THE JOHN A. HARTFORD FOUNDATION

Financial Statements
for the year ended
December 31, 2025
and
December 31, 2024

COMD
Certified Public Accountants

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Independent Auditor's Report

To the Board of Trustees of
The John A. Hartford Foundation

Opinion

We have audited the accompanying financial statements of The John A. Hartford Foundation, Inc. (the "Foundation"), which comprise the statement of financial position as of December 31, 2025 and December 31, 2024 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2025 and December 31, 2024 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Foundation 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from 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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from 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 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 Foundation'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 Foundation'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.

Carter Dilearn McGirty & Donnelly LLP

July 6, 2026

THE JOHN A. HARTFORD FOUNDATION, INC.
Statement of Financial Position

	December 31	
	2025	**2024**
Assets		
Investments at fair value		
(Notes 2, 3 and 4)		
Short-term cash investments	$ 25,571,545	$ 18,597,577
Fixed-income funds	149,858,296	127,111,038
Stock exchange traded and mutual funds	243,694,641	210,552,419
Commingled funds	181,709,515	198,465,076
Private equity funds	146,672,794	132,846,652
Private credit funds	27,733,625	32,904,948
Real estate pooled funds	8,502	53,480
Total investments	775,248,918	720,531,190
Interest and dividends receivable	124,212	76,720
Prepayments and deposits	180,738	114,502
Prepaid federal excise tax	78,007	-
	382,957	191,222
Office condominium, furniture, fixtures and equipment (net of accumulated depreciation of $5,221,739 in 2025 and $5,170,348 in 2024) Note 5	536,212	427,163
Total assets	**$776,168,087**	**$721,149,575**
Liabilities and Net assets		
Liabilities		
Grants payable (Note 2)		
Current	$ 11,777,081	$ 13,630,807
Noncurrent (Note 7)	14,586,991	15,500,159
Accounts payable	615,139	542,384
Accrued vacation pay	195,274	247,918
Federal excise tax payable	-	29,115
Deferred federal excise tax (Note 2)	4,059,237	3,956,087
Total liabilities	31,233,722	33,906,470
Net assets		
Without donor restriction	744,934,365	687,243,105
Total liabilities and net assets	**$776,168,087**	**$721,149,575**

See notes to financial statements.

THE JOHN A. HARTFORD FOUNDATION, INC.
Statement of Activities

	Year Ended December 31	
	2025	**2024**
Operating activities		
Investment and program revenue		
Net investment revenue (Note 8)	$ 89,882,775	$ 79,791,284
Excise and unrelated business income taxes	(1,142,878)	(469,372)
Deferred federal tax expense	(103,150)	(635,882)
Net investment revenue after taxes	88,636,747	78,686,030
Program revenue	-	2,298
Total investment and program revenue	88,636,747	78,688,328
Expenses (Note 2)		
Grants and foundation-administered projects	24,883,759	18,255,125
Program administration	3,051,656	2,839,917
Total program	27,935,415	21,095,042
Management and general	2,756,467	2,445,475
Investment oversight	253,605	302,235
Total expenses	30,945,487	23,842,752
Total change in net assets from operating activities	**57,691,260**	**54,845,576**
Net assets, beginning of year	**687,243,105**	**632,397,529**
Net assets, end of year	**$ 744,934,365**	**$ 687,243,105**

See notes to financial statements.

THE JOHN A. HARTFORD FOUNDATION, INC.
Statement of Cash Flows
Year Ended December 31, 2025 and 2024

