



THE CHURCH PENSION FUND, THE CHURCH PENSION  
FUND CLERGY PENSION PLAN, THE EPISCOPAL  
CHURCH LAY EMPLOYEES' RETIREMENT PLAN AND  
THE STAFF RETIREMENT PLAN OF THE CHURCH  
PENSION FUND AND AFFILIATES

Combined Financial Statements  
Years Ended March 31, 2026, and 2025  
With Report of Independent Auditors



The better the question.  
The better the answer.  
The better the world works.



Shape the future  
with confidence

**THE CHURCH PENSION FUND, THE CHURCH PENSION FUND  
CLERGY PENSION PLAN, THE EPISCOPAL CHURCH LAY  
EMPLOYEES' RETIREMENT PLAN AND THE STAFF RETIREMENT  
PLAN OF THE CHURCH PENSION FUND AND AFFILIATES**

**TABLE OF CONTENTS**

---

	<b>Page</b>
REPORT OF INDEPENDENT AUDITORS	1-3
COMBINED FINANCIAL STATEMENTS	
Combined Statements of Net Assets Available for Benefits	4
Combined Statements of Changes in Net Assets Available for Benefits	5
Notes to Combined Financial Statements	6-31



Ernst & Young LLP  
One Manhattan West  
New York, NY 10001-8604

Tel: +1 212 773 3000  
ey.com

**Shape the future  
with confidence**

## Report of Independent Auditors

Board of Trustees of The Church Pension Fund

### **Opinion**

We have audited the combined financial statements of The Church Pension Fund, The Church Pension Fund Clergy Pension Plan, The Episcopal Church Lay Employees' Retirement Plan and The Staff Retirement Plan of The Church Pension Fund and Affiliates (collectively, "Group"), which comprise the combined statements of net assets available for benefits as of March 31, 2026 and 2025, and the related combined statements of changes in net assets available for benefits for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of The Church Pension Fund, The Church Pension Fund Clergy Pension Plan, The Episcopal Church Lay Employees' Retirement Plan and The Staff Retirement Plan of The Church Pension Fund and Affiliates at March 31, 2026 and 2025, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Group and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Group's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



**Shape the future  
with confidence**

### **Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



**Shape the future  
with confidence**

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Ernst + Young LLP*

June 22, 2026

**THE CHURCH PENSION FUND, THE CHURCH PENSION FUND  
CLERGY PENSION PLAN, THE EPISCOPAL CHURCH LAY  
EMPLOYEES' RETIREMENT PLAN AND THE STAFF RETIREMENT  
PLAN OF THE CHURCH PENSION FUND AND AFFILIATES**

**COMBINED STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
MARCH 31, 2026, AND 2025**

	<u>2026</u>	<u>2025</u>
<b>ASSETS</b>		
Investments, at fair value	\$ 12,534,533,384	\$ 11,321,019,239
Qualified Plans interest in Master trust (see note 4)	6,371,333,244	6,037,869,208
Receivables and other assets:		
Receivable from brokers	8,467,485	10,323,551
Assessments receivable, less allowance for credit loss (2026 – \$984,139; 2025 – \$628,000)	1,172,844	4,552,542
Accrued investment income and other assets	72,745,735	63,566,402
Cash and cash equivalents	625,570,752	685,265,230
<b>TOTAL ASSETS</b>	<u>\$ 19,613,823,444</u>	<u>\$ 18,122,596,172</u>
<b>LIABILITIES</b>		
International Clergy Pension Plan	\$ 178,374,758	\$ 174,995,619
Payable to brokers	26,445,998	15,973,797
Accrued expenses and other liabilities	184,357,161	172,160,433
Total liabilities	<u>389,177,917</u>	<u>363,129,849</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 19,224,645,527</u>	<u>\$ 17,759,466,323</u>
<b>COMPONENTS OF NET ASSETS</b>		
Net assets with donor restrictions:		
Legacy and gift fund	\$ 57,919,424	\$ 52,096,612
Total net assets with donor restrictions	<u>57,919,424</u>	<u>52,096,612</u>
Net assets without donor restrictions:		
Legacy and gift fund	40,277,175	36,106,972
Total net assets without donor restrictions	<u>40,277,175</u>	<u>36,106,972</u>
Internally designated:		
Clergy benefits	2,372,325,373	2,437,814,363
Investment in affiliated companies	232,222,497	206,260,708
Total internally designated	<u>2,604,547,870</u>	<u>2,644,075,071</u>
Available for benefits:		
Net assets available for benefits:		
Assets held in Master trust (restricted)	6,371,333,244	6,037,869,208
Other assets available for benefits	10,150,567,814	8,989,318,460
Total net assets available for benefits	<u>16,521,901,058</u>	<u>15,027,187,668</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 19,224,645,527</u>	<u>\$ 17,759,466,323</u>

*See accompanying notes to the combined financial statements.*

**THE CHURCH PENSION FUND, THE CHURCH PENSION FUND  
CLERGY PENSION PLAN, THE EPISCOPAL CHURCH LAY  
EMPLOYEES' RETIREMENT PLAN AND THE STAFF RETIREMENT  
PLAN OF THE CHURCH PENSION FUND AND AFFILIATES**

**COMBINED STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR  
BENEFITS  
YEARS ENDED MARCH 31, 2026 AND 2025**

	<u>2026</u>	<u>2025</u>
<b>ADDITIONS TO NET ASSETS</b>		
Assessments	\$ 105,920,233	\$ 104,123,411
Interest	119,686,178	101,976,550
Dividends and other income	21,429,435	28,790,399
Net appreciation in fair value of investments	1,854,343,340	662,716,062
Total additions to net assets	<u>2,101,379,186</u>	<u>897,606,422</u>
<b>DEDUCTIONS FROM NET ASSETS</b>		
Benefits and expenses:		
Pensions and other benefits	434,793,377	426,304,556
Medical supplement	47,052,741	36,280,123
Life insurance	21,447,004	21,910,687
Total benefits	<u>503,293,122</u>	<u>484,495,366</u>
Investment management and custodial fees	34,459,156	33,467,202
General and administrative	119,014,959	113,279,056
Total reductions to net assets	<u>656,767,237</u>	<u>631,241,624</u>
Other (additions) deductions:		
International Clergy Pension Plan	(1,423,258)	(6,191,909)
Other liabilities (assets)	(19,143,997)	(12,539,031)
Change in total net assets	<u>1,465,179,204</u>	<u>285,095,738</u>
<b>OTHER CHANGES IN NET ASSETS</b>		
Net assets with donor restrictions	(5,822,812)	(2,293,727)
Net assets without donor restrictions	(4,170,203)	(1,501,576)
Internally designated:		
Clergy benefits	65,488,990	(124,756,188)
Investment in affiliated companies	(25,961,789)	(36,169,739)
Total changes in net assets available for benefits	<u>1,494,713,390</u>	<u>120,374,508</u>
Net assets available for benefits at beginning of year	15,027,187,668	14,906,813,160
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u>\$ 16,521,901,058</u>	<u>\$ 15,027,187,668</u>

*See accompanying notes to the combined financial statements.*

# **THE CHURCH PENSION FUND, THE CHURCH PENSION FUND CLERGY PENSION PLAN, THE EPISCOPAL CHURCH LAY EMPLOYEES' RETIREMENT PLAN AND THE STAFF RETIREMENT PLAN OF THE CHURCH PENSION FUND AND AFFILIATES**

## **NOTES TO COMBINED FINANCIAL STATEMENTS YEARS ENDED MARCH 31, 2026 AND 2025**

---

### **1. ORGANIZATION**

The Church Pension Fund (CPF) is a not-for-profit corporation chartered in 1914 by the Legislature of the State of New York. CPF is authorized by the Canons of The Episcopal Church to establish and administer the clergy pension system of The Episcopal Church, including pension, life and health benefits, as well as the lay employee pension system and the denominational health plan of The Episcopal Church. At its founding, CPF elected to be examined by the New York State Department of Financial Services.

