

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2024 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan UNIVERSITY OF PENNSYLVANIA HEALTH SYSYTEM PENSION PLAN
1b	Three-digit plan number (PN) ▶ 006
1c	Effective date of plan 07/01/1978
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA 150 MONUMENT ROAD, 4TH FLOOR BALA CYNWYD, PA 19004
2b	Employer Identification Number (EIN) 23-1352685
2c	Plan Sponsor's telephone number 215-615-2623
2d	Business code (see instructions) 622000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/15/2026	JOSEPH LALLIER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 23620
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 7714 6a(2) 7232 6b 7387 6c 8085 6d 22704 6e 725 6f 23429 6g(1) 6g(2) 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A 1C 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☐ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan UNIVERSITY OF PENNSYLVANIA HEALTH SYSYTEM PENSION PLAN	B Three-digit plan number (PN) ▶ 006
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA	D Employer Identification Number (EIN) 23-1352685
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 07 Day 01 Year 2024			
2	Assets:			
a	Market value	2a	2769959765	
b	Actuarial value	2b	2957615570	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	For retired participants and beneficiaries receiving payment	7420	1310859508	1310859508
b	For terminated vested participants	8539	496338283	496338283
c	For active participants	7714	1058300553	1058303251
d	Total	23673	2865498344	2865501042
4	If the plan is in at-risk status, check the box and complete lines (a) and (b). ☐			
a	Funding target disregarding prescribed at-risk assumptions	4a		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5	5.30 %	
6	Target normal cost			
a	Present value of current plan year accruals	6a	53051208	
b	Expected plan-related expenses	6b	9016000	
c	Target normal cost	6c	62067208	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Signature of actuary TIMOTHY WAITE Type or print name of actuary MERCER Firm name 30 SOUTH 17TH STREET, 19TH FLOOR PHILADELPHIA, PA 19103 Address of the firm	04/06/2026 Date 26-06310 Most recent enrollment number 215-982-4600 Telephone number (including area code)
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Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	139219151
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	139219151
10 Interest on line 9 using prior year's actual return of <u>-1.22</u> %	0	-1698474
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		31415614
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.31</u> %		1668169
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		33083783
d Portion of (c) to be added to prefunding balance		33083783
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	170604460

Part III Funding Percentages

14 Funding target attainment percentage	14	97.26 %
15 Adjusted funding target attainment percentage	15	103.21 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	106.66 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/02/2025	9153000	0			
01/02/2026	9153000	0			
03/02/2026	18306000	0			
Totals ►			18(b)	36612000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	33841101

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost
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21 Discount rate:			
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.12 %	3rd segment: 5.59 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI	Miscellaneous Items
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24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....		☐ Yes ☒ No
26 Demographic and benefit information		
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....		27

Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years
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28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII	Minimum Required Contribution For Current Year
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31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c)		31a	62067208
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		78489932	7231649
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....		34	69298857
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	35457756	35457756
36 Additional cash requirement (line 34 minus line 35)		36	33841101
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	33841101
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX	Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)
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41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☒ 2021
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SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025		
A Name of plan UNIVERSITY OF PENNSYLVANIA HEALTH SYSYTEM PENSION PLAN	B Three-digit plan number (PN) ▶	006
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA	D Employer Identification Number (EIN) 23-1352685	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: UPHS RAP POOL		
b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST		
c EIN-PN 04-3574136-051	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2107863663
a Name of MTIA, CCT, PSA, or 103-12 IE: U OF P MSTR TRST- FIX INC POOL		
b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST		
c EIN-PN 04-3574136-032	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 668024839
a Name of MTIA, CCT, PSA, or 103-12 IE: U OF P MSTR TRST- UPENN TERM LOAN		
b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST		
c EIN-PN 04-3574136-052	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 29840199
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs, other than DCGs)

(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2024
		This Form is Open to Public Inspection

For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025		
A Name of plan UNIVERSITY OF PENNSYLVANIA HEALTH SYSYTEM PENSION PLAN	B Three-digit plan number (PN) ▶	006
C Plan sponsor's name as shown on line 2a of Form 5500 TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA	D Employer Identification Number (EIN) 23-1352685	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	33994000	36612000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	2736875982	2805728701
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	2770869982	2842340701
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	90994	146997
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	90994	146997
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	2770778988	2842193704

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	36612000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		36612000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		173632660
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		210244660

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	131118740	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		131118740
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	1098475	
(6) Bank or trust company trustee/custodial fees	2i(6)	525958	
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)	6086771	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		7711204
j Total expenses. Add all expense amounts in column (b) and enter total	2j		138829944

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		71414716
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **HORSEY, BUCKNER & HEFFLER, LLP**

(2) EIN: **82-1803066**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		150000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		☒	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 570471.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2024 This Form is Open to Public Inspection.	
For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025					
A Name of plan UNIVERSITY OF PENNSYLVANIA HEALTH SYSYTEM PENSION PLAN				B Three-digit plan number (PN) ▶	006
C Plan sponsor's name as shown on line 2a of Form 5500 TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA				D Employer Identification Number (EIN) 23-1352685	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-1867445					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year				3	42
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)				6a	
b Enter the amount contributed by the employer to the plan for this plan year				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No					
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No					
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.				Schedule R (Form 5500) 2024 v. 240311	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:

Public Equity: 6.9 % Private Equity: 20.4 % Investment-Grade Debt and Interest Rate Hedging Assets: 48.2 %

High-Yield Debt: 3.0 % Real Assets: 5.6 % Cash or Cash Equivalents: 0.0 % Other: 15.9 %

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☒ 10-15 years ☐ 15 years or more

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation.....

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☒ Yes ☐ No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☐ N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/___ (MM/DD/YYYY) and the Opinion Letter serial number_____.

The University of Pennsylvania Health System Pension Plan

**Financial Statements as of and for the
Years Ended June 30, 2025 and 2024**

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Notes to Financial Statements	5 – 18
Supplemental schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable. Plans with all of their assets in a Master Trust are exempt from the requirement to include supplemental schedules as part of their financial statements.	

INDEPENDENT AUDITOR'S REPORT

To the Administrator of the University of Pennsylvania Health System
Pension Plan

Opinion

We have audited the accompanying financial statements of the University of Pennsylvania Health System Pension (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of June 30, 2025 and 2024 and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of June 30, 2025 and 2024, and the changes in 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. 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 Plan 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 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 Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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 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 is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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 Plan'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 Plan'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.

Horsey, Buckner & Heffler, LLP

April 15, 2026

The University of Pennsylvania Health System Pension Plan
Statements of Net Assets Available for Benefits
as of June 30, 2025 and 2024

	2025	2024
Assets		
Plan interest in the University of Pennsylvania Master Trust (Note 4)	\$ 2,805,728,701	\$ 2,736,875,982
Receivables		
Employer's contributions	36,612,000	33,994,000
Total assets	2,842,340,701	2,770,869,982
Liabilities		
Accrued expenses	146,997	90,994
Net assets available for benefits	<u>\$ 2,842,193,704</u>	<u>\$ 2,770,778,988</u>

The accompanying notes are an integral part of these financial statements.

The University of Pennsylvania Health System Pension Plan

Statements of Changes in Net Assets Available for Benefits

for the years ended June 30, 2025 and 2024

	2025	2024
Investment (Loss) Income:		
Change in Plan interest in the University of Pennsylvania Master Trust (Note 4)	\$ 173,632,660	\$ (34,758,797)
Total Investment (Loss) Income	173,632,660	(34,758,797)
Employer contributions	36,612,000	33,994,000
Total additions	210,244,660	(764,797)
Benefits paid directly to participants	131,118,740	123,445,666
Administrative expenses	7,711,204	2,952,769
Total deductions	138,829,944	126,398,435
Net Change	71,414,716	(127,163,232)
Net assets available for benefits		
Beginning of year	2,770,778,988	2,897,942,220
End of year	<u>\$ 2,842,193,704</u>	<u>\$ 2,770,778,988</u>

The accompanying notes are an integral part of these financial statements.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

1. Description of the Plan

The following is a brief description of The University of Pennsylvania Health System Pension Plan (the Plan). The following description of the Plan is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

The previous name of the Plan was the Retirement Plan of the Hospital of the University of Pennsylvania (HUP), Presbyterian Medical Center and the Pennsylvania Hospital. The new name of the Plan (The University of Pennsylvania Health System Pension Plan) was effective December 31, 2022, commensurate with the approved pension plan mergers which included the Lancaster General Health Defined Benefit Plan (LGH) and the Princeton Healthcare System Pension Plan (PHS) into the Plan. These participants were fully vested in their benefits under the LGH and PHS plans and continue to receive benefits as described under the legacy plan provisions.

