact well beyond the original investment. Due to its success in its inaugural year, the CLIF Advance is set to make a return in 2026.

families,” said Steve Sponaugle, EVP, CFO, FHLB Cincinnati. “By lowering monthly payments, we help members create long-term, sustainable paths to homeownership for their customers.”

Affordable Rate Program Expands Access to Sustainable Homeownership

The FHLB Cincinnati’s Affordable Rate Program (ARP) continues to deliver meaningful relief to low-income households by reducing mortgage costs and expanding access to sustainable homeownership. Offered through the Mortgage Purchase Program, ARP provides income-eligible households with interest rates up to two percentage points below market, supporting both home purchase and refinance transactions for primary residences. Households must earn at or below 80% of area median income, ensuring assistance reaches those with the greatest need. In its inaugural year, ARP supported 945 households, delivering more than \$12.6 million in interest rate subsidy and successfully opened for 2026 on April 24.

One powerful example is Elliot, a 27-year-old tradesman who purchased his first home at a 6.875 percent rate. Through ARP and a refinance with River Hills Bank, his rate dropped to 4.5 percent, saving approximately \$400 per month—money now available for savings and emergency reserves.

“Programs like ARP directly improve financial stability for hardworking individuals and

New Advances Meet Member Needs

In addition to our voluntary programs, we continue to support members through credit solutions designed to meet evolving funding needs. In 2025, we expanded our Advance offerings with products that enhance balance sheet flexibility and strengthen funding strategies.

Enhancements to our SOFR-Based Advances provide members with greater choice, including the ability to structure Advances with or without a callable option. Priced off the Secured Overnight Refinancing Rate (SOFR) published by the Federal Reserve Bank of New York, these Advances offer a reliable and transparent source of liquidity. Members may use SOFR-Based Advances to replenish liquidity following deposit outflows, maintain cost effective short-term funding, manage interest rate risk through various lockout and call structures, or fund indexed-rate assets to optimize spread performance.

Complementing this floating-rate flexibility, the Flex Fixed Rate Advance offers price certainty with enhanced cash flow control. Members can customize interest payment frequency and timing, enabling closer alignment between asset yields and funding obligations.

01



1. Directors Mike Pell and Jon Welty join employees at the Ohio Bankers League’s annual D.C fly-in to advocate for Ohio’s banking industry 2. & 3. The 2025 Mortgage Purchase Program User Group Conference brought together members from across the Fifth District

02



03





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1. FHLB Cincinnati joins members Huntington Bank and CareSource for the Fieldstone Cottages ribbon cutting in Columbus 2. Members enjoy a round of golf at Valhalla during our regional Member Appreciation Event



Events and Outreach

Creating an environment where our members can thrive is central to our mission. We proudly support trade organizations across our District through regular sponsorship of events and programs in Kentucky, Ohio and Tennessee that focus on the issues most important to our members.

“Supporting those who support our members is an important part of how we do business,” said Kevin Hanrahan, FVP, Marketing. “By being present and engaged, we can help strengthen the institutions that are building strong communities today and tomorrow.”

In addition to regional events, we attend advocacy events in Washington, D.C., standing alongside our members as they engage policymakers on issues impacting housing finance and community investment. We also create community through our

own member-focused events, including Member Appreciation events, the Financial Management Conference and the MPP User Group Conference. The Financial Management Conference was held in Nashville in 2025 and will take place in Cincinnati in August 2026, continuing our commitment to providing meaningful educational and networking opportunities for our members.

Fieldstone Cottages Expand Housing

Fieldstone Cottages joined the network of senior living communities in southeast Columbus in September, expanding the area’s affordable housing options.

The investment in the area’s future was made possible in part through a \$1 million Affordable Housing Program grant from FHLB Cincinnati, awarded to members Huntington National Bank and CareSource Reinsurance, LLC for the benefit of Homeport.

“ The Affordable Housing Program ‘fills the gap’ in development budgets like the one for Fieldstone Cottages. Without the program’s involvement in Fieldstone Cottages, the project wouldn’t have been financially feasible and wouldn’t have broken ground.

Aaron Wasserman,
VP, Real Estate, Homeport



02

Split into 20 one-bedroom and 20 two-bedroom units, Fieldstone Cottages boasts modern amenities, shared social spaces and a maintenance-free lifestyle to support aging in place. Residents, all ages 55 or older, have convenient access to shopping, dining and healthcare facilities. All the cottages also include an attached garage.

The development serves households earning no more than 60 percent of the Area Median Income (AMI), with 25 percent of the units set aside for households with incomes at or below 30 percent AMI.

Homeport delivers supportive offerings similar to those found in independent senior housing, including health screenings and connections to community-based resources. Resident programming further strengthens stability through fresh food and produce distribution in partnership with Mid-Ohio Food Collective, hot meal service provided by LifeCare Alliance, and transportation to shopping areas and medical appointments through Around Town Express.