	Year Ended December 31	
	2025	**2024**
Cash flows from operating activities		
Interest and dividends received	$ 10,277,793	$ 9,467,352
Cash distributions from private funds	20,739,157	20,962,323
Program income	-	2,298
Grants and foundation-administered projects, net of refunds	(26,803,153)	(26,602,843)
Expenses and taxes paid	(10,934,506)	(9,534,930)
Net cash used in operating activities	(6,720,709)	(5,705,800)
Cash flows from investing activities		
Purchases of furniture, fixtures and equipment	(174,670)	(209,116)
Proceeds from sale of investments	179,096,929	89,907,749
Purchase of investments	(165,227,582)	(84,185,899)
Net cash provided by investing activities	13,694,677	5,512,734
Net increase (decrease) in cash and cash equivalents	**6,973,968**	**(193,066)**
Cash and cash equivalents, beginning of year	**18,597,577**	**18,790,643**
Cash and cash equivalents, end of year	**$ 25,571,545**	**$ 18,597,577**
Supplemental disclosure		
Excise taxes paid	$ 1,250,000	$ 370,000

See notes to financial statements.

THE JOHN A. HARTFORD FOUNDATION, INC.
Statement of Functional Expenses
Year Ended December 31, 2025 and 2024

	2025					
	Grants and Foundation Administered Project	Program Administration	Total Program	Management and General	Investment Oversight	Total
Grants	$22,699,542	$ -	$22,699,542	$ -	$ -	$22,699,542
Salaries and benefits	708,071	2,213,022	2,921,093	1,737,325	176,592	4,835,010
Travel	3,338	266,641	269,979	52,409	-	322,388
Meetings	100,000	-	100,000	-	-	100,000
Occupancy	44,799	111,686	156,485	84,807	7,591	248,883
Professional services	1,271,905	188,774	1,460,679	556,285	27,000	2,043,964
Trustee fees and Board costs	-	131,661	131,661	219,435	32,915	384,011
Office expenses	23,103	57,597	80,700	43,733	3,915	128,348
Technology	21,190	52,828	74,018	40,113	3,591	117,722
Depreciation	11,811	29,447	41,258	22,360	2,001	65,619
Total	**$24,883,759**	**$ 3,051,656**	**$27,935,415**	**$ 2,756,467**	**$ 253,605**	**$30,945,487**

	2024					
	Grants and Foundation Administered Project	Program Administration	Total Program	Management and General	Investment Oversight	Total
Grants	$ 15,250,928	$ -	$ 15,250,928	$ -	$ -	$ 15,250,928
Salaries and benefits	588,694	2,056,359	2,645,053	1,674,507	173,607	4,493,167
Travel	6,216	214,164	220,380	23,642	-	244,022
Meetings	100,687	-	100,687	-	-	100,687
Occupancy	33,634	104,015	137,649	78,977	7,599	224,225
Professional services	2,227,735	172,872	2,400,607	323,140	22,500	2,746,247
Trustee fees and Board costs	-	146,442	146,442	234,305	87,864	468,611
Office expenses	18,933	58,551	77,484	44,456	4,271	126,211
Technology	18,133	56,079	74,212	42,580	4,097	120,889
Depreciation	10,165	31,435	41,600	23,868	2,297	67,765
Total	**$ 18,255,125**	**$ 2,839,917**	**$ 21,095,042**	**$ 2,445,475**	**$ 302,235**	**$ 23,842,752**

See notes to financial statements.

THE JOHN A. HARTFORD FOUNDATION, INC.

Notes to Financial Statements
December 31, 2025 and December 31, 2024

Note 1 – Purpose of Foundation

The John A. Hartford Foundation, Inc. was established in 1929 and originally funded with bequests from its founder, John A. Hartford and his brother, George L. Hartford. The Foundation supports efforts to improve the care of older adults through grants and Foundation-administered projects. The Foundation's primary source of revenue is from investment earnings.

Note 2 – Summary of Significant Accounting Policies

Method of Accounting

The Foundation's financial statements are prepared, on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The significant accounting policies are set forth below:

Basis of presentation

Net assets are recorded based on donor-imposed restrictions or lack thereof.

Net Assets without Donor Restrictions – These assets are free from donor restriction and can be used to carry out the programs of the Foundation in accordance with its bylaws.

Net Assets with Donor Restrictions – These assets are either restricted for a specific purpose, or a future time period or to be invested in perpetuity. At December 31, 2025 and 2024, the Foundation does not have any net assets with donor restrictions.