General

The Plan is a noncontributory, cash balance defined benefit pension plan that in the past covered substantially all hourly employees and certain salaried employees of HUP, Penn Presbyterian Medical Center, Pennsylvania Hospital, Lancaster General Hospital, and Princeton Health Systems (the "Hospitals"). It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Effective July 1, 2010, the Plan was closed to new employees of HUP, Penn Presbyterian Medical Center, and the Pennsylvania Hospital. These Plan participants at the date of closure continue to accrue benefits. Effective January 1, 2011, employees of HUP, Penn Presbyterian Medical Center and the Pennsylvania Hospital who were enrolled in the Plan were given a one-time opportunity to transfer from the Plan into the new defined contribution plan. Those employees who elected to leave the Plan still retain their prior position in the Plan but don't continue to accrue any further benefits.

Effective December 31, 2010, the PHS plan was frozen to all new participants. Furthermore, no former participant could participate in the PHS Plan if such person was reemployed after December 31, 2010. On September 26, 2011, the PHS Plan was amended further to include any individual who was an eligible employee, as defined by the PHS Plan, and who was hired on or before December 31, 2010. Any eligible employee who completed one year of service in 2011 was eligible to participate and receive allocations of company credits under the Plan for the period extending from such eligible employee's effective date of participation through December 31, 2011.

Effective January 1, 2011, the LGH plan was frozen to new participants. As amended, any employee who was first employed, or reemployed on or after January 1, 2011, was not eligible to participate in the LGH Plan, except for terminated vested participants who continued to participate in the LGH Plan and will no longer accrue additional benefits.

On January 17, 2013, the LGH Plan Sponsor's Board of Trustees adopted an amendment to freeze accrued benefits in the LGH Plan, effective June 30, 2013, for all participants (accrued benefits were previously frozen June 30, 2012, for participants employed by Affilia Home Health, a previously LGH acquired practice). LGH participants continued to vest in their accrued benefits based on the years of service with which they were credited under the terms of the Plan notwithstanding the benefit freeze, effective June 30, 2013, for all participants (June 30, 2012, for participants employed by Affilia Home Health).

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

1. Description of the Plan (continued)

The Plan Administrator is an employee of the University of Pennsylvania Health System. The Health System holds the authority to appoint the trustees to the Retirement Plans Committee which has the authority to oversee the Plan. The Health System has designated State Street Bank and Trust Company as the custodian of the Plan. State Street Retiree Services, an affiliated company of State Street Bank and Trust Company, administers the benefit payment activity for the Hospital of the University of Pennsylvania (HUP), Presbyterian Medical Center and the Pennsylvania Hospital plan participants. The recordkeeper for the Hospital of the University of Pennsylvania (HUP), Presbyterian Medical Center, and the Pennsylvania Hospital plan participants is the University of Pennsylvania Health System (UPHS) Corporate Office, whose role is to provide recordkeeping and pension administration functions. Fidelity Workplace Services, LLC ("Fidelity") is a service provider for both the LGH and PHS Plan participants whose role is to administer participant data and benefit payments activity, as well as to provide recordkeeping for the legacy LGH and PHS plan participants.

Pension Benefits

HUP, Penn Presbyterian Medical Center, and the Pennsylvania Hospital benefits:

Plan participants are fully vested and entitled to annual pension benefits (beginning at normal retirement age of 65), after completing five years of service. The annual pension benefit is equal to the sum of:

- 1.25% of the participant's average monthly compensation, based on the highest five years multiplied by years of credited service and;
- 0.50% of the participant's average compensation in excess of covered compensation (based on the taxable wage base for Social Security purposes as outlined by the Internal Revenue Service Section 401(l)(5)(E)(i), which defines covered compensation with respect to an employee, as the average of the contribution and benefit bases in effect under section 230 of the Social Security Act for each year in the 35-year period ending with the year in which the employee attains social security retirement age), such sum multiplied by the years of credited service (not to exceed 40).

Reduced early retirement benefits may be elected by a participant who has reached age 55 and has at least 5 years of credited service. The amount of the reduced benefit will be computed in the same manner as a normal retirement pension except that it will be actuarially reduced in accordance with factors set forth in the Plan agreement. Employees who terminate their employment before rendering five years of service forfeit the right to receive their accrued benefits under the Plan agreement.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

1. Description of the Plan (continued)

LGH benefits:

All participants with benefit accruals in the Plan prior to December 31, 2010, became vested after the completion of five years of service or age 65, whichever came first. Early retirement is permitted at age 55 with 15 years of credited service, with actuarially reduced payments. Employees of Affilia Home Health hired prior to July 1, 1998 are eligible for early retirement at age 55.

Participants employed as of March 28, 2008 were given a choice of continuing in the existing Final Average Pay formula or electing a Career Average Pay formula for future accruals, which was effective June 28, 2008. Participants hired on March 29, 2008, or after would receive benefits under the Career Average Pay formula. Benefits under the Final Average Pay formula are based on employees' compensation during the highest compensated consecutive five-year period of employment out of the last 10 years of credited service, determined as of June 30, 2013. Benefits under the Career Average Pay formula are based on 0.75% of career pay. For participants electing the Career Average Pay formula, the average compensation used to determine the accrued benefit under the Final Average Pay formula was frozen as of June 27, 2008.

Participants can elect payments in the form of a single annuity, a life annuity with a 10-year certain provision or a qualified joint and survivor annuity. Participants who were employed by Affilia Home Health and Lancaster General Health – Columbia Center can also select from other options, including a life annuity with a five- or 15-year guaranteed payment.

PHS benefits:

Employees are entitled to Plan benefits beginning at the normal retirement age of 65, although earlier retirement with lesser benefits is permitted. Participants become 100% vested in their accrued benefits after the completion of three years of credited service. Employees who terminate after completion of three years of service but prior to eligibility for normal retirement or early retirement are entitled to a deferred vested benefit commencing at age 65 equal to their accrued benefit as of the date of termination.

Prior to 2004, the PHS plan was a traditional defined benefit plan. On May 9, 2004, the accrued benefit was converted to an opening account balance for those participants eligible for benefits. The converted account balance equaled the present value of the accrued benefit on May 9, 2004. The present value was determined using a 5.39% interest assumption and the GAM 1983 GATT 50/50 Unisex mortality table. Eligible participant's core account continued to be credited with company credits based on compensation earned until December 31, 2011.

Interest credits on the balance of the participant's converted account and core account, as of the beginning of the Plan year, are credited at the applicable annual interest rate:

Converted account balance:	6%
Core account balance:	4%

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

1. Description of the Plan (continued)

PHS benefits (continued):

The accrued benefit at any time prior to a participant's normal retirement date shall be the greater of:

- The account balance as of the determination date projected to normal retirement date using the interest rates applicable to the core account and the converted account, respectively, as of such determination date for all future years, and then converted to a single-life annuity using an annuity factor based on the applicable interest rate as of the determination date.
- The minimum benefit, which is the accrued benefit, expressed in the form of a single life annuity determined under the prior plan benefit formula, as of May 9, 2004 (or the date on which the participant terminated employment, if earlier), reduced for early commencement under the terms of the prior plan.

Certain participants may be eligible for a grandfathered benefit, which is the accrued benefit determined under the benefit formula from the prior plan as if the prior plan had continued after May 9, 2004, until such determination date, reduced for early commencement, as applicable, under the terms of the prior plan.

Benefit payments are paid in the form of a life annuity for single participants and a joint and survivor annuity for married participants unless the participant elects a different form of payment. For married participants, spousal consent is required to change payment methods.

Death and Disability Benefits

If a participant dies after benefits begin, the payment form elected at benefit commencement will determine whether any benefits will be paid to a beneficiary after the death. If a vested participant dies before their benefits begin, a monthly death benefit will be paid to the surviving spouse for life. This benefit may begin at any time after the participant would have attained age 55. The amount will be equal to the monthly payment the spouse would have received if the participant had been eligible for, and elected to receive, a qualified Joint and Survivor Annuity and then died. Active participants who become totally disabled will continue to accrue benefits as long as they have at least five years of vesting service at the time of the injury. The benefit may begin at any time after the disabled participant would have attained age 55.

Funding Policy

The Plan's funding policy is to contribute, during each fiscal year, an amount equal to the pension expense for the fiscal year determined in accordance with U.S. generally accepted accounting principles. Additional contributions will be made, if necessary, to satisfy minimum required contributions determined in accordance with ERISA. The Health System, at its discretion, may alter the actual contributions made to the Plan provided that at least the ERISA minimum required contribution requirements are satisfied. Contributions made by the Health System in fiscal years 2025 and 2024 met or exceeded the minimum funding requirement of ERISA.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Plan:

Basis of Accounting

The accompanying 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).

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes net assets available for benefits at the date of the financial statements and the actuarial present value of accumulated plan benefits as of the benefit information date, the changes in net assets available for benefits during the reporting period and, when applicable, the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by its investment advisers, custodians, and insurance companies. See Note 5 for a discussion of fair value measurements. The fair value of the Plan's aggregate interest in the University of Pennsylvania Master Trust Investment Accounts (the "Master Trust") is based on the fair value of the underlying assets and liabilities of the Master Trust. All security transactions of the Master Trust are recorded on the trade date basis. Dividend income is recorded on the ex-dividend date and interest income is recorded when earned, on the accrual basis. The Change in Plan interest in the University of Pennsylvania Master Trust (Note 4) includes the net appreciation (depreciation) of investments in the Master Trust which consists of the Master Trust's gains and losses on investments bought and sold as well as held during the year.