“By investing in affordable, accessible senior housing, FHLB is strengthening social connections, supporting multigenerational

neighborhoods, and preserving the stability and character of legacy communities—delivering lasting impact well beyond the walls of this development,” said Leah Evans, president and CEO of Homeport.

Strengthening Housing Stability for Seniors

FHLB Cincinnati’s Carol M. Peterson Housing Fund (CMPHF) is investing today to ensure housing for the future by helping low-income seniors and individuals with special needs make critical home repairs. The fund provides grants ranging from \$5,000 to \$20,000, allowing homeowners to remain safe, independent and connected to their communities.

Creative Compassion, Inc. of Crossville, Tenn. first teamed up with Highland Federal Savings and Loan Association in 2019, securing over \$320,000 in CMPHF grants to benefit 25 households to date.

“Right now, the Carol M. Peterson Housing Fund is our largest grant provider for home repairs,” said Mark Baldwin, Deputy Director at Creative Compassion.

One recipient, Kathy VanWinkle, has lived in her home since 1994. With CMPHF support, she installed insulation, a new HVAC system and renovated her kitchen with safer, more accessible features.

“I’m tickled over my kitchen,” said VanWinkle. “They took out the top cabinets because I had to stand on a stool to reach them.”

Home repairs such as these not only help seniors age safely in their homes but can have a lasting impact felt by their families as well.

In 2025, we disbursed \$9.5 million to assist 570 households. Since inception, the program has disbursed more than \$46.1 million to assist 4,731 households. The CMPHF will continue to impact lives with \$10 million in total funding available in 2026.

\$9.5
MILLION

to Assist **570**
Households

“ These repairs make the difference between them being able to stay in their home or having to go to a nursing home or stay with their kids. It is glorious to be able to pass the house down one day.

Mark Baldwin, Deputy Director, Creative Compassion

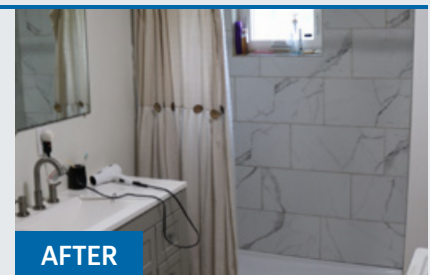
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BEFORE



AFTER

3. Gloria King of Crossville renovated her bathroom with assistance from the Carol M. Peterson Housing Fund

4. Kathy VanWinkle, also of Crossville, in her newly refurbished kitchen



04

\$10
MILLION

FHLB exceeds
Disaster Reconstruction
Program Milestone

“ It is really through the help of Home Loan Bank dollars that the work of the preservation department is possible. We are able to fill gaps in funding that allow those in need to get into homes with mortgages that they can afford. In the past year, funds have gone to support families whose homes were destroyed by flooding and its continued impact. ”

Cassandra Kinney, Director of Housing Preservation, Frontier Housing



01

Rebuilding Homes, Restoring Hope

In Eastern Kentucky, where economic challenges are often compounded by natural disasters, Frontier Housing’s partnership with FHLB Cincinnati plays a critical role in funding the future of rural communities. With support through AHP, Carol M. Peterson Housing Fund and Disaster Reconstruction (DRP) programs, Frontier Housing responds not only to long-term housing needs, but also to moments where urgent recovery is needed.

In recent years, historic flooding devastated communities across the region, damaging homes and displacing families who already

faced limited housing options. Through this partnership, Frontier Housing leveraged FHLB Cincinnati’s DRP funding to help rebuild flood-impacted homes and build new homes on higher ground for flood survivors. In 2025, Frontier Housing broke ground in Prestonsburg, Ky. on one such development which was made possible in part with AHP funds. In total, Frontier has received more than \$4.1 million to help build, preserve and reconstruct housing through all FHLB programs.

Beyond disaster recovery, FHLB Cincinnati’s funding helps Frontier Housing close persistent affordability gaps.

Each year, these resources support the development and rehabilitation of dozens of homes and help low-income families access sustainable homeownership. By pairing FHLB Cincinnati funds with local, state and federal resources, Frontier Housing maximizes impact.

As weather events occur with regularity and housing costs continue to rise, Frontier Housing’s partnership with FHLB Cincinnati demonstrates what is possible when mission-driven organizations work together to invest in a stronger future for Eastern Kentucky.

