



**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Financial Statements

December 31, 2025 and 2024

(With Independent Auditors' Report Thereon)



KPMG LLP
Two Manhattan West
375 9th Avenue, 17th Floor
New York, NY 10001

Independent Auditors' Report

The Board of Directors
Conference on Jewish Material Claims Against Germany, Inc.:

Opinion

We have audited the financial statements of Conference on Jewish Material Claims Against Germany, Inc. (the Claims Conference), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Claims Conference as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Claims Conference 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.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The fund information included in the statements of financial position and statements of activities is presented for purposes of additional analysis of the financial statements rather than to present the financial position and changes in net assets of the individual funds, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 Claims Conference's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Claims Conference'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 Claims Conference'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.

KPMG LLP

New York, New York
July 24, 2026

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Statement of Financial Position

December 31, 2025

Assets	Claims Conference as successor organization (note 4)	German allocation funds (note 5)	German compensation funds (note 6)	Other program funds (note 7)	Eliminations	Total
Cash and cash equivalents (note 2)	\$ 4,874,540	189,159,429	118,722,750	8,937,808	—	321,694,527
Investments (notes 2 and 3)	373,027,410	50,893,756	—	—	—	423,921,166
Total cash, cash equivalents, and investments	377,901,950	240,053,185	118,722,750	8,937,808	—	745,615,693
Other assets:						
Grants and contractual receivables	—	25,026,333	356,473	—	—	25,382,806
Other receivables	709,801	—	—	—	—	709,801
Other assets, net (notes 3 and 4)	3,777,352	2,044,941	5,315,731	—	—	11,138,024
Right-of-use assets (note 8)	3,098,833	—	12,040,247	—	—	15,139,080
Interfund receivables	2,280,315	200,744	1,240,890	13,832	(3,735,781)	—
Total assets	\$ 387,768,251	267,325,203	137,676,091	8,951,640	(3,735,781)	797,985,404
Liabilities and Net Assets						
Liabilities:						
Accrued expenses	\$ 3,119,459	83,387	14,416,406	264,295	—	17,883,547
Deferred income	—	58,830,204	98,337,955	—	—	157,168,159
Grants payable	3,952,747	124,506,427	7,558,381	1,954,144	—	137,971,699
Goodwill fund	2,191,746	—	—	—	—	2,191,746
Due to cooperating organizations	—	—	813,818	—	—	813,818
Lease liabilities (note 8)	3,645,343	—	13,521,082	—	—	17,166,425
Interfund payables	660,013	1,175,535	1,229,622	670,611	(3,735,781)	—
Total liabilities	13,569,308	184,595,553	135,877,264	2,889,050	(3,735,781)	333,195,394
Contingencies and commitments (notes 8 and 9)						
Net assets:						
Without donor restrictions:						
Designated for programs	211,071,035	—	—	414,109	—	211,485,144
Designated for research, education, and documentation	79,461,286	—	—	—	—	79,461,286
Net funding deficit	—	—	(6,859,293)	—	—	(6,859,293)
Designated for future costs	18,116,140	—	—	219,775	—	18,335,915
Designated for goodwill and late applicants fund and other uses	4,041,469	—	—	—	—	4,041,469
Unsold restituted properties	1,354,476	—	—	—	—	1,354,476
Designated for longer-term needs	60,154,537	—	—	1,292,059	—	61,446,596
Total net assets without donor restrictions	374,198,943	—	(6,859,293)	1,925,943	—	369,265,593
With donor restrictions:						
For contractual obligations	—	—	8,658,120	—	—	8,658,120
For programs	—	82,729,650	—	4,136,647	—	86,866,297
Total net assets with donor restrictions	—	82,729,650	8,658,120	4,136,647	—	95,524,417
Total net assets	374,198,943	82,729,650	1,798,827	6,062,590	—	464,790,010
Total liabilities and net assets	\$ 387,768,251	267,325,203	137,676,091	8,951,640	(3,735,781)	797,985,404

See accompanying notes to financial statements.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Statement of Financial Position

December 31, 2024

Assets	Claims Conference as successor organization (note 4)	German allocation funds (note 5)	German compensation funds (note 6)	Other program funds (note 7)	Eliminations	Total
Cash and cash equivalents (note 2)	\$ 8,646,778	144,152,812	119,809,865	9,676,341	—	282,285,796
Investments (notes 2 and 3)	374,892,658	34,458,546	—	—	—	409,351,204
Total cash, cash equivalents, and investments	383,539,436	178,611,358	119,809,865	9,676,341	—	691,637,000
Other assets:						
Grants and contractual receivables	—	37,481,930	559,654	155,796	—	38,197,380
Other receivables	660,903	—	—	—	—	660,903
Other assets, net (notes 3 and 4)	3,352,080	420,638	37,080,289	6,256	—	40,859,263
Right-of-use assets (note 8)	3,553,780	—	9,612,132	—	—	13,165,912
Interfund receivables	2,458,113	200,116	466,386	1,190	(3,125,805)	—
Total assets	\$ 393,564,312	216,714,042	167,528,326	9,839,583	(3,125,805)	784,520,458
Liabilities and Net Assets						
Liabilities:						
Accrued expenses	\$ 2,692,703	51,703	12,304,208	305,525	—	15,354,139
Deferred income	—	42,802,319	112,785,943	—	—	155,588,262
Grants payable	6,552,420	97,428,841	7,075,175	1,377,545	—	112,433,981
Goodwill fund	1,586,003	—	—	—	—	1,586,003
Due to cooperating organizations	—	—	20,851,226	—	—	20,851,226
Lease liabilities (note 8)	3,802,963	—	10,258,834	—	—	14,061,797
Interfund payables	347,570	1,142,383	1,094,134	541,718	(3,125,805)	—
Total liabilities	14,981,659	141,425,246	164,369,520	2,224,788	(3,125,805)	319,875,408
Contingencies and commitments (notes 8 and 9)						
Net assets:						
Without donor restrictions:						
Designated for programs	216,892,720	—	—	252,966	—	217,145,686
Designated for research, education, and documentation	79,461,286	—	—	—	—	79,461,286
Net funding deficit	—	—	(7,289,170)	—	—	(7,289,170)
Designated for future costs	16,408,800	—	—	194,796	—	16,603,596
Designated for goodwill and late applicants fund and other uses	4,454,208	—	—	—	—	4,454,208
Unsold restituted properties	1,546,009	—	—	—	—	1,546,009
Designated for longer-term needs	59,819,630	—	—	1,240,858	—	61,060,488
Total net assets without donor restrictions	378,582,653	—	(7,289,170)	1,688,620	—	372,982,103
With donor restrictions:						
For contractual obligations	—	—	10,447,976	—	—	10,447,976
For programs	—	75,288,796	—	5,926,175	—	81,214,971
Total net assets with donor restrictions	—	75,288,796	10,447,976	5,926,175	—	91,662,947
Total net assets	378,582,653	75,288,796	3,158,806	7,614,795	—	464,645,050
Total liabilities and net assets	\$ 393,564,312	216,714,042	167,528,326	9,839,583	(3,125,805)	784,520,458