CPF began its operations on March 1, 1917. Subsequently, affiliated companies were formed as its activities expanded. CPF's major affiliated companies and their years of formation include: Church Publishing Incorporated, 1918; Church Life Insurance Corporation, 1922; The Church Insurance Company, 1929; The Church Insurance Agency Corporation, 1930; The Church Insurance Company of Vermont, 1999; Church Pension Group Services Corporation (CPGSC), 2002; Church Insurance Holdings LLC, 2025.

"The Church Insurance Companies" refers collectively to The Church Insurance Agency Corporation, The Church Insurance Company, and The Church Insurance Company of Vermont. These entities are wholly owned subsidiaries of Church Insurance Holdings LLC, a Delaware limited liability company formed on April 29, 2025, which is wholly owned by CPF.

All operations of CPF and its affiliated companies, informally known as the Church Pension Group, are governed by CPF's Board of Trustees. Except for the Chief Executive Officer (CEO), all CPF Trustees serve without compensation and are elected by the General Convention of The Episcopal Church from a slate of nominees submitted by the Joint Standing Committee on Nominations of The Episcopal Church.

### **2. DESCRIPTION OF THE PLANS**

CPF's assets are primarily used to fund a defined benefit plan and related benefits for eligible clergy of The Episcopal Church (the "Clergy Plan") and their beneficiaries. A portion of these assets are held in The Church Pension Fund Clergy Pension Plan, which is sponsored and administered by CPF. CPF is also the plan sponsor and administrator of The Episcopal Church

## **2. DESCRIPTION OF THE PLANS (CONTINUED)**

Lay Employees' Retirement Plan (the "Lay Plan") and The Staff Retirement Plan of The Church Pension Fund and Affiliates (the "Staff Plan"). The Church Pension Fund Clergy Pension Plan, the Lay Plan and the Staff Plan are separate defined benefit plans, collectively referred to as the "Qualified Plans." The following is a brief description of the Clergy Plan, the Lay Plan and the Staff Plan for general information purposes only. Participants in these plans should refer to the plan documents of their respective plan for more complete information.

In the event of a conflict between this brief description and the terms of the plan documents, the terms of the plan documents shall govern.

The Church Pension Fund Clergy Pension Plan is a defined benefit plan providing retirement, death and disability benefits to eligible clergy of The Episcopal Church. The Lay Plan is a defined benefit plan providing retirement, death and disability benefits to eligible lay employees of participating employers of The Episcopal Church. The Staff Plan is a defined benefit plan providing retirement and death benefits to eligible employees of Church Pension Group Services Corporation. The respective assets of these defined benefit plans and other benefit plans maintained by CPF are pooled, solely for investment purposes, for the benefit of all participants and their beneficiaries. These plans qualify as church plans under Section 414(e) of the Internal Revenue Code (the "Code"). As church plans, the Qualified Plans and other plans are exempt from Titles I and IV of the Employee Retirement Income Security Act of 1974 and, therefore, are not subject to Pension Benefit Guaranty Corporation requirements or guarantees. The master trust holding the assets of the Qualified Plans has long been recognized as exempt from federal income taxes. CPF, its affiliated companies and the master trust holding the assets of the Qualified Plans are also exempt from certain federal, state and local income taxes.

Management believes the Qualified Plans are being operated in compliance with their applicable requirements under Section 401(a) of the Code and, therefore, believes that the Qualified Plans, as amended, are qualified and the master trust is tax exempt under section 501(a) of the Code. The Qualified Plans and other plans may be terminated by CPF at any time. Upon termination of any of these plans, CPF has the obligation to distribute the plan assets in accordance with the terms of the applicable plan documents.

Accounting principles generally accepted in the United States of America (GAAP) require CPF and the Qualified Plans to evaluate uncertain tax positions taken by CPF and the Qualified Plans. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the Internal Revenue Service. There were no uncertain tax positions taken by CPF or the Qualified Plans as of March 31, 2026, and 2025.

## **2. DESCRIPTION OF THE PLANS (CONTINUED)**

CPF maintains a master trust with an undivided ownership interest in the portion of CPF's assets allocable to (1) The Church Pension Fund Clergy Pension Plan benefits for participants and their dependents, (2) the Lay Plan benefits for participants and their dependents, and (3) the Staff Plan benefits for participants and their dependents. The master trust agreement names CPF as Trustee and The Northern Trust Company as Custodian.

Effective March 31, 2026, the portion of the master trust attributable to The Church Pension Fund Clergy Pension Plan is funded annually based on the actuarially determined contribution. Prior to March 31, 2026, the portion of the master trust attributable to The Church Pension Fund Clergy Pension Plan was funded, as necessary, to be at least equal to the actuarial liability of the benefits payable under that plan to vested participants (retired and not yet retired) and their dependents. The portion of the master trust (1) attributable to the Lay Plan is funded by assessments paid by participating employers, and (2) attributable to the Staff Plan is funded at CPGSC's discretion.

The assets in the master trust can only be used to pay the plan benefits described above and certain plan expenses. As of March 31, 2026, and 2025, the master trust assets included in the combined statements of net assets available for benefits, relating to the plan benefits described above, amounted to \$6.4 billion and \$6.0 billion, respectively (see Note 4).

## **3. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

The accompanying combined financial statements include the accounts of CPF and the Qualified Plans and have been prepared in accordance with GAAP. All inter-plan balances and balances with CPF have been eliminated in these combined financial statements.

The preparation of the combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the combined financial statements and accompanying notes. The fair value of investments and accumulated plan benefit obligations represent the most significant estimates and assumptions. Actual results could differ significantly from these estimates and assumptions.

### **A. Summary of Significant Accounting Principles**

#### *Investments*

Investments are stated at fair value. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the combined financial statements.

### 3. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

Fair values of financial instruments are determined using valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Fair values are generally measured using quoted prices in active markets for identical assets or other inputs, such as quoted prices for similar assets that are observable, either directly or indirectly. In those instances where observable inputs are not available, fair values are measured using unobservable inputs for the asset. Unobservable inputs reflect management's own assumptions about the assumptions that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances. Fair value estimates derived from unobservable inputs are significantly affected by the assumptions used, including the discount rates and the estimated amounts and timing of future cash flows. The derived fair value estimates cannot be substantiated by comparison to independent markets and are not necessarily indicative of the amounts that would be realized in a current market exchange.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

*Level 1* – Unadjusted quoted prices in active markets for identical assets.

*Level 2* – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include (1) quoted prices for similar assets and liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in markets that are not active, (3) observable inputs other than quoted prices that are used in the valuation of the assets or liabilities (for example, interest rate and yield curve quotes at commonly quoted intervals), and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3* – Significant unobservable inputs; for example, investments in limited partnerships, which cannot be withdrawn within 90 days from the balance sheet date.

