

Many Voices. One Purpose.

2026 Annual Report



The Church Pension Group exists
to support clergy and lay employees of
The Episcopal Church in their calling to
spread the gospel.

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A Message from Mary Kate Wold

Chief Executive Officer and President

Dear Friends:

The Church Pension Group (CPG) has supported the evolving needs of a changing Episcopal Church for more than a century by listening and responding to the many voices of our clients. Each perspective strengthens our understanding and deepens our ability to serve.

Grounded in a strong sense of purpose and vision, we continue to ask ourselves what CPG should be prepared to offer and do in the decades to come. In 2026, we entered the second year of our three-year planning cycle with strategic initiatives that will continue through 2027.

Our priorities reflect both continuity and change:

We are in the process of intensive listening to bishops, priests, deacons, and lay employees. Our goal is to develop a vision-relevant point of view about how our work can best continue to fortify the Church we are called to serve.

In addition, we are improving our website, cpg.org, now the most common way our stakeholders come to understand and take advantage of the resources we offer. We want to make sure it is easy to use as we enhance it to meet emerging needs.

At the same time, we are investing in our employees, providing them with the right tools to meet the moment and continue to serve with excellence.

You will see in this annual report that our progress over the past year has been both tangible and transformative—and that CPG remains financially disciplined and strong.

Many voices and perspectives shape the path ahead, and we look forward to more listening and learning as we continue to support the clergy and lay employees of The Episcopal Church in their calling to spread the gospel.

Faithfully,



Mary Kate Wold



IN MEMORIAM

A Legacy of Vision, Innovation, and Service

Alan F. Blanchard,
Chief Executive Officer and President,
1991 to 2004

“Alan will be remembered with deep gratitude and respect for his extraordinary leadership, his steady vision, and his unwavering commitment to the Church Pension Group and The Episcopal Church,” CPG’s CEO and President Mary Kate Wold said, reflecting on the March 2026 passing of The Church Pension Fund’s CEO and President from 1991 to 2004.

During his tenure, Alan guided CPG through more than a decade of significant transformation and innovation, including the founding of The Church Pension Fund’s Investments team. Its disciplined expertise helped nearly quadruple fund assets, enabling significant benefit enhancements for clergy, surviving spouses, and lay employees.

“His contributions to enriching the lives of plan participants were wide-ranging,” Mary Kate noted. “Alan was a champion of modernization, and he recognized the power of data long before it became commonplace in organizational decision-making. His influence still reverberates throughout the organization and across the wider Church community.”



A Message from The Church Pension Fund Board of Trustees

Dear Friends:

Throughout the past year, The Church Pension Fund Board of Trustees (CPF Board) has focused on the financial strength of the Church Pension Group (CPG), its strategic foresight, and its ongoing commitment to listening to and learning from the people and institutions of The Episcopal Church. Trustees consistently emphasized the importance of preparing CPG to serve an evolving Church while remaining grounded in its purpose.

Healthcare remained a significant focus. The CPG team launched several new enhancements in 2025, including online benefits billing and Quantum Health navigation services. For many, paying bills online and having someone to help maneuver through the healthcare system were well received. For others, the transitions were challenging.

The CPF Board was pleased to see how focused CPG was on understanding the root causes of issues and how transparent CPG was with its clients as it sought solutions. The team's detailed analysis of the identified issues, including the review of individual cases, to determine what was working and what needed improvement was proof of the organization's dedication to upholding the longstanding trust of its clients.

The CPF Board maintained close oversight of CPG's financial strength through reviews of investment performance, audits, cybersecurity, and organizational results. Through exploring each asset class in depth and stress-testing investment returns and liquidity, we have confidence in the long-term stability of the investment portfolio as well as continued support for CPG's socially responsible investing approach.

The complexity of CPG's work makes it essential for the board to maintain a well-rounded mix of skills and experience among trustees. Continuity in governance and oversight is essential, even as board membership shifts. This year, the Rt. Rev. Ian T. Douglas, PhD, stepped down from the CPF Board in accordance with board policy after CPG hired a family member. We were honored to welcome [Jane Hamblen](#) to fill the vacancy. Her expertise in corporate law and pension systems further enriches our collective perspective.

The CPF Board remains grateful for your confidence in us as we continue to serve those who serve our Church.

Faithfully,



Canon Anne M. Vickers (retired)

Chair



The Very Rev. Cynthia Briggs Kittredge

Vice Chair



The Rt. Rev. Austin K. Rios

Vice Chair



Mary Kate Wold

Chief Executive Officer and President
The Church Pension Fund



Investment Performance

As of March 31, 2026, The Church Pension Fund (CPF) investment portfolio stood at an estimated \$19.2 billion. The portfolio is designed to create long-term value, avoiding short-run speculation. The Investments team focuses on generating steady returns sufficient to meet CPF's long-term financial obligations, as benefit payments significantly exceed the pension assessments received each year. The team attempts to do so while bearing a reasonable level of risk and maintaining adequate liquidity.

\$19.2 billion

The Church Pension Fund's investment portfolio assets

The team builds the CPF portfolio with diversification across asset classes, sectors of the economy, regions, and investment managers. Most importantly, the portfolio invests across a range of assets, both public (stocks and bonds) and private (such as venture capital and real estate). Many of the investment portfolio's holdings involve ownership stakes that tend to perform well when equity markets rise, while the fixed-income allocation provides a different kind of exposure, one likely to gain when equity markets are weak.

Investments in real estate and private specialty strategies, such as music royalties and renewable energy projects, give the portfolio access to economic drivers not present in public equity and venture capital allocations. CPF also invests globally, with about one-third of the portfolio held outside the United States, bringing different business cycles and forms of innovation to the portfolio. Within each asset class, the Investments team hires and oversees a range of external investment managers, tapping into their specialized expertise and differing perspectives.

Portfolio Returns

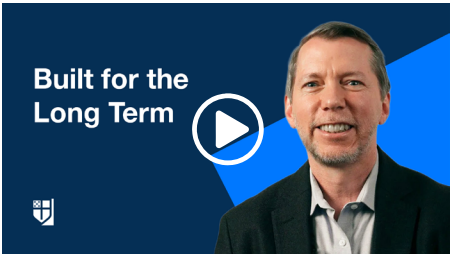
Over the past decade, the CPF portfolio has produced an average annualized return of 8.3%. This return exceeded CPF's investment target of consumer price inflation plus 4.5%, which measured 7.8% over the same period. CPF sets an investment return target that is consistent with the long-term spending needs of the portfolio. The 10-year portfolio return also exceeded the investment benchmark, which tracks only public markets, and reached 8.0% during this period.

In recent years, public markets have performed strongly, while private markets have been more subdued. The pattern is not unusual: Private markets have historically moved in long, slow cycles. The Investments team expects CPF's private holdings to create substantial value over the coming decade, and trends during 2025 suggest that private markets may have begun a new expansion cycle.

Socially Responsible Investing

CPF approaches socially responsible investing in ways that are compatible with its fiduciary responsibility to the beneficiaries of today and tomorrow. As part of its strategy, CPF makes impact investments, which seek competitive returns alongside positive social outcomes. In the impact space, the Investments team is currently emphasizing affordable housing, climate technology, and emerging opportunities.

