2025 ANNUAL REPORT

A SHARED PURSUIT

THE DUKE ENDOWMENT

A letter from

CHARLES C. LUCAS III

OUR BOARD CHAIR

When it came to his businesses, James B. Duke was a perfectionist.

Never satisfied with "good enough," he constantly pushed himself and his business associates to aim higher, work harder and think more creatively than the competition.

Before his untimely death in 1925, he had made a fortune in three industries — tobacco manufacturing, hydroelectric power and textiles. "I have succeeded in business not because I have more natural ability than those who have not succeeded," he once said, "but because I have applied myself harder and stuck to it longer."

Mr. Duke applied that philosophy to The Duke Endowment, where he pursued his family's charitable traditions and his own philanthropic vision with the same intensity and focus on excellence that marked his business dealings. The Endowment's founding document, his 1924 Indenture of Trust, encoded the pursuit of excellence into our organizational DNA. In the Indenture, he directs the Endowment's Trustees to "seek to administer well the trust hereby committed to them."

As his Trustees, we strive to do so today. We recognize that excellence in philanthropy is not about the size of the gift. It's about the impact of the gift — the results achieved. To that end, we have adopted Guiding Principles for the Endowment that hold the organization and its grantees accountable for achieving the best results, and for directing resources accordingly.

To us, philanthropy entails far more than simply writing checks and hoping for the best. Extensive research and "front-end" work goes into every grant we make. Our staff members

"EXCELLENCE IN PHILANTHROPY IS NOT ABOUT THE SIZE OF THE GIFT — IT'S ABOUT THE IMPACT OF THE GIFT."

travel across the Carolinas each year, sitting down face-to-face with grantees to gauge the feasibility of grant proposals or the progress of Endowment-funded work.

Often, our staff does so much due diligence on a proposal that by the time Trustees make the grant, much of the preparatory work has already been done. Then, as the grant-funded project proceeds — often over several years — the Endowment's staff members function as de facto consultants to our beneficiaries, supporting them as they work through thorny problems facing health care, child welfare, higher education or the rural church.

That level of collaboration is perhaps unusual for staff among the larger philanthropic foundations. We believe, however, it helps make us better as a grantmaking organization. We learn from our grantees and those whom our grantees serve. We think it helps make our grantees better as well. The collaborative process creates deep relationships and partnerships, and, over time, those relationships build a reservoir of trust that enhances the effectiveness of our grantmaking team and, we hope, positively impacts the results of our grants. Bottom line… we believe in our grantees' work, and we believe in them.

But even with these deep bonds of trust, we do not write checks and say, "Let us know how it goes." True to Mr. Duke's legacy, we will always use internal and/or external evaluation to assess the effectiveness of our grantmaking. We always want to know how grant-funded projects are faring, because we want to continuously learn and improve. In the end, our goal isn't simply to feel good about giving money away.

Our goal is to make a difference for the people of the Carolinas.

Mr. Duke set a high bar that we strive for each and every day. We will continue to pursue excellence so that we can deploy his resources in the most effective ways possible.

Charles C. Lucas III

CHARLES C. LUCAS III
Board Chair

A letter from

RHETT N. MABRY

OUR PRESIDENT

Writing checks is the easy part of philanthropy. The harder challenge is producing measurable improvement in people's lives.

Our mission, laid out a century ago by James B. Duke, is to improve life for the people and communities of the Carolinas through grantmaking. Given the many challenges across our two states, from low college graduation rates to high prevalence of preventable illness, the work before us requires far more than generosity and good intentions.

It requires strategic vision, strong collaboration and humility to accept that we don't have all the answers to the many complex problems we face. It takes an understanding that researching, experimenting and sometimes failing are part of the pursuit of excellence.

Before we make grants, we set our goals and devise strategies to reach them. We seek out programs and initiatives with strong empirical evidence of effectiveness. We make site visits to get a first-hand look at a project's potential challenges and possible benefits to the community.

We apply best practices such as those demonstrated by implementation science to make sure programs are put in motion properly. We seek and gather evidence demonstrating whether the project works, and we adjust as needed, driven to continuously learn and improve in collaboration with our grantees and partners.

The only way you get better at something is if you take the time to assess whether your actions are having the desired effects. And if not, why not? In that sense, even potential failures can offer valuable lessons learned.

"IT TAKES AN UNDERSTANDING THAT RESEARCHING, EXPERIMENTING AND SOMETIMES FAILING ARE PART OF THE PURSUIT OF EXCELLENCE."