Investments in limited partnerships are carried at fair value. The fair value of these investments is based upon CPF's share of the equity value of the partnership while giving consideration from a market participant's perspective to the features that are unique to CPF's partnership agreements. Because of the inherent uncertainty of the valuations of these investments, the estimated fair values may differ, perhaps materially, from the values that would have been used had a ready market for the investments existed.

The carrying value of CPF's investment in affiliated companies is determined using the equity method of accounting, which approximates fair value.

### **3. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)**

All investment transactions are recorded on a trade date basis. Net appreciation (depreciation) in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date.

#### *Cash and Cash Equivalents*

Cash and cash equivalents represent short-term highly liquid investments with original maturities of three months or less and are carried at cost which approximates fair value.

#### *Basis of Accounting*

The combined financial statements are prepared based on the accrual basis of accounting.

#### *Net Assets*

Net assets are classified as with or without donor restrictions or as internally designated for a specific purpose. All gifts, grants and bequests are considered to be without donor restrictions unless specifically subject to a donor-imposed restriction either for use during a specified time period or for a particular purpose. When a donor-imposed restriction is fulfilled or when a time restriction ends, net assets with donor restrictions are reclassified to net assets without donor restrictions. Internally designated assets represent net assets that are identified for a specific purpose.

#### *Credit Losses*

CPF measures expected credit losses on financial assets held at amortized cost and records an allowance for credit loss when management determines a credit loss exists. Allowances for credit losses are recorded as contra-assets that reduce the corresponding financial assets on the combined statements of net assets available for benefits, with the offset recorded as credit loss expense in the combined statements of changes in net assets available for benefits. Any recoveries of aforementioned credit losses are recognized as credit loss recoveries. As the estimate of expected credit losses changes with subsequent evaluations, those increases and decreases are recognized in current operations. CPF writes off uncollectible amounts against the allowance for credit losses when it determines that a financial asset is partially or fully uncollectible.

### 3. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)

#### *Reclassifications*

Certain amounts in the prior year financial statements have been reclassified to conform with the current year presentation. These changes had no effect on total net assets or changes in total net assets for the year ended March 31, 2026.

### 4. INVESTMENTS

The fair value of investments as of March 31, summarized by general investment type are as follows:

	2026		2025	
	The Church Pension Fund	Qualified Plans Interest in Master Trust	The Church Pension Fund	Qualified Plans Interest in Master Trust
	<i>(In Thousands)</i>			
Common and preferred stock	\$ 453,321	\$ 224,470	\$ 369,995	\$ 190,677
U.S. treasury securities	788,584	390,480	599,363	308,884
Municipal securities	10,710	5,303	8,583	4,423
Corporate bonds	395,461	195,819	254,177	130,990
Foreign government securities	203	101	196	101
Limited partnership interests:				
Real estate	1,696,974	840,532	1,653,072	851,913
Private equity	2,865,579	1,424,338	2,449,984	1,265,508
Other alternative investments	1,749,541	866,315	1,666,460	858,812
Commingled funds	4,266,540	2,123,455	4,035,048	2,079,468
Affiliated companies	307,620	—	284,141	—
Total Investments, at fair value	<u>\$ 12,534,533</u>	<u>\$ 6,070,813</u>	<u>\$ 11,321,019</u>	<u>\$ 5,690,776</u>
Receivables from brokers	\$ 8,468	\$ 4,193	\$ 10,324	\$ 5,320
Cash and cash equivalents	606,877	300,505	669,018	344,780
Payable to Brokers	(26,446)	(13,095)	(15,974)	(8,232)
Other	18,008	8,917	10,140	5,225
Less affiliated companies, equity	(307,620)	—	(284,141)	—
Total investment portfolio	<u>\$ 12,833,820</u>	<u>\$ 6,371,333</u>	<u>\$ 11,710,386</u>	<u>\$ 6,037,869</u>

The Qualified Plans investments are held in a master trust that was established to comply with the Internal Revenue Code requirement that plan assets be held in trust and is used to pool and invest the assets of the Plans. Each participating plan has an undivided interest in the master trust. The master trust assets are allocated among the participating plans by assigning to each plan those transactions (primarily funding and benefit payments) that can be specifically identified and by allocating, among the plans in proportion to each plan's beneficial interest in the master trust, the income and those expenses directly attributable to the collective

#### 4. INVESTMENTS (CONTINUED)

investment activities of the master trust. At March 31, 2026, and 2025, CPF's total investment portfolio was \$19.2 billion and \$17.7 billion, respectively. The net assets available for pension benefits in the master trust attributable to the Clergy Plan, the Lay Plan and the Staff Plan represented 88.54%, 4.68% and 6.78%, respectively, in 2026, and 88.88%, 4.56% and 6.56%, respectively, in 2025.

The following table presents the net appreciation (depreciation) in fair value of investments and investment income of the master trust:

	<b>Year Ended March 31</b>	
	<b>2026</b>	<b>2025</b>
	<i>(In Thousands)</i>	
Net appreciation (depreciation) in fair value of investments	\$ 633,371	\$ 243,783
Net investment income	52,609	47,607

As of March 31, 2026, and 2025, CPF was not exposed to any significant concentration of risk within its investment portfolio.

*Common and preferred stocks* consist primarily of direct investments in the common and preferred stocks of a wide range of unaffiliated companies, which include domestic and foreign corporations and holdings in large as well as midsize and small companies.

*U.S. treasury securities* consist primarily of securities issued or guaranteed by the U.S. government, or its designated agencies, including Small Business Administration (SBA) loans.

*Municipal securities* include direct investments in state and local governments.

*Corporate bonds* consist primarily of investment securities issued by a corporate entity at a stated interest rate payable on a particular future date, such as bonds, convertible bonds, and collateralized mortgage obligations.

*Foreign government securities* include government securities and debt securities.

*Limited partnership interests* include investments in real estate, private equity and other alternative investments.

Real estate limited partnerships primarily include investments across all major property types including commercial properties, such as office, retail, hotel and land, residential properties and real and other assets such as energy, timber and royalties.

#### 4. INVESTMENTS (CONTINUED)

Private equity limited partnerships include strategies focused on venture capital and growth equity/buyout transactions across many industry sectors.

Other alternative investment limited partnerships primarily include investments in hedge funds and absolute return strategies, such as (1) long/short equity hedge funds, which invest primarily in long and short equity securities, (2) credit/distressed debt securities that are generally rated below investment grade with managers that invest in debt or debt-related securities or claims

associated with companies, assets or sellers whose financial conditions are stressed, distressed, or in default, (3) multi-strategy hedge funds that pursue multiple strategies and capture market opportunities and (4) fixed income funds. The redemption frequency is semi-annually, annually or every two years, and the redemption notice period can be from 90 to 360 days.

Certain other alternative investments in limited partnerships and commingled funds are subject to withdrawal “gates” that restrict the ability of investors to withdraw from the investment.

The general partners and/or investment managers of the limited partnerships also have rights to suspend withdrawal requests for various reasons, including, but not limited to, insufficient liquidity at the limited partnerships to satisfy withdrawal requests or to preserve the capital interests of the limited partners not withdrawing from the limited partnerships. As of March 31, 2026, there is one investment manager that has exercised these suspension rights effective December 31, 2021.

Limited partnership investments generally span a minimum of ten years, during which committed capital is contributed and distributions are made when income is earned or investments are liquidated.