See accompanying notes to financial statements.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Statement of Activities

Year ended December 31, 2025

	Claims Conference as successor organization (note 4)	German allocation funds (note 5)	German compensation funds (note 6)	Other program funds (note 7)	Eliminations	Total
Revenue:						
Revenue from operations:						
Contractual programs	\$ —	—	550,970,629	—	—	550,970,629
Administrative reimbursement of expenses	—	4,745,135	45,838,548	—	—	50,583,683
Revenue from sold and unsold restituted properties	124,599	—	—	—	—	124,599
Rental income	6,312	—	—	—	—	6,312
Grants and other	57,216	1,089,857,270	—	2,134,677	—	1,092,049,163
Total revenue from operations	188,127	1,094,602,405	596,809,177	2,134,677	—	1,693,734,386
Investment income (note 2)	16,776,306	9,718,383	132,127	219,791	—	26,846,607
Total revenue	16,964,433	1,104,320,788	596,941,304	2,354,468	—	1,720,580,993
Expenses (note 11):						
Grant expenses:						
Grant and contractual expenses	10,539,385	1,096,377,002	554,013,644	4,096,944	—	1,665,026,975
Goodwill fund	1,777,304	—	—	—	—	1,777,304
Grant cancellations	(177,434)	—	—	—	—	(177,434)
Total grant expenses	12,139,255	1,096,377,002	554,013,644	4,096,944	—	1,666,626,845
Property restitution program	557,877	—	—	—	—	557,877
Grant making and administrative expenses	9,110,385	4,745,135	44,527,065	(23,823)	—	58,358,762
Total expenses	21,807,517	1,101,122,137	598,540,709	4,073,121	—	1,725,543,484
(Deficiency) excess of revenue (under) over expenses before transaction and translation gains	(4,843,084)	3,198,651	(1,599,405)	(1,718,653)	—	(4,962,491)
Transaction and translation gains (note 1(d))	459,374	4,242,203	239,426	166,448	—	5,107,451
(Decrease) increase in net assets	(4,383,710)	7,440,854	(1,359,979)	(1,552,205)	—	144,960
Net assets at December 31, 2024	378,582,653	75,288,796	3,158,806	7,614,795	—	464,645,050
Net assets at December 31, 2025	\$ 374,198,943	82,729,650	1,798,827	6,062,590	—	464,790,010
Composition of changes in net assets (note 10):						
(Decrease) increase in net assets without donor restrictions	\$ (4,383,710)	—	429,877	237,323	—	(3,716,510)
Increase (decrease) in net assets with donor restrictions	—	7,440,854	(1,789,856)	(1,789,528)	—	3,861,470
(Decrease) increase in net assets	\$ (4,383,710)	7,440,854	(1,359,979)	(1,552,205)	—	144,960

See accompanying notes to financial statements.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Statement of Activities

Year ended December 31, 2024

	Claims Conference as successor organization (note 4)	German allocation funds (note 5)	German compensation funds (note 6)	Other program funds (note 7)	Eliminations	Total
Revenue:						
Revenue from operations:						
Contractual programs	\$ —	—	597,522,770	—	—	597,522,770
Administrative reimbursement of expenses	—	3,137,510	44,739,766	50,000	—	47,927,276
Revenue from sold and unsold restituted properties	3,615,198	—	—	—	—	3,615,198
Rental income	6,464	—	—	—	—	6,464
Grants and other	10,459	941,030,928	1,646	12,648,173	(23,902)	953,667,304
Total revenue from operations	3,632,121	944,168,438	642,264,182	12,698,173	(23,902)	1,602,739,012
Investment income (note 2)	18,831,461	10,604,790	106,097	242,382	—	29,784,730
Total revenue	22,463,582	954,773,228	642,370,279	12,940,555	(23,902)	1,632,523,742
Expenses (note 11):						
Grant expenses:						
Grant and contractual expenses	8,321,258	927,505,362	596,062,619	13,639,001	(23,902)	1,545,504,338
Goodwill fund	1,774,762	—	—	—	—	1,774,762
Grant cancellations	(2,081,797)	—	—	—	—	(2,081,797)
Total grant expenses	8,014,223	927,505,362	596,062,619	13,639,001	(23,902)	1,545,197,303
Property restitution program	957,847	—	—	—	—	957,847
Grant making and administrative expenses	9,824,692	3,137,510	45,532,323	83,287	—	58,577,812
Total expenses	18,796,762	930,642,872	641,594,942	13,722,288	(23,902)	1,604,732,962
Excess (deficiency) of revenue over (under) expenses before transaction and translation losses	3,666,820	24,130,356	775,337	(781,733)	—	27,790,780
Transaction and translation losses, net (note 1(d))	(159,050)	(1,507,725)	(217,776)	(313,671)	—	(2,198,222)
Increase (decrease) in net assets	3,507,770	22,622,631	557,561	(1,095,404)	—	25,592,558
Net assets at December 31, 2023	375,074,883	52,666,165	2,601,245	8,710,199	—	439,052,492
Net assets at December 31, 2024	\$ 378,582,653	75,288,796	3,158,806	7,614,795	—	464,645,050
Composition of changes in net assets (note 10):						
Increase (decrease) in net assets without donor restrictions	\$ 3,507,770	—	(299,182)	(368,833)	—	2,839,755
Increase (decrease) in net assets with donor restrictions	—	22,622,631	856,743	(726,571)	—	22,752,803
Increase (decrease) in net assets	\$ 3,507,770	22,622,631	557,561	(1,095,404)	—	25,592,558

See accompanying notes to financial statements.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Statements of Cash Flows