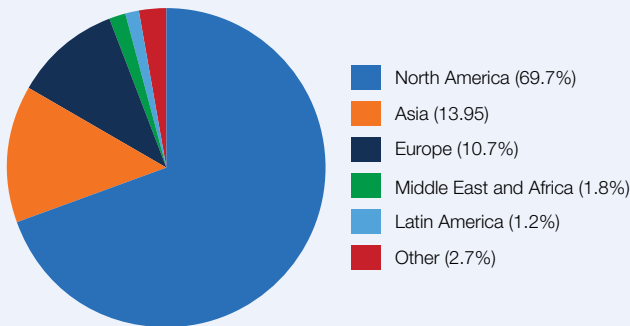
CPF also engages with companies on corporate social responsibility issues that align with long-term shareholder value. The Investments team collaborates with peers and industry working groups on SRI issues to support initiatives that promote inclusive hiring and career development among asset managers, responsible climate stewardship, human rights, and sound corporate governance. Finally, CPF examines all its investments through a lens of being a good citizen in the financial sector, seeking to support sustainable investment practices focused on long-term value creation.



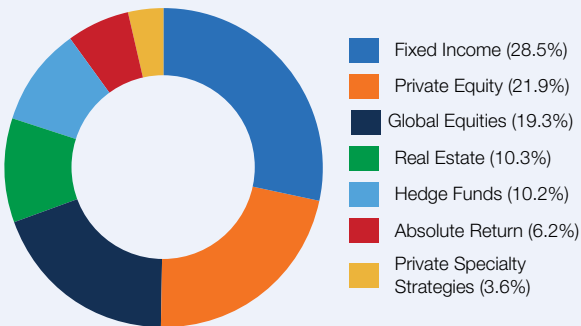
At the heart of CPG's investment approach is a long-term mindset. The focus is on building a diversified portfolio across asset types, regions, industries, and investment partners to manage risk thoughtfully.

By staying disciplined, diversifying exposure, and keeping an eye on liquidity, we strive to achieve steady long-term growth. Markets will rise and fall, but over the long term, patience and diversification help ensure that the CPF investment portfolio can deliver the returns needed to support benefits for decades to come.

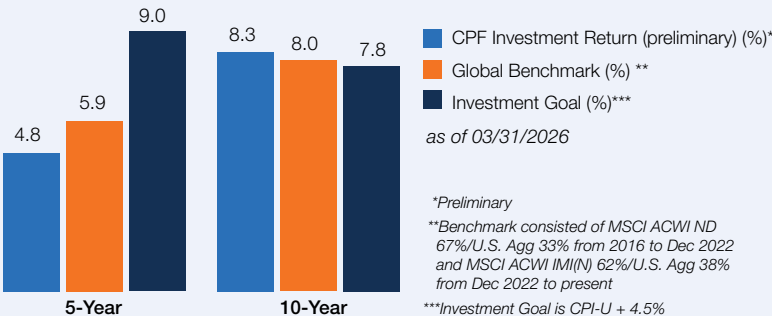
2026 Investment Overview (as of 03/31/2026)



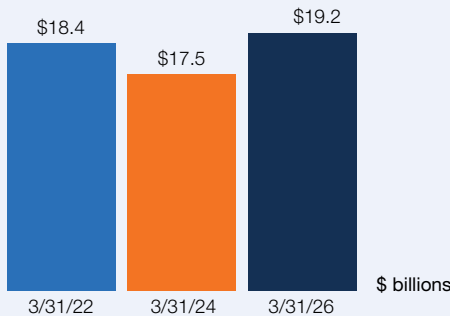
Regional Exposure



Asset Class Exposure



Annualized Return



CPF's Total Investments

A photograph showing a man on the left and a woman on the right. The man is wearing glasses and a grey blazer over a white shirt. The woman is wearing glasses, a white clerical collar, and a patterned tie. She is holding a microphone and gesturing with her hand. The background is slightly blurred, showing other people in a room.

Many Voices. One Purpose.

The Church Pension Group (CPG) is constantly listening throughout The Episcopal Church, across roles and regions, to understand better what is changing and what might be required in the years ahead. Over the past year, we have taken an even deeper dive to uncover the important themes about the Church's present realities and the future needs of those who serve it. These conversations have brought together bishops, priests, deacons, lay employees, and others serving in a wide range of ministry settings.

While experiences vary widely, together they reflect the diversity shaping the Church today and inform a shared commitment to serving those who serve it well. The goal has not been to elevate a single perspective but to gather many voices and look for patterns that emerge when those experiences are considered together.

As an organization entrusted with long-term financial security through pensions, other benefits, and insurance, we must think decades ahead. Decisions made today will shape the lives and ministries of people for years to come. In a period of demographic change, shifting models of ministry, and evolving expectations, careful listening has been essential to remaining proactive rather than reactive.

Our efforts have been intentionally structured and deliberately slow. We have hosted hundreds of conversations guided by a consistent set of questions, documented thoughtfully, and continue to review them collectively to synthesize individual stories into broader themes. This careful, iterative approach has allowed insights to emerge, grounded in lived experiences and tested through repetition rather than assumption.

As our work progresses, the focus has begun to shift from listening to analysis, validation, and deeper study of what we have heard, considering how these emerging themes relate to long-term commitments as well as opportunities and challenges. Our ultimate goal is to develop a vision-relevant point of view that clarifies the Church's needs and guides how our work will continue to support the Church today, tomorrow, and in the coming decades.



For more than 100 years, CPG has worked to meet the changing needs of The Episcopal Church by staying closely connected to those who serve it. For more than a year, CPG has been in conversation with those who serve the Church in various ways.

Listening closely to those experiences has surfaced important themes about where the Church is today and what may be needed in the years ahead. These conversations are helping CPG shape a vision-relevant point of view, one grounded in real voices and real realities, that will help ensure that we can continue to effectively serve the Church, now and deep into the future.



Turning Data into Insights

A Conversation with Luke Douglas

The Director of our Research & Data team, which is also responsible for The Church Pension Fund's role as the Recorder of Ordinations, Luke Douglas reflects on his efforts since joining CPG in the fall of 2025. He took over following the retirement of Matthew Price, PhD, who guided our research for nearly 20 years. Luke shares how he is building on the team's strong foundation, his priorities for the work ahead, and how research and data inform decisions and support CPG's service to the Church.

Tell us about your professional background and what drew you to CPG.

My background was in finance and investing before I moved into management consulting, research, data analytics, and strategy. Across all of that, the common thread has been helping organizations work smarter and better. I've also spent time in government and nonprofit settings, and I've found I really enjoy bringing those different experiences together to support decision-making.

What drew me to CPG was the opportunity to build on an already strong foundation. I stepped into a team with deep expertise and a powerful set of tools, and that was incredibly energizing. It also gave me a chance to bring together my experience across sectors in a way that supports a vision I care deeply about. I'm a lifelong Episcopalian, and connecting my professional work to the Church makes this role especially meaningful.

What are your priorities for your team?

My main priority is continuing to leverage Research & Data to support CPG's strategic plan and decision-making. I'm working with a client- and process-driven team that consistently delivers high-quality insights. We are investing in tools such as artificial intelligence and advanced analytics to shift how we approach our work in responsible, effective ways.