At March 31, 2026, CPF had open investment commitments to limited partnerships of \$1.9 billion which are expected to be funded during future years. In this regard, from April 1, 2026 through April 30, 2026, CPF invested an additional \$15.5 million in existing limited partnerships and made \$46.2 million in commitments to limited partnerships. Most limited partnership investments are illiquid; however, there is a secondary market in limited partnership interests. There may be penalties should CPF not fulfill its funding commitments; however, CPF seeks to maintain adequate liquidity to ensure that all unfunded commitments are met.

*Commingled funds* primarily include funds that invest in (1) long/short equity securities, (2) debt or debt-related securities, or (3) corporate bonds and other fixed income securities. The redemption frequency is daily, bi-monthly, monthly or quarterly, and the redemption notice period can be from 5 to 90 days; however, due to restrictions, the entire investment may not be redeemable within 90 days.

#### 4. INVESTMENTS (CONTINUED)

##### *Derivative Financial Investments*

Futures contracts are used primarily to maintain CPF's asset allocation within ranges determined by the Investment Committee of CPF's Board of Trustees. Currency forward contracts are used to hedge foreign currency risk. Such futures and forward contracts trade on recognized exchanges and with recognized counterparties. Margin requirements are met by pledging cash and cash equivalents. The aggregate net notional value of the open equity futures contracts was approximately \$0.5 billion in both years, and the aggregate net notional value of open fixed income futures contracts was approximately \$2.1 billion and \$2.3 billion at March 31, 2026, and 2025, respectively. Currency forward contracts aggregated approximately \$0.2 billion in both years.

The amounts of these instruments are indications of the open transactions and do not represent the level of market, foreign exchange, or credit risk to the portfolio. Since some of the futures and forwards held are adjusting market risk elsewhere in the portfolio, the measurement of the risks associated with these instruments is meaningful only when all related and offsetting transactions are considered. Market risks to the portfolio are caused by changes in interest rates, foreign exchange rates, or in the value of equity markets. With respect to credit risk, futures and forward contracts require daily cash settlement, thus limiting the cash receipt or payment to the change in fair value of the underlying instrument. Accordingly, the amount of credit risk represents a one-day receivable. Futures settlements resulted in losses of \$95.0 million and \$100.5 million for the years ended March 31, 2026, and 2025, respectively, and currency forward settlements resulted in gains of \$1.9 million and \$11.8 million for the years ended March 31, 2026, and 2025, respectively and recorded as a component of net appreciation in fair value of investments.

##### *Affiliated Companies*

All of the affiliated companies are wholly owned and/or controlled by CPF. The financial results of The Church Insurance Company and Church Life Insurance Corporation are prepared on a statutory basis of accounting prescribed by the New York State Department of Financial Services. This statutory basis of accounting results in a fair value of these companies that is not materially different from the fair value that would be required under GAAP. The other affiliated companies are reported on a GAAP basis of accounting. The primary activities and financial status of each of the major affiliated companies are described below for the years ended December 31, 2025, and 2024, except for Church Pension Group Services Corporation, which is described for the years ended March 31, 2026, and 2025.

#### 4. INVESTMENTS (CONTINUED)

##### *Church Pension Group Services Corporation*

Church Pension Group Services Corporation (CPGSC) provides certain services, primarily personnel, general and administrative processing and facilities, related to CPF and its affiliated companies on a cost-reimbursement basis. Church Pension Group 34th Street Realty, LLC is a wholly owned subsidiary of CPGSC that owns the condominium office space that is the headquarters of the Church Pension Group. As of March 31, 2026, and March 31, 2025, the fair value of the condominium office space was \$75.4 million and \$77.9 million, respectively. CPGSC also does business as The Episcopal Church Medical Trust and is the sponsor of the health and welfare benefits funded by The Episcopal Church Clergy and Employees' Benefit Trust (ECCEBT). Mary Katherine Wold is the Chief Executive Officer and President and Francis P. Armstrong is Executive Vice President and Chief Operating Officer of CPGSC.

##### *The Church Insurance Companies*

The Church Insurance Companies have provided property and liability coverage for Episcopal Church institutions since 1929. Today, more than 90% of Episcopal Church dioceses and churches rely on The Church Insurance Companies for their commercial package insurance coverage. The Church Insurance Agency Corporation (the "Agency") provides insurance agency and risk-management services to The Episcopal Church. The Agency accesses a broad range of property, casualty and other insurance products tailored for the special needs of Episcopal Church institutions through its sister company, The Church Insurance Company of Vermont (CICVT) and through its product partners. CICVT is a single-parent captive insurance company incorporated in 1999 to allow Episcopal Church institutions to benefit from the coverage flexibility and potential cost advantages of this shared risk-financing approach.

On August 23, 2012, Church Insurance Services LLC (CIS), a Delaware limited liability company and wholly-owned subsidiary of CICVT, was formed to provide captive manager services. CIS is currently inactive. Mary Katherine Wold is the President and Francis P. Armstrong is Executive Vice President and Chief Operating Officer of each of The Church Insurance Companies.

#### 4. INVESTMENTS (CONTINUED)

##### *Financial Summary*

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
	<i>(In Thousands)</i>	
Assets	\$ 348,909	\$ 281,074
Liabilities	236,211	183,345
Capital and surplus	112,698	97,729
Earned premiums	99,079	85,120
Net income	11,525	15,733

##### *Church Life Insurance Corporation*

Since 1922, Church Life Insurance Corporation (Church Life) has provided life insurance protection and retirement savings products to clergy and lay workers who serve The Episcopal Church and to their families. Church Life's insurance products historically included individual and group life insurance and individual and group annuity products, but Church Life no longer writes new individual life insurance or individual or group annuity products. Group life premiums comprise the majority of the premium revenue. Mary Katherine Wold is the President and Francis P. Armstrong is Executive Vice President and Chief Operating Officer of Church Life.

##### *Financial Summary*

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
	<i>(In Thousands)</i>	
Assets	\$ 206,487	\$ 204,478
Liabilities	105,346	114,097
Capital and surplus	101,141	90,381
Insurance in force	1,678,589	1,669,060
Earned premiums	26,763	26,102
Net income	10,499	10,227

##### *Church Publishing Incorporated*

Church Publishing Incorporated (CPI), established in 1918, is a multi-market publisher of church resources and official liturgical works for The Episcopal Church, along with related educational and theological materials, all meeting the needs of The Episcopal Church, its clergy and lay employees, and related organizations and readers. Mission-aligned resources address topics such as leadership, social justice, inspiration, religion, theology, financial wellness, Christian education, and others. Alongside the books program, CPI provides a suite of electronic resources (RiteSong, RitePlanning, RiteFormation), lectionary inserts, and Christian calendars and church supplies. Mary Katherine Wold is the President, and Francis P. Armstrong is Executive Vice President and Chief Operating Officer, of CPI.