Years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Increase in net assets	\$ 144,960	25,592,558
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Unrealized losses (gains) of investments	840,743	(2,736,776)
Realized gains on sales of investments	(5,614,017)	(3,968,321)
Amortization of right-of-use assets	2,665,911	1,890,578
Changes in operating assets and liabilities:		
Grants and contractual receivables	12,814,574	(11,375,826)
Other receivables	(48,898)	37,829
Other assets, net	29,721,239	(30,322,872)
Accrued expenses	2,529,408	3,325,220
Deferred income	1,579,897	154,700,725
Grants payable	25,537,718	14,120,243
Goodwill fund	605,743	(1,509,707)
Due to cooperating organizations	(20,037,408)	20,025,141
Lease liabilities	(1,472,631)	(879,193)
Net cash provided by operating activities	<u>49,267,239</u>	<u>168,899,599</u>
Cash flows from investing activities:		
Purchases of investments	(530,573,525)	(570,806,599)
Proceeds from sale of investments	<u>520,776,837</u>	<u>587,089,241</u>
Net cash (used in) provided by investing activities	<u>(9,796,688)</u>	<u>16,282,642</u>
Cash flows from financing activities:		
Principal payments on lease liabilities	<u>(61,820)</u>	<u>(95,088)</u>
Net cash used in financing activities	<u>(61,820)</u>	<u>(95,088)</u>
Net increase in cash and cash equivalents	39,408,731	185,087,153
Cash and cash equivalents at beginning of year	<u>282,285,796</u>	<u>97,198,643</u>
Cash and cash equivalents at end of year	<u>\$ 321,694,527</u>	<u>282,285,796</u>
Supplemental information:		
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 4,610,787	12,825,820
Right-of-use assets obtained in exchange for new finance lease liabilities	28,293	170,065

See accompanying notes to financial statements.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
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Notes to Financial Statements

December 31, 2025 and 2024

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The Conference on Jewish Material Claims Against Germany, Inc. (the Claims Conference) was founded in 1951 by 23 international Jewish organizations to represent world Jewry in negotiating for compensation and restitution for victims of Nazi persecution and their heirs. The Claims Conference administers compensation funds, allocates grant funds to institutions that provide social welfare services to victims of Nazi persecution, and preserves the memory and lessons of the Holocaust. It maintains primary offices in Frankfurt, Germany; New York, New York; and Tel Aviv, Israel. In addition, the Claims Conference maintains several smaller satellite offices.

The activities of the Claims Conference are more fully described in the following notes to the financial statements.

(b) Basis of Presentation

The Claims Conference's financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

The accompanying statements of activities are presented in total by programmatic activity. To ensure compliance with donor (grantor) restrictions placed on the use of resources available to the Claims Conference, its accounts are maintained in accordance with the principles of fund accounting. This is a procedure by which resources are classified for accounting and reporting purposes into funds established according to their nature and purposes. Net assets and revenue, gains, and losses are classified based on the existence or absence of grantor-imposed restrictions. Accordingly, net assets are classified and reported as follows:

- *Without donor restrictions* – Net assets that are not restricted by grantors or where the grantor-imposed restrictions have expired; as reflected in the accompanying statements of financial position, the Claims Conference's Board of Directors has designated a portion of the Claims Conference's net assets without donor restrictions for various purposes.
- *With donor restrictions* – Net assets subject to grantor restrictions that permit the Claims Conference to expend the assets as specified; the restrictions are satisfied either by the passage of time or by actions of the Claims Conference in accordance with those specified by the grantor. Restricted grants whose restrictions are met in the same reporting period are reported as increases in net assets without donor restrictions.

(c) Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions used in the preparation of the Claims Conference's financial statements include the value of unsold restituted properties, the allocation of expenses to functional classifications, and the assumption of discount rates in calculating right-of-use (ROU) assets and lease liabilities for finance and operating leases.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
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Notes to Financial Statements

December 31, 2025 and 2024

(d) Foreign Currency Translation

The Claims Conference conducts its operations in different countries. However, the accompanying financial statements are reported in U.S dollars, the functional currency of the Claims Conference. Assets and liabilities are translated using the exchange rates in effect at the statement of financial position date. Revenue and expenses are translated based on a weighted average exchange rate for the year. The resulting translation gains and losses are reported as a component of the applicable net asset category.

Foreign currency transactions have been translated from Euros into U.S. dollars at (i) the prevailing rate of exchange at December 31, 2025 and 2024 (1.17394 and 1.03864), respectively, for assets and liabilities, and (ii) an average of the daily prevailing rates of exchange for the years ended December 31, 2025 and 2024 (1.13019 and 1.08190), respectively, for revenue and expenses. Foreign currency transactions have also been translated from New Israeli Shekels (NIS) into U.S. dollars at (i) the prevailing rate of exchange at December 31, 2025 and 2024 (3.17948 and 3.64244), respectively, for assets and liabilities and (ii) an average of the daily prevailing rates of exchange for the years ended December 31, 2025 and 2024 (3.44694 and 3.69508), respectively, for revenue and expenses.

(e) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. The three levels in the fair value hierarchy are as follows:

- *Level 1* – Inputs are quoted (unadjusted) or published net asset value in active markets that are accessible at the measurement date for identical assets or liabilities.
- *Level 2* – Inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.
- *Level 3* – Inputs are unobservable inputs based on the Claims Conference's own assumptions used to measure assets and liabilities at fair value.

A financial asset or liability's classification within the hierarchy is determined based on the lowest-level input that is significant to the fair value measurement.

(f) Interfund Accounts

The interfund accounts represent temporary advances (borrowings) principally related to reallocations of administrative expenses and borrowings against anticipated grants. The interfund balances, eliminated in combination, are generally settled during the following year.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
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Notes to Financial Statements

December 31, 2025 and 2024

(g) Cash and Cash Equivalents

The Claims Conference considers all highly liquid financial instruments with original maturities of three months or less when purchased, other than those held in the investment portfolio, to be cash equivalents.

(h) Investments

The Claims Conference's investment policy is generally to invest in securities issued by the U.S. Treasury and U.S. agencies having an average portfolio maturity of less than five years. The Claims Conference may also invest in securities guaranteed by the Israeli government and short-term fixed-income Foreign AA sovereign securities when feasible and prudent. Funds are also invested in U.S. money market accounts that invest in government and agency securities as well as short-term mutual bond funds. The investment philosophy of the Claims Conference is based on the dual mandates of preservation of principal and liquidity in all environments and currencies. Investments are stated at fair value.

(i) Leases

The Claims Conference determines if an arrangement is or contains a lease at inception. Leases are included in ROU assets and lease liabilities in the statement of financial position. ROU assets represent a right to use an underlying asset for the lease term and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or deferred rent. The Claims Conference's leases do not provide an implicit rate of return; thus, the Claims Conference uses the risk-free discount rate, determined by using a period comparable with that of the lease term from the latter of the lease commencement date or implementation date. Operating lease expense is recognized on a straight-line basis over the lease term. The Claims Conference does not recognize ROU assets and lease liabilities for leases with an initial term of 12 months or less. Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

(j) Income Taxes

The Claims Conference is a not-for-profit agency exempt from U.S. federal income tax under Section 501(c)(4) of the Internal Revenue Code, and state and local income taxes. The Claims Conference is exempt from taxes in Germany and Israel based on local tax codes.