Insurance Contracts – Equitable

An unallocated group annuity contract issued by the Equitable Life Assurance Society is used to pay the benefits for retirees of the Hospital of the University of Pennsylvania who retired before July 1, 1978 and who were receiving retirement benefits under the original HUP pension plan. At June 30, 2025 and 2024, the value of the contract reserve was \$7,634 and \$14,821, respectively.

Investment Management and Administrative Expenses

Certain investment management and administrative expenses of the Plan are paid directly by the Master Trust and allocated to the Plan based upon its pro rata share of Master Trust net assets. Plan specific administrative expenses, such as legal fees, auditor fees, and PBGC premiums, are paid directly from the Plan assets by the Health System's Office of Investments and are recorded as deductions in the accompanying statement of changes in net assets available for benefits.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

3. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits are accumulated based on participants' compensation during each year of credited service. The accumulated plan benefits for active participants will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances – retirement, death, disability and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts are excluded from accumulated plan benefits.

The actuarial present value of accumulated plan benefits is determined as of June 30, 2024 by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for disability, death, withdrawal or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of June 30, 2024 and June 30, 2023 were as follows:

Interest Rate: 2024: 6.50% compounded annually; 2023: 6.50% compounded annually.

2024 and 2023: Pri-2012 mortality tables for males and females without collar adjustment, projected with generational mortality improvement scale MP-2021.

Retirement Age: Weighted average of 65

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computation of the actuarial present value of the accumulated plan benefits were made as of June 30, 2024. Had the valuation been performed as of July 1, 2024 there would have been no material difference.

The actuarial present value of accumulated benefits as of June 30, 2024, the date of the most recent valuation, has been calculated by the Plan's consulting actuaries as follows:

	<u>June 30, 2024</u>
Vested Benefits	
Active Participants	\$ 907,782,056
Inactive Participants with deferred benefits	431,454,445
Inactive Participants receiving benefits	<u>1,199,775,441</u>
Total vested benefits	2,539,011,942
Nonvested benefits	<u>969,167</u>
Total actual present value of accumulated plan benefits	<u>\$ 2,539,981,109</u>

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

3. Actuarial Present Value of Accumulated Plan Benefits (continued)

The increase in the actuarial present value of accumulated plan benefits for the year ended June 30, 2024, resulted from the following:

	<u>June 30, 2024</u>
Actuarial present value of accumulated plan benefits	
at beginning of year	\$ 2,447,475,186
Increase during the plan year attributable to:	
Benefits accumulated and losses	62,329,831
Increase for interest due to the decrease in the discount period	154,739,571
Benefits paid	(123,445,666)
Change in actuarial assumptions	(1,117,813)
Change in plan provisions	-
Other changes (for example, mergers and spin-offs)	-
Net Increase	<u>92,505,923</u>
Total actual present value of accumulated plan benefits	<u>\$ 2,539,981,109</u>

4. Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "PBGC"), a U.S. government agency, up to the applicable limitations.
4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All non-vested benefits

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. Should the Plan terminate at some future time, the extent to which all participants receive their benefits would depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Health System at the level of benefits guaranteed by the PBGC.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

5. Interest in the University of Pennsylvania Master Trust Investments

The Office of Investments of the University of Pennsylvania (the University), an affiliated entity, is responsible for management of the Investments of the Master Trust. The Office of Investments is staffed by senior investment professionals with the support of an operations and administration team. All of the Plan's investments at June 30, 2025 and 2024, respectively, are held in the Master Trust that was established for the investment of assets of the Plan and other retirement plans associated with the University. The assets of the Master Trust at June 30, 2025 and 2024 are held by State Street Bank and Trust Company, the Trustee and Custodian. At June 30, 2025 and 2024, the Plan's undivided interest in the net assets of the Master Trust was approximately 94% and 93%, respectively.

There are twelve investment pools within the Master Trust to account for the participating plans' interests in the underlying Master Trust investments on a differentiated investment basis. The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income, less actual distributions and allocated administrative expenses. Investment income and investment and administrative expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan in the respective investment pools. The cash pool is split into separate pools – one for each of the respective participating plans.

The following table presents the investments and other assets and liabilities of the Master Trust as of June 30, 2025 and 2024.

	Master Trust	Plan's Interest in Master Trust Balances	Master Trust	Plan's Interest in Master Trust Balances
	2025	2025	2024	2024
Assets				
Investments, at fair value				
Cash & cash equivalents	\$ 87,733,946	\$ 77,596,290	\$ 56,167,154	\$ 51,196,319
Equity investments	190,895,079	171,404,740	223,868,900	204,047,033
Debt investments	1,520,711,964	1,359,214,558	1,473,805,610	1,304,087,416
Absolute return (hedge funds)	453,609,612	453,609,612	468,861,414	468,861,414
Real Assets	155,825,659	155,825,659	146,798,993	146,798,993
Private Equity	580,553,353	580,553,352	545,003,708	545,003,708
Total investments	2,989,329,613	2,798,204,212	2,914,505,779	2,719,994,883
Receivables				
Amounts receivable for securities sold	708,463	708,463	18,580,812	17,762,352
Accrued interest and dividends	10,847,013	9,905,926	7,322,840	6,694,586
Total receivables	11,555,476	10,614,389	25,903,652	24,456,938
Total assets	3,000,885,089	2,808,818,601	2,940,409,431	2,744,451,821
Liabilities				
Amounts payable for securities purchased	3,089,900	3,089,900	8,363,177	7,575,839
Unrealized depreciation on derivative instruments	-	-	-	-
Total liabilities	3,089,900	3,089,900	8,363,177	7,575,839
Net assets available for benefits	\$ 2,997,795,189	\$ 2,805,728,701	\$ 2,932,046,254	\$ 2,736,875,982

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

5. Interest in the University of Pennsylvania Master Trust Investments (continued)

The following are net appreciation (depreciation) in fair value of investments and investment income for the Master Trust for the years ended June 30, 2025 and 2024.

	2025	2024
Changes in Net Assets		
Net appreciation (depreciation) in fair value of investments	\$ 107,810,776	\$ (96,032,052)
Interest income	30,649,072	27,802,818
Dividend income	37,462,935	27,301,970
Other income	11,718,213	8,596,791
Less: Investment expenses	<u>(2,543,963)</u>	<u>(3,407,053)</u>
Net Investment Income (Loss)	<u>\$ 185,097,033</u>	<u>\$ (35,737,526)</u>

6. Fair Value Measurements and Investments of the Master Trust

The framework for measuring fair value includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described as follows:

- **Level 1:** Inputs to the valuation methodology are unadjusted quoted market prices in active markets for identical assets or liabilities that the plan has the ability to access.
- **Level 2:** Inputs to the valuation methodology include quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- **Level 3:** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Inputs broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Master Trust is required by the pronouncement to maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3). The Master Trust considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Master Trust's perceived risk of that instrument.

Assets and liabilities are disclosed in the Notes to Financial Statements within the hierarchy based on the lowest (or least observable) input that is significant to the measurement. The Master Trust's

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

6. Fair Value Measurements and Investments of the Master Trust (continued)

assessment of the significance of an input requires judgment, which may affect the valuation and categorization within the fair value hierarchy. The fair value of assets and liabilities using Level 3 inputs are generally determined by using pricing models, discounted cash flow methods or calculated net asset value per share, which all require significant management judgment or estimation.

As a practical expedient, the University is permitted under the pronouncement to estimate the fair value of an investment in an investment company at the measurement date using the reported net asset value (NAV). Adjustment is required if the Master Trust expects to sell the investment at a value other than NAV or if NAV is not calculated in accordance with U.S. GAAP. The management performs additional procedures including due diligence reviews on its investments in investment companies and other procedures with respect to the capital account or NAV provided to ensure conformity with U.S. GAAP. Management has assessed factors including, but not limited to, managers' compliance with the Fair Value Measurement standard, price transparency and valuation procedures in place, the ability to redeem at NAV at the measurement date and existence of certain redemption restrictions at the measurement date. Investments reported at NAV, as a practical expedient, are not included within levels 1, 2, or 3 in the fair value hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Short-Term Investments

The majority of the short-term investments are held in a U.S. Treasury money market fund. Short-term investments are valued using observable market data and are categorized as Level 1.

Equity Investments

Equity investments consist of equity securities in managed accounts, mutual funds, exchange traded funds, and private funds. Securities held in managed accounts, mutual funds and exchange traded funds are generally valued based on quoted market prices in active markets obtained from exchange or dealer markets for identical assets and are accordingly categorized as Level 1. Private funds are valued at NAV.