1. Kentucky Governor Andy Beshear and FHLB’s Dan Tully join Frontier Housing to break ground on a new higher ground development in Prestonsburg, Ky. 2. One of the homes built with the help of Disaster Reconstruction Program funds 3. Frontier Housing hosts a ribbon cutting with Lt. Governor Coleman to welcome the Reffitts to their new home



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Pitch in for Parkwood

FHLB Cincinnati's AHP has helped fund homes through Habitat for Humanity chapters across Kentucky, Ohio and Tennessee. One chapter, Habitat for Humanity of Greater Nashville, has used \$6 million in AHP funds to help build 471 new homes, many of which are in the north Nashville neighborhood known as Park Preserve.

The anchor of the area is the historic 1966 Parkwood Community Club ballfields. The grounds were the site of Nashville's first

integrated baseball games and went on to become Tennessee's first minority-owned and operated athletic club.

A renovation campaign for the ballfields was launched in 2023 with contributions from major donors such as the MLB-MLBPA Youth Development Foundation, Morgan Wallen Foundation and the Speer Foundation. FHLB Cincinnati contributed \$50,000 to the community project and joined Habitat and other community partners to celebrate the renovation and grand reopening in August.

Earlier that summer, employees spent a morning volunteering on construction and landscaping for 26 homes slated for Park Preserve. The prior afternoon, the group lent a hand in the nearby Davidson Habitat for Humanity ReStore.

"Each person took on specific responsibilities for the day to keep the overall project moving. I was humbled to be able to contribute to a space that will provide stability for a future homeowner," said Julianne Martini, Sr. Accounting Business Process Analyst at FHLB Cincinnati.

These combined efforts underscore FHLB Cincinnati's holistic approach to funding the future by supporting affordable housing and engaging employees to help create lasting impact throughout the Fifth District.

"It is in our mission statement that Habitat builds homes, communities and hope. The success of this community building opportunity is because of our tremendous partners like FHLB Cincinnati, who continue to invest in lives. We are so appreciative of the continued support," said Danny Herron, president and CEO of Habitat of Greater Nashville.

- 4. FHLB joins Danny Herron, FHLB Director and president and CEO of Habitat of Greater Nashville, Director Kristin Darby and other stakeholders for the opening of Parkwood Ballfields
- 5. Employees gather for a photo ahead of their volunteer work on homes in the Park Preserve neighborhood
- 6. Parkwood baseball players with the Nashville Sounds mascot, Booster

06



Performance



EARNINGS

The FHLB posted earnings of \$575 million in 2025, a decrease of \$33 million from 2024 performance. Return on equity (ROE) remained favorable at an average of 8.45 percent, compared to 9.48 percent a year earlier. ROE in 2025 was 421 basis points above average SOFR interest rates, a slight decrease from 2024; this spread is a key benchmark for assessing the competitiveness of the return on members' capital investment.

The decrease in net income in 2025 compared to 2024 was primarily due to lower average interest rates, which decreased the earnings generated from investing the FHLB's capital in interest-earning assets, and lower spreads earned on mortgage loans held for portfolio. The factors decreasing net income were partially offset by the benefit of higher average interest-earning assets.

CAPITAL, DIVIDENDS AND RISK MANAGEMENT

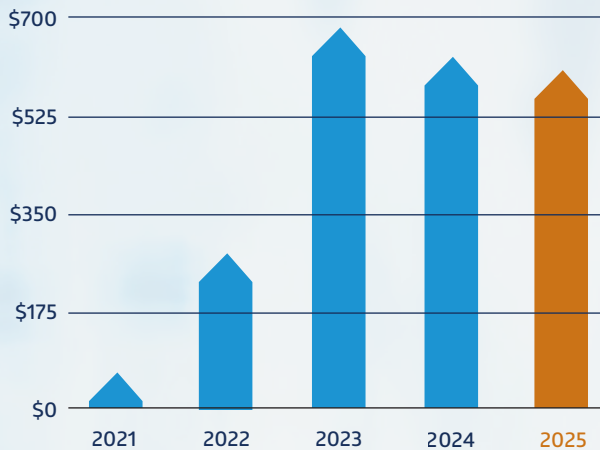
Our balance sheet continued to be able to efficiently expand and contract to meet member demand and preserve strong risk management positions throughout 2025. Our capital adequacy is robust and aligned with our low-risk profile as a government-sponsored enterprise owned by member institutions. Capital

continued to surpass all minimum regulatory requirements in 2025 as in prior years. GAAP capital, which comprises members' capital stock, retained earnings and accumulated other comprehensive income, was \$6.5 billion at year-end, a slight decrease from 2024 year-end. Regulatory capital is GAAP capital plus mandatorily redeemable capital stock (stock subject to pending redemption), less accumulated other comprehensive income. Our regulatory capital-to-assets ratio averaged 5.05 percent in 2025, substantially exceeding the minimum 4.00 percent regulatory requirement.

Retained earnings increased \$156 million, or 8 percent, with a balance of \$2.0 billion at the end of the year. We believe the current amount of retained earnings is sufficient to protect members' capital stock and also help support dividend stability.