The Claims Conference recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. The Claims Conference has evaluated its tax positions and has determined it does not have any uncertain tax positions or any unrelated income tax liability, which would have a material impact on the financial statements.

(k) Revenue

Grants are recognized as revenue when cash, securities, other assets, or unconditional promises to give are received. A grant is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to transfer assets. Conditional grants are recognized as

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revenue when the barrier(s) in the agreement, such as the satisfaction of grant provisions and incurrence of qualifying expenditures for reimbursement-based grants, are overcome.

Purpose-restricted grants whose restrictions are met in the same fiscal year are reported in net assets without donor restrictions. All other purpose-restricted support is reported as an increase to net assets with donor restrictions, depending on the nature of the restriction.

(l) Contractual Programs and Grants

Contractual programs are recognized in accordance with the terms of contractual agreements for individual compensation programs.

Grant obligations that are considered unconditional in nature are reported as grants payable in the statement of financial position. Conditional grants are recognized as expenses when the barrier(s) in the agreement is overcome. A grant is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to transfer assets. Awards made to organizations that are conditional in nature are not recorded as expense until the conditions of the grant are satisfied.

(m) Restituted Properties and Compensation

The Claims Conference recognizes the estimated fair value of restituted property when it is awarded unconditional title to the property. Properties received are recorded at estimated fair value generally based on independent appraisals obtained when the property was recovered, subsequent evaluations, and comparable sale values. Actual proceeds realized will depend on market conditions at the time of the sale and may be materially different from amounts currently recognized. If the Claims Conference recovers compensation in lieu of receiving a property itself, such compensation is recognized when it has been certified as to its value by the Regional Tax Authorities (Oberfinanzdirektion).

Certain costs related to the disposal of restituted property are deferred until such time as the sales on properties are realized, at which time such costs will be expensed as a charge against the sales proceeds. Other general expenses with respect to property administration are expensed when incurred.

(2) Cash and Cash Equivalents and Investments

Cash and cash equivalents and investments are primarily maintained in large international banks in New York, London, Israel, and Frankfurt. Certain accounts at these financial institutions in the United States have balances in excess of U.S. federally insured limits.

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Investments and cash and cash equivalents at fair value at December 31, 2025 and 2024 consist of the following:

		2025			
		United States	Israel	Europe	Total
Cash and cash equivalents	\$	145,300,248	57,017,370	119,376,909	321,694,527
Investments:					
Government money market funds	\$	73,161,491	—	—	73,161,491
Mutual funds		40,079,421	—	—	40,079,421
Government bills		94,684,205	—	—	94,684,205
Government notes		178,779,124	—	—	178,779,124
Government bonds		—	37,216,925	—	37,216,925
Total investments	\$	<u>386,704,241</u>	<u>37,216,925</u>	<u>—</u>	<u>423,921,166</u>

		2024			
		United States	Israel	Europe	Total
Cash and cash equivalents	\$	137,933,303	22,432,573	121,919,920	282,285,796
Investments:					
Government money market funds	\$	46,731,826	—	—	46,731,826
Mutual funds		39,905,128	—	—	39,905,128
Government bills		108,118,525	—	—	108,118,525
Government notes		177,290,308	—	—	177,290,308
Government bonds		—	37,305,417	—	37,305,417
Total investments	\$	<u>372,045,787</u>	<u>37,305,417</u>	<u>—</u>	<u>409,351,204</u>

(3) Fair Value Measurements

The following tables provide the assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2025 and 2024:

		2025			
		Total	Level 1	Level 2	Level 3
Investments	\$	423,921,166	423,921,166	—	—
Non-deliverable forward contracts (note 12)		1,953,552	—	1,953,552	—
Estimated value of unsold restituted properties*		1,728,869	—	—	1,728,869

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	2024			
	Total	Level 1	Level 2	Level 3
Investments	\$ 409,351,204	409,351,204	—	—
Estimated value of unsold restituted properties*	1,844,576	—	—	1,844,576

* Estimated value of unsold restituted properties is included in other assets in the accompanying statements of financial position.

The following table is a rollforward of the financial instruments classified by the Claims Conference in Level 3 for the years ended December 31, 2025 and 2024:

	2025	2024
Fair value at January 1	\$ 1,844,576	2,006,692
Additions	—	202,535
Change in fair value	(115,707)	(364,651)
Fair value at December 31	<u>\$ 1,728,869</u>	<u>1,844,576</u>

(4) Claims Conference as Successor Organization

In light of the diminished number of remaining Successor Organization (SO) claims, the office in Frankfurt maintains a skeletal staff to handle operational matters, including the need to archive documents for business and historical reasons, prepare cases for the restitution authorities, and do the necessary follow-up work related to recovered properties.

(a) Property Restitution and Compensation

Upon German reunification in 1990, the Claims Conference negotiated for the right of Jewish asset owners and heirs to file claims for assets in the former East Germany. Under the German Property Restitution Law, the deadline for filing claims for restitution of assets located in the territory of the former East Germany expired on December 31, 1992 for real estate claims and on June 30, 1993 for claims against moveable assets. Thousands of Jewish claimants filed timely claims and recovered a significant number of assets or substantial amounts of compensation in lieu of restitution. The Claims Conference was designated under the Germany Property Restitution Law to be the successor for unclaimed Jewish assets (through SO). The disposition of any net recoveries from the operation of this program is determined by the Board of Directors of the Claims Conference; accordingly, revenue recognized from sales of property restitution and compensation is classified as without donor restrictions in the accompanying statements of activities.

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Revenue from sold and unsold restituted properties during the years ended December 31, 2025 and 2024 comprised the following approximated amounts:

Description	2025	2024
Sales of restituted properties	\$ 32,100	404,800
Special cases	92,500	3,210,400
Total	\$ 124,600	3,615,200

As of December 31, 2025 and 2024, the total estimated fair value of unsold restituted property was approximately \$1,728,900 and \$1,844,600 (€1,472,700 and €1,776,000), respectively. As of December 31, 2025 and 2024, the Claims Conference held 93 parcels of property.

Certain costs relating to the disposal of restituted property, approximately \$1,244,000 and \$1,094,000 at December 31, 2025 and 2024, respectively, have been recorded as deferred costs in other assets. Such deferred costs will be charged against the proceeds upon sale of the related property. Other general expenses with respect to property administration are expensed when incurred.