Decades ago, I oversaw a grant that supported a five-year, $7 million initiative to reduce shaken baby syndrome in North Carolina. Despite extensive research and planning, as well as strong program implementation and state government support, the effort failed to reduce rates of abusive head trauma in babies.

A postmortem later pointed out a flaw in how we were evaluating the program's potential effects on abusive head trauma rates. Researchers also pointed out that the intervention focused on mothers, when men are more likely to be perpetrators. And thirdly, we learned we had over-relied on previous research that didn't quite gauge the same outcomes we were seeking.

Producing measurable improvement is hard. But that is what our pursuit of excellence is all about.

In our 2025 Annual Report, you will read about grantees with whom we share that pursuit. I can speak for everyone at the Endowment when I say how inspired I am by their relentless pursuit of better outcomes.

In my three decades with the Endowment, few aspects of our work have brought me greater joy than traveling to every part of the Carolinas, from the mountains to the coast, to see up close the work of dedicated grantees.

I recall once in my travels I found myself lost in the N.C. mountains, trying to visit a grantee in a remote rural community, long before GPS devices were common. The paved road turned into a dirt road. Twenty-five miles later I thought for sure I was hopelessly lost, and that the trip was in vain.

But I eventually found my way. Paths to progress can often be like that — long roads, sometimes rough and bumpy. We wonder if we're headed in the wrong direction.

But if we're determined enough, we reach our destination. We make the connections. And we have a chance to make a real difference in people's lives.

Rhett N. Mabry

RHETT N. MABRY
President

EVALUATION & LEARNING

HOW DATA, EVIDENCE DRIVE OUR PURSUIT OF EXCELLENCE

At the Endowment, evaluation and continuous learning sit at the heart of our mission. For us, the big question is not "how much money can we give away?" It is: "Do the projects we support truly help people and communities?"

To determine that, we pursue rigorous, ongoing analysis of our grants, grantmaking strategies and internal processes. Through careful evaluation, we seek to understand what works and what doesn't. When we find strong evidence of effectiveness, we support replication. When grant-funded projects don't work as hoped, we learn and improve from any missteps. Learning sits at the heart of evaluation, and forms the cornerstone of our growth and improvement — both in how we do our work and in how we assess our impact.

The learning and evaluation lens is embedded in our organizational guiding principles. One principle says that we commit to holding ourselves and our grantees accountable for results and to direct resources where they will produce the best outcomes. We track the expected results of every grant and ask ourselves and our grantees to define clear goals, use data and rigorous analysis to assess whether those goals are being met and to adapt as needed.

We know perfection isn't possible. But excellence is attainable, and always worth the effort.

OUR SIX GUIDING PRINCIPLES FOR EVALUATION

1

Evaluation is integrated into all of our grantmaking

It touches planning, implementation and assessment, and focuses both externally and internally.

2

Our focus is on evaluation as a tool for learning

We also recognize the importance of accountability and improving performance.

3

Results are communicated widely

To ensure that results are used for learning, evaluation must be conducted in an open spirit of inquiry, and results must be communicated widely.

4

We use a mix of evaluation methods

For evaluations of grantee projects, method choice follows evaluation purpose, which follows purpose of the project.

5

We will measure only what we will use

To avoid undue burdens on grantees and inappropriate use of resources, we will measure only what we will use, and use everything that we measure.

6

Evaluations are participatory and grantee-controlled

Whenever appropriate, evaluations should be participatory and grantee-controlled.

2025 GRANTMAKING

The Duke Endowment approved $374 million in new grants, some of which will be paid in future years. More than $245 million was distributed through 397 grants, some of which were approved in prior years.

GRANTS PAID

$245,628,245

397 GRANTS

	TOTALS PAID	NUMBER OF GRANTS
CHILD & FAMILY WELL-BEING	**$15,435,663**	59
HEALTH CARE	**$53,903,269**	198
HIGHER EDUCATION	**$75,577,271**	27
RURAL CHURCH	**$19,211,943**	66
ADDITIONAL FOCUS	**$81,500,099**	47

CHILD & FAMILY WELL-BEING

We support public and private child- and family-serving agencies as they adopt and sustain evidence-based and evidence-informed programs shown to prevent or mitigate child maltreatment.