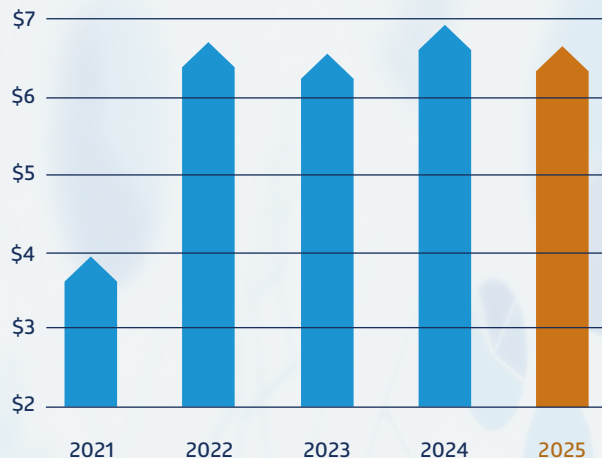
Net Income

in millions of dollars

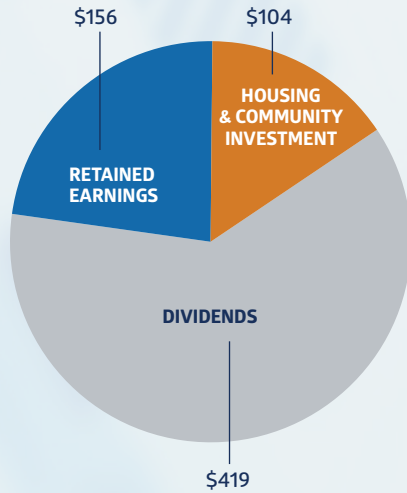


Total GAAP Capital

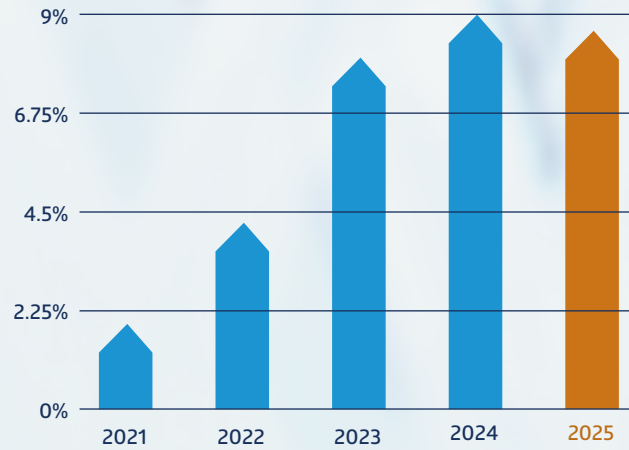
year-end, in billions of dollars



Where Our Earnings Go
for 2025, in millions of dollars



Annual Dividend Rate



In 2025, we paid member stockholders a weighted average cash dividend rate of 8.62 percent, returning \$419 million of capital to members. This rate continued to represent a favorable level compared to the levels of market interest rates. We view the dividend as an important component of our member value proposition and we strive to give a competitive return on your capital investment.

The Board of Directors applies a balanced approach to allocating earnings, consistent with the FHLB’s mission to support housing finance. In 2025, \$419 million of income went to a cash dividend as

noted previously, \$156 million went to increase retained earnings, and \$104 million was allocated to support affordable housing and community investment.

CREDIT SERVICES

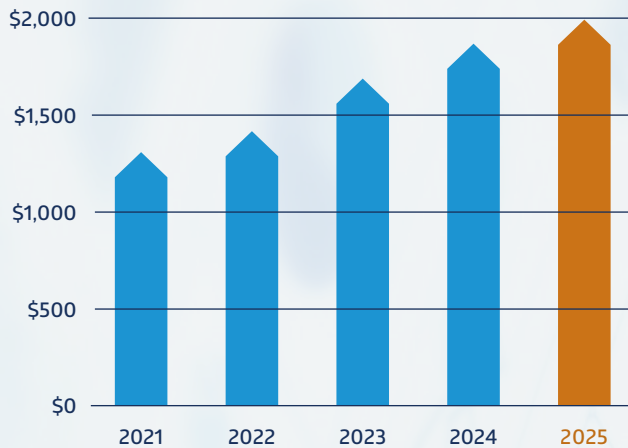
One of the key benefits of FHLB membership is the ability to offer liquidity to meet member needs no matter the economic conditions. The FHLB’s wide range of credit programs and services supported members’ varied funding, liquidity and asset-liability management needs throughout 2025.