(b) Goodwill Fund

Notwithstanding its legal right to retain the full proceeds of the claims it makes as SO, the Claims Conference established a Goodwill Fund in 1994 in order to set aside funds for payments to certain Jewish asset owners or heirs who had not filed claims by the German-mandated deadline and, thus, were no longer legally entitled to the assets or their proceeds under German law and who met the criteria of the Goodwill Fund.

The deadline for applications to the Goodwill Fund expired in 2011 after various extensions to the deadlines were provided by the Claims Conference. In making its decision on this subject, the Board of Directors of the Claims Conference took special note of the fact that the Goodwill Fund had been accepting applications for a number of years, that there was uncertainty surrounding the ultimate number of applications that would be made to the Goodwill Fund, that applications are frequently for unclaimed properties that the Claims Conference had already recovered and sold with the proceeds having been allocated, and the need to decide whether to continue making allocations for homecare and other social needs of Holocaust survivors from SO funds.

In 2025 and 2024, the Claims Conference paid out approximately \$261,000 (€223,000) and \$578,000 (€556,000), respectively, under this program to original owners and heirs. Since inception, the Claims Conference has paid approximately €794,683,000 under this program. In addition, it has established reserves for Goodwill Fund applications that have been approved for payment. These reserves are classified as liabilities in the accompanying statements of financial position. These applications relate to various assets for which the Claims Conference has received proceeds. At December 31, 2025 and 2024, the reserve for the Goodwill Fund was approximately \$2,192,000 (€1,867,000) and \$1,586,000 (€1,527,000), respectively. The Goodwill Fund expense for 2025 and 2024 was approximately \$636,000 (€563,000) and \$781,000 (€722,000), respectively.

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(c) Designated for Goodwill and Late Applicants Fund and Other Uses

As of December 31, 2025 and 2024, the Claims Conference has designated amounts totaling approximately \$4,000,000 (€3,443,000) and \$4,500,000 (€4,289,000), respectively, for Goodwill and Late Applicants Fund ("LAF") and other uses. The balance includes the remainder of the LAF created for certain applicants who missed the deadline established under the Goodwill Fund of \$1,982,000 (€1,689,000) at December 31, 2025. In addition, as of December 31, 2025 and 2024, there is approximately \$2,100,000 (€1,800,000) and \$1,700,000 (€1,600,000), respectively, of funds designated for Goodwill applications where the approval process has not been completed or where applicants may not be able to satisfy the routine additional documentation requirements. Should these Goodwill Fund applications be approved in the future, the Claims Conference will recognize the obligation at that time. On an annual basis, the Claims Conference reviews the adequacies of these reserves and adjustments.

(d) Allocations and Grants

The Claims Conference supports organizations and institutions around the world that provide essential social services for Jewish victims of Nazi persecution. In addition, funds are allocated for research, education, and documentation to ensure that the memory and lessons of the Shoah are preserved for current and future generations. During 2025 and 2024, approximately \$10,539,000 and \$8,321,000, respectively, of grant expense was recognized under this program.

As of December 31, 2025, there was approximately \$5,708,800 in outstanding conditional promises to give.

(e) Designated for Programs

Effective December 31, 2025 and 2024, the Board of Directors approved approximately \$211,071,000 and \$216,893,000, respectively, for use under SO programs. The Claims Conference anticipates utilizing these funds in future program years.

(f) Designated for Research, Education, and Documentation

Effective December 31, 2025 and 2024, the Board of Directors approved approximately \$79,461,000, designated for research, education, and documentation of the Holocaust.

(g) Designated for Longer-Term Needs

The Board of Directors believes there will be direct and critical ongoing needs of Nazi victims over the coming years. Accordingly, net assets not otherwise designated are designated by the Claims Conference to support longer-term needs of Jewish victims of Nazi persecution arising after income from current Claims Conference activities declines. The amount available in these funds at December 31, 2025 and 2024 was approximately \$60,155,000 and \$59,820,000, respectively.

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(5) German Allocation Funds

(a) Fund for Welfare Services

In 2004, the Federal Republic of Germany reached an agreement with the Claims Conference to provide support for welfare organizations assisting Jewish victims of Nazi persecution. Subsequent to 2004, additional multiyear agreements were entered into between the Federal Republic of Germany and the Claims Conference that extends the “Fund for Welfare Services” until 2026. The amounts, to be used as a “Fund for Welfare Services,” as negotiated with the Ministry of Finance – Bundesministerium der Finanzen (BMF), are as follows:

	<u>Amount per agreement</u>
Program year:	
2024	€ 788,900,000
2025	893,900,000
2026	923,900,000

In addition to the above agreed-upon funding, the German government agreed to provide approximately €56 million in 2025 and €58 million in 2026 for those residing in Israel who are not currently eligible for welfare services under the current program.

During 2025 and 2024, approximately \$1,061,600,000 and \$910,900,000, respectively, of grant expense was recognized under this program.

As of December 31, 2025, outstanding conditional promises to give totaled approximately \$21,817,000.

At December 31, 2025 and 2024, the Claims Conference had approximately \$82,500,000 and \$75,200,000, respectively, in net assets with donor restrictions related to the Fund for Welfare Services that are subject to detailed programmatic restrictions that are anticipated to be met in 2026.

(b) Fund for Holocaust Research, Education, and Documentation

In September 2022, the Claims Conference and the German Foundation Remembrance, Responsibility and Future (EVZ Foundation) entered into an agreement to jointly administer projects, funded by the German Federal Ministry of Finance (BMF), that further Holocaust research, education, and documentation. Subsequent multiyear agreements extended the program through 2029. Through December 2024, the program was administered jointly with the EVZ Foundation. Effective January

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2025, pursuant to a revised agreement, the program is administered directly by the BMF, up to the following amounts:

	<u>Amount per agreement</u>
Program year:	
2024	€ 29,000,000
2025	37,000,000
2026	40,000,000
2027	42,000,000
2028	45,000,000
2029	48,000,000

During 2025 and 2024, approximately \$34,807,000 and \$16,600,000, respectively, of grant expense was recognized under this program.

As of December 31, 2025, outstanding conditional promises to give totaled approximately \$23,973,000.

At December 31, 2025 and 2024, the Claims Conference had approximately \$227,600 and \$133,000, respectively, in net assets with donor restrictions related to the Fund for Holocaust Research, Education and Documentation.

(6) German Compensation Funds

Since 1980, the Claims Conference has administered compensation programs on behalf of the Federal Republic of Germany. There are currently six such programs being administered: the Hardship Fund, the Article II Fund, the Central and Eastern European Fund, the Child Survivor Fund, the Righteous Gentile Fund, and the Region Specific Pension Fund.