It's not enough to say what's happening. In order to provide real decision support, we need to clarify why it matters and what comes next. Ultimately, our role is to supply the insights our colleagues need to make informed choices about the future direction of CPG.

How does research inform and shape CPG's work and decision-making processes?

At its core, our research is about understanding what's happening in the interactions between CPG and The Episcopal Church. Much of our work focuses on those touchpoints—client experiences, survey feedback, focus groups, and integrating Church and CPG data.

From there, we turn data into something useful and actionable. We translate information into insights that help guide decisions. One of the most powerful things we do is track client feedback in real time, so instead of waiting for periodic reviews, we can see what's happening daily.

We strive to provide clarity—giving teams across CPG a distilled view of what we're seeing so they can act quickly and confidently.

What are the most common questions asked of your team?

Most of our work falls into two main areas. Two-thirds of it is technical: data analysis, surveys, and reporting. This ranges from creating datasets, building dashboards, and assessing performance to providing deeper analytical support on complex questions.

The other major area of work is managing and sharing information on clergy. We receive a significant number of questions about clergy data and demographics, along with a smaller but steady set of requests related to canonical residency, retirement dates, and official clergy lists.

Please describe the role of the Recorder of Ordinations.

The Recorder of Ordinations maintains the Church's official clergy records. My team is responsible for maintaining up-to-date information on things like ordinations, canonical residency, and status, so there's a clear and reliable understanding of who serves where. It's a foundational dataset for both the Church and CPG, and it must be completely accurate.

A photograph of two men smiling and talking at what appears to be a conference or trade show. The man on the left is older, with grey hair and a beard, wearing a light blue button-down shirt. The man on the right is younger, with dark hair and a beard, wearing a dark blue sweater over a white collared shirt. They are both wearing red lanyards. In the background, there are blue and white banners and other people.

Business Updates

Affordability in Focus

A Conversation with Frank Armstrong

As the Church Pension Group (CPG) continues its service to The Episcopal Church, our work remains grounded in stability, responsiveness, and partnership. Chief Operating Officer Frank Armstrong shares his perspective on the progress we've made and the ongoing challenge of keeping our products and services affordable for those we serve.

It's been a meaningful year for CPG. What accomplishments stand out most?

Across healthcare and pension benefits, property and casualty insurance, and publishing, success really came down to staying connected to our clients to fully understand their needs. This past year, we introduced online billing to administer our benefits more efficiently and launched a new operating platform for our property and casualty insurance business.

We also added a healthcare navigator, Quantum, that is designed to help our clients maneuver the complexities of healthcare, make more informed and cost-effective treatment decisions, and achieve better health outcomes. This decision was driven by client needs and by our commitments under the Denominational Health Plan to deliver cost-effective, comprehensive care while managing the rising costs of healthcare.

Although the implementation of this solution has presented some unexpected challenges and client frustrations, we are dedicated to working closely with Quantum and taking decisive actions to deliver a more consistent and effective client advocacy experience.

Each of these investments is helping us work more efficiently, improve client experience, and better manage costs while continuing to deliver strong value.

How has client feedback shaped your priorities?

Listening closely is essential. When something doesn't land as intended, we want to understand why and respond quickly. That feedback helps us spot gaps—whether in communication, understanding, or performance—and take action.

For example, we know we need to do a better job of explaining what's driving healthcare costs and how our plans deliver value. Insights like that shape both how we communicate and how we make decisions in the future.

With affordability a key concern, how is CPG approaching rising healthcare costs?

Healthcare costs are largely driven by how care is used—from routine tests to more complex hospital services. At the same time, broader trends such as rising drug prices on popular medications such as GLP-1s for weight loss and the prevalence of chronic conditions continue to push costs up across the board. These pressures affect everyone we serve—active employees, clergy, and retirees alike—and the underlying dynamics are largely the same across the Denominational Health Plan and retiree medical benefit plan.

Our efforts are focused on the areas we can influence: thoughtful plan design, strong vendor partnerships, and tools that help members make better-informed decisions about their care. The Denominational Health Plan continues to offer comprehensive coverage at a cost that compares well with other options. We also adjusted pricing for our richest plans. This helps relieve pressure on employers who need more affordable options. It also places our plans at the lower end of industry cost benchmarks, considering the older age of our members and where they live and work.

We take that same measured, thoughtful approach with the clergy retiree medical benefit. This is a discretionary benefit available to eligible participants in The Church Pension Fund Clergy Pension Plan, and that reality requires us to be especially disciplined in how we manage it. We closely monitor national retiree healthcare trends and regularly stress-test the long-term sustainability of the plan. We also evaluate plan design decisions with great care—so we can continue providing meaningful support to retirees without compromising the financial strength of The Church Pension Fund or the pension promises we are obligated to keep.

While adjustments are sometimes unavoidable given the broader healthcare environment, they are never made lightly. Our goal is to balance affordability, access, and long-term stewardship—and retirees should know that the same rigor, attention, and sense of responsibility guide our decisions for retiree medical benefits as for the Denominational Health Plan. Resources such as Quantum Health (our healthcare navigator) and Cariloop (a caregiver support platform) help our active members and retirees, respectively, traverse a complex system, leading to improved outcomes and helping to avoid unnecessary costs.

What are you doing to address affordability in property and casualty insurance?

We're hearing clearly from clients that while they value the breadth of our coverage, affordability can be a challenge—especially for smaller churches. In response, we're building in greater flexibility so institutions can adjust coverage levels and premiums to what works for them.

Looking ahead, Church Insurance will introduce a three-tier policy structure that gives clients more ways to balance protection and cost. The goal is to make coverage more accessible without compromising the strength of the protection that we offer.

What are your top priorities going forward?

Affordability—especially in healthcare—remains one of our biggest challenges and a top priority, particularly as costs are expected to keep rising. Our focus is on managing that pressure while continuing to offer meaningful benefits.

Across all our businesses, we're working to simplify choices, improve efficiency, and deliver sustainable solutions. In publishing, 2025 marked an important inflection point, with higher-profile titles, broader media visibility, and continued operational discipline positioning Church Publishing Incorporated for growth. In healthcare, that same long-term focus applies across both active and retiree populations, where affordability and sustainability must be considered together.

It's always a balance—but our goal is clear: Provide strong, sustainable value while keeping costs as manageable as possible for those who are serving the Church and when they retire.

[*Read the 2025 Denominational Health Plan Annual Report*](#)

[*Read Healthcare Affordability: Managing What We Can, Navigating What We Can't*](#)



Benefits

During the past year, the online care and well-being services offered through The Episcopal Church Medical Trust continued to deliver meaningful value for members while supporting the broader goal of the [Denominational Health Plan](#), to contain healthcare costs and promote equitable, churchwide pricing. Across programs, the emphasis remained on early intervention, virtual access, and care navigation—practical strategies that help manage utilization and offer cost-effective care without compromising quality.

\$493 million

Total benefits paid by CPF to clergy, lay employees, and their dependents

Strong utilization was seen across Hinge Health, the Employee Assistance Program, and Teladoc—services designed to reduce barriers to care, expand access, and enable early interventions that may minimize the need for more extensive treatments, which are costlier for all.