Average principal Advance balances in 2025 increased \$4.4 billion (or 6 percent) to \$79.1 billion, up from \$74.7 billion in 2024. This increase indicates a continued need for liquidity by our depository members. The future levels of Advance balances are difficult to predict and depend on many factors, including changes in the level of liquidity in the financial markets, changes in our members’ deposit levels compared to loan growth and the general health of the economy. The percentage of members using mission asset activity increased to 76 percent, up from 75 percent in 2024.

Letters of Credit balances ended 2025 at \$46.5 billion, down \$2.4 billion compared to year end 2024. Letters of Credit continue to be an important tool for our members as they look to secure public unit deposits.

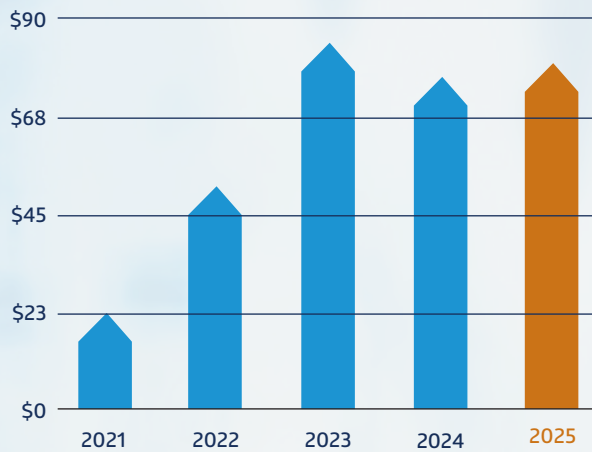
Retained Earnings

year-end, in millions of dollars



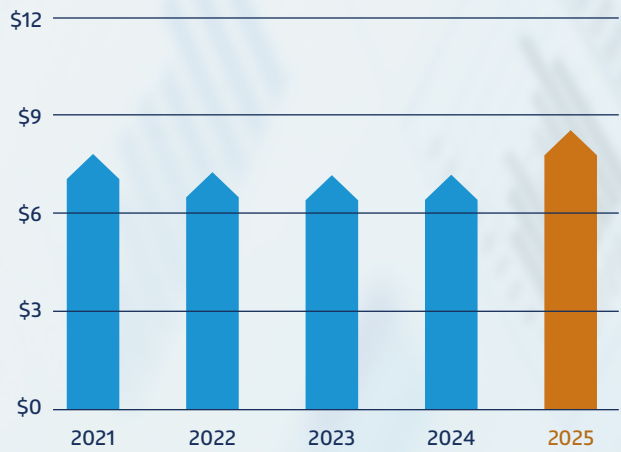
Advance Balances

average, in billions of dollars



Mortgages Held In Portfolio

year-end, in billions of dollars



MPP

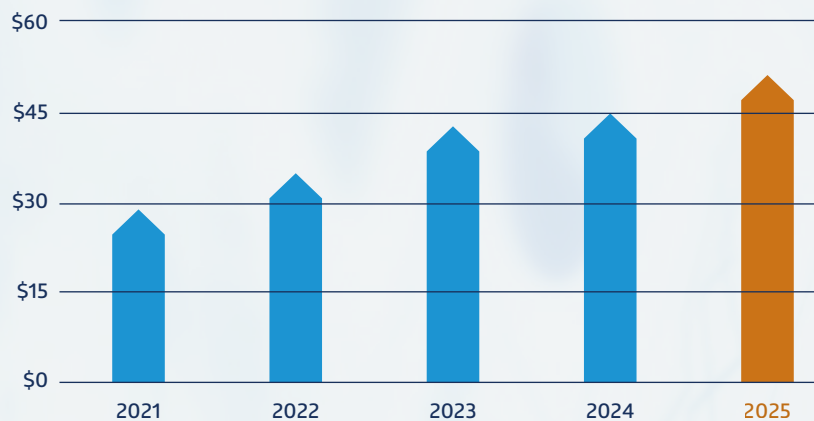
Our Mortgage Purchase Program (MPP) remains a competitive alternative to the traditional secondary mortgage market. The MPP principal balance increased in 2025—nearly 20 percent—to end the year at \$8.5 billion. MPP activity continued to reflect the cyclical nature of the mortgage markets, with higher home prices and mortgage rates dampening housing activity—however some easement in market conditions supported members’ greater use of the program. Principal purchases totaled \$2.2 billion (an increase of \$1.4 billion from 2024), and paydowns were \$833 million, an increase of \$157 million from 2024. As with Advances, the FHLB maintains availability of the MPP to members in all market and economic environments.

INVESTMENTS

We maintain an ample amount of asset liquidity to help preserve the value of the FHLB System’s debt franchise and to support our goal of providing same-day funding of Advances to members. Investments are also comprised of mortgage-backed securities (MBS) to supplement profitability for dividends, retained earnings and affordable housing, and to support mortgage markets. The investment portfolio stood at \$50.1 billion at year-end 2025, an increase of \$4.9 billion from a year earlier, and averaged \$48.7 billion in 2025, an increase of \$5.7 billion compared to the 2024 average. Liquidity investments can vary significantly on a daily basis during times of change in Advance balances. The amount of MBS we are permitted by regulation to hold is tied to the amount of capital, which remained elevated in 2025 to support higher than historical levels of Advances.