(a) Hardship Fund

In October 1980, the Federal Republic of Germany established a Hardship Fund primarily for those needy Jewish victims of Nazi persecution who were prevented from filing claims under the German indemnification laws by the 1965 deadline. The Claims Conference assumed the responsibility for the administration of the Hardship Fund under guidelines established by the Federal Republic of Germany. The guidelines limit individual payments to DM 5,000 (€2,556) per person, which aid Jewish victims of Nazi persecution, and provide for administrative costs to be incurred by the Claims Conference. Over the years, the eligibility criteria have been liberalized as a result of negotiations, including elimination of the income limit, expansion to areas of all Jewish victims of Nazi persecution living in areas of the former Soviet Union and to Eastern European countries, as well as those persecuted in Morocco, Algeria, and those who endured the Leningrad Siege, among others.

In 2020, the Claims Conference reached an agreement with the BMF to provide a supplemental payment of €2,400 paid over two years to living Hardship Fund recipients. In 2023, the program was extended through 2027.

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In 2024, in collaboration with the Israeli government's Holocaust Survivors Rights Authority, the Claims Conference announced the implementation of the Solidarity Fund for Israel. The German government agreed to a one-time, emergency payment of €220 for Holocaust survivors living in Israel during the ongoing conflict and whose persecution was recognized by the German government.

In 2025 and 2024, respectively, approximately \$191,327,000 (€169,288,000) and \$219,337,000 (€202,733,000) in funds were provided under these programs.

Approved payments to individuals from the Hardship Fund were approximately \$192,560,000 and \$214,838,000 (€170,379,000 and €198,575,000) for 2025 and 2024, respectively.

(b) Article II Fund

In 1992, the Federal Republic of Germany agreed to pay a pension to certain survivors who (i) were in a concentration camp, ghetto, or hiding for a minimum of a specified duration, (ii) are below a defined-income limit, and (iii) have received little or no compensation. Liberalizations to the eligibility criteria have been negotiated subsequently. In 2025 and 2024, respectively, approximately \$263,975,000 (€233,566,000) and \$283,215,000 (€261,776,000) in funds were provided under this program.

Approved payments to individuals from the Article II Fund were approximately \$265,660,000 and \$281,757,000 (€235,058,000 and €260,428,000) during 2025 and 2024, respectively.

(c) Central and Eastern European Fund

In 1998, the Federal Republic of Germany agreed to provide funds to a Central and Eastern European Fund (CEEFF) for Holocaust survivors according to the same persecution related criteria as established under the Article II Fund. In 2025 and 2024, respectively, approximately \$63,876,000 (€56,518,000) and \$61,498,000 (€56,842,000) in funds were provided under this program.

Approved payments to individuals from the CEEFF were approximately \$64,242,000 and \$65,724,000 (€56,842,000 and €60,749,000) during 2025 and 2024, respectively.

(d) Child Survivor Fund

In 2014, the Child Survivor Fund (CSF) for Jewish Child Survivors of the Holocaust was established and is intended to acknowledge the suffering of Holocaust survivors who endured unimaginable trauma in their childhoods. Eligible recipients receive a special one-time payment of €2,500. In 2025 and 2024, respectively, approximately \$1,915,000 (€1,694,000) and \$2,743,000 (€2,535,000) in funds were provided under this program.

Approved payments to individuals from the CSF were approximately \$1,744,000 and \$2,789,000 (€1,543,000 and €2,578,000) during 2025 and 2024, respectively.

(e) Righteous Rescuers Fund

During 2020, the Claims Conference reached an agreement with the German government Foreign Ministry to establish the Righteous Rescuers Fund (RRF). The fund is intended to provide financial support to aged and needy non-Jews who rescued Jews during the Holocaust. In 2025 and 2024,

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respectively, approximately \$1,403,000 (€1,241,000) and \$1,357,000 (€1,254,000) in funds were provided under this program.

Approved payments to individuals from the RRF were approximately \$1,301,000 (€1,151,000) and \$1,348,000 (€1,246,000) during 2025 and 2024, respectively.

(f) Region Specific Pension Fund

During 2021, the Claims Conference reached an agreement with the German government to establish the Region Specific Pension (RSP) Fund. The fund is intended to provide financial support to Holocaust survivors who survived the Leningrad Siege, survivors who were in hiding in France, and those who survived persecution in Romania, who are not currently receiving Shoah-related pensions. Survivors will be entitled to receive a monthly pension if they (i) are below a defined-income limit, and (ii) have received little or no compensation. In 2025 and 2024, respectively, approximately \$28,475,000 (€25,195,000) and \$29,374,000 (€27,150,000) in funds were provided under this program.

Approved payments to individuals from the RSP were approximately \$28,506,000 (€25,222,000 and 29,607,000 (€27,365,000) during 2025 and 2024, respectively.

(g) Net Assets of the German Compensation Funds

The German Compensation Funds had a deficit in net assets without donor restrictions of approximately \$7,400,000 and \$7,300,000 at December 31, 2025 and 2024, respectively, as the Claims Conference submits for reimbursement of administrative expenses as they are incurred, without accrued liability at year-end. Such reimbursements are recognized as revenue when the submission is approved and funding is received. In 2025 and 2024, the Claims Conference recognized approximately \$45,800,000 and \$44,700,000, respectively, of revenue for administrative reimbursement of expenses.

Net assets with donor restrictions of approximately \$8,700,000 and \$10,400,000 at December 31, 2025 and 2024, respectively, represent funding received for individual compensation payments to be used in the subsequent year.

(7) Other Program Funds

The column heading "Other program funds" in the accompanying financial statements consists primarily of the following programs:

- (a) In 2010, the Harriet and Jeanette Weinberg Foundation (Weinberg Foundation) reached an agreement with the Claims Conference to provide emergency assistance to Jewish victims of Nazism in North America. Subsequent to 2010 additional agreements were entered into with the Weinberg Foundation that extended the program through 2027. During 2025 and 2024, approximately \$1,028,000 and \$1,006,000, respectively, of grant expense was recognized under this program.

As of December 31, 2025, there was approximately \$167,000 in outstanding conditional promises to give.

Net assets with donor restrictions related to the grant are approximately \$219,000 and \$216,000 at December 31, 2025 and 2024, respectively.