Hinge Health alone added more than 700 new users in 2025, building on robust engagement in 2024 and reinforcing its value as a long-term, virtual solution for managing muscle and joint pain. By emphasizing evidence-based, nonsurgical treatment, the program supports earlier intervention and helps reduce the likelihood of more expensive downstream care. Teladoc's 24/7 virtual visits also continued to gain traction, offering members timely access to care with an 89% satisfaction rate and reducing reliance on higher-cost urgent or in-person services when clinically appropriate.

Although overall participation in the Employee Assistance Program declined modestly, members who accessed it demonstrated deeper engagement. Sessions per participant increased, and referrals to counseling outside the program rose by more than 5%, indicating appropriate transitions into covered behavioral health services under the medical plan. This pattern reflects effective navigation to the right level of care, a critical component of managing healthcare utilization and costs.

In both 2024 and 2025, clinical issues such as stress, anxiety, and depression accounted for more than 90% of presenting concerns, underscoring the Employee Assistance Program's role in addressing behavioral health needs.

At the same time, growth in information-only requests highlighted the program's increasing use as a proactive resource, helping members understand available benefits and access appropriate care sooner. By encouraging informed decision-making and early engagement, the program supports better outcomes while mitigating avoidable escalation to higher-cost services. Last year, we made the Employee Assistance Program available to the Convocation of Episcopal Churches in Europe and 10 international dioceses.

Alongside these health and wellness initiatives, CPG continued its longstanding stewardship of retirement benefits through disciplined pension management. While healthcare and retirement programs operate independently, both reflect a shared commitment to long-term sustainability, prudent oversight, and balancing compassionate care with financial responsibility—principles that also guide the Medical Trust’s approach to healthcare cost management across the Denominational Health Plan.

Since the launch of [Benefits Bill Pay](#), our electronic benefits payment system, more than 90% of the 5,000 administrators and individuals who manage domestic benefits invoices have transitioned to online payment. While this represents a significant shift from previous processes, we recognize that the experience has not been seamless for everyone and that adopting a new system takes time.

We are grateful to the administrators and volunteers who have shared candid feedback and worked with us throughout implementation. Their input has helped CPG reduce manual processing and administrative costs and has improved accuracy and payment speed in many cases. We remain committed to listening, addressing concerns, and continually improving the Benefits Bill Pay experience.

[Read the 2025 Denominational Health Plan Annual Report](#)

[Read Healthcare Affordability: Managing What We Can, Navigating What We Can't](#)



CLIENT VOICES

I Had No Idea!

Did you know that The Church Pension Fund offers top-tier clergy pension, medical care, and retirement benefits that are envied across the industry? I didn't. Like many clergy, I blindly followed my call into ministry without consideration of compensation and benefits.

If it weren't for a clergy colleague who encouraged me to pay close attention to my pension assessment payments and the earning of Credited Service, combined with a well-timed attendance at a Planning for Wellness conference in my first months of ordination, I might not have been aware

of the amazing benefits awaiting each of us. And they really are amazing.

Because of these two influences early in my career, I have paid close attention to earning Credited Service toward my retirement, even between active calls to ministry. I learned that even small contributions to my RSVP (The Episcopal Church Retirement Savings Plan) account in the early years can grow over time and provide an important source of retirement income. And with the help of a couple of Church Pension Group financial education specialist reviews over time, I know that I will be ready for retirement even though it's more than a decade away.

Don't wait until you're on the brink of retirement to learn about and utilize the benefits available to us. Act now so that you will be prepared to retire comfortably.

— **The Rev. Canon Michelle I. Walker**

Priest-in-Charge, St. Paul's Episcopal Church, LaPorte, Indiana

Property and Casualty Insurance

The Church Insurance Companies (CIC)* continued to advance our work to deliver stability, responsiveness, and practical innovation to the organizations we serve. Our commitment remains unchanged: to protect what matters, manage risk responsibly, and help our clients carry out their work with confidence.

More than 90%

Share of US Episcopal churches insured
by The Church Insurance Companies

A major milestone in 2025 was the launch of our secure online service. Built in response to client feedback, it provides streamlined, 24/7 access to essential services. Through My Admin Portal, clients can manage billing, access new and improved policy forms, and submit and track claims in one secure location. Electronic bill payments reduce paperwork, offering Episcopal institutions a faster, safer, and more convenient experience.

The new policy forms follow an industry-standard format, making them clearer and easier to navigate, particularly valuable during audits and compliance reviews. They are also available to download and print at any time.

Early adoption of our online service has been strong. According to Christopher Rourke, SVP and General Manager of Church Insurance, “Clients told us they want easier access to information and more flexibility in how they take care of things—whether that’s paying a bill, reviewing a policy, or submitting a claim. This gives them that flexibility and helps the process work better for everyone.”

Alongside these enhancements, CIC remains focused on risk mitigation and cost containment—essential priorities in a property and casualty market shaped by rising loss severity and sustained pressure on insurance costs. An increase in weather-related claims in recent years has driven higher losses and reinsurance costs across the industry, ultimately affecting insurance rates for Episcopal institutions.



When a sprinkler failure caused extensive damage in a matter of minutes, the response that followed made all the difference. From showing up quickly to focusing on restoring what was lost, The Church Insurance Companies became more than a service provider; we became a trusted partner.

The care, consistency, and commitment we tried to demonstrate over time turned a moment of crisis into a relationship built on confidence and trust. For Zion Church in Manchester, Vermont, that trust means knowing that when something goes wrong, support will be there, steadily and without hesitation.

Deferred maintenance remains one of the most significant challenges, particularly for institutions stewarding older buildings with limited capital budgets. Issues that go unaddressed—sometimes risks churches may not even be aware of—can escalate quickly, turning relatively inexpensive repairs into far more costly fixes. CIC conducts hundreds of loss-control surveys with churches each year, providing practical, actionable, on-site guidance to help identify church-specific risks before they result in claims.

In the event of a loss, our highly responsive team provides hands-on support, mobilizing quickly and working closely with clients to guide them through recovery and the claims process. Following a loss, we also work with organizations to implement proactive risk strategies that help prevent or mitigate future claims. These efforts strengthen individual organizations while supporting affordability across the broader insured community.

By combining trusted expertise with practical digital tools, CIC is building a service experience aligned with how clients operate today—simple, secure, and centered on stewardship—while laying a resilient foundation for the future.

* Collectively, The Church Insurance Agency Corporation, The Church Insurance Company, The Church Insurance Company of Vermont, and Church Insurance Holdings LLC



For Heather Crockett, Director of Casualty Claims at CIC, working in claims has become deeply personal. After years in the insurance industry, she found something different at Church Insurance, a place where we strive to let compassion, professionalism, and trustworthiness shape not just how the work is done but why it matters.

Claims work begins in moments of loss and disruption, and each situation brings something new to learn. By showing up fully, treating people with care, and being allowed to bring her whole self to the work, Heather allows that learning to turn into purpose. In helping others recover during difficult moments, her work becomes more than a job; it becomes a way to make a real difference.



CLIENT VOICES

Uncommon Protection, Affordable Rates

St. Matthew's Parish School and Church sit on a 30-acre campus in Pacific Palisades, one of California's highest-risk fire zones. Like many churches and independent schools across Southern California, we struggled for years to secure property and liability insurance.