NEW GRANTS AWARDED

$16,802,340

30 GRANTS

GRANTS AWARDED BY STRATEGY

$8,015,344

IMPLEMENTATION SUPPORT FOR EVIDENCE-BASED AND EVIDENCE-INFORMED MODELS

We fund implementation support for projects that adopt and sustain evidence-based or -informed models shown to prevent or treat child abuse and neglect and enhance well-being. We work with organizations and agencies to make change happen for children and families of all races and ethnicities.

$7,640,996

DEVELOP, TEST AND ADAPT BETTER APPROACHES

We recognize the lack of evidence-based or -informed models for the range of issues children and families face and the different populations served. We support grantees in developing and testing innovative, data-driven approaches. We encourage models that specifically look at risks and solutions.

$1,146,000

ADVOCATE FOR CHILD WELFARE IMPROVEMENTS

We use our resources and relationships to support advocacy and communications strategies that speed improvement of the prevention, early intervention and foster care systems. We believe that by working closely with government agencies and nonprofit organizations that reflect the communities served, we can enhance the spread of information and facilitate conversations within communities.

$3,580,737*

ZERO TO EIGHT

The Duke Endowment is focusing on early childhood as a way to produce greater impact across our grantmaking and provide for better and more equal opportunity for children and families. We know that in the earliest years of life, positive experiences set the foundation for learning, good health and resilience. By mitigating or preventing negative experiences and maximizing positive ones, we pave the way for better adult outcomes.

**Included in above strategies.*

DOUBLING DOWN FOR STRONGER FAMILIES

For eight-plus years, the Strengthening Families Program has helped parents and children in coastal Pamlico County, N.C., improve their communication, strengthen relationships and reduce the risk of child maltreatment.

The 14-week class taught Richard Henries how to avoid frustration and anger when his three young children misbehave.

"I picked up little tools like 'ignoring the bad and praising the good,'" said Henries, who co-parents the children with his ex-wife. "When they act out, I'll just walk away. Five minutes later, they're on to something else and have forgotten about it. It really works. The program has been a real big help to me and my family."

Pamlico officials said 121 local families have graduated from the Strengthening Families Program. The course has yielded statistically significant, measurable improvement in family stability, resilience and protective factors, reducing the odds of child maltreatment.

"It really works. The program has been a real big help to me and my family."

Richard Henries

Encouraged by such positive results, the local sponsoring agency, Pamlico Partnership for Children, is doubling down. Eligible families who complete the Strengthening Families Program are now being offered additional assistance through a highly regarded in-home services model called Success Coach. A three-year, $637,000 grant from the Endowment supports the addition of Success Coach, which provides families with one-on-one guidance for six to 24 months.

The new two-step approach, called Partnership Pathways, aims to help families transition from the kind of group-based guided services they receive in the Strengthening Families Program to independently maintaining safe, nurturing home environments, said Susan Bridgman, head of Pamlico Partnership for Children.

"We have seen the difference in families who completed the Strengthening Families Program," Bridgman said. However, she added, "at the end of the 14 weeks, it felt like we were dropping them. We saw families wanting more coaching and support."

Success Coach meets that need. It matches each family with a coach to further support them in setting individualized goals, and teaches them to apply for themselves the skills they learned in the Strengthening Families Program.

A formal evaluation plan will be developed to measure the effects of combining the two programs.

Tamika D. Williams, director of the Endowment's Child and Family Well-Being grantmaking area, called the initiative a good example of how grantees can innovate and think creatively to drive good outcomes even higher.

"Given the success of the Strengthening Families Program over those first eight years, leaders in Pamlico County could have rested on their laurels," she said. "However, they asked how they could do even more, and arrived at this innovative approach that offers promise not only for their community, but others as well."

“They asked how they could do even more, and arrived at this innovative approach that offers promise not only for their community, but others as well.”

TAMIKA D. WILLIAMS

DIRECTOR, CHILD & FAMILY WELL-BEING

HEALTH CARE

The Duke Endowment believes that all people can achieve their best health when communities are designed to support healthy lifestyles and when our health care system is able to engage patients and provide holistic care that meets the unique needs of each individual.

NEW GRANTS AWARDED

$77,698,587

79 GRANTS

GRANTS AWARDED BY STRATEGY

$57,972,117

ADVANCE INNOVATION

We partner with health systems and community-based organizations to identify, develop and test innovative programs that have the potential for long-term scale and sustainability.

$14,206,173

BUILD COMMUNITY COALITIONS

We build coalitions that bring together health systems, public health agencies and community-based organizations to advance programs and policies that promote healthy lifestyles.

$5,520,297

GRANTS SUPPORTING BOTH STRATEGIES

The Health Care program area may recommend support for infrastructure that advances work across both strategies.