#### 4. INVESTMENTS (CONTINUED)

##### *Financial Summary*

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
	<i>(In Thousands)</i>	
Assets	\$ 4,744	\$ 5,418
Liabilities	9,220	9,765
Capital	(4,476)	(4,347)
Revenue	4,301	3,946
Net loss	(885)	(1,138)
Capital contribution received from CPF	792	1,375

#### 5. FAIR VALUE MEASUREMENTS

The following tables provide information about the financial assets measured at fair value by general type as of March 31, 2026, and 2025:

	<b>Assets at Fair Value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<i>(In Thousands)</i>			
<b>March 31, 2026</b>				
Common and preferred stock	\$ 677,791	\$ -	\$ -	\$ 677,791
U.S. treasury securities	-	1,164,834	14,230	1,179,064
Municipal securities	-	16,013	-	16,013
Corporate bonds	-	591,280	-	591,280
Foreign government securities	-	304	-	304
Limited partnership interests:				
Real estate	-	-	2,537,506	2,537,506
Private equity	-	-	4,289,917	4,289,917
Other alternative investments	-	-	2,615,856	2,615,856
Affiliated companies	-	-	307,620	307,620
	<u>\$ 677,791</u>	<u>\$ 1,772,431</u>	<u>\$ 9,765,129</u>	<u>12,215,351</u>

Investments measured at net  
asset value

Commingled funds	<u>6,389,995</u>
Total assets at fair value	<u>\$ 18,605,346</u>

## 5. FAIR VALUE MEASUREMENTS (CONTINUED)

	Assets at Fair Value			Total
	Level 1	Level 2	Level 3	
	<i>(In Thousands)</i>			
<b>March 31, 2025</b>				
Common and preferred stock	\$ 560,672	\$ –	\$ –	\$ 560,672
U.S. treasury securities	–	885,936	22,311	908,247
Municipal securities	–	13,006	–	13,006
Corporate bonds	–	385,167	–	385,167
Foreign government securities	–	297	–	297
Limited partnership interests:				
Real estate	–	–	2,504,985	2,504,985
Private equity	–	–	3,715,492	3,715,492
Other alternative investments	–	–	2,525,272	2,525,272
Affiliated companies	–	–	284,141	284,141
	<u>\$ 560,672</u>	<u>\$ 1,284,406</u>	<u>\$ 9,052,201</u>	<u>10,897,279</u>

Investments measured at net  
asset value

Commingled funds

Total assets at fair value

6,114,516

\$ 17,011,795

The following table summarizes all additions to Level 3 assets by general type for the years ended:

	Level 3	
	Purchases/Additions	
	March 31	
	2026	2025
	<i>(In Thousands)</i>	
Limited partnership interests:		
Real estate	\$ 245,192	\$ 403,510
Private equity	346,626	234,834
Other alternative investments	74,924	431,373
Affiliated companies, equity interest	708	1,150
Total	<u>\$ 667,450</u>	<u>\$ 1,070,867</u>

There were no transfers into Level 3 for the years ended March 31, 2026, and 2025. There were no transfers out of Level 3 for the years ended March 31, 2026, and 2025.

Limited Partnership interests in real estate, private equity and other alternative investments with a fair value of \$9.4 billion as of March 31, 2026, are primarily valued by using CPF's proportionate share of the limited partnership's equity value as derived from the financial statements provided by the investment managers. This requires a significant amount of judgment by management due to the absence of readily available quoted market prices and the long-term nature of the investments. There are no significant related unobservable inputs.

## **5. FAIR VALUE MEASUREMENTS (CONTINUED)**

Affiliated companies with a fair value of \$308 million as of March 31, 2026, are valued by using the underlying financial statements of these companies. There are no significant related unobservable inputs.

CPF held an allowance for credit losses, which is netted against assessments receivable, of \$984,139 and \$628,000 at March 31, 2026, and 2025, respectively. There were no significant assessments receivable written off in 2026 or 2025.

## **6. ASSESSMENTS RECEIVABLE**

Assessments receivable are reported net of an allowance for credit losses. CPF measures expected credit losses on assessments receivable on a collective basis through review of aging schedules, or on an individual basis when more relevant. An expected credit loss is calculated based on CPF's ongoing review of amounts outstanding and historical loss data including delinquencies and write offs, and is then adjusted for current conditions, and reasonable and supportable forecasts. During 2026 and 2025, CPF had an assessments receivable credit loss of \$0 due to uncollectible accounts.

## **7. INTERNATIONAL CLERGY PENSION PLAN**

The International Clergy Pension Plan (ICPP) represents the liabilities associated with a group of non-qualified, multiple-employer retirement plans and other ancillary benefits that are administered by CPF on behalf of dioceses of The Episcopal Church that are located outside the 50 United States and certain Anglican churches located outside the 50 United States that were previously part of The Episcopal Church. Non-qualified plans are not subject to Section 401(a) of the Code, which, among other things, requires that the assets be held in a trust. Accordingly, the assets of all ICPP plans are held by CPF and are not part of the master trust (see Note 2).

Management utilizes a third-party specialist, Gallagher Benefit Services, Inc., an actuarial consulting firm, to assist with determining the actuarial liabilities of all plans included in the ICPP.

CPF also has administrative and investment agreements with The Episcopal Church of Liberia, Iglesia Anglicana de México, the Diocese of Puerto Rico (for the provision of retirement benefits for their lay employees only), and each of the five dioceses of the Iglesia Anglicana de la Region Central de America (IARCA). Each of these dioceses sponsors its own retirement plan.

The liabilities for these plans totaled \$178.4 million and \$175.0 million at March 31, 2026, and 2025, respectively.

## 8. NET ASSETS

The Legacy and Gift Fund stems from bequests and contributions received by CPF from individuals for the purpose of supporting the tax-exempt purposes of CPF, of which a portion may be subject to donor-imposed restrictions. The portion of the principal balance or interest subject to a donor-imposed restriction must be maintained and spent only in accordance with the wishes of the donors, but the remainder is available for use at the discretion of CPF, in accordance with its charter and tax-exempt purposes.

	<b>Beginning of Year</b>	<b>Contributions and Investment Gains (Losses)</b>	<b>Expenses Paid and Other</b>	<b>End of Year</b>
	<i>(In Thousands)</i>			
<b>March 31, 2026</b>				
Legacy and Gift Fund with donor restrictions	\$ 52,097	\$ 6,089	\$ (267)	\$ 57,919
Legacy and Gift Fund without donor restrictions	36,107	4,197	(27)	40,277
<b>Total</b>	<b>\$ 88,204</b>	<b>\$ 10,286</b>	<b>\$ (294)</b>	<b>\$ 98,196</b>
<b>March 31, 2025</b>				
Legacy and Gift Fund with donor restrictions	\$ 49,803	\$ 2,410	\$ (116)	\$ 52,097
Legacy and Gift Fund without donor restrictions	34,605	1,706	(204)	36,107
<b>Total</b>	<b>\$ 84,408</b>	<b>\$ 4,116</b>	<b>\$ (320)</b>	<b>\$ 88,204</b>

### *Internally Designated Net Assets*

The Church Pension Fund Clergy Post-Retirement Medical Assistance Plan represents the estimated liability for a discretionary benefit that CPF has provided to eligible participants in the Clergy Plan and their eligible spouses to subsidize some or all of the cost to purchase medical and dental coverage. CPF has reserved the right, in its discretion, to change or discontinue this discretionary benefit.

Management engages healthcare actuaries, Aon Consulting, Inc., to assist in estimating the liability for benefits under The Church Pension Fund Clergy Post-Retirement Medical Assistance Plan. The discount rate was 5.88% and 5.60% as of March 31, 2026 and 2025, respectively. The mortality table assumption is the same as utilized to calculate the accumulated benefit obligations for the Clergy Plan (see Note 9). Other significant assumptions included for this plan are the current and expected subsidy to provide for medical coverage and the participation rate, which was 80% as of March 31, 2026 and 2025.

## 8. NET ASSETS (CONTINUED)

The Clergy Life Insurance Plan represents the estimated liability for future annual insurance premiums required to provide eligible participants in the Clergy Plan with life insurance during active service and when retired.