That changed with Church Insurance. They insured us when no one else would, and at rates well below market. That decision proved critical when our campus suffered catastrophic fire damage last year. Eight of our nearly 30 buildings were destroyed, and the remaining structures required extensive remediation. More than 70% of our families and leadership lost their homes, and nearly our entire community was displaced.

What followed was one of the largest and most complicated claims in Church Insurance's history, yet throughout the process, the team demonstrated extraordinary professionalism, responsiveness, and compassion. Our relationship manager and claims team worked tirelessly to secure coverage for temporary locations, expedite certificates of insurance, and guide us through a \$30 million claim that was paid out within a year.

Communication was constant, payments arrived promptly, and lost income was covered, allowing both our church and school to continue operating.

Because of Church Insurance's deep expertise and unwavering support, we are now rebuilding, returning home, and continuing our mission. And just six months after the fire, Church Insurance renewed our coverage—a powerful vote of confidence in our future.

At a time when many in our community faced adversarial battles with their insurers, our experience was the exact opposite. Church Insurance stood beside us every step of the way. Our church was back up and running in Pacific Palisades within 10 months, and our school will return to campus this September. We are going home. That would not have been possible without Church Insurance.

— **Trevor Mutch**

Director of Finance, St. Matthew's Parish School, Pacific Palisades, California

Publishing

In the past year, Church Publishing Incorporated (CPI) continued advancing initiatives to improve operational effectiveness, expand distribution, and strengthen our publishing infrastructure. These efforts reflect a disciplined, long-term approach informed by industry standards, market conditions, and a commitment to quality content creation.

1,139

Products and titles offered by Church Publishing Incorporated

CPI maintained a balanced publishing strategy, supporting established liturgical works and backlist bestsellers while continuing to develop new offerings designed to broaden reach and relevance, reaching new thresholds in single-title sales. Several recent books demonstrated increased visibility through national and international media coverage, awards, events, and reviews. CPI also made progress in expanding licensing opportunities, including audio and translation rights, extending how content can be accessed across markets and formats.

Client care and accessibility remain central priorities. CPI completed a full website migration to a book industry-leading platform, improving usability and system integration. Participation in the Copyright Clearance Center streamlined permissions requests, particularly for churches and institutional users. CPI titles are now broadly available in both print and digital formats through national accounts, independent booksellers, libraries, and global online retailers.

CPI continued to assess tools and technologies to improve production efficiency and scalability while increasing the availability of electronic resources and expanding accessible formats, including large print.

Together, these developments support CPI's ability to operate sustainably, respond responsibly to market change, and continue delivering high-quality content that serves The Episcopal Church.



Over the past several years, CPI, under the leadership of publisher Airie Stuart, has been intentionally rebuilding for long-term strength, reshaping how we publish, distribute, and share content while staying true to our identity.

From expanding our books program and strengthening operations to reaching readers through new formats and platforms, the focus has been on widening access and deepening impact. As publishing continues to evolve, CPI's work centers on making thoughtful, high-quality content available to The Episcopal Church and beyond, meeting people where they are, and supporting formation, scholarship, and community in meaningful ways.



AUTHOR SPOTLIGHT

Listening Across Voices: Insights from *Witness to Belief*

In a recent interview with Church Publishing, author Russell J. Levenson Jr. reflected on key insights that emerged from his work on *Witness to Belief*. The book brings together conversations with 12 public figures, including Denzel Washington, Jane Goodall, Francis Collins, Nikki Haley, Amy Grant, Gary Sinise, and Sam Waterston. Despite their having widely different vocations and life experiences, he identified a consistent thread: faith shaped how they lived. It guided their decisions, steadied them in hardship, and grounded their sense of purpose.

Moments of difficulty brought that insight into sharp relief. “Almost all of them had faced significant crises—often more than one,” he noted. Amy Grant spoke candidly about major health challenges, reflecting that “God’s business office is often at the end of my rope.” Gary Sinise described the stabilizing role of faith and church community during the long illness and death of his son. Francis Collins shared how his family responded to trauma, and how his daughter later transformed that experience into a life of healing others. Nikki Haley recalled relying on prayer while supporting a grieving community after the 2015 church shooting in Charleston.

Levenson was equally struck by the discipline behind their conviction. Sam Waterston’s long-standing practice of daily meditation offered one example of how faith is formed over time. And before one conversation began during the interviews, Denzel Washington paused and asked, “Don’t you think we should pray first?” Levenson saw a clear pattern: faith lived out in everyday actions and decisions.

These conversations reshaped Levenson’s own understanding of belief. Faith, he found, is not static. It deepens over time through family, community, disciplined practice, and a commitment to serve.



Fast Facts

Those We Serve

13,784

Active (5,588) and retired (8,196) clergy participants in CPF defined benefit plans³

2,815

Active (834) and retired (1,981) lay participants in CPF defined benefit plans³

2,417

Active clergy participants in CPF defined contribution plans⁶

12,021

Active lay participants in CPF defined contribution plans⁶

23,938

Active (18,873) and retired (5,065) lay participants with CPG retirement, health, life, and/or disability benefits²

9,989

Episcopal institutions served by CPG²

Financial Strength

\$19.2 billion

The Church Pension Fund's investment portfolio assets²

8.3%

CPF investment return (preliminary) annualized for the 10 years ended March 31, 2026, versus 8.0% global benchmark return and CPF's 7.8% investment goal return

\$10 billion

Benefits paid since inception²

Steadfast Support

\$493 million

Total benefits paid by CPF to clergy, lay employees, and their dependents^{1,5}

\$257 million

Medical claims paid by The Episcopal Church Medical Trust for self-funded plans⁴

11,089

Number of people who participated in CPG-sponsored events and financial discussions⁴

3,582

Visits to retirees, spouses, and surviving spouses by Chaplains to the Retired⁴

Other Lines of Business

100%

Domestic dioceses that participate in the Denominational Health Plan²

More than 90%

Share of US Episcopal churches insured by The Church Insurance Companies²

1,139

Products and titles offered by Church Publishing Incorporated²

¹ April 1, 2025, to March 31, 2026

² As of March 31, 2026

³ As reported in the Actuarial Valuation Report dated March 31, 2026. The participant count in the report is as of December 31, 2025.

⁴ January 1, 2025, to December 31, 2025

⁵ Includes pension and other benefits (e.g., medical supplement, life insurance, etc.) paid for clergy, lay employees, and their dependents

⁶ As of December 31, 2025

A portrait of Stacie Joh, a woman with short dark hair, wearing black-rimmed glasses and a black blazer. She is resting her chin on her hand and smiling slightly. The background is an office setting with a wooden desk and some papers.

Management Changes

Stacie Joh

Senior Vice President, Business and Data Operations

Promoted to Senior Vice President of Business and Data Operations, Stacie Joh brings broad leadership experience across business operations, data, and technology gained during her 18 years at the Church Pension Group (CPG). She succeeds Bill Psinakis, who retired after more than 17 years of dedicated service.

Stacie began her career in the retirement practice at Aon Consulting, later moving into software consulting, where she built her strong foundation in complex business platforms and client-focused delivery. Since joining CPG, Stacie has held roles of increasing scope and responsibility, leading cross-functional teams and multi-faceted initiatives that support both operational excellence and long-term strategy.