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- (b) In 2020, the Caritatea Foundation in Romania agreed to provide funds to support the Claims Conference emergency assistance program in Israel. In 2024, additional funding was provided for survivors living outside of Israel. These grants are to be used primarily to benefit Jewish victims of Nazi persecution of Romanian origin who are financially vulnerable. During 2025, there was no activity under this program. During 2024, the final payments under this program of approximately \$10,869,000 were disbursed to approved individuals.
- (c) The International Commission on Holocaust Era Insurance Claims (ICHEIC) was formed pursuant to a Memorandum of Understanding, dated August 26, 1998, to facilitate the payment of unpaid Holocaust-era insurance policies to valid claimants. In June 2007, the Claims Conference and ICHEIC entered into an agreement whereby ICHEIC transferred to the Claims Conference its remaining current and future humanitarian funds, as detailed in the agreement. The Claims Conference assumed the responsibility for overseeing the distribution of such funds in accordance with guidelines as determined by ICHEIC prior to its closure.

During 2025 and 2024, approximately \$168,000 and \$375,000, respectively, of grant expense was recognized under this program.

As of December 31, 2025, there were no outstanding conditional promises to give.

Net assets with donor restrictions related to ICHEIC of approximately \$196,500 and \$284,000 at December 31, 2025 and 2024, respectively, are to be used for the educational programs of Yad Vashem and the Jewish Agency for Israel in accordance with the stipulations provided by ICHEIC.

- (d) Beginning in 1991, the Austrian government agreed to provide funds to the Committee for Jewish Claims on Austria for institutional projects benefiting aged Jewish victims of Nazi persecution from Austria. Subsequent to this date, additional agreements were entered into with Austrian government that extended the program through 2025. During 2025 and 2024, approximately \$2,730,000 and \$1,109,000, respectively, of grant expense was recognized under this program.

As of December 31, 2025, there was approximately \$3,972,000 in outstanding conditional promises to give.

Net assets with donor restrictions related to the grant are approximately \$3,600,000 and \$4,600,000 at December 31, 2025 and 2024, respectively.

- (e) In October 2024, the Austrian Government agreed to provide funds to the Claims Conference in the amount of €500,000 for Holocaust education projects. During 2025 and 2024, approximately \$382,000 and \$800, respectively of grant expense was recognized under this program.

As of December 31, 2025, there were no outstanding conditional promises to give.

Net assets with donor restrictions related to the grant are approximately \$142,100 at December 31, 2025.

- (f) On January 23, 1999, a settlement agreement was signed by a number of Swiss banks relating to acts of the banks and other Swiss entities connected with the Nazi era. The settlement agreement was

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under the jurisdiction of a US Federal court (the Court). The Looted Assets Class of the above referenced settlement agreement provided humanitarian aid over a 10-year program, which under the terms of the Plan of Allocation and Distribution of Settlement Proceeds (Distribution Plan) ended in July 2011. The Claims Conference was responsible for implementing this program on behalf of the Court to benefit emergency assistance programs for elderly Jewish victims of Nazi persecution, excluding those residing in the former Soviet Union. The Claims Conference's policy is to allocate such funds when the cash is received. In August 2019, with all programs under the Settlement Fund essentially completed, a final distribution was received in 2020. During 2025 there was no activity under this program. During 2024 approximately \$46,000 of grant expense was recognized under this program.

As of December 31, 2025, there were no outstanding conditional promises to give.

- (g) Beginning in 2016, The URO Charitable Trust Limited (URO) and the Claims Conference entered into a grant agreement to provide ongoing social assistance or emergency one-time grants to Jewish victims of Nazi persecution. In December 2020, the URO entered into a new agreement to provide an additional £490,000 for the same purpose. During 2025, there was no activity under this program. During 2024, approximately \$139,000 of grant expense was recognized under this program.

As of December 31, 2025, there were no outstanding conditional promises to give.

Net assets with donor restrictions related to the grant are approximately \$2,000 at December 31, 2025 and 2024, respectively.

In addition, the Claims Conference also has acted as an agent in the processing of grant funds as approved by the URO's Board of Directors. Funds, which are not yet disbursed, are held in due to cooperating organizations on the accompanying statements of financial position. During 2025, there was no activity under this program. During 2024, the final payments under this program of approximately \$30,000 were disbursed to approved grantees.

- (h) In December 2019, The Alfred Landecker Foundation (Landecker Fund) agreed to provide €5,000,000 for emergency assistance to Jewish victims of Nazism worldwide as follows: €2,000,000 for 2020, €2,000,000 for 2021, and €1,000,000 for 2022. In March 2020, the Landecker Fund provided an additional €200,000 for emergency assistance to Jewish victims of Nazism in connection with the COVID-19 public health crisis. During 2025, there was no activity under this program. During 2024, the final payments under this program of approximately \$56,000 were disbursed to approved grantees.

(8) Right-of-Use Assets and Lease Liabilities

The Claims Conference leases office space and equipment worldwide to facilitate its programs:

- *Office Space Leases* – The Claims Conference leases office space under long-term, noncancelable lease agreements classified as operating leases that expire between August 2026 and September 2035. Lease payments also include payments for common area maintenance and real estate taxes, which are excluded from determining the lease liabilities.

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- *Equipment Leases* – The Claims Conference leases equipment under long term, noncancelable agreements, classified as finance leases, which expire between September 2027 and February 2028. Lease payments also include use-overages, which are excluded from determining the lease liabilities.

Lease liability and ROU asset consisted of the following at December 31, 2025:

	Operating leases	Finance leases	Total
Current portion of lease liabilities	\$ 2,559,972	62,547	2,622,519
Noncurrent portion of lease liabilities	14,490,164	53,742	14,543,906
Total lease liabilities	<u>\$ 17,050,136</u>	<u>116,289</u>	<u>17,166,425</u>
Total right-of-use assets	\$ 15,027,113	111,967	15,139,080

Lease liability and ROU asset consisted of the following at December 31, 2024:

	Operating leases	Finance leases	Total
Current portion of lease liabilities	\$ 1,134,310	53,344	1,187,654
Noncurrent portion of lease liabilities	12,779,452	94,691	12,874,143
Total lease liabilities	<u>\$ 13,913,762</u>	<u>148,035</u>	<u>14,061,797</u>
Total right-of-use assets	\$ 13,020,417	145,495	13,165,912

Future minimum payments required under leases at December 31, 2025 were as follows:

	Operating leases	Finance leases	Total
For the year ending December 31,			
2026	\$ 3,177,128	66,373	3,243,501
2027	3,096,873	52,276	3,149,149
2028	2,909,892	2,496	2,912,388
2029	2,129,602	—	2,129,602
2030 and thereafter	8,548,712	—	8,548,712
Total undiscounted cash flows	19,862,207	121,145	19,983,352
Less present value discount	<u>(2,812,071)</u>	<u>(4,856)</u>	<u>(2,816,927)</u>
Total lease liabilities	<u>\$ 17,050,136</u>	<u>116,289</u>	<u>17,166,425</u>