Debt Investments

Debt investments consist of direct holdings of securities in managed accounts, mutual funds and private funds. Securities such as U.S. Treasuries, which are held in managed accounts, are valued based on quoted market prices in active markets and are categorized as Level 1. Securities such as corporate and high yield bonds, also held in managed accounts, are valued based on quoted market prices or dealer or broker quotations and are categorized as Level 2 or in the cases where they trade infrequently as Level 3. Private funds are valued at NAV.

Absolute Return Portfolio

The absolute return portfolio is made up of investments in private funds. The fund managers invest in a variety of securities based on the strategy of the fund, which may or may not be quoted in an active market. Illiquid investments, if any, are generally designated as a side pocket by the fund managers and may be valued based on an appraised value, discounted cash flow, industry comparables or some other method. Private funds are valued at NAV.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

6. Fair Value Measurements and Investments of the Master Trust (continued)

Private Equity

Investments in private equity are in the form of private funds. The fund managers primarily invest in investments for which there is no readily determinable market value. The fund manager may value the underlying investments based on an appraised value, discounted cash flow, industry comparables or some other method. Private funds are valued at NAV.

Real Assets

Investments in real assets are made up of private funds and securities in the managed accounts investing in real estate and natural resources. The fund managers of these private funds primarily invest in investments for which there is no readily determinable market value. The fund managers may value the underlying private investments based on an appraised value, discounted cash flow, industry comparables or some other method. These private fund investments are valued at NAV. The securities held in managed accounts are generally valued based on quoted market prices in active markets obtained from exchange or dealer markets for identical assets and are accordingly categorized as Level 1.

A summary of investments for the Master Trust, measured at fair value on a recurring basis within the fair value hierarchy, as of June 30, 2025 and 2024 is as follows:

	Level 1	Level 2	Level 3	Investments at NAV	June 30, 2025
Assets					
Short-term investments	\$ 96,199,522	\$ -	\$ -	\$ -	\$ 96,199,522
Global equities	25,830,932	-	-	165,064,147	190,895,079
Debt investments					
- US Treasuries	1,501,900,018	-	-	-	1,501,900,018
- Corporate bonds	-	18,811,946	-	-	18,811,946
Absolute return (hedge funds)	-	-	-	453,609,612	453,609,612
Real Assets	1,067,360	-	-	154,758,299	155,825,659
Private Equity	-	-	-	580,553,353	580,553,353
Total	<u>\$ 1,624,997,832</u>	<u>\$ 18,811,946</u>	<u>\$ -</u>	<u>\$ 1,353,985,411</u>	<u>\$ 2,997,795,189</u>
Liabilities					
Derivative Instruments	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Level 1	Level 2	Level 3	Investments at NAV	June 30, 2024
Assets					
Short-term investments	\$ 56,167,154	\$ -	\$ -	\$ -	\$ 56,167,154
Global equities	22,252,949	-	-	201,615,951	223,868,900
Debt investments					
- US Treasuries	1,446,939,744	-	-	-	1,446,939,744
- Corporate bonds	-	26,865,866	-	-	26,865,866
Absolute return (hedge funds)	-	-	-	468,861,414	468,861,414
Real Assets	729,473	-	-	146,069,520	146,798,993
Private Equity	-	-	-	545,003,708	545,003,708
Total	<u>\$ 1,526,089,320</u>	<u>\$ 26,865,866</u>	<u>\$ -</u>	<u>\$ 1,361,550,593</u>	<u>\$ 2,914,505,779</u>
Liabilities					
Derivative Instruments	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

7. Tax Status

The Internal Revenue Service (the “IRS”) has determined and informed the participating Hospitals of HUP, Penn Presbyterian Medical Center, and the Pennsylvania Hospital by a letter dated July 10, 2017 covering the Plan amendments executed on January 18, 2016, December 8, 2014, February 26, 2014, November 12, 2013, January 28, 2013 and June 27, 2011, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (the “IRC”). In 2017, the IRS determination letter program ended. In a similar fashion, the LGH and PHS plans each obtained determination letters from the IRS dated October 14, 2020 and September 3, 2015, respectively, stating that the plan is qualified under Section 401(a) of the Internal Revenue Code and, therefore, the related trusts are exempt from taxation. The Plans have been amended since receiving the determination letter; however, the Plan administrator believes that the Plans are designed and are currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of June 30, 2025, and June 30, 2024, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

8. Related-Party and Party in Interest Transactions

The Plan invests in investments of the Master Trust managed by State Street Bank and Trust Company. State Street Bank and Trust Company acts as custodian for only those investments defined by the Plan. The Plan also pays fees to State Street Bank and Trust Company and Fidelity. As described in Note 2, the Plan paid certain expenses related to plan operations and investment activity to various service providers. These transactions are party in interest transactions under ERISA.

9. Risk and Uncertainties

Plan contributions are made, and the actuarial present value of accumulated Plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee compensation and demographics, all of which are subject to changes. Due to the uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

The Master Trust’s investing activities expose it to a variety of risks, including interest rate, market, credit and liquidity risks and attempts to identify, measure and monitor risk through various mechanisms including risk management strategies and credit policies. Due to the uncertainties inherent in the estimations and assumptions process, in addition to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the estimations and assumptions and the values of investment securities in the near term could materially affect the amounts reported in the statement of net assets available for benefits.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

9. Risk and Uncertainties (continued)

Market risk is the potential for changes in the fair value of the Master Trust's investment portfolio. Commonly used categories of market risk include currency risk (exposure to exchange rate differences between functional currency relative to other foreign currencies), interest rate risk (changes to prevailing interest rates or changes in expectations of futures rates) and price risk (changes in market value other than those related to currency or interest rate risk, including the use of NAV provided).

Credit risk is the risk that one party to a financial investment will cause a financial loss for the other party by failing to discharge an obligation (counterparty risk).

Liquidity risk is the risk that the Master Trust will not be able to meet its obligations associated with financial liabilities. The Master Trust has various limited partnerships and, in other cases, has entered into contractual agreements that may limit its ability to initiate redemptions due to notice periods, lock-ups and gates. The Master Trust has also made commitments to various limited partnerships. The Master Trust expects these funds to be called over the next 5 years. The total amount of unfunded commitments as of June 30, 2025 is \$161,975,000. The total amount of unfunded commitments as of June 30, 2024 is \$204,993,000.

Strategy	Fair Value June 30, 2025	Fair Value June 30, 2024	Outstanding Commitments June 30, 2025	Outstanding Commitments June 30, 2024	Redemption Terms	Redemption Restrictions
	"in 000"	"in 000"	"in 000"	"in 000"		
Short-term	\$ 87,734	\$ 56,167	\$ -	\$ -	Daily	None
Equity						
Managed accounts	6,341	2,431	-	-	Daily and semi-annually with notice period of 60 days	None
Exchange traded funds	19,490	19,822	-	-	Daily	None
Mutual funds	-	-	-	-	Daily	None
Private funds (1)	165,064	201,616	-	-	Range from weekly to annually with varying notice periods	Lock-up provisions ranging from none to 5 years, and side pocket investments (2)
Total Equity	190,895	223,869	-	-		
Debt						
Managed accounts	728,860	699,350	-	-	Daily	None
Mutual fund	791,852	774,455	-	-	Daily	None
Total Debt	1,520,712	1,473,805	-	-		
Absolute return	453,610	468,861	42,656	39,032	Range from monthly to annually with varying notice periods; close-ended funds not available for redemption	Lock-up provisions ranging from 0 to 5 years with earlier redemptions subject to redemption fee, close-ended funds not available for redemption, and side pocket investments (2)
Private equity	580,553	545,004	82,931	117,028	Close-ended funds not available for redemption	Close-ended funds not available for redemption
Real assets						
Managed accounts	1,067	729	-	-	Daily	None
Private funds (1)	154,758	146,070	36,388	48,933	One fund with quarterly liquidity on a 65 day notice period and close-ended funds not available for redemption	Close-ended funds not available for redemption
Total Real Assets	155,826	146,799	36,388	48,933		
Totals	\$ 2,989,330	\$2,914,505	\$ 161,975	\$ 204,993		

(1) Private funds consist of close-ended and open-ended funds generally in the form of limited partnerships. Close-ended funds have varying remaining fund terms between 1 to 13 years.

(2) Side pocket investments represents investments designated by a manager that are not available for liquidity in an otherwise liquid fund vehicle.

The University of Pennsylvania Health System Pension Plan

Notes to Financial Statements

9. Risk and Uncertainties (continued)

The Plan is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Plan's financial status.

10. Subsequent Events

The Plan Administrator has evaluated subsequent events through April 15, 2026, the date the financial statements were available to be issued.