In addition to her role as SVP, she serves as Enterprise Data Officer, providing organization-wide leadership on data governance, strategy, and capability development.

Stacie holds a BS in Mathematics from Meredith College.



Denominational Health Plan 2025 Annual Report

Since 2009, the [Denominational Health Plan \(DHP\)](#) has provided members with comprehensive, high-quality healthcare coverage. Over the intervening years, The Episcopal Church Medical Trust has worked to manage the costs of healthcare coverage, maintain fair and consistent plan pricing across the Church, promote equitable access to healthcare funding for eligible clergy and lay employees, and deliver dependable service—balancing compassionate care with sound financial stewardship.

Controlling Healthcare Costs in a Rising-Cost Environment

Amid some of the highest market trend levels seen in the last 30 years, employer-sponsored plans continue to face sustained cost pressure, driven by factors largely beyond any single plan's control, including medical inflation, rising prescription drug prices, increased chronic disease prevalence, and regulatory coverage mandates.

Within this environment, the Medical Trust focuses its cost-containment efforts on the areas it can directly influence, such as plan design, pooling and purchasing power, care navigation, utilization management, and administrative efficiency. Together, these levers help moderate annual increases, support equitable pricing across the Church, and ensure that high-quality benefits remain accessible, even as broader market conditions continue to change.

Background

The General Convention of The Episcopal Church passed Resolution 2009-A177 and Resolution 2012-B026, requesting that the Medical Trust administer a national healthcare plan and submit annual status reports to the Church. These resolutions also

- established the DHP to provide health benefits to clergy and lay employees working at least 1,500 hours annually for domestic dioceses, parishes, missions, and other organizations or bodies subject to the authority of the Church;
- tasked employers with ensuring cost-share parity between clergy and lay employees; and
- called on the Medical Trust to continue reducing cost disparities among dioceses.

Six years later, Resolution 2018-C023 urged the Medical Trust to make available at least two national health insurance providers in each diocese.

The 80th General Convention passed Resolution 2022-D034, which created a task force to review the DHP's structure and offerings and report back to the 81st General Convention with cost-reduction options for the Church, along with an explanation of each option's benefits and pricing rationale.

Resolution 2024-A101

In Resolution 2024-A101, the 81st General Convention reaffirmed The Episcopal Church's commitment to benefit parity between clergy and lay employees and recommended that the Medical Trust do the following:

- *Make health plans self-sufficient and self-funding at each benefit level.*

To align with this recommendation, our Anthem and Cigna PPO100/90 plans and our Kaiser EPO High Plan continue to experience higher rate increases than plans with less generous benefits. For the 2026 plan year, these increases were not as steep as those applied for 2025, but they are still a few points higher than increases for lower-value plans.

- *Establish equitable churchwide pricing of plans, based on such factors as the community's ability to pay for benefits and the prevailing cost of comparable coverage within the plan area.*

In 2025, we began analyzing available data and working with Church leaders to define and determine how to measure "ability to pay." A panel of bishops has been selected to test the findings and review practical examples.

- *Adopt a pricing structure that ensures that The Episcopal Church in Navajoland and the Dioceses of Alaska, North Dakota, and South Dakota are able to offer Medical Trust plans to eligible employees and dependents.*

We fulfilled this mandate in 2024 and are pleased to report that spreading the cost of this improvement across our membership resulted in a cost increase of only 0.1% in contribution rates for 2025 and 2026.

Resolution 2024-A102

The 81st General Convention also passed Resolution 2024-A102, which called on the Church Pension Group (CPG) to continue educating employers and employees about the savings available through Medicare Secondary Payer Small Employer Exception (MSP-SEE) plans.

In 2025, we completed an analysis that confirmed MSP-SEE plans deliver the anticipated savings in contribution rates and subsequently took the following actions:

- *Emailed potentially eligible members age 65 and over, as well as employers and group administrators, to raise awareness of MSP-SEE plan savings.*
- *Updated the [MSP-SEE eLearning module](#) on [cpg.org](#) to provide additional guidance on MSP-SEE eligibility, rules, and coordination of benefits.*
- *Delivered two webinars to help administrators better understand their responsibilities with respect to these plans.*
- *Updated the [MSP-SEE Fact Sheet](#) on [cpg.org](#) to ensure that members and administrators have access to accurate, up-to-date information.*

Value of the DHP

- **Meaningful choice** — Compared with corporate plans and state-based exchanges, the DHP gives dioceses greater flexibility to choose among different options: platinum, gold, and silver plans plus two pharmacy plan designs.
- **Comprehensive benefits** — The DHP offers vision and hearing benefits, an Employee Assistance Program, travel medical assistance, care coordination, and optional dental plans.
- **Broad networks** — The DHP continues to offer plans with broad national networks (Anthem and Cigna) plus a regional plan (Kaiser), whereas the networks of state-based exchanges are more limited. Although state plans may feature lower premiums, they do so at the expense of benefits, participant choice, and access.

Controlling Health Coverage Costs

The Medical Trust remains committed to providing competitive coverage at the lowest possible cost.

Annual cost increases at the lower end of national trends. For 2026, the Medical Trust required an average annual increase in contribution rates of 7.5%, compared with an estimated group benchmark increase of 8.5%.¹ This is especially noteworthy because DHP claim costs were 18% higher than those of the average US employer.² These higher costs were primarily due to these factors:

- **Older population** — The median age of individuals covered by the DHP is 51, compared with 42³ among those covered by employer-provided health plans. This is significant because older adults are more likely to use healthcare services, including for chronic conditions, and thus to raise the cost of claims.
- **Richer plans** — Whereas US employers have tended to switch to plans with higher out-of-pocket costs, 99% of DHP members are enrolled in rich plans (platinum and gold), which feature the lowest member out-of-pocket cost share.⁴
- **Early shift away from the richest option** — Although enrollment remains concentrated in rich plans, 12% of members moved out of the PPO 100 plan to less-rich options for 2026, indicating growing price sensitivity and openness to higher cost-sharing.
- **Higher prescription costs:**
 - In 2025, the Medical Trust experienced a 62% year-over-year increase in costs for GLP-1 medications used specifically for weight loss, compared with a 45% increase among peers.⁵
 - Pre-exposure prophylaxis (PrEP)—antiretroviral medications used by HIV-negative individuals to prevent HIV—was another significant cost driver. There was an increase in net costs for HIV indications of approximately 34% compared to 2024. This growth was largely driven by guidance from the Departments of Labor, Health and Human Services, and the Treasury requiring health plans to cover all recommended HIV PrEP medications (including Truvada, Descovy, and Apretude) at no cost to members.
 - Inflammatory conditions — Spending on inflammatory conditions also rose by roughly 32%, compared with about 12% for peers. These increases were partly offset by a decline in cancer drug spending of nearly 9%.

¹ PricewaterhouseCoopers. (n.d.). Medical cost trend: Behind the numbers 2026. <https://www.pwc.com/us/en/industries/health-industries/library/behind-the-numbers.html>

² Alliant Insurance Services, Claims Cost Benchmarking, March 20, 2026.

³ Ibid.

⁴ Ibid.

⁵ ESI 2025 Year-End Review on April 13, 2026.