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The components of lease expense for the years ended December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 3,322,498	2,027,674
Finance lease cost:		
Amortization of ROU assets	61,820	95,088
Interest on lease liabilities	6,357	4,008
Variable, short-term, and other lease cost	<u>1,211,733</u>	<u>4,093,481</u>
Total lease expense	<u>\$ 4,602,408</u>	<u>6,220,251</u>

Supplemental cash flow information related to leases as of and for the years ended December 31, 2025 and 2024 is as follows:

Cash paid for amounts included in the measurement of lease liabilities:

	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases	\$ 2,263,340	1,081,275
Operating cash flows from finance leases	4,575	(32,825)
Financing cash flows from finance leases	61,820	95,088
Weighted average remaining lease term – operating leases	7.57 years	8.98 years
Weighted average remaining lease term – finance leases	1.83 years	2.71 years
Weighted average discount rate – operating leases	3.95 %	3.70 %
Weighted average discount rate – finance leases	4.25 %	4.41 %

(9) Contingencies

The Claims Conference is party to various litigation and other claims in the ordinary course of business. In the opinion of management, the final disposition of these matters will not have a material adverse effect on the Claims Conference's financial position or changes in net assets.

In connection with compensation received for the settlement of a property claim, in March 2007, the Claims Conference provided the other party with an indemnity through 2025 of up to €4,500,000, in respect to possible claims by certain heirs. As of December 31, 2025, no claims have been received from heirs. The contingent liability is not material to the financial statements.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Notes to Financial Statements

December 31, 2025 and 2024

(10) Without Donor Restrictions and With Donor Restrictions Activities

The accompanying statements of activities do not break out net assets without donor restrictions and with donor restrictions activity but instead such amounts are presented in total by programmatic activity. The following tables provide summarized information for 2025 and 2024 (in thousands):

	Without donor restrictions	With donor restrictions	Total
2025:			
Total revenue	\$ 1,627,297	93,284	1,720,581
Net assets released from donor restrictions	89,423	(89,423)	—
Total expense	(1,725,543)	—	(1,725,543)
Transaction and translation losses, net	5,107	—	5,107
	<u>\$ (3,716)</u>	<u>3,861</u>	<u>145</u>
	Without donor restrictions	With donor restrictions	Total
2024:			
Total revenue	\$ 1,542,924	89,600	1,632,524
Net assets released from donor restrictions	66,847	(66,847)	—
Total expense	(1,604,733)	—	(1,604,733)
Transaction and translation losses, net	(2,198)	—	(2,198)
	<u>\$ 2,840</u>	<u>22,753</u>	<u>25,593</u>

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Notes to Financial Statements

December 31, 2025 and 2024

(11) Functional Allocation of Expenses

Expenses by functional classification for the years ended December 31, 2025 and 2024 were as follows:

Program service expenses					
	Compensation programs	Institutional allocation program	Property restitution program	Administrative expenses	Total 2025
2025:					
Grant and contractual expenses, net	\$ 554,013,644	1,110,835,897	—	—	1,664,849,541
Goodwill fund	1,777,304	—	—	—	1,777,304
Personnel expenses	18,759,844	16,775,697	308,542	6,045,693	41,889,776
Professional fees	1,075,396	951,772	80,243	973,036	3,080,447
Other	7,483,736	4,679,122	169,092	1,614,466	13,946,416
	<u>\$ 583,109,924</u>	<u>1,133,242,488</u>	<u>557,877</u>	<u>8,633,195</u>	<u>1,725,543,484</u>
Program service expenses					
	Compensation programs	Institutional allocation program	Property restitution program	Administrative expenses	Total 2024
2024:					
Grant and contractual expenses, net	\$ 596,062,619	947,359,922	—	—	1,543,422,541
Goodwill fund	1,774,762	—	—	—	1,774,762
Personnel expenses	18,998,919	14,741,434	327,816	6,215,397	40,283,566
Professional fees	1,046,269	479,305	421,941	1,174,081	3,121,596
Other	8,816,475	5,134,065	208,090	1,971,867	16,130,497
	<u>\$ 626,699,044</u>	<u>967,714,726</u>	<u>957,847</u>	<u>9,361,345</u>	<u>1,604,732,962</u>

Expenses directly attributable to a specific program, as detailed above, are reported as expenses of these functional areas. Personnel expenses were allocated predominately based on the direct conduct of the activities.

**CONFERENCE ON JEWISH MATERIAL CLAIMS
AGAINST GERMANY, INC.**

Notes to Financial Statements

December 31, 2025 and 2024

(12) Derivative Financial Instruments – Non-Deliverable Forward Contracts

In 2025, the Claims Conference entered into non-deliverable forward (NDF) contracts to manage the risk associated with foreign currency exposures arising from its international activities. At December 31, 2025, the Claims Conference had outstanding NDF contracts with a notional amount of \$66,000,000, maturing at various dates through December 31, 2026. The fair value of these contracts at December 31, 2025, was a net asset of approximately \$1,954,000, which is reported in other assets on the statement of financial position. Changes in the fair value of these contracts, resulting in a net gain of approximately \$2,252,000 for the year ended December 31, 2025, are recognized in Grants and other in the statement of activities.

(13) Liquidity and Availability

The following schedule reflects the Claims Conference's financial assets as of December 31, 2025 and 2024, reduced by amounts not available for general use within one year of the statement of financial position date:

	<u>2025</u>	<u>2024</u>
Cash, cash equivalents, and investments of SO	\$ 377,901,950	383,539,436
Other receivables of SO	709,801	660,903
Board designations:		
Program expenses	(211,071,035)	(216,892,720)
Research, education, and documentation	(79,461,286)	(79,461,286)
Goodwill and late applicants fund and other uses	(4,041,469)	(4,454,208)
Longer-term needs	<u>(60,154,537)</u>	<u>(59,819,630)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>23,883,424</u>	<u>23,572,495</u>

The Claims Conference maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. General expenditures include grant making and administrative costs, and grants funded by SO, German allocation funds, German compensation funds, and other program funds are subject to board, donor, and other contractual commitments and, therefore, are not available for general expenditures. Additionally, the Claims Conference has board-designated net assets without donor restrictions that, while the Claims Conference does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

(14) Subsequent Events

The Claims Conference evaluated subsequent events after the statement of financial position date of December 31, 2025 through July 24, 2026, which was the date the financial statements were available to be issued, and determined that, except as otherwise disclosed, there were no additional matters requiring recognition or disclosure in the accompanying financial statements.