Investments

year-end, in billions of dollars





4,354
HOUSING UNITS

Supported Through AHP Awards
and WHP Disbursements in 2025



\$104
MILLION

Total Housing Funds
Allocated in 2025

HOUSING AND COMMUNITY INVESTMENT (HCI)

In 2025, the FHLB continued to provide affordable housing assistance to members in the Fifth District and the communities they serve. Our flagship program, the Affordable Housing Program (AHP), is funded with 10 percent of our annual net income. In total, the FHLB allocated \$104 million to work to support housing and community investment efforts across the region. The AHP includes both a competitive program and a homeownership program called Welcome Home, which assists low- and moderate-income homebuyers with down payments and closing costs. Including the transfer of unused funds from prior years, \$52 million was available for the competitive AHP program in 2025 – the highest amount in our history. We awarded this amount to 56 projects through a single offering. For the first time in recent years, all competitive AHP grants were awarded to projects located in Kentucky, Ohio and Tennessee. Additionally, \$27 million was disbursed to benefit 1,364 homebuyers through the Welcome Home Program.

The Carol M. Peterson Housing Fund is a voluntary program that provides funds through members and their affordable housing partners to assist households with special needs, including individuals over age 60, with home rehab and repairs. In 2025, the FHLB disbursed nearly \$9.5 million in grants to support 570 households. Our Board of Directors has authorized \$10 million in funding for the Carol M. Peterson Housing Fund in 2026.

The Disaster Reconstruction Program, another voluntary program, continued to aid Fifth District residents whose homes were damaged or destroyed by natural disasters. In 2025, \$1.5 million was disbursed to help 94 homeowners recovering from disasters, including tornadoes and flooding in Kentucky and Tennessee. The program reached a significant milestone this year with more than \$10.5 million disbursed to 766 households since its inception in March 2012.

The Rise Up program, which disburses grants of \$25,000 to first-time, first-generation homebuyers, was launched in Franklin County, Ohio, in 2024. In 2025, the program transitioned to serve Kentucky and Tennessee with \$3.7 million disbursed through two sponsors.

Three new programs were introduced this year to address targeted needs within our communities. The Affordable Rate Program (ARP) promotes housing affordability through the Mortgage Purchase Program (MPP) by offering up to 2 percentage points lower note rates for income eligible borrowers. In its inaugural year, ARP supported 945 households, delivering more than \$12.6 million in interest rate subsidy. This program saw broad adoption by our members with nearly half of those using the MPP also participating in ARP. The program opened for 2026 on April 24.

Also introduced in 2025, the Hundred Homes Initiative provided \$50,000 grants to members to transition households living in mobile homes built before June 15, 1976, which are uninsurable by HUD, to safe and secure housing. In 2025, two grants were awarded, totaling \$100,000.

The final new program established in 2025, the CDFI Loan Investment Fund (CLIF) Advance, was designed to expand economic opportunity through non-depository CDFIs whose work focused on community investment and economic development. The CLIF Advance offered zero interest Advances of up to \$5 million per institution. All seven FHLB Cincinnati CDFI members received \$5 million each, for a combined \$35 million in Advances to support lending in low income and distressed communities.

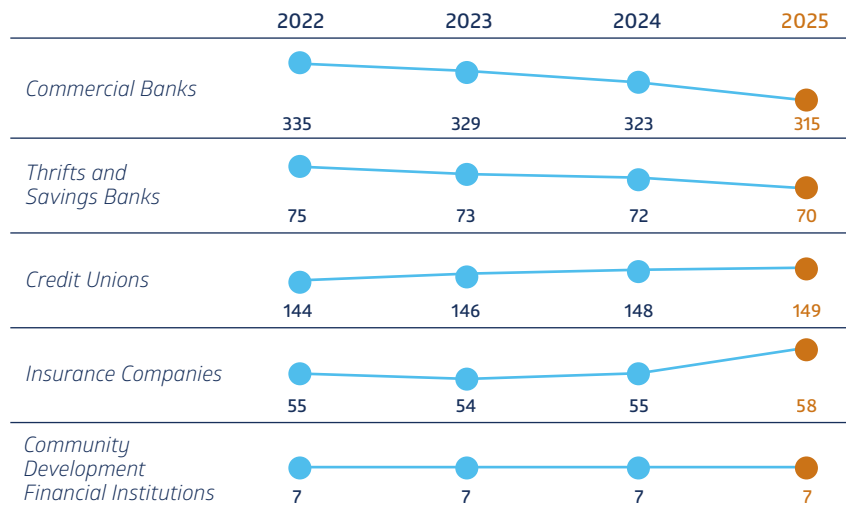
Additional FHLB housing programs include the Community Investment Program, the Economic Development Program and the Zero Interest Fund. At the end of 2025, \$108 million in funding had been disbursed through these programs.