Schedule SB, line 26 — Schedule of Active Participant Data**Distribution of active participants accruing benefits as of July 1, 2024**

Attained age	Years of credited service ¹										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+	Total
Under 25											
25–29											
30–34				3	2						5
35–39			1	61	105						167
				93,273	100,545						
40–44			7	45	307	89	1				449
				88,486	105,624	105,797					
45–49		4	12	48	263	190	69				586
				79,569	101,978	101,430	110,092				
50–54		1	8	52	255	193	159	67	2		737
				85,690	107,717	105,524	113,610	118,323			
55–59		3	3	34	229	163	148	125	63	4	772
				95,678	98,815	103,749	107,854	117,050	115,857		
60–64		1	4	26	189	157	104	82	114	49	726
				86,590	103,067	98,621	107,621	107,499	102,339	103,071	
65–69		1		12	68	65	53	27	24	31	281
					92,395	106,760	104,567	119,949	122,656	99,969	
70 & up				4	23	11	14	5	2	10	69
					86,188						
Total		10	35	285	1,441	868	548	306	205	94	3,792
											103,185

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average pay of 2023 limited to \$330,000. Average pay is not shown for cells with fewer than 20 participants.

¹ Service shown includes projected benefit service to Normal Retirement Date for disabled participants.

Schedule SB, line 26 — Schedule of Active Participant Data**Distribution of active participants with frozen annuities as of July 1, 2024**

Attained age	Years of service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+	
Under 25											
25–29											
30–34		1		5	6						12
35–39		2	19	69	236	9					335
				3,036	2,443						
40–44		1	18	58	345	142	14				578
				3,548	3,108	5,239					
45–49		3	13	63	200	159	78	2			518
				3,439	3,759	7,471	10,820				
50–54			17	39	183	135	99	48	5		526
				3,479	3,942	8,713	12,752	19,360			
55–59		1	19	35	160	124	68	63	74	7	551
				3,377	3,777	8,106	14,546	22,167	27,525		
60–64		1	12	31	121	112	72	49	74	46	518
				2,575	4,869	6,877	15,607	21,245	25,068	37,368	
65–69		1	7	12	66	26	26	11	12	17	178
					4,180	8,229	20,318				
70 & up			5	12	16	3	2	5	1		44
Total		10	110	324	1,333	710	359	178	166	70	3,260
											8,216

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average annual benefit. Average benefits are not shown for cells with fewer than 20 participants.

Schedule SB, line 26 — Schedule of Active Participant Data**Distribution of active participants with cash balance accounts as of July 1, 2024**

Attained age	Years of service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+	
Under 25											
25–29											
30–34											
35–39			1	8	9						18
40–44				5	32	3	1				41
					8,900						
45–49			2	6	35	27	10	1			81
					13,714	42,029					
50–54			6	7	46	19	12	8			98
					14,486						
55–59			4	7	36	26	19	9	8		109
					12,683	28,183					
60–64			1	6	52	41	23	14	15	15	167
					13,390	31,416	75,344				
65–69				3	24	22	22	6	5	8	90
					11,874	32,589	103,933				
70 & up			1	2	10	13	10	3	5	14	58
Total			15	44	244	151	97	41	33	37	662
											49,965

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average annual benefit. Average benefits are not shown for cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions for July 1, 2024 funding valuation**

Discount rate sponsor elections			
• Segment rates or full yield curve	Segment		
• Look-back months	4		
	Stabilized	Nonstabilized	PBGC
• First 5 years	4.75%	4.64%	5.09%
• Next 15 years	5.12%	5.12%	5.28%
• Over 20 years	5.59%	5.10%	5.52%
Mortality sponsor elections			
• All participants	Section 430(h)(3) prescribed generational annuitant and non-annuitant mortality tables for 2024 plan year funding valuations. These tables are based on the Pri-2012 mortality tables projected with the IRS-modified MP-2021 mortality improvement scale, in accordance with the IRS regulation 1.430(h)(3)-1.		
• 417(e) lump sums	For non-cash balance lump sums, liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality.		
• Cash balance conversion	Current 417(e) mortality table and funding interest rates		
Other economic assumptions			
• Salary increases	Attained age	Salary increase rates	
	<55	3.50%	
	55-64	3.00%	
	65+	2.50%	
• Social Security wage base increases	3.50% per year		
• Expected investment return	6.30% per year for the 2024, 5.88% per year for the 2023 plan year, 6.50% (5.01% and 3.58% for the former LGH and PHS plans, respectively) per year for the 2022 plan year.		
• Expenses	\$9,016,000 added to current year normal cost		

Rationale for economic assumptions

- Discount rate: The discount rate assumption for *funding purposes* is prescribed by the IRS and elected by the plan sponsor.
- Mortality: The mortality rate for *funding purposes* is prescribed by the IRS and elected by the plan sponsor.
- Salary increases – The assumption is based on the experience study report titled *Retirement Plan of the Hospital of the University of Pennsylvania, Presbyterian Medical Center and the Pennsylvania Hospital Actuarial Experience Study*, issued June 24, 2020.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- Social Security wage base increases – Based on the inflation assumption plus a load of 1%.
- Expected investment return – Based on the target asset mix and the median simulated investment return using capital market assumptions published in Mercer Investment Consulting's Capital Market Outlook, net of an adjustment of 5 basis points for investment expenses assumed to be paid from plan assets.
- Expenses – For target normal cost purposes, expenses are assumed to be actual administrative expenses for the most recent plan year, adjusted to reflect expected changes in PBGC premiums, rounded up to the next thousand dollars.

Demographic assumptions			
• Withdrawal	See tables below		
• Disability incidence	See table below for LGH. Otherwise none.		
• Retirement age	See tables below		
• Benefit commencement age for			
— Future vested deferred	Downtown: 63 LGH: Age 60 if 15 years of vesting service else 65 PHS: 65		
— Current vested deferred	Downtown: 63 LGH: Age 60 if 15 years of vesting service else 65 PHS: 65		
• Spouse assumptions	Male participants	Female participants	
— Percentage married	80% for Downtown, 85% for LGH and 90% for PHS	80% for Downtown, 85% for LGH and 90% for PHS	
Spouse age difference	3 years younger	3 years older	
Form of payment – Downtown	Single life	50% J&S	100% J&S
• Active retirements	60%	20%	20%
• Future vested deferred	60%	20%	20%
• Future deaths	100%	0%	0%
• Current vested deferred	60%	20%	20%
Form of payment – LGH	Single life	100% J&S	
• Active retirements	50%	50%	
• Future vested deferred	50%	50%	
• Future deaths	100%	0%	
• Current vested deferred	50%	50%	
Form of payment – PHS	Lump sum	Single life	
• Active retirements	50%	50%	
• Future vested deferred	50%	50%	
• Future deaths (married)	0%	100%	
• Future deaths (single)	100%	0%	

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

• Current vested deferred	50%	50%
Unpredictable contingent event assumptions	Not applicable	

Tables of sample withdrawal rates

Downtown:

Attained Age	Withdrawal rates
25-30	9.00%
31-35	8.00%
36-40	6.50%
41-45	5.00%
46-55	4.00%
56+	2.00%

LGH:

Attained Age	Withdrawal rates
20	7.50%
25	7.50%
30-40	5.00%
45	3.50%
55	5.00%
60	10.00%
65	0.00%

PHS:

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Attained Age	Withdrawal rates
20	9.94%
25	9.67%
30	9.30%
35	8.71%
40	7.75%
45	6.35%
50	4.22%
55	1.55%
60	0.15%
63+	0.00%

Tables of retirement ages

Downtown:

Attained Age	Retirement rates
55-60	4.00%
61	7.00%
62-63	10.00%
64	15.00%
65-66	30.00%
67-70	28.00%
71+	100.00%

LGH:

Attained Age	Retirement rates
55-58	2.50%
59-60	5.00%
61-62	12.50%
63	10.00%
64	30.00%
65	35.00%
66	30.00%
67-69	20.00%
70	30.00%
71+	100.00%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

PHS:

Attained Age	Retirement rates
55-61	3.50%
62	8.00%
63	13.00%
64	20.00%
65	35.00%
66	40.00%
67	45.00%
68	50.00%
69	55.00%
70	60.00%
71+	100.00%

Table of sample disability rates

LGH:

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Attained Age	Male	Female
25	0.04%	0.04%
30	0.04%	0.06%
35	0.05%	0.10%
40	0.11%	0.18%
45	0.22%	0.34%
50	0.46%	0.56%
55	0.96%	0.89%
60	1.61%	1.27%
65+	0.00%	0.00%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Rationale for significant demographic assumptions**

Downtown: Withdrawal rates, retirement rates, form of payment, and vested deferred commencement age assumptions are based on the experience study report titled *Retirement Plan of the Hospital of the University of Pennsylvania, Presbyterian Medical Center and the Pennsylvania Hospital Actuarial Experience Study*, issued June 24, 2020, and the expectation that the future retirement patterns and circumstances of the employer will not differ significantly from the period studied.

LGH: Withdrawal rates, retirement rates, form of payment, and vested deferred commencement age assumptions are based on Aon's experience study report titled *Lancaster General Health Defined Benefit Plan 2019 Assumption Review*, issued August 2019 and the expectation that the future retirement patterns and circumstances of the employer will not differ significantly from the period studied. These assumptions have been used at Penn Medicine's direction. We believe the assumptions are acceptable based on preliminary review along with our understanding of Aon's qualifications to perform the experience study. Mercer will continue to reassess these assumptions as additional demographic experience becomes available.