The Benefit Equalization Plan represents the estimated liability for the benefit provided to those participants in the Clergy Plan whose pension payments would be limited by certain sections of the Code to an amount below their entitlement under the present benefit formula. Subject to certain other provisions of the Code, the Benefit Equalization Plan provides for payment of the difference between the Code limitation and such participant's earned pension benefits.

The Clergy Child Benefit Plan represents the estimated liability for the benefits provided to eligible children of deceased clergy who were active or vested under the Clergy Plan at the time of their death.

The Clergy Short-Term Disability Plan represents the estimated liability for the short-term disability benefit provided to eligible active clergy in the Clergy Plan.

The Clergy Long-Term Disability Plan represents the estimated liability for the long-term disability benefit provided to eligible clergy in the Clergy Plan who became disabled on or after January 1, 2018. Eligible clergy who became disabled prior to January 1, 2018, will continue to receive a disability retirement benefit under the Clergy Plan.

The amount designated for Clergy Plan Assessment Deficiency represents the actuarial present value of the estimated amount to be paid out in benefits in excess of the estimated amount to be received in assessments in connection with the Clergy Plan. The assumptions used to estimate the assessment deficiency are consistent with the assumptions used in the estimates of the actuarial present value of the Clergy Plan accumulated plan benefit obligations.

No specific assets are designated to fund the Clergy Post-Retirement Medical Assistance Plan, the Clergy Life Insurance Plan, the Benefit Equalization Plan, the Clergy Child Benefit Plan, the Clergy Short-Term Disability Plan, the Clergy Long-Term Disability Plan payments or the Clergy Plan Assessment Deficiency. These assets are internally designated for these purposes.

The significant assumptions utilized to estimate the liabilities include the discount rate and mortality table assumptions. The Clergy Life Insurance Plan, the Benefit Equalization Plan, the Clergy Child Benefit Plan, the Clergy Short-Term Disability Plan, the Clergy Long-Term Disability Plan and the Clergy Plan Assessment Deficiency apply the same discount rate and mortality table assumptions as those utilized to calculate the accumulated benefit obligations for the Clergy Plan (see Note 9).

## 8. NET ASSETS (CONTINUED)

The following charts summarize the changes in the Net Assets described above for the years ended:

	<b>Beginning of Year</b>	<b>Benefits Paid</b>	<b>Change in Discount Rate</b>	<b>Changes in Other Assumptions</b>	<b>Benefits Accumulated and Other</b>	<b>End of Year</b>
<i>(In Thousands)</i>						
<b>March 31, 2026</b>						
Clergy Post-Retirement						
Medical Assistance Plan	\$ 1,507,000	\$ (47,053)	\$ (64,700)	\$ (4,700)	\$ 110,731	\$ 1,501,278
Clergy Life Insurance Plan	251,717	(21,439)	(7,004)	–	20,852	244,126
Benefit Equalization Plan	59,504	(3,353)	(1,879)	(82)	7,079	61,269
Clergy Child Benefit Plan	12,642	(1,009)	(320)	–	1,326	12,639
Clergy Short-Term						
Disability Plan	5,627	–	(109)	908	(23)	6,403
Clergy Long-Term						
Disability Plan	95,232	(3,221)	(2,478)	1,035	4,787	95,355
Clergy Plan Assessment						
Deficiency	506,093	–	(74,081)	–	19,244	451,256
<b>Total</b>	<b>\$ 2,437,815</b>	<b>\$ (76,075)</b>	<b>\$ (150,571)</b>	<b>\$ (2,839)</b>	<b>\$ 163,996</b>	<b>\$ 2,372,326</b>

For the year ended March 31, 2026, the net assets in the Clergy Post-Retirement Medical Assistance Plan decreased by \$5.7 million as outlined in the table above. The \$4.7 million decrease to the liability under Changes in Other Assumptions is related to a reduction in the expected 2027 subsidy and projected medical trend rates.

	<b>Beginning of Year</b>	<b>Benefits Paid</b>	<b>Change in Discount Rate</b>	<b>Changes in Other Assumptions</b>	<b>Benefits Accumulated and Other</b>	<b>End of Year</b>
<i>(In Thousands)</i>						
<b>March 31, 2025</b>						
Clergy Post-Retirement						
Medical Assistance Plan	\$ 1,314,000	\$ (36,300)	\$ (73,800)	\$ 207,900	\$ 95,200	\$ 1,507,000
Clergy Life Insurance Plan	261,018	(21,661)	(8,956)	–	21,316	251,717
Benefit Equalization Plan	59,663	(3,058)	(2,271)	(183)	5,353	59,504
Clergy Child Benefit Plan	11,774	(1,028)	(360)	–	2,256	12,642
Clergy Short-Term						
Disability Plan	5,683	(1,000)	(111)	–	1,055	5,627
Clergy Long-Term						
Disability Plan	95,562	(3,187)	(2,991)	–	5,848	95,232
Clergy Plan Assessment						
Deficiency	565,358	–	(96,156)	–	36,891	506,093
<b>Total</b>	<b>\$ 2,313,058</b>	<b>\$ (66,234)</b>	<b>\$ (184,645)</b>	<b>\$ 207,717</b>	<b>\$ 167,919</b>	<b>\$ 2,437,815</b>

For the year ended March 31, 2025, the net assets in the Clergy Post-Retirement Medical Assistance Plan increased by \$193.0 million as outlined in the table above. The \$207.9 million increase to the liability under Changes in Other Assumptions is related to the increase in medical trend costs and increase in the expected subsidy.

## **8. NET ASSETS (CONTINUED)**

The amount designated for investment in affiliated companies represents the investment in affiliated companies at fair value, excluding the condominium office space that is the headquarters of the Church Pension Group. This asset is not restricted from use by CPF and, as of March 2026 and 2025, had a fair value of \$75.4 million and \$77.9 million, respectively.

## **9. ACCUMULATED PLAN BENEFIT OBLIGATIONS**

Gallagher Benefits Services, Inc., is an actuarial consulting firm that estimates the actuarial present value of the accumulated plan benefit obligations owed to participants in the Clergy Plan, the Lay Plan and the Staff Plan to reflect the time value of money (through discounts for interest) and the probability of payment (taking into account assumptions for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

Accumulated plan benefit obligations are the estimated discounted present value of the future periodic payments, including lump-sum distributions that are attributable, under the plan provisions, to services rendered by the plan participants to the valuation date. Accumulated plan benefit obligations include benefits that are expected to be paid to: (a) retired or terminated vested participants or their beneficiaries, and (b) present participants or their beneficiaries based on assumptions for future compensation levels, rates of mortality and disability, and other factors. The effect of plan amendments on the accumulated plan benefit obligations is recognized during the years in which such amendments become effective. There were no significant plan amendments impacting the accumulated plan benefit obligations as of March 31, 2026, and 2025, other than the cost-of-living-adjustment (described further below).

- Discount rate:

The discount rate is compounded annually and developed considering annualized yields for long-term government and long-term high-quality corporate bonds that reflect the duration of the pension obligations using the cash flows of the plans.

For the years ended March 31, 2026, and 2025, the discount rate was calculated using a yield curve based on high quality fixed income securities and the cashflows of each of the defined benefit plans.