In 2025, we accrued \$64 million in earnings for the AHP pool of funds to be used in 2026. Also for 2026, the Board has committed \$34 million, or approximately five percent of 2025's adjusted income before assessments, in voluntary housing contributions, along with a supplemental voluntary AHP contribution of \$4 million.

Members by State



Membership



MEMBERSHIP AND OUTREACH

The number of member stockholders declined to 599 in 2025 from 605 in 2024. During 2025, we approved six new member stockholders and lost 12 members, primarily to intra-district mergers. As of year-end, there were 295 member stockholders located in Ohio, 155 in Kentucky and 149 in Tennessee. Membership composition by charter type remained relatively stable with 315 commercial banks, 70 savings institutions, 149 credit unions, 58 insurance companies and seven community development financial institutions. While overall membership decreased, the dollar value of assets represented by our membership increased.

A range of educational events were offered to members throughout the year, with both in-person and virtual options available. In total, we hosted 11 online and in-person events including member facilitations, webinars, Member Appreciation events, the MPP User Group Conference and the Financial Management Conference. Outreach efforts in 2025 focused primarily on strengthening partnerships with members and delivering programming related to effective risk management, interest rate challenges, and emerging trends in liquidity and balance sheet management.

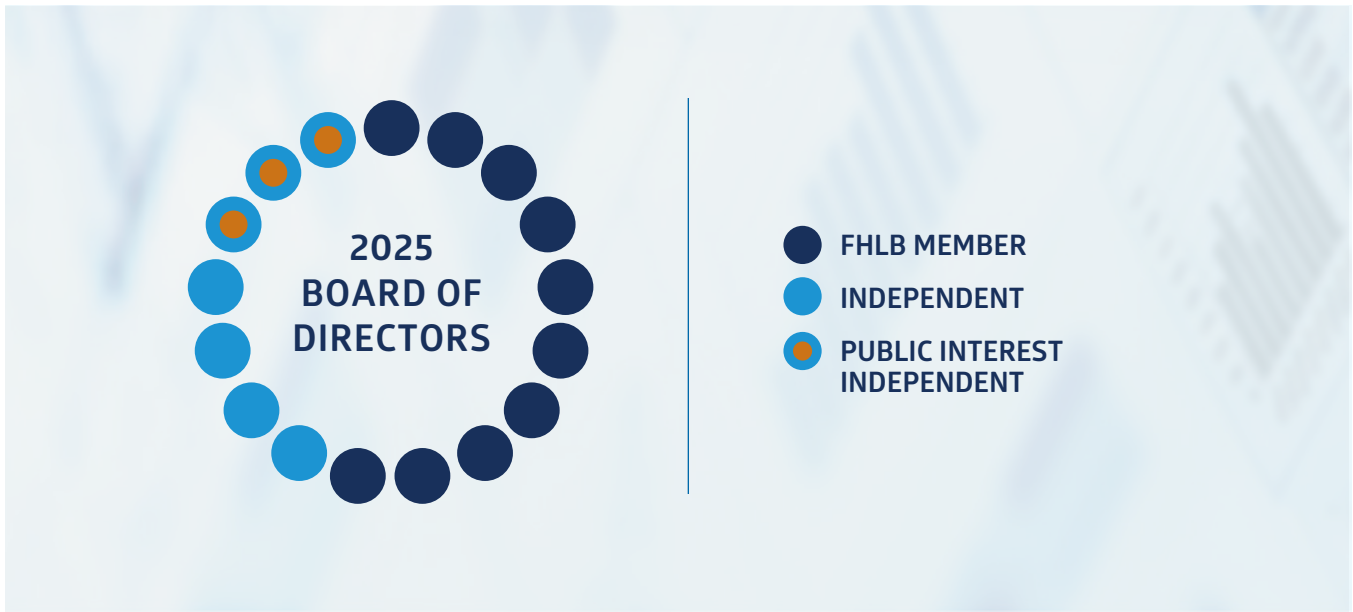
GOVERNANCE

At FHLB Cincinnati, we maintain a shared commitment to integrity, honesty and ethical conduct in everything we do. Our strong governance framework and organizational culture shape how we operate and help ensure we meet the highest legal and ethical expectations. Together, our management structure, governance policies and corporate bylaws provide the foundation that guides our work.