PHS: Withdrawal rates, retirement rates and form of payment are based on Transamerica's experience study report titled *The Princeton HealthCare System Pension Plan Actuarial Assumption Study 2014-2019 Plan Years*, issued May 2020 and the expectation that the future retirement patterns and circumstances of the employer will not differ significantly from the period studied. These assumptions have been used at Penn Medicine's direction. We believe the assumptions are acceptable based on preliminary review along with our understanding of Transamerica's qualifications to perform the experience study. Mercer will continue to reassess these assumptions as additional demographic experience becomes available.

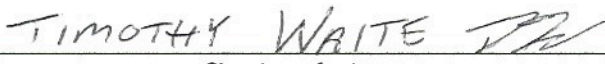
SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025	
► Round off amounts to nearest dollar.	
► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan UNIVERSITY OF PENNSYLVANIA HEALTH SYSYTEM PENSION PLAN	B Three-digit plan number (PN) 006
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA	D Employer Identification Number (EIN) 23-1352685
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information			
1 Enter the valuation date: Month 07 Day 01 Year 2024			
2 Assets:			
a Market value	2a	2,769,959,765	
b Actuarial value	2b	2,957,615,570	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	7,420	1,310,859,508	1,310,859,508
b For terminated vested participants	8,539	496,338,283	496,338,283
c For active participants	7,714	1,058,300,553	1,058,303,251
d Total	23,673	2,865,498,344	2,865,501,042
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.30%	
6 Target normal cost			
a Present value of current plan year accruals	6a	53,051,208	
b Expected plan-related expenses	6b	9,016,000	
c Target normal cost	6c	62,067,208	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE TIMOTHY WAITE  Signature of actuary TIMOTHY WAITE Type or print name of actuary MERCER Firm name 30 SOUTH 17TH STREET, 19TH FLOOR PHILADELPHIA PA 19103 Address of the firm	4/6/2026 Date 2606310 Most recent enrollment number 215-982-4600 Telephone number (including area code)
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Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	139,219,151
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	139,219,151
10	Interest on line 9 using prior year's actual return of <u>-1.22%</u>	0	-1,698,474
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		31,415,614
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.31%</u>		1,668,169
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		33,083,783
	d Portion of (c) to be added to prefunding balance		33,083,783
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	170,604,460

Part III		Funding Percentages	
14	Funding target attainment percentage	14	97.26 %
15	Adjusted funding target attainment percentage	15	103.21 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	106.66 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/02/2025	9,153,000	0			
01/02/2026	9,153,000	0			
03/02/2026	18,306,000	0			
Totals ►			18(b)	36,612,000	18(c)
					0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 33,841,101
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	1st segment: 4.75 % 2nd segment: 5.12 % 3rd segment: 5.59 %	☐ N/A, full yield curve used
b	Applicable month (enter code).....	21b	4
22	Weighted average retirement age	22	64
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		
Part VI	Miscellaneous Items		
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No		
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
26	Demographic and benefit information		
a	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
b	Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...		☒ Yes ☐ No
27	If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28	Unpaid minimum required contributions for all prior years	28	0
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30	Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0
Part VIII	Minimum Required Contribution For Current Year		
31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6c).....	31a	62,067,208
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	78,489,932	7,231,649
b	Waiver amortization installment	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....		34 69,298,857
35	Balances elected for use to offset funding requirement	0	35,457,756
36	Additional cash requirement (line 34 minus line 35).....		36 33,841,101
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37 33,841,101
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)		38a 0
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39 0
40	Unpaid minimum required contributions for all years		40 0
Part IX	Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)		
41	If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☒ 2021		

Schedule SB, line 22 — Description of Weighted Average Retirement Age**Downtown**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 64.

(1) Age	(2) Number of Employees Remaining	(3) Rate of Retirement	(4) Number of Employees Retiring (2) x (3)	(5) (1) x (4)
55	10,000	4.0%	400.00	22,000
56	9,600	4.0%	384.00	21,504
57	9,216	4.0%	369.00	21,012
58	8,847	4.0%	354.00	20,526
59	8,493	4.0%	340.00	20,045
60	8,154	4.0%	326.00	19,569
61	7,828	7.0%	548.00	33,424
62	7,280	10.0%	728.00	45,134
63	6,552	10.0%	655.00	41,276
64	5,897	15.0%	884.00	56,607
65	5,012	30.0%	1,504.00	97,735
66	3,508	30.0%	1,053.00	69,467
67	2,456	28.0%	688.00	46,073
68	1,768	28.0%	495.00	33,667
69	1,273	28.0%	356.00	24,597
70	917	28.0%	257.00	17,967
71	660	100.0%	660.00	46,860
Total			10,000	637,463
Average				63.75

(1) Plan	(2) Counts	(3) Average Ret Age	(4) (2) x (3)
Downtown	4,784	63.75	304,980
LGH	2,267	63.57	144,113
PHS	663	64.00	42,432
Total	7,714		491,525
Average			63.72

LGH

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 64.

(A) Retirement age	(B) Rate of Retirement	(C) Number of Employees Remaining	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	2.50%	10,000	250	13,750
56	2.50%	9,750	244	13,650
57	2.50%	9,506	238	13,546
58	2.50%	9,269	232	13,439
59	5.00%	9,037	452	26,659
60	5.00%	8,585	429	25,755
61	12.50%	8,156	1,019	62,188
62	12.50%	7,136	892	55,306
63	10.00%	6,244	624	39,339
64	30.00%	5,620	1,686	107,901
65	35.00%	3,934	1,377	89,496
66	30.00%	2,557	767	50,629
67	20.00%	1,790	358	23,985
68	20.00%	1,432	286	19,474
69	20.00%	1,146	229	15,809
70	30.00%	916	275	19,245
71	100.00%	642	642	45,547
Total			10,000	635,719
Average				63.57

PHS

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 64.

(A) Retirement age	(B) Rate of Retirement	(C) Number of Employees Remaining	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	3.5%	10,000	350	19,250
56	3.5%	9,650	338	18,928
57	3.5%	9,312	326	18,582
58	3.5%	8,986	315	18,270
59	3.5%	8,672	304	17,936
60	3.5%	8,368	293	17,580
61	3.5%	8,075	283	17,263
62	8.0%	7,793	623	38,626
63	13.0%	7,169	932	58,716
64	20.0%	6,237	1,247	79,808
65	35.0%	4,990	1,746	113,490
66	40.0%	3,243	1,297	85,602
67	45.0%	1,946	876	58,692
68	50.0%	1,070	535	36,380
69	55.0%	535	294	20,286
70	60.0%	241	145	10,150
71	100.0%	96	96	6,816
Total			10,000	636,375
Average				64.0

Schedule SB, line 26b – Schedule of Projection of Expected Benefit Payments

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2024	13,497,293	20,980,693	122,711,449	157,189,435
2025	21,250,686	19,399,900	120,229,869	160,880,455
2026	28,884,771	21,182,655	117,594,637	167,662,063
2027	36,239,860	23,034,865	114,809,568	174,084,293
2028	43,381,079	25,204,798	111,909,882	180,495,759
2029	49,835,554	26,808,493	108,852,120	185,496,167
2030	55,731,421	28,554,075	105,588,445	189,873,941
2031	61,107,049	29,534,298	102,096,600	192,737,947
2032	65,926,390	30,818,564	98,414,031	195,158,985
2033	70,256,441	32,246,641	94,601,429	197,104,511
2034	74,228,779	33,146,751	90,575,149	197,950,679
2035	77,937,363	34,358,072	86,466,880	198,762,315
2036	81,238,506	34,870,952	82,208,259	198,317,717
2037	84,094,166	35,426,216	77,814,989	197,335,371
2038	86,431,567	36,028,552	73,305,573	195,765,692
2039	88,458,566	36,165,933	68,697,221	193,321,720
2040	89,934,159	36,481,542	64,025,514	190,441,215
2041	90,975,020	36,522,968	59,313,628	186,811,616
2042	91,787,867	36,678,527	54,593,295	183,059,689
2043	92,063,565	36,820,276	49,898,800	178,782,641
2044	91,841,787	36,709,941	45,266,782	173,818,510
2045	91,293,348	36,308,298	40,735,819	168,337,465
2046	90,233,188	35,659,488	36,345,471	162,238,147
2047	88,780,104	34,875,777	32,135,332	155,791,213
2048	86,948,199	34,113,315	28,143,480	149,204,994
2049	84,572,070	33,263,549	24,404,567	142,240,186
2050	81,697,882	32,041,153	20,947,914	134,686,949
2051	78,478,214	30,698,836	17,795,571	126,972,621
2052	74,976,204	29,299,954	14,961,277	119,237,435
2053	71,234,515	27,853,161	12,450,052	111,537,728
2054	67,355,116	26,382,296	10,258,058	103,995,470
2055	63,389,838	24,881,615	8,373,494	96,644,947
2056	59,395,373	23,376,898	6,777,826	89,550,097
2057	55,395,319	21,882,503	5,447,319	82,725,141
2058	51,439,172	20,406,209	4,354,752	76,200,133
2059	47,559,215	18,957,993	3,470,970	69,988,178
2060	43,787,229	17,545,967	2,766,389	64,099,585
2061	40,143,392	16,177,222	2,212,285	58,532,899
2062	36,648,007	14,857,823	1,781,839	53,287,669
2063	33,314,302	13,592,648	1,450,897	48,357,847
2064	30,152,110	12,385,343	1,198,354	43,735,807
2065	27,167,958	11,238,453	1,006,357	39,412,768
2066	24,365,521	10,153,488	860,263	35,379,272
2067	21,746,001	9,131,116	748,354	31,625,471
2068	19,308,381	8,171,295	661,499	28,141,175
2069	17,049,872	7,273,517	592,741	24,916,130
2070	14,966,727	6,436,995	536,893	21,940,615
2071	13,054,459	5,660,784	490,203	19,205,446
2072	11,307,948	4,943,931	450,012	16,701,891
2073	9,721,753	4,285,405	414,468	14,421,626