## 9. ACCUMULATED PLAN BENEFIT OBLIGATIONS (CONTINUED)

The change in the discount rates and the related impact of the change in the discount rates on the accumulated benefit obligations as of March 31 are as follows:

	Discount Rate as of March 31			Decrease to the Accumulated Benefit Obligations as of March 31	
	2026	2025	2024	2026	2025
<b>Plan</b>					
Clergy Plan	5.84%	5.58%	5.27%	\$ (152,357)	\$ (190,538)
Lay Plan	5.58	5.38	5.22	(3,963)	(3,254)
Staff Plan	5.70	5.47	5.24	(6,449)	(6,173)

- Cost-of-living adjustment (COLA):

For the years ended March 31, 2026, and 2025, the COLA assumption for the Clergy Plan was 3.00%. There was no COLA assumption for the Lay Plan or the Staff Plan.

The CPF Board of Trustees grants a COLA at its discretion. The decision is made annually. The impact of the COLA granted compared to the COLA assumed on the accumulated benefit obligation as of March 31 is as follows:

	COLA granted as of January 1		Increase to the Accumulated Benefit Obligations as of March 31	
	2026	2025	2026	2025
<b>Plan</b>				
Clergy Plan	2.8%	2.5%	\$ (8,854)	\$ (22,470)

*(In Thousands)*

As of January 1, 2026, a 2.8% COLA was granted for retiree benefits compared to the 3% assumed COLA, resulting in a decrease of \$8.9 million in the accumulated benefit obligations of the Clergy Plan as of March 31, 2026.

As of January 1, 2025, a 2.5% COLA was granted for retiree benefits compared to the 3.0% assumed COLA, resulting in a decrease of \$22.5 million in the accumulated benefit obligations of the Clergy Plan as of March 31, 2025.

## 9. ACCUMULATED PLAN BENEFIT OBLIGATIONS (CONTINUED)

- Vesting for the years ended March 31, 2026, and 2025:
  - Clergy Plan: After five years of credited service or at age 65 or older while an active participant.
  - Lay Plan: After five years of credited service, at age 55 or older while an active participant, or the date the participant becomes eligible for disability retirement, whichever occurs first.
  - Staff Plan: After five years of credited service, or at age 65 or older while an active participant after completing 12 full calendar months of service as a regular full-time or regular part-time employee.
- Retirement for the years ended March 31, 2026, and 2025:
  - Clergy Plan: Normal, at age 65 and after; early, with no reduction at age 55 with 30 years of credited service; reduced benefits, at age 55 with at least 5 years credited service; compulsory, at age 72.
  - Lay Plan: Normal, at age 65 and after; early, with reduced benefits at age 55.
  - Staff Plan: Normal, at age 65 and after; early, with no reduction at age 55 if combined years and months of credited service and age equals or exceeds 85; otherwise, early with a reduced benefit at age 55 (if employee retires from active service) or age 60 (if employee retires after a termination of employment), in both cases with at least 5 years of credited service.
- Mortality for the year ended March 31, 2026, and 2025:
  - Clergy Plan: The Pri-2012 Employee White-Collar Mortality Table was used for participants, the Pri-2012 Retiree White-Collar Mortality Table was used for retirees, and the Pri-2012 Contingent Survivor Mortality Table was used for retirees' spouses and beneficiaries. Special mortality tables were used for disability retirements.
  - Lay Plan: The Pri-2012 Employee Total Mortality Table was used for participants, the Pri-2012 Retiree Total Mortality Table was used for retirees, the Pri-2012 Contingent Survivor Table was used for retirees' spouses and beneficiaries and the Pri-2012 Disable Retiree Mortality Table was used for disability retirements.
  - Staff Plan: The Pri-2012 Employee White-Collar Mortality Table was used for participants, the Pri-2012 Retiree White-Collar Mortality Table was used for retirees, spouses and beneficiaries.

## 9. ACCUMULATED PLAN BENEFIT OBLIGATIONS (CONTINUED)

For the year ended March 31, 2026, and 2025, there were no changes to the mortality table for the Clergy Plan, the Lay Plan or the Staff Plan.

For the years ended March 31, 2026, and 2025, the improvement in mortality was projected on a fully generational basis using Scale MP-2021.

These actuarial assumptions are based on the presumption that the Clergy Plan, the Lay Plan and the Staff Plan will continue. If a plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefit obligations.

The actuarial present value of the accumulated plan benefit obligations of the Clergy Plan, the Lay Plan and the Staff Plan are summarized as follows:

	<u>Clergy Plan</u>	<u>Lay Plan</u>	<u>Staff Plan</u>
	<i>(In Thousands)</i>		
<b>March 31, 2026</b>			
Vested benefits:			
Actuarial present value of accumulated plan benefit obligations for retired participants and their dependents	\$ 4,247,587	\$ 118,328	\$ 109,964
Actuarial present value of accumulated plan benefit obligations for participants not yet retired and their dependents	1,337,785	75,099	100,314
Nonvested benefits	101,494	1,481	11,075
Total	<u>\$ 5,686,866</u>	<u>\$ 194,908</u>	<u>\$ 221,353</u>

	<u>Clergy Plan</u>	<u>Lay Plan</u>	<u>Staff Plan</u>
	<i>(In Thousands)</i>		
<b>March 31, 2025</b>			
Vested benefits:			
Actuarial present value of accumulated plan benefit obligations for retired participants and their dependents	\$ 4,318,810	\$ 118,595	\$ 105,487
Actuarial present value of accumulated plan benefit obligations for participants not yet retired and their dependents	1,376,437	76,392	95,559
Nonvested benefits	101,973	1,400	12,481
Total	<u>\$ 5,797,220</u>	<u>\$ 196,387</u>	<u>\$ 213,527</u>

## 9. ACCUMULATED PLAN BENEFIT OBLIGATIONS (CONTINUED)

The net increase (decrease) in the actuarial present value of the accumulated plan benefit obligations of the Clergy Plan, the Lay Plan and the Staff Plan is summarized as follows for the years ended:

	<u>Clergy Plan</u>	<u>Lay Plan</u>	<u>Staff Plan</u>
	<i>(In Thousands)</i>		
<b>March 31, 2026</b>			
Actuarial present value of accumulated plan benefit obligations at beginning of year	\$ 5,797,220	\$ 196,387	\$ 213,527
(Decrease) increase during the year attributable to:			
Actual benefit adjustment vs. expected*	(8,854)	-	-
Change in actuarial assumptions	(152,357)	(3,963)	(6,449)
Benefits accumulated	134,017	5,197	13,057
Increase for interest due to decrease in the discount period	312,593	10,222	11,404
Benefits paid	(395,753)	(12,935)	(10,186)
Net increase (decrease)	(110,354)	(1,479)	7,826
Actuarial present value of accumulated plan benefit obligations at end of year	<u>\$ 5,686,866</u>	<u>\$ 194,908</u>	<u>\$ 221,353</u>

\* This represents the impact of the actual COLA granted vs. the COLA assumed for valuation purposes

	<u>Clergy Plan</u>	<u>Lay Plan</u>	<u>Staff Plan</u>
	<i>(In Thousands)</i>		
<b>March 31, 2025</b>			
Actuarial present value of accumulated plan benefit obligations at beginning of year	\$ 5,933,442	\$ 196,085	\$ 206,596
(Decrease) increase during the year attributable to:			
Actual benefit adjustment vs. expected*	(22,470)	-	-
Change in actuarial assumptions	(190,538)	(3,254)	(6,173)
Benefits accumulated	163,558	6,050	11,920
Increase for interest due to decrease in the discount period	302,566	9,916	10,583
Benefits paid	(389,338)	(12,410)	(9,399)
Net increase (decrease)	(136,222)	302	6,931
Actuarial present value of accumulated plan benefit obligations at end of year	<u>\$ 5,797,220</u>	<u>\$ 196,387</u>	<u>\$ 213,527</u>

\* This represents the impact of the actual COLA granted vs. the COLA assumed for valuation purposes

## 10. FUNDING

Participating employers pay assessments to CPF on behalf of the eligible participants in each respective plan. The assessments for the participants in the Clergy Plan are equal to 18% of the applicable participants' compensation as defined under The Church Pension Fund Clergy Pension Plan. The assessments for the participants in the Lay Plan are equal to 9% of the applicable participants' compensation as defined under the Lay Plan. The assessments for the participants in the Staff Plan are equal to 13% of the applicable participants' compensation as defined under the Staff Plan.

