

FEDERAL HOME LOAN BANK OF SAN FRANCISCO
Profile for Member Director

Federal Home Loan Bank of San Francisco Overview

The Federal Home Loan Bank of San Francisco (Bank), a federally chartered corporation, is one of 11 regional Federal Home Loan Banks (FHLBanks). The Bank covers the territory of Arizona, California, and Nevada, known as the Eleventh District.

The FHLBanks were organized under the Federal Home Loan Bank Act of 1932 and are government-sponsored enterprises. Each FHLBank operates as a separate corporation with its own board of directors, management, and employees. The FHLBanks are not government agencies and do not receive financial support from taxpayers. The Bank is privately owned and operates with a cooperative ownership structure. Its mission is to enable families and individuals of all income levels to obtain quality housing and become homeowners by providing wholesale products and services that help member financial institutions expand the availability of mortgage credit, compete more effectively in their markets, and foster strong and vibrant communities through community and economic development. More information is available at www.fhlbsf.com.

To access the Bank's products and services, a financial institution must be approved for membership and purchase capital stock in the Bank. The Bank's approximately 327 members include commercial banks, credit unions, industrial loan companies, savings institutions, insurance companies, and community development financial institutions headquartered in Arizona, California, and Nevada. Although the Bank is not publicly traded, it is registered with the SEC and publicly reports its financial results.

The FHLBanks are regulated by the Federal Housing Finance Agency (Finance Agency). To fund operations, the FHLBanks issue debt through the FHLBanks' Office of Finance, their fiscal agent for issuing and servicing consolidated obligations. All long-term consolidated obligations issued by the FHLBanks are rated AA+ by Standard & Poor's (S&P) and Aa1 by Moody's rating services. All short-term consolidated obligations issued by the FHLBanks are rated A-1+ by S&P and P-1 by Moody's rating service.

As of March 31, 2026, the Bank had approximately \$70.6 billion in assets and outstanding loans (advances) of approximately \$37.7 billion.

Location

The Bank is headquartered in San Francisco and most of its board meetings are held at the Bank's headquarters.

Board Composition

The Board of Directors of the Bank (Board) is elected by its member financial institutions. There are currently 9 directors, comprised of 5 member directors and 4 independent directors (including 2 public interest directors). Member directors are officers and/or directors of the Bank's member institutions and are nominated and elected by the members located in a particular state: Arizona, California, or Nevada. Independent directors are not (and cannot be) officers or directors of the Bank's member institutions and are elected by all Bank members from among candidates nominated by the Board.

Board Functions

The Board oversees the Bank's business and affairs, including overseeing management regarding a broad range of subjects, such as the Bank's strategies and operating plans, capital structure, financial and risk management policies, compensation philosophies, and other matters. As part of its oversight role, the Board considers some of its primary functions to include the following, which are discharged either directly by the Board or through its committees:

- Ensuring a succession of strong, vital, and meaningful management for the Bank
- Actively engaging with management and relevant stakeholders, to ensure the Bank's culture and community objectives, are met, including through the recruitment, retention, and advancement of talent, at the management and Board levels
- Approving and monitoring a comprehensive long-term business strategy
- Overseeing management in addressing significant external and internal issues facing the Bank
- Overseeing the Bank's corporate governance policies, codes of conduct, and legal and regulatory compliance policies
- Overseeing the Bank's objectives, strategies, goals, functions, mission alignment, and programs, including through ensuring compliance with the Finance Agency regulations
- Overseeing fundamental financial, business, and risk management strategies and policies and approving significant corporate actions
- Providing oversight to the Bank's financial reporting process and the adequacy of accounting, financial, and internal controls
- Reviewing the Bank's executive compensation programs, their effectiveness at both linking executive pay to performance and aligning the interests of the Bank's executives and their stockholders, and overseeing an entity-wide compensation risk assessment

The Member Director Candidate

To be eligible as a member director candidate, an individual must be a U.S. citizen and an officer or director of a member institution that was a member on December 31, 2025, and that meets all of its applicable minimum capital requirements established by its appropriate federal or state regulator. The member director positions being filled through the Bank's 2026 director elections will be for one directorship in the state of Arizona, and one directorship in the state of California.

Personal Characteristics

Member director candidates should be intellectually and emotionally resilient, able to participate and offer critical review of business matters, and have a good understanding of director fiduciary duties. Candidates should be skilled at encouraging open and collegial dialogue with their fellow Board members while building effective working relationships with Bank management. The Bank encourages the consideration of diversity in nominating or soliciting candidates for the Board¹. Additionally, candidates should demonstrate the following attributes/experience:

- Highest ethical standards and integrity
- Willingness and capacity to engage actively on Board matters and to act on and be accountable for Board decisions

¹ 12 CFR 1223.21(b)(7)

- Able to provide wise, thoughtful counsel on a range of issues
- A history of achievements reflecting high standards, experiences relevant to challenges currently faced by the Bank, and willingness to leverage these assets to help shape and advance the Bank's strategic goals
- Forward thinking and strategic, pragmatic and operationally savvy, with a commitment to building long-term value
- Able and willing to deliberate diligently, dedicate time and effort to consider varied and opposing viewpoints, adopt, and ultimately advocate for difficult or complex positions while simultaneously being a team player, fostering candor, and supporting a board culture of professional and collegial interaction
- Analytical and able to evaluate strategy, business plans, financial issues, and people in a constructive manner
- Proven leadership skills and credibility with a variety of constituencies
- Willingness and demonstrated capacity to devote sufficient time to carrying out director duties and responsibilities effectively including a stated commitment to serve on the Board for the full term and be available for in person and virtual board meetings and sessions. Directors should expect to average 20 – 30 hours per month of service commitment.

Professional skills, knowledge, and expertise

- Cybersecurity
- Information technology
- Capital markets and derivatives
- Understanding of residential mortgage finance
- Understanding of complex financial instruments
- Understanding of financial services and industry liquidity needs
- Accounting including hedging and modelling practices
- Mergers & acquisitions
- Risk management
- Strategy & strategic planning
- Legislative & regulatory experience
- Sales & marketing
- Human capital experience
- Professional law experience
- Experience with stakeholders or other members of the community relevant to the Bank's mission
- Familiarity with affordable housing and community and economic development lending
- Nonprofit organization management

Board Meetings and Compensation

The Board has six scheduled in-person meetings each year in January, March, May, July, September, and November/December. The meetings are mostly held in San Francisco over two to two and one-half days beginning on the evening of the fourth Wednesday of these months (with adjustments made to the schedule for holidays). The May meeting is generally held in Washington, D.C. immediately following the FHLBanks Directors Conference, and some of the other meetings may be held offsite within the Bank's district or held virtually if needed to accommodate applicable health and safety requirements. Additional meetings are held virtually, as needed, between in-person meetings. The regular Board of Directors meeting schedule is approved by the Board three years in advance.

Each year, the Board adopts a director compensation policy. Compensation is paid in two parts: a service fee and a meeting fee. The total maximum annual compensation for 2026 ranges from \$123,000 to \$165,000, depending on whether the director is the chair or vice chair of the Board or a chair or vice chair of a Board committee.

Nomination and Election Process

The member director nomination process commences in June, and the deadline for members to submit nominations is in July. The Bank's members nominate candidates for inclusion on the director election ballot. Voting is conducted online for eligible voting members and the voting will open in August and close approximately 30 days later, with results tabulated shortly thereafter. Director terms commence in January of the following year.

Terms

Member directors are elected for four-year terms and are eligible to serve up to three sequential four-year terms.