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions

Plan year	The 12-month period ending June 30
Most recent amendment	As amended and restated effective July 1, 2023
Administration	The plan is administered by Penn Medicine and Fidelity.
Funding Medium	Assets are held in a master trust.
Miscellaneous	
• Maximum compensation	Pensionable earnings for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. For 2003 and all prior years, this limit is \$200,000. The limit is indexed annually and is \$345,000 for 2024.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. For 2024, this limit is \$275,000. This limit is indexed annually.
Benefits not included in valuation	There is no specific disability decrement assumed in the valuation for Downtown and PHS.

Downtown

Benefits for terminations prior to July 1, 2002, as well as for all former Phoenixville Hospital employees, are based on prior plan documents.

Definitions	
• Covered employees	Employees employed by the Employer, except: • Leased employees • Collectively bargained employees • Residents, fellows, attending physicians, "house staff", interns and students • Independent contractors • Non-resident aliens with no US source income Employees covered by another tax-qualified retirement plan of the Employer.
• Participation	January 1 or July 1 after completing one year of eligibility service and attaining age 21. No employees hired after July 1, 2010 will be eligible to participate in the plan. A Choice Participant is an Employee who elected to cease active participation in this Plan as of December 31, 2010 and to commence participation in the UPHS Retirement Contribution and 403(b) Matching Plan.

Schedule SB, Part V — Summary of Plan Provisions

• Vesting service	Prior to January 1, 2003: - For PAH and PMC employees, service shall be determined in accordance with the terms of their respective prior plans. - For HUP employees, service before July 1, 2002 shall be determined in accordance with the terms of their prior plan. For the period July 1, 2002 through December 31, 2002, an additional year of service is earned if the covered employee completes 500 hours during the period. Beginning on January 1, 2003, one year of service is earned for each calendar year during which 1,000 hours are completed.
• Benefit accrual service	Prior to January 1, 2003: - For PAH and PMC employees, service shall be determined in accordance with the terms of their respective prior plans. - For HUP employees, service before July 1, 2002 shall be determined in accordance with the terms of their prior plan. For the period July 1, 2002 through December 31, 2002, an additional year of service is earned if the covered employee completes 500 hours during the period. Beginning on January 1, 2003, one year of service is earned for each calendar year during which 1,000 hours are completed. A member who is a Choice Participant is not credited with benefit accrual service for periods of employment on or after January 1, 2011.
• Earnings	W-2 compensation plus elective deferrals and contributions that are not includible in gross income. Earnings cannot exceed the compensation limit under IRS Code Section 401(a)(17).
• Average annual earnings	The average of the five highest calendar years of earnings. Earnings for Choice Participants on or after January 1, 2011 are not considered in the average annual earnings calculation.
• Social Security Taxable Wage Base	The amount in effect on January 1 of each plan year on which a participant is taxed pursuant to the Federal Insurance Contribution Act (FICA).
• Covered Compensation	The average of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the member attains Social Security retirement age.
• Accrued benefit	1.25% of average annual earnings multiplied by benefit accrual service, plus 0.5% of average annual earnings in excess of covered compensation multiplied by benefit accrual service up to a maximum of 40 years. Minimum benefit: the accrued benefit as of June 30, 2002 based on the benefit provisions in effect on that date. The accrued benefit for Choice Participants is frozen as of December 31, 2010.
Normal retirement	
• Eligibility	First of the month following age 65 and the 5th anniversary of plan participation.
• Benefit	The accrued benefit at normal retirement date.

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
• Eligibility	Age 55 and completion of 5 years of vesting service.
• Benefit	The accrued benefit based on average annual earnings, covered compensation and benefit accrual service at the time of actual retirement, reduced by 1/180 for each of the first 60 months and 1/360 for each of the next 60 months by which the starting date of the payments precedes the Member's normal retirement date.
Late retirement	
• Eligibility	A member may continue employment after his/her normal retirement date.
• Benefit	The accrued benefit based on average annual earnings, covered compensation and benefit accrual service at the time of actual retirement.
Disability retirement	
• Eligibility	A disabled member is any Member who: • Incurs a total and permanent disability while employed by the Employer, • Is eligible for the Employer's long-term disability plan, and • Has at least five years of vesting service at the time such disability is incurred.
• Benefit	The disability benefit is equal to the accrued benefit based on: • Benefit accrual service, which is credited for the period of time the requirements above are satisfied. • Average annual earnings as if the Member continued to receive a constant level of pre-disability Earnings. • The covered compensation in effect at the time of disability.
Terminated (vested) benefits	
• Eligibility	A Member who completes five years of vesting service.
• Benefit	The accrued benefit based on average annual earnings, covered compensation and benefit accrual service as of the termination date payable at normal retirement date. A member can begin receiving reduced benefits any time after attaining his/her 55th birthday, reduced by 1/180 for each of the first 60 months and 1/360 for each of the next 60 months by which the starting date of the payments precedes the Member's normal retirement date.
Pre-retirement death	
• Eligibility	If a married member has met the vesting requirements, the spouse will receive a benefit in the event the member dies before retiring.
• Benefit	Spouse's benefit is 50% of the amount that would have been payable to the participant had the participant terminated employment and elected the 50% joint & survivor annuity at the earliest retirement age following death.
Form of benefits	
• Automatic form for unmarried participants	Single life annuity payable monthly.
• Automatic form for married participants	50% joint and survivor annuity payable monthly, actuarially reduced.

Schedule SB, Part V — Summary of Plan Provisions

Options	Actuarially equivalent optional payment forms based on the greater of (1) UP84 mortality setback 3 years at 7.50% and (2) 417(e) morality and interest with a four month look-back are: - Single life annuity 50% joint and survivor 75% joint and survivor 100% joint and survivor 10 year certain and life annuity
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LGH

Definitions													
Participation	Any employee of the employer becomes a participant upon attainment of age 21 and completion of one year of eligibility service. Participation in the plan was frozen effective December 31, 2010.												
Columbia Plan Participant	Participant who has an Accrued Benefit attributable to the Columbia Hospital Employees' Pension Plan (Columbia Plan) that was merged with and into the Plan as of January 1, 2001.												
Vesting service	One year of service for each calendar year in which the employee is credited with at least 1,000 hours of service.												
Benefit accrual service	The sum of (1) and (2): - Benefit accrual service prior to January 1, 1976: The last period of continuous service prior to the computation period beginning in 1976 shall be computed in years and months as benefit accrual service; and - Benefit accrual service after December 31, 1975: An employee shall accrue credited service for benefit accrual for each benefit accrual computation period in which he completes 1,000 or more hours of service in accordance with the following table:<table><tr><th>Fraction of Year of Hours of service</th><th>Credited Service</th></tr><tr><td>1,000 - 1,199</td><td>0.6</td></tr><tr><td>1,200 - 1,399</td><td>0.7</td></tr><tr><td>1,400 - 1,599</td><td>0.8</td></tr><tr><td>1,600 - 1,799</td><td>0.9</td></tr><tr><td>1,800 or more</td><td>1.0</td></tr></table> Effective June 30, 2013 (June 30, 2012 for Affilia Home Health), the plan was amended to freeze further benefit accruals, including benefit accrual service and compensation.	Fraction of Year of Hours of service	Credited Service	1,000 - 1,199	0.6	1,200 - 1,399	0.7	1,400 - 1,599	0.8	1,600 - 1,799	0.9	1,800 or more	1.0
Fraction of Year of Hours of service	Credited Service												
1,000 - 1,199	0.6												
1,200 - 1,399	0.7												
1,400 - 1,599	0.8												
1,600 - 1,799	0.9												
1,800 or more	1.0												