Investments

Investments in marketable securities are valued at their fair value (quoted market price). Commingled funds, private equity and credit funds and real estate pooled funds are valued at their fair value as reported by the fund manager. Because of the inherent uncertainty of valuation, estimated values may differ significantly from the values that would have been used had a ready market for the entities existed. Realized gains and losses from the sale of marketable securities are recorded by comparison of proceeds to cost determined under the specific identification method. Dividends from securities are recorded on the ex-dividend date.

Note 2 – Summary of Significant Accounting Policies (continued)

Grants

The liability for grants payable is recognized when specific unconditional grants are authorized by the Board of Trustees and the recipients have been notified. If grantees are required to satisfy certain conditions of the grant, the liability is not recorded until the conditions have been met. Annually the Foundation reviews its estimated grant payments schedule and discounts the non-current grants payable to present value using the benchmark interest rate as quoted in the Wall Street Journal at December 31 to reflect the time value of money. The amount of the discount and conditional grants approved is then recorded as designated net assets.

Definition of cash

For purposes of the statements of cash flows, the Foundation defines cash and equivalents as cash and short-term cash investments. Short-term cash investments are comprised of cash in custody accounts, money market mutual funds and net cash pending settlement.

Tax status

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as a "private foundation." The Foundation is subject to an excise tax on net investment income at the rate of 1.39%.

Deferred Federal excise taxes payable are also recorded on the unrealized appreciation of investments using the 1.39% excise tax rate.

The Foundation intends to distribute at least $33,400,000 of undistributed income in grants or qualifying expenditures by December 31, 2026, to comply with Internal Revenue Service regulations.

One of the Foundation's real estate pooled funds has underlying investments which generate unrelated business taxable income ("UBIT"). This income is subject to Federal and state income taxes at "for-profit" corporate income tax rates. For the years ended December 31, 2025 and 2024, the fund generated minimal UBIT income and a minimal UBIT loss, respectively.

Property and equipment

The Foundation's office condominium, furniture, fixtures and equipment are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (office condominium-20 years; office furniture and fixtures-5 years).

Note 2 – Summary of Significant Accounting Policies (continued)

Allocation of expenses

The financial statements report categories of expenses that are attributable to program and supporting services. These expenses include salaries and benefits, professional services, occupancy, office and technology and travel. Salaries and benefits are allocated based on estimates of time spent, occupancy, office and technology expenses are allocated based on the number of full-time employees and the remaining expenses are based on estimates of the program or supporting service benefited.

Note 3 – Net cash pending settlement

Receivables and payables on security sales and purchases pending settlement at December 31, 2025 and December 31, 2024 were as follows:

	2025	2024
Proceeds from sales	$ 373,400	$ 1,766,235
Subscription paid in advance	-	4,506,716
Net cash pending settlement	$ 373,400	$ 6,272,951

Net cash pending settlement is reported as part of short-term cash investments.

Note 4 – Fair value of investments

The Foundation follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based on input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Net Asset Value (NAV) Investments – Practical Expedient

The Foundation applies the “practical expedient” under U.S. GAAP to determine the fair value of certain investments measured using net asset value (NAV). This method is permitted for investments that:(a) lack a readily determinable fair value based on a public market, and (b) either have the characteristics of an investment company or prepare financial statements in accordance with investment company accounting principles.

Note 4 – Fair value of investments (continued)

Net Asset Value (NAV) Investments – Practical Expedient (continued)

NAV investments are reported at fair value, generally representing the Foundation's proportionate share of the net assets as reported by the underlying investment managers or general partners, such investments are not classified within levels 1, 2, or 3 of the fair value hierarchy. Fair value is adjusted for additional contributions, distributions, and the Foundation's share of net earnings or losses.

The Foundation believes the carrying amounts of these investments are reasonable estimates of fair value as of December 31, 2025 and 2024. Because these investments are not publicly traded, their estimated values are subject to uncertainty, and actual results could differ materially.