At the same time, actual claims experience—driven by members’ utilization of healthcare services—was materially higher than budget, underscoring the underlying cost pressure within the plan. As a result, the Medical Trust incurred net losses of \$19.4 million in 2025 and \$10.7 million in 2024.

Between 2009 and 2026, average cost increases for the DHP have ranged from 4% to 8% per year versus 7% to 9%⁶ per year for large US employers during the same period. For 2026, the DHP’s average rate increase is 7.5%. By comparison, year-over-year actuarial estimates from PwC project an 8.5% increase in national healthcare costs for 2026,⁷ with expectations that costs will trend even higher in 2027.

Lower administrative costs. Ninety-two percent of contributions to the Medical Trust are budgeted to pay for the cost of healthcare services received by DHP participants (clergy, lay employees, and their dependents). The remaining portion goes toward plan administration and internal operations. By removing such added costs as state premium taxes, commission fees, and risk/profit premium loads, the DHP allows the Church to provide coverage through the Medical Trust that is similar to that offered by large US corporations.

Cost containment through economies of scale. The DHP lowers overall cost of health coverage for participating groups by aggregating the purchasing power of Episcopal employers. For 2026, its bargaining position benefited from having more than 12,000 Active clergy and lay employees in its health plans. Analysis by an external consultant confirmed that, given plan value and such factors as member age, gender, family size, risk characteristics, and geographic location, the Medical Trust’s claim costs are in line with benchmarks.⁷

Supporting benefit parity across domestic dioceses. Every year since 2014, all domestic dioceses have participated in the DHP and received support from the Medical Trust as they decide which plans to offer and try to achieve parity in benefits funding between clergy and lay employees.

Multiple cost-saving initiatives. To keep annual increases low without significantly raising out-of-pocket costs or limiting access to care for members whose plans use the Anthem and Cigna networks, over the past 16 years, the Medical Trust

- joined a prescription drug purchasing coalition with other denominations;
- became part of the SaveOnSP manufacturer copay assistance program;
- required certain specialty medications to be covered exclusively within the Express Scripts pharmacy benefit;
- made available the services of Hinge Health, a digital musculoskeletal wellness program;
- introduced a coinsurance-based prescription drug benefit plan option and a cost-sharing tier for specialty drugs;
- implemented and promoted the Medicare Secondary Payer Small Employer Exception Plan;
- adopted enhanced utilization management and use of evidence-based treatments to ensure optimal outcomes;
- implemented EncircleRx with Express Scripts to control GLP-1 drug costs and ensure appropriate utilization and adherence;
- expanded patient support for GLP-1s through EnReachRx, a program that offers dose optimization assistance, side-effect management, home delivery, and improved detection of fraud, waste, and abuse;
- provided free access to Teladoc, making convenient, cost-effective care available without impacting Health Savings Account eligibility; and
- implemented Quantum Health as our healthcare navigation provider.

⁶ Custom comparison includes charities, nonprofits, and companies in the higher education sector.

⁷ PricewaterhouseCoopers, *op. cit.*



HEALTHCARE AFFORDABILITY:

Managing What We Can, Navigating What We Can't

Containing healthcare costs remains a central priority of The Episcopal Church Medical Trust (Medical Trust) and a core objective of the Denominational Health Plan (DHP). While market-wide forces, such as rising pharmaceutical prices and increased chronic disease prevalence, continue to drive healthcare inflation nationally, the Medical Trust continues to focus on the areas it can directly influence to moderate costs and promote long-term sustainability.

Disciplined Cost Management

Over time, annual DHP contribution increases have remained on the lower end of national employer benchmarks, even though the plan serves an older population and offers richer-than-average benefits. This reflects careful plan design, active monitoring of trends, and consistent efforts to balance benefit quality with financial stewardship.

Pooling and Economies of Scale

By aggregating more than 12,000 clergy and lay employees across The Episcopal Church, the DHP leverages its collective purchasing power to manage administrative costs and negotiate competitive pricing. This pooled approach stabilizes rates across dioceses and supports equitable, churchwide access to comprehensive coverage.

Care Navigation and Utilization Management

The Medical Trust emphasizes early intervention, evidence-based treatment, and informed decision-making to help members access appropriate care at the right time. Resources, including healthcare navigation, virtual care, and utilization management, help reduce avoidable escalation to higher-cost services while supporting positive clinical outcomes.

Pharmacy Cost Controls

Prescription drugs, particularly specialty medications and GLP-1 therapies, are among the fastest-growing cost drivers in employer-sponsored plans. In response, the Medical Trust has implemented multiple strategies to manage these pressures, including purchasing coalitions, utilization controls, manufacturer assistance programs, and targeted pharmacy management initiatives.

Lower Administrative Overhead

Unlike fully insured commercial plans, the DHP minimizes non-care expenses by avoiding state premium taxes, broker commissions, and profit margins. As a result, the vast majority of contributions are directed toward healthcare services for members and their families.

Together, these actions reflect an ongoing commitment to compassionate care and responsible stewardship, helping ensure that high-quality healthcare coverage remains accessible and affordable for those who serve the Church, even amid continued cost pressures beyond our control.

Fund for Medical Assistance for Non-Domestic Dioceses

The Fund for Medical Assistance (FMA) was created in 2012 to help eligible clergy and lay employees and their eligible dependents in dioceses that cannot participate in the DHP defray the cost of medically necessary healthcare expenses not otherwise covered by public or private insurance.

In 2025, CPG's annual FMA commitment was \$370,000, from which The Church Pension Fund granted \$42,032 to cover healthcare expenses for eligible participants in non-domestic dioceses.

The Way Forward

Healthcare costs are driven largely by how care is used—from routine services to complex hospital treatments. At the same time, broader trends, such as rising drug prices and the increasing prevalence of chronic conditions, continue to put upward pressure on costs. These dynamics affect all populations we serve—active employees, clergy, and retirees—and are consistent across both the Denominational Health Plan and retiree medical programs.

Preliminary forecasts from our consulting firm indicate that employer health plans are expected to have higher cost increases in 2027, likely in double digits, driven by continued acceleration in healthcare costs.

To address rising costs, the Medical Trust is reviewing its plan offerings and identifying opportunities to adjust plan designs. The objective is to improve financial sustainability, better align plans with member needs, and remain competitive with benchmarks for similar organizations. This work includes refining actuarial values across plan options to preserve meaningful choice, manage costs, and ensure that members are enrolled in plans that best meet their needs.

As part of this effort, and in keeping with Resolution 2024-A102, the Medical Trust began offering webinars focused on Consumer-Driven Health Plans in May 2025 and will continue its educational initiatives.

Fiduciary governance and oversight structures have also evolved to support effective stewardship of the health plans. In 2026, the Health Benefit Plans Committee of CPG (the Committee) was established to provide fiduciary oversight and make certain decisions regarding CPG-sponsored health plans. The Committee is responsible for monitoring service providers, including evaluating their performance and fee structures as they relate to the health plans.

Healthcare Navigator

In 2025, the Medical Trust introduced the services of Quantum Health for members enrolled in plans using Anthem and Cigna networks, generating strong engagement and positive feedback with respect to personalized support, care coordination, and referrals to specialized programs.

The first year also highlighted operational challenges, particularly with out-of-network claims processing, largely stemming from incorrectly programmed plan features by our vendor. Some members also reported inconsistent experiences early in the transition, underscoring the need for clearer processes and stronger alignment with claim-processing partners.