$17,022,988*

ZERO TO EIGHT

The Duke Endowment is focusing on early childhood as a way to produce greater impact across our grantmaking and provide for better and more equal opportunity for children and families. The Health Care program area's early childhood priorities include school-based health services and maternal and infant health.

**Included in above strategies.*

SENDING MESSAGES OF HOPE AND HELP TO MOTHERS

Each year, as many as 5,000 pregnant and postpartum women across the Carolinas will soon be receiving expanded care through the replication of an evidence-informed, smartphone-powered program.

It involves an innovative text messaging service that connects women to critically important health care and social supports. Such assistance is needed in the Carolinas, where infant and maternal morbidity and mortality rates rank among the highest in the nation.

The program is called H.E.A.R. (Healing, Equity, Advocacy, and Respect) 4 Mamas and Babies. Created by the Medical University of South Carolina (MUSC) with funding from the Endowment, it harnesses the convenience and ubiquity of text messaging to help medical staff identify patient needs and direct women to care and resources.

Moms receive a series of texts with interactive screenings on maternal health, including everything from depression symptoms to the health of their baby or even indications of domestic violence in the home.

For Elena Richardson of Conway, S.C., the program has been a godsend. As a single first-time mom, the program gave her quick digital access to Chinise Clinton, an obstetric nurse advocate and certified family nurse practitioner. Richardson asked about everything from lactation challenges to her 7-month-old son August's frequent sneezing.

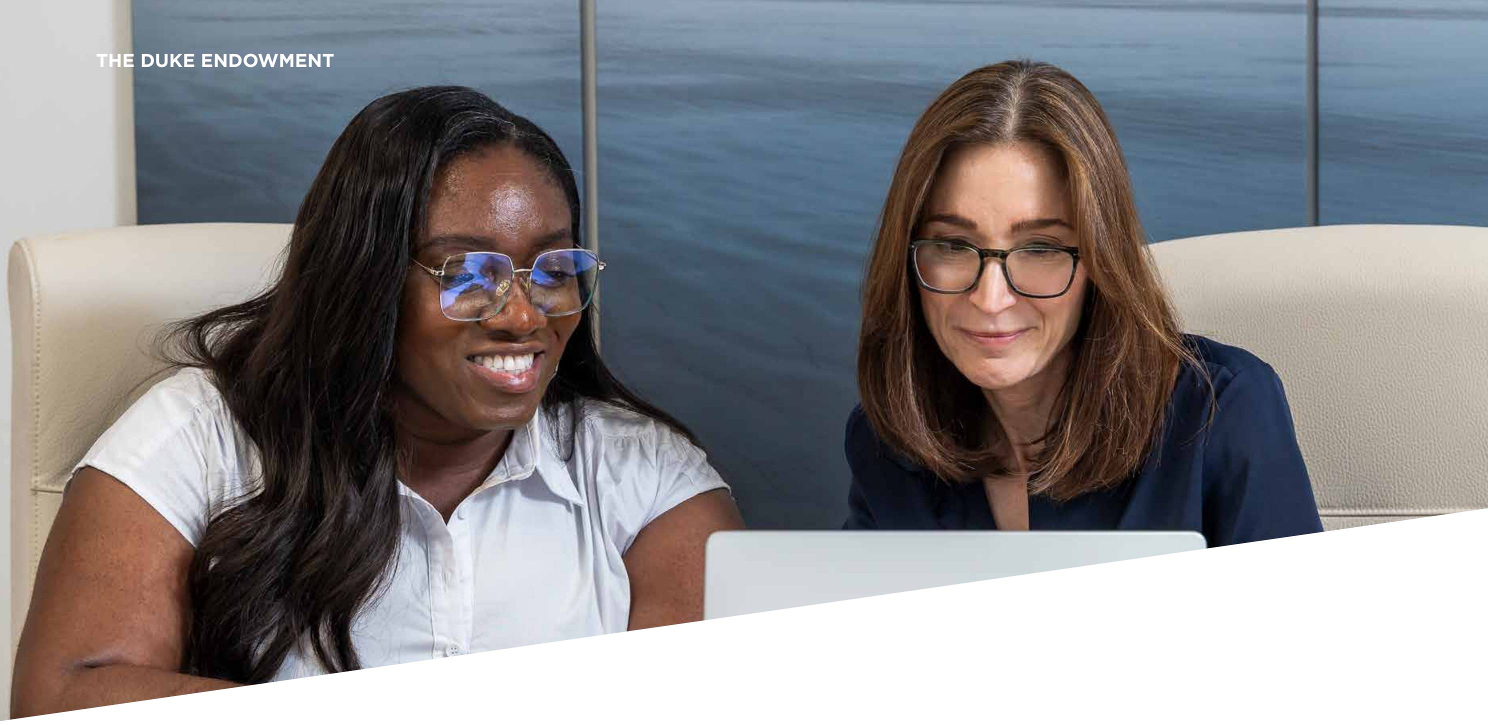
"I have loved my time with the program," she said. "It's just nothing but love and support. It's all beneficial."