Assessments paid to CPF on behalf of the participants in the Clergy Plan, the Lay Plan and the Staff Plan were \$91.0 million, \$4.5 million and \$10.5 million, respectively, during the year ended March 31, 2026, and \$88.5 million, \$4.6 million and \$11.0 million, respectively, during the year ended March 31, 2025.

The funding positions of the Clergy Plan, the Lay Plan and the Staff Plan are summarized as follows:

	<u>Clergy Plan</u>	<u>Lay Plan</u>	<u>Staff Plan</u>
	<i>(In Thousands)</i>		
<b>March 31, 2026</b>			
Net asset available for pension benefits:			
Inside master trust	\$ 5,641,489	\$ 298,107	\$ 431,737
Outside of master trust	10,149,303	1,263	2
Total Net asset available for pension benefits	<u>15,790,792</u>	<u>299,370</u>	<u>431,739</u>
Actuarial present value of accumulated plan benefit obligations	<u>5,686,866</u>	<u>194,908</u>	<u>221,353</u>
Surplus	<u>\$ 10,103,926</u>	<u>\$ 104,462</u>	<u>\$ 210,386</u>
<b>March 31, 2025</b>			
Net asset available for pension benefits:			
Inside master trust	\$ 5,366,238	\$ 275,379	\$ 396,252
Outside of master trust	8,988,046	1,243	29
Total Net asset available for pension benefits	<u>14,354,284</u>	<u>276,622</u>	<u>396,281</u>
Actuarial present value of accumulated plan benefit obligations	<u>5,797,220</u>	<u>196,387</u>	<u>213,527</u>
Surplus	<u>\$ 8,557,064</u>	<u>\$ 80,235</u>	<u>\$ 182,754</u>

## 11. RELATED PARTY TRANSACTIONS

During the years ended March 31, 2026, and 2025, CPF paid ECCEBT contributions of \$47.1 million and \$36.3 million, respectively, towards the cost of medical coverage for eligible retired clergy and their eligible spouses. There were no amounts due to ECCEBT at March 31, 2026, and 2025, in connection with this coverage.

During the years ended March 31, 2026, and 2025, CPGSC provided certain services, primarily personnel and facilities related and general and administrative expense processing, to CPF on a cost-reimbursement basis and billed \$183.6 million and \$128.9 million, respectively, for such services. As of March 31, 2026, and 2025, the amounts due to CPGSC in connection with such services were \$4.6 million and \$2.0 million, respectively, which are included as a component of accrued expenses and other liabilities.

The executive compensation philosophy is established by the Compensation, Diversity and Workplace Values Committee of the CPF Board of Trustees (Compensation Committee). The total remuneration of certain key officers of CPGSC is approved by the Compensation Committee. In addition, the total remuneration paid to the Chief Executive Officer and President is approved by the Board of Trustees. As part of approving the total remuneration of key officers, the Compensation Committee and the CPF Board of Trustees review the remuneration targets for functionally comparable positions in other financial services organizations and not-for-profits with similar complexity, as well as individual and corporate performance. Supplemental and life retirement benefits are provided to certain officers under the terms of individual agreements.

The cash compensation for the two officers of CPF receiving the highest annualized cash compensation for the year ended March 31, 2026, was as follows:

Mary Katherine Wold, Chief Executive Officer and President	\$ 2.3 million
Michael Hood, Executive Vice President and Chief Investment Officer	\$ 1.4 million

CPF maintains a defined contribution plan for eligible employees of CPGSC, under which employees may contribute up to 100% of their salaries, subject to federal limitations. Employee contributions of up to 6% of salary are matched 75% by CPGSC. Total employer-matching contributions under this plan were \$2.5 million for each of the years ended March 31, 2026, and 2025.

## **12. LINE OF CREDIT**

CPF maintains unsecured loan agreements for both committed and uncommitted lines of credit with The Northern Trust Company. The total credit facility is \$450.0 million as of March 31, 2026, of which \$100.0 million is committed and \$350.0 million is uncommitted. Advances under these lines of credit may be repaid and redrawn, in accordance with the terms of the loan agreements, with all amounts outstanding due in full on or before December 21, 2026. Advance requests must first be made under the committed line of credit; once committed principal is fully drawn, the principal available under uncommitted line of credit can be drawn. The commitment fee is payable on the average daily amount of committed principal undrawn and is equal to fifteen one-hundredths of one percent (0.15 of 1%) of such amount per annum.

At March 31, 2026, and 2025, CPF did not have any amounts outstanding under these lines of credit and has yet to borrow any amounts and therefore no interest expense has been incurred for the years ended March 31, 2026, and 2025.

## **13. COMMITMENTS AND CONTINGENCIES**

CPF invests in various securities as part of its ongoing operations. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, changes in the values of investment securities may occur in the near term and such changes could materially affect the amounts reported in the combined financial statements. World events are increasingly affecting economic and global financial markets. There continues to be uncertainty surrounding the duration and the broader impact of these events on the global economy and the ultimate impact cannot be determined at this time.

## **14. INCOME TAXES**

CPF received an exemption letter from the Internal Revenue Service dated October 18, 1938, stating that CPF is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (the Code) as an organization described as a public charity in Section 501(c)(3) of the Code. CPF received an updated letter of exemption from the Internal Revenue Service dated August 9, 2022, confirming that CPF is tax exempt and approving its request to be reclassified from a public charity under Section 509(a)(3) of the Code to a public charity described under Section 509(a)(1) of the Code. CPF is required to operate in conformity with the Code to maintain the tax-exempt status as a public charity.

For federal tax purposes, CPF is exempt from filing a Form 990 since it qualifies as a public charity under Section 509(a)(1) and 170(b)(1)(A)(i) of the Code. CPF does, however, file a Federal Form 990-T and numerous state Form 990-T equivalents to report its unrelated business taxable income (UBTI) resulting from certain alternative investments.

CPF evaluates its tax positions pursuant to the principles of FASB ASC Topic No. 740, Income Taxes, and has determined that there is no material impact on the CPF's financial statements.

#### **14. INCOME TAXES (CONTINUED)**

There were no uncertain tax positions taken by CPF as of March 31, 2026, and 2025.

#### **15. SUBSEQUENT EVENTS**

Management has performed an evaluation of subsequent events through June 22, 2026, which is the date the combined financial statements were available to be issued.

## **EY | Building a better working world**

**EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.**

**Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.**

**EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.**

**All in to shape the future with confidence.**

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2026 Ernst & Young LLP.

All Rights Reserved.

**[ey.com](https://ey.com)**