Schedule SB, Part V — Summary of Plan Provisions

• Compensation	Compensation reportable as wages, tips, and other compensation on Federal Form W-2, excluding severance, but including deferrals under code sections 125, 132(f)(4), 402(e),(3), 402(h)(1)(B), and 403(b). Effective June 30, 2013 (June 30, 2012 for Affilia Home Health), the plan was amended to freeze further benefit accruals, including benefit accrual service and compensation.
• Average Compensation	The greater of (1) or (2): 1. Compensation for the month in which the applicable freeze date occurs or, if earlier, the month in which benefits stop accruing plus the prior 59 consecutive months divided by 60. 2. The monthly average of the five highest consecutive calendar years compensation within the last 10 years ending with the applicable freeze date or, if earlier, the month in which benefits stop accruing plus.
• Accrued Benefit	Effective June 30, 2013 the plan was amended to freeze further benefit accruals.
Normal retirement	
• Eligibility	Age 65. An active participant may elect to commence payment of the normal retirement benefit for benefits earned as of December 31, 2010.
• Benefit	The accrued benefit at normal retirement date. If an active participant elects to commence payment of the normal retirement benefit, the portion of the accrued benefit attributable to benefits earned after December 31, 2010 will commence at termination of employment.
Early retirement	
• Eligibility	Age 55 and completion of 15 years of vesting service. Employees of the Affilia Home Health hired prior to July 1, 1998 are eligible for early retirement at age 55. The portion of the accrued benefit attributable to the Columbia Plan is eligible for early retirement at age 60 and completion of 10 years of service.
• Benefit	For benefits earned before February 1, 2004: Accrued benefit reduced by 1/180th per month up to 24 months and 1/360th for each of the next 60 months that benefit commencement precedes age 62. For benefits earned on or after February 1, 2004: Accrued benefit reduced by 10/12% per month up to 24 months and 5/12% for each of the next 96 months that benefit commencement precedes age 65. For accrued benefits attributable to the Columbia Plan: Accrued benefit reduced by 2/3% per month up to 60 months that benefit commencement precedes age 65.
Late retirement	
• Eligibility	A member may continue employment after his/her normal retirement date.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	Participants who continue employment following Normal Retirement Date will receive benefit with actuarial equivalence increases.
	For accrued benefits attributable to the Columbia Plan: For each year from ages 65 to 70, the participant's benefit is actuarially increased by 10%; for each year from ages 70 to 79, the participant's benefit is actuarially increased by the prior year's percentage increase plus an additional 0.5%, and for each year on and after attainment of age 80, the participant's benefit is actuarially increased by 15%.
Deferred vested	
• Eligibility	Vesting after five years of vesting service or attainment of normal retirement age. Eligible to commence as early as age 55 if 15 years of vesting service at termination (age 60 if 10 years of vesting service for the accrued benefit attributable to the Columbia Plan), otherwise age 65.
• Benefit	Accrued benefit payable at age 65. If eligible to commence early, same as early retirement
Surviving Spouse	
• Eligibility	If a married member has met the vesting requirements, the spouse will receive a benefit in the event a member dies before retiring.
• Benefit	Spouse 's benefit is 50% of the amount that would have been payable to the participant had the participant terminated employment and elected the 50% Joint and Survivor annuity at the earliest retirement age following death.
Form of benefits	
• Automatic form for unmarried participants	Single life annuity payable monthly.
• Automatic form for married participants	50% joint and survivor annuity payable monthly, actuarially reduced.
• Options	Single life annuity, qualified joint and survivor option (50%, 75% or 100%) and 10 year certain and life. Additional options available to Affilia Home Health employees hired prior to July 1, 1998. 1. Cash refund annuity paid to the beneficiary in a lump sum or installments over a period not to exceed 10 years. 2. 15 year certain and life. A 5 year certain and life and 15 year certain and life are also available for accrued benefits attributable to the Columbia Plan.
• Actuarial Equivalence	Non 417(e) forms of payment are actuarially equivalent based on 1951 GAM Mortality Table projected to 1970 by scale C setback 5 years at 8% interest. Non 417(e) forms of payment for accrued benefits attributable to the Columbia plan are determined using the tabular factors listed in the plan document.

Schedule SB, Part V — Summary of Plan Provisions**PHS**

Definitions	
• Participation	Any employee of the employer becomes a participant upon attainment of age 21 and completion of one year of service.
	Participation is closed effective December 31, 2011
• Vesting service	One year of service for each calendar year in which the employee is credited with at least 1,000 hours of service.
• Compensation	Compensation paid to an employee excludes all bonuses, overtime and commissions.
	Compensation is frozen effective December 31, 2011.
• Minimum benefit	Accrued Benefit as of May 9, 2004, expressed in the form of a single life annuity, reduced for early commencement under the terms of the Prior Plan.
• Grandfathered participant	An active participant on May 10, 2004 who had: (i) Age 50 with 10 Years of Service (ii) 15 Years of Service; or (iii) Age 55 with 5 Years of Service
• Grandfathered benefit	Accrued Benefit, expressed in the form of a single life annuity, determined under the benefit formula from the Prior Plan as if the Prior Plan had continued after May 9, 2004, until such determination date, reduced for early commencement, as applicable, under the terms of the Prior Plan.
	Grandfathered Benefit is frozen as of December 31, 2009.
Converted Account Balance	The Opening Account Balance is the Actuarial Equivalent lump sum value of Accrued Benefit on May 9, 2004. This balance is accumulated with interest credits.
Converted Account Balance Interest Credit	6% per year
Core Account Balance	Accumulated company credits and interest credits
Core Account Balance Interest Credit	4% per year

Schedule SB, Part V — Summary of Plan Provisions

Annual Company Credits	Beginning with the 2010 Plan Year. Compensation multiplied by the applicable percentage in the table below Pay plus 3% of Compensation in excess of 2/3 of the Taxable Wage Base for the plan year:								
	<table> <tr> <th><u>Years of Service</u></th><th><u>Pay Credit Percent</u></th></tr> <tr> <td>1-7</td><td>2.5%</td></tr> <tr> <td>8-14</td><td>3.0%</td></tr> <tr> <td>15 or more</td><td>4.0%</td></tr> </table>	<u>Years of Service</u>	<u>Pay Credit Percent</u>	1-7	2.5%	8-14	3.0%	15 or more	4.0%
<u>Years of Service</u>	<u>Pay Credit Percent</u>								
1-7	2.5%								
8-14	3.0%								
15 or more	4.0%								
	Company Credits are frozen effective December 31, 2011.								
Normal retirement									
• Eligibility	Age 65 and completion of 2 years of vesting service.								
• Benefit	Greatest of: (a) Account Balance projected to Normal Retirement Date using Core Account and Converted Account interest rates as of determination date, then converted to single life annuity based on Applicable Interest rate at date of determination; (b) Minimum Benefit (c) Grandfathered Benefit								
Early retirement									
• Eligibility	Age 55 and completion of 5 years of vesting service.								
• Benefit	Normal Retirement Benefit, reduced by 1/15th for each of the first 5 years prior to normal retirement date and 1/30th for each of the next 5 years.								
Late retirement									
• Eligibility	A member may continue employment after his/her normal retirement date.								
• Benefit	Greatest of: 1. The Account balance converted to a single life annuity based on Applicable Interest rate at date of determination 2. The Minimum Benefit 3. The Grandfathered Benefit								
Deferred vested									
• Eligibility	3 or more years of service								
• Benefit	Accrued benefit payable at age 65. If eligible to commence early, same as early retirement								
Pre-retirement death									
• Eligibility	If a married member has met the vesting requirements, the spouse will receive a benefit in the event the member dies before retiring.								
• Benefit	Amount that would have been paid had the participant retired on the day before his death and elected the 100% Joint and Survivor payment option. If there is no surviving spouse, or if the surviving spouse elects, the death benefit shall be paid in the form of a lump sum that is Actuarial Equivalent to the Accrued Benefit.								
Form of benefits									
• Optional forms	- Single life annuity 50%, 75% or 100% joint and survivor annuity 60, 120, 180 certain and continuous - Lump sum								

Schedule SB, Part V — Summary of Plan Provisions

Actuarial equivalence

1. Lump sums : 417(e) morality and interest.
 2. 60 and 180 month Certain and Continuous: 1971 GAM Table set back 5 years at 9% interest.
 3. 120 month Certain and Continuous: Tabular plan factors
 4. 50% Joint and Survivor: Tabular plan factors with adjustment age differences of one year or more.
 5. 100% Joint and Survivor: 1971 GAM table set back 4 years for participants and 0 years for beneficiary at 9% interest.
 6. Late retirement adjustment to the grandfathered benefit: 1983 GAM female mortality table and 8% interest.
-

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installments for each plan year since the IRC Section 430 changes made by ARPA took effect for the plan. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2024 installment
2024	\$	78,489,932	15	\$ 7,231,649
Total	\$	78,489,932		\$ 7,231,649

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial assumption changes since prior valuation

- Interest discounts and mortality rates were updated in accordance with PPA.
- Expected investment return was updated to reflect current capital market assumptions.
- The expense component of normal cost increased from \$2,467,000 to \$9,016,000 to reflect our expectations for the current plan year.