In response, the Medical Trust and Quantum implemented corrective actions in 2025, including (1) a comprehensive claims audit to ensure accurate plan administration and reimbursements, (2) ongoing development of a web-based solution for out-of-network claims submission, and

(3) ongoing efforts to enable direct deposit payments for out-of-network reimbursements to members in order to speed up payments. These enhancements, coupled with continued collaboration among CPG, Quantum, and vendor partners, are expected to boost the program's reliability and consistency going forward.

Behavioral Health Support

Consistent with nationwide trends, mental health challenges continue to increase within our population. Therefore, the Medical Trust is exploring enhanced Employee Assistance Program offerings and next-generation mental health solutions to better integrate behavioral health with medical plans and expand access to digital psychiatry, therapy, coaching, and care navigation.

Quantum Health also helps members connect with the behavioral resources that match their needs, enabling timely and coordinated care. These efforts reflect the Medical Trust's ongoing commitment to supporting the emotional well-being of all members.

Impact of GLP-1s

GLP-1 medications, particularly those prescribed for weight loss, have emerged as one of the most significant drivers of pharmacy cost growth across employer-sponsored health plans. For the Medical Trust, weight-loss medications represented approximately 8.5% of total net pharmacy spend in 2025 and accounted for a disproportionate share of the year-over-year increase. Overall pharmacy costs rose nearly 24% compared with 2024, while net plan costs per member for weight-loss medications increased by 62%.

The EncircleRx program, which applies stricter utilization management and authorization requirements for GLP-1s, helped moderate cost growth. The weight-loss medication trend declined significantly, from 148% in 2024 to 62% in 2025, and EncircleRx is estimated to have generated \$3.2 million in savings in 2025. Collectively, these utilization and waste controls are delivering measurable savings and meaningful clinical outcomes, positioning the plan ahead of broader market practices.

The Medical Trust is continuing to evaluate the long-term sustainability of covering GLP-1 medications for weight loss, amid rising utilization, rapid market expansion, and significant projected cost increases. As part of this assessment, we are examining the potential impact of excluding GLP-1s for weight loss from our plans while expanding access to a broader range of weight-management resources—including support programs—to ensure that members have access to clinically appropriate options beyond medication alone.

In Summary

The DHP offers broad access to comprehensive benefits with equitable pricing. To ensure its sustainability, the Medical Trust is managing costs, refining plan design, and reassessing GLP-1 coverage. To enhance the member experience, we are strengthening healthcare coordination and expanding behavioral health support.

Guided by a commitment to parity, stewardship, and high-quality care, we will continue to adapt to market trends and member needs while delivering consistent, competitive, and compassionate healthcare coverage in the years ahead.

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10 Stepped down from the CPF Board on September 25, 2025

11 Elected to the CPF Board on November 5, 2025



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** Stacey Joh was promoted to Senior Vice President on April 1, 2026.

Audited Financial Statements

Ernst & Young LLP

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**

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

Tel: +1 212 773 3000
ey.com

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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.



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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.



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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

	2026	2025
ASSETS		
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
TOTAL ASSETS	\$ 19,613,823,444	\$ 18,122,596,172
LIABILITIES		
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	389,177,917	363,129,849
TOTAL NET ASSETS	\$ 19,224,645,527	\$ 17,759,466,323
COMPONENTS OF NET ASSETS		
Net assets with donor restrictions:		
Legacy and gift fund	\$ 57,919,424	\$ 52,096,612
Total net assets with donor restrictions	57,919,424	52,096,612
Net assets without donor restrictions:		
Legacy and gift fund	40,277,175	36,106,972
Total net assets without donor restrictions	40,277,175	36,106,972
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	2,604,547,870	2,644,075,071
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	16,521,901,058	15,027,187,668
TOTAL NET ASSETS	\$ 19,224,645,527	\$ 17,759,466,323

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**

	2026	2025
ADDITIONS TO NET ASSETS		
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	2,101,379,186	897,606,422
DEDUCTIONS FROM NET ASSETS		
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	503,293,122	484,495,366
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	656,767,237	631,241,624
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	1,465,179,204	285,095,738
OTHER CHANGES IN NET ASSETS		
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	1,494,713,390	120,374,508
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	\$ 16,521,901,058	\$ 15,027,187,668

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:

	Year Ended March 31	
	2026	2025
	<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

	December 31	
	2025	2024
	<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

	December 31	
	2025	2024
	<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

	December 31	
	2025	2024
	<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:

	Assets at Fair Value			Total
	Level 1	Level 2	Level 3	
	<i>(In Thousands)</i>			
March 31, 2026				
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				6,389,995
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	
	(In Thousands)			
March 31, 2025				
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
	(In Thousands)	
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.

	Contributions and Investment Gains (Losses)				Expenses Paid and Other	End of Year
	Beginning of Year					
<i>(In Thousands)</i>						
March 31, 2026						
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
Total	<u>\$ 88,204</u>	<u>\$ 10,286</u>	<u>\$ (294)</u>	<u>\$</u>		<u>98,196</u>
March 31, 2025						
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
Total	<u>\$ 84,408</u>	<u>\$ 4,116</u>	<u>\$ (320)</u>	<u>\$</u>		<u>88,204</u>

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:

	Beginning of Year	Benefits Paid	Change in Discount Rate	Changes in Other Assumptions	Benefits Accumulated and Other	End of Year
	<i>(In Thousands)</i>					
March 31, 2026						
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
Total	<u>\$ 2,437,815</u>	<u>\$ (76,075)</u>	<u>\$ (150,571)</u>	<u>\$ (2,839)</u>	<u>\$ 163,996</u>	<u>\$ 2,372,326</u>

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.

	Beginning of Year	Benefits Paid	Change in Discount Rate	Changes in Other Assumptions	Benefits Accumulated and Other	End of Year
	<i>(In Thousands)</i>					
March 31, 2025						
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
Total	<u>\$ 2,313,058</u>	<u>\$ (66,234)</u>	<u>\$ (184,645)</u>	<u>\$ 207,717</u>	<u>\$ 167,919</u>	<u>\$ 2,437,815</u>

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
Plan					
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
Plan				
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:

	Clergy Plan	Lay Plan	Staff Plan
	<i>(In Thousands)</i>		
March 31, 2026			
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>
	Clergy Plan	Lay Plan	Staff Plan
	<i>(In Thousands)</i>		
March 31, 2025			
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>		
March 31, 2026			
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)	<u>(110,354)</u>	<u>(1,479)</u>	<u>7,826</u>
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>		
March 31, 2025			
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)	<u>(136,222)</u>	<u>302</u>	<u>6,931</u>
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:

	Clergy Plan	Lay Plan	Staff Plan
	<i>(In Thousands)</i>		
March 31, 2026			
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	15,790,792	299,370	431,739
Actuarial present value of accumulated plan benefit obligations	5,686,866	194,908	221,353
Surplus	<u>\$ 10,103,926</u>	<u>\$ 104,462</u>	<u>\$ 210,386</u>
March 31, 2025			
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	14,354,284	276,622	396,281
Actuarial present value of accumulated plan benefit obligations	5,797,220	196,387	213,527
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.

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