The Foundation's investments are categorized as follows:

	2025		
	Level 1	Valued at NAV	Total
Short-term cash investments	$ 25,571,545	$ -	$ 25,571,545
Fixed-income funds	149,858,296		149,858,296
Stocks, exchange traded and mutual funds			
Exchange traded and mutual funds			
U.S. equities	158,451,992		158,451,992
Non-U.S. equities	18,416,658		18,416,658
Industrial	11,363,537		11,363,537
Consumer discretionary	8,333,864		8,333,864
Financials	10,125,857		10,125,857
Information technology	13,684,124		13,684,124
Communication services	5,288,187		5,288,187
Other	18,030,422		18,030,422
Commingled funds			
Global and international-long only		43,320,883	43,320,883
U.S. long only		28,628,305	28,628,305
Equity long/short		11,229,891	11,229,891
Event-driven		21,942,733	21,942,733
Relative value		43,223,133	43,223,133
Tactical trading		33,364,570	33,364,570
Private equity funds		146,672,794	146,672,794
Private credit funds		27,733,625	27,733,625
Real estate pooled funds		8,502	8,502
Total	$419,124,482	$356,124,436	$775,248,918

Note 4 – Fair value of investments (continued)

	2024		
	Level 1	Valued at NAV	Total
Short-term cash investments	$ 18,597,577	$ -	$ 18,597,577
Fixed-income funds	127,111,038		127,111,038
Stocks, exchange traded and mutual funds			
Exchange traded and mutual funds			
U.S. equities	142,803,069		142,803,069
Non-U.S. equities	22,703,595		22,703,595
Industrial	5,756,530		5,756,530
Consumer discretionary	6,339,244		6,339,244
Financials	7,394,137		7,394,137
Other	25,555,844		25,555,844
Commingled funds			
Global and international-long only		80,159,080	80,159,080
U.S. long only		26,203,728	26,203,728
Equity – long/short		20,924,706	20,924,706
Event-driven		23,741,769	23,741,769
Relative value		22,996,041	22,996,041
Tactical trading		24,439,752	24,439,752
Private equity funds		132,846,652	132,846,652
Private credit funds		32,904,948	32,904,948
Real estate pooled funds		53,480	53,480
Total	$356,261,034	$364,270,156	$ 720,531,190

Note 4 – Fair value of investments (continued)

At December 31, 2025 and 2024, commingled funds valued at NAV consist of the following:

	2025			2024	
Strategy	# of Funds	Liquidity	Fair Value	# of Funds	Fair Value
Global and international – long only	1	Weekly	$ 22,508,201	1	$ 19,640,662
	1	Monthly	20,812,682	3	60,518,418
			43,320,883		80,159,080
U.S. long only	1	Monthly	28,628,305	1	26,203,728
Equity long/short	1	Monthly	11,229,891	1	12,752,359
		Quarterly	-	1	7,997,594
		Semi-Annual	-	1	174,753
			11,229,891		20,924,706
Tactical trading	2	Monthly	8,377,212	2	8,057,486
	2	Quarterly	24,987,358	1	16,382,266
			33,364,570		24,439,752
Event driven	1	Quarterly	12,034,844	2	14,755,806
	1	Annual	9,907,889	1	8,985,963
			21,942,733		23,741,769
Relative value	1	Bi-monthly	6,265,899	1	4,931,011
	1	Monthly	9,025,079	1	7,925,203
	4	Quarterly	27,932,155	1	10,139,827
			43,223,133		22,996,041
			$ 181,709,515		$ 198,465,076

Notice requirements for withdrawals range from 5 to 90 days.

At December 31, 2025, the Foundation has fifteen illiquid private equity funds. One is a partnership with a value of $1,435,181 and has a remaining capital commitment of $8,742. Its extended term expired in 2021 but the fund will not be terminated until the underlying assets have been liquidated. Fourteen are offshore funds and are valued at $145,237,613 with terms expiring from 2027 through 2040 and have remaining capital commitments of $112,468,589.