A central component of this framework is our Board of Directors, which is responsible for oversight across a wide range of areas, including strategic planning, capital structure and financial and risk management. The 2026 Board consists of eight member directors and six independent directors who are not affiliated with member institutions, a decrease from the end of 2025 by two Ohio member directors and one independent director as required by the FHFA. Three of these independent directors serve as public interest directors, each bringing at least four years of experience representing consumer or community interests in areas such as banking services, credit access, housing or consumer financial protection. This composition contributes to a diverse and

well-rounded Board. Roughly one quarter of the director seats come up for election each year, and directors serve four-year terms starting January 1, with a limit of three terms.

Our Affordable Housing Advisory Council also plays a key role by providing guidance on affordable housing and community lending matters across the Fifth District. Members of the Council are nominated by member institutions, sponsors and community organizations, and are appointed by the Board. They serve staggered three-year terms, with a cap of three consecutive terms. The only exception is for the state housing agency executives from each FHLB state, who each serve a single three-year term on a rotating basis.



2025 Board of Directors



J. Wade Berry
President and CEO,
Farmers Bank &
Trust Co.,
Marion, Ky.



Brady T. Burt
Senior Vice President,
Chief Financial Officer,
Park National Bank,
Newark, Ohio



Greg W. Caudill
Director,
Farmers National Bank,
Danville, Ky.



Susan E. Collins
Retired EVP, Chief
Human Resources
Officer and Chief
Administrative Officer,
Tennessee Valley
Authority,
Chattanooga, Tenn.



Kristin H. Darby
Chief Information
Officer,
Tennessee Department
of Finance and
Administration,
Nashville, Tenn.



Lewis Diaz
Public Interest Director
Partner,
Dinsmore & Shohl, LLP,
Covington, Ky.



**Roy Molitor (Mott)
Ford, Jr.**
Chairman and CEO,
Commercial Bank
and Trust Co.,
Memphis, Tenn.



Danny J. Herron
Public Interest Director
President and CEO,
Habitat for Humanity
of Greater Nashville,
Nashville, Tenn.



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Director,
Miami Savings Bank,
Miamitown, Ohio



Michael P. Pell
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President and CEO,
First State Bank,
Winchester, Ohio



Kathleen A. Rogers
Director,
Fifth Third Bancorp,
Cincinnati, Ohio



L. Scott Spivey
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Management Executive,
Cincinnati, Ohio



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of Commerce,
Columbus, Ohio



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President and CEO,
Bank of Fayette County,
Collierville, Tenn.

Senior Management



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President,
Chief Executive Officer



Roger B. Batsel
Executive Vice President,
Chief Operating Officer



Stephen J. Sponaugle
Executive Vice President,
Chief Financial Officer



Daniel A. Tully
Executive Vice President,
Chief Risk and
Compliance Officer



Damon V. Allen
Senior Vice President, Chief
Marketing and Community
Investment Officer



J. Christopher Bates
Senior Vice President,
Chief Accounting Officer



Brian C. Comp
Senior Vice President,
Executive Advisor



Christopher S. Dawson
Senior Vice President,
Chief Information Officer



James C. Frondorf
Senior Vice President,
Chief Credit Officer



Tami L. Hendrickson
Senior Vice President,
Treasurer



Bridget C. Hoffman
Senior Vice President,
General Counsel



Amy L. Konow
Senior Vice President,
Chief Audit Executive



Karla M. Russo
Senior Vice President, Chief
Human Resources Officer

List as of March 31, 2026



2025 Advisory Council

The Advisory Council helps to set the direction for the FHLB's affordable housing and community lending programs by advising the Board of Directors and management on affordable housing and economic development needs within the Fifth District.

Stacey C. Epperson (Vice Chair)
President and CEO, Next Step Network Inc.,
Louisville, Ky.

Charles D. Hillman (Chair)
President and CEO, Columbus Metropolitan
Housing Authority, Columbus, Ohio

Cassie Hudson
Executive Director, Partnership Housing Inc.,
Booneville, Ky.

Derwin K. Jackson
President and CEO, Franklin Housing Authority,
Franklin, Tenn.

Winston Miller
Executive Director and CEO of Kentucky Housing
Corporation, Frankfort, Ky.

Amy Riegel
Executive Director of the Coalition on Homelessness
and Housing in Ohio, Columbus, Ohio

Amy Schaftlein
Executive Director, United Housing Inc.,
Memphis, Tenn.

Emily Seibel
Executive Director, Yellow Springs Home Inc.,
Yellow Springs, Ohio

Dwayne Spencer
President and CEO, Habitat for Humanity
of Greater Memphis, Memphis, Tenn.

Cheryl L. Stephens
President and CEO, East Akron Neighborhood
Development Corp., Akron, Ohio

Troy D. White
President and CEO, Metropolitan Development
Housing Agency, Nashville, Tenn.

Wonda Winkler
President and CEO, Brighton Center, Newport, Ky.



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