The Foundation also has three private credit funds that are valued at $27,733,625 and have remaining capital commitments of $26,466,675. Their terms expire between 2033 and 2036.

One real estate fund in liquidation was valued at $8,502.

Note 5 – Office condominium, furniture, fixtures and equipment

At December 31, 2025 and December 31, 2024, the fixed assets of the Foundation were as follows:

	2025	2024
Office condominium	$ 5,014,438	$ 4,853,445
Furniture, fixtures and equipment	743,513	744,066
	5,757,951	5,597,511
Less: accumulated depreciation	(5,221,739)	(5,170,348)
Office condominium, furniture, fixtures and equipment	$ 536,212	$ 427,163

Note 6 – Retirement Plan

The Foundation has a defined contribution retirement plan covering all eligible employees under which the Foundation contributes 14% of the salary for employees. Retirement expense under the plan for 2025 and 2024 amounted to $395,345 and $389,544, respectively.

Note 7 – Grants payable

The Foundation estimates that grants payable as of December 31, 2025 and 2024 will be disbursed as follows:

	2025	2024
2025	$ -	$ 13,630,807
2026	11,777,081	10,776,827
2027	10,784,205	5,617,507
2028	4,008,254	-
2029	241,859	-
2030	248,100	-
	27,059,499	30,025,141
Discount to present value	(695,427)	(894,175)
	$ 26,364,072	$ 29,130,966

The amount of the discount to present value is calculated using the 3-year Treasury note rate as quoted in the Wall Street Journal. The applicable discount rates were 3.5% for 2025 and 4.3% for 2024.

Note 8 – Investment revenue (loss)

The details of net investment revenue are as follows:

	2025	2024
Short-term investment earnings	$ 747,769	$ 834,530
Dividends, interest and partnership earnings	9,177,396	8,547,829
Net realized capital gains	75,331,555	27,619,803
Net change in unrealized appreciation	7,420,823	45,746,899
	92,677,543	82,749,061
Direct investment expenses	(2,794,768)	(2,957,777)
Net investment revenue before taxes	89,882,775	79,791,284
Excise and unrelated business income taxes	(1,142,878)	(469,372)
Deferred federal excise tax on unrealized appreciation	(103,150)	(635,882)
Net investment revenue after taxes	$88,636,747	$78,686,030

Note 9 – Other investment fees

Investments fees charged by certain investments such as exchange traded funds, mutual funds and offshore funds are directly deducted from the respective fund's capital balance. Accordingly, investment fees paid by these funds are not directly reported in the Foundation's financial statements. The approximate amounts of these fees were $5,900,000 in 2025 and $5,200,000 in 2024, respectively.

Note 10 – Liquidity and availability of financial assets

The Foundation's financial assets and resources available to meet cash needs for general expenditures and capital commitments within one year of the date of the statement of financial position were as follows:

	2025	2024
Financial Assets		
Investments	$ 775,248,918	$ 720,531,190
Interest and dividends receivable	124,212	76,720
	775,373,130	720,607,910
Less: Illiquid investments	(174,414,921)	(165,805,080)
Financial assets available to meet general expenditures and capital commitments over the next twelve months	$ 600,958,209	$ 554,802,830

Annually, the Board approves a spending policy based on a three-year average of its investments unless the spending number derived from this method does not meet the IRS minimum payout.

Note 11 – Subsequent events

In connection with the preparation of the financial statements, the Foundation evaluated subsequent events after the statement of financial position date of December 31, 2025 through July 6, 2026, which was the date the financial statements were available to be issued. The Foundation did not have any material recognizable subsequent events during this period.

Note 12 – Uncertain tax positions

The Foundation has not entered into any uncertain tax positions that would require financial statement recognition. It is no longer subject to audits by the applicable taxing jurisdictions prior to periods ending December 31, 2022.