Moms enroll at their obstetrician's clinic as early as the first prenatal appointment and up until the delivery of the baby. When they answer questions through the evidence-informed text screening tools, their responses go into a confidential database. Care advocates like Clinton review the information and guide mothers to resources and solutions. When needs are identified, care advocates make connections to timely and trusted behavioral health, medical and social care throughout pregnancy and the postpartum year. They also provide connections to local community-based organizations who partner to provide additional supports such as food and diapers.

"We knew there were unmet maternal mental health needs, but the patients were just not getting to us," said Dr. Constance Guille, director of the Women's Reproductive Behavioral Health Division at MUSC. "We needed a different approach. We took the evidence-based screenings and components of care that would normally happen in person and delivered them in a way that's more accessible to patients."

A randomized controlled trial published in 2024 showed women in the program were three times more likely to be screened for mental health and health warning signs, interpersonal violence and social needs. They were also five times more likely to attend treatment services, compared to in-person screenings and referrals.

Additional randomized controlled trials are under way to measure the program's effect on patient outcomes and reducing avoidable emergency department utilization.



MUSC's program has already served thousands of women. Now, other large hospital systems across the Carolinas are preparing to replicate it. The Endowment will invest more than $13 million over the next four years to support five health systems as they plan and implement the program in their communities.

MUSC and the University of North Carolina at Chapel Hill will provide technical assistance and an evaluation plan. The universities and health systems are working toward launching patient services in 2027. They will also create a peer learning collaborative and develop an implementation toolkit to encourage fidelity to the model.

"Our hope is that we'll have substantially and observably moved the needle with respect to the key contributors to maternal morbidity and mortality, and by proxy, improve infant health," said Dr. Jenna McCauley, a psychologist and associate professor at MUSC who co-directs the technical assistance effort with Dr. Guille.

The program's growth from a simple, smart idea to a replicable intervention has taken years.

"H.E.A.R. 4 Mamas and Babies is a great example of how innovative approaches can improve care and help change lives. When hospital systems are able to share what they are learning, we can accelerate the replication of promising programs to help as many people as possible," said Linwood B. Hollowell III, director of health care at the Endowment. "We are excited by the potential of this work to benefit mothers and babies across the Carolinas."

"H.E.A.R. 4 Mamas and Babies is a great example of how innovative approaches can improve care and help change lives."

LINWOOD B. HOLLOWELL III
DIRECTOR, HEALTH CARE

5

PARTICIPATING HEALTH CARE SYSTEMS

With support from The Duke Endowment, these five health systems are partnering to expand access to H.E.A.R. 4 Mamas and Babies and improve maternal and infant health outcomes across the Carolinas.

Atrium Wake Forest Baptist Health

Cape Fear Valley Health System

ECU Health

Prisma Health

Spartanburg Regional Healthcare System

HIGHER EDUCATION

We strive to understand and support the selected priorities of four schools — helping them learn from each other as they contribute to the higher education sector. The long-term goal is advancing high-value education for students. We support the four institutions named in Mr. Duke's Indenture of Trust: Davidson College, Duke University, Furman University and Johnson C. Smith University.

NEW GRANTS AWARDED

$146,102,536

18 GRANTS

GRANTS AWARDED BY STRATEGY

$146,102,536

SUPPORT INSTITUTIONAL PRIORITIES

We work with the schools to support select institutional priorities for long-term impact. We meet with leaders regularly at each institution to learn about and identify ways to help advance each school's strategic priorities.

DAVIDSON COLLEGE

Davidson College is a highly selective private liberal arts college in Davidson, North Carolina, recognized for its rigorous academics, close-knit campus community and emphasis on leadership and service. Founded in 1837, the college offers a commitment to affordability and accessibility, pursuit of the public good and a strong Honor Code tradition with close faculty mentorship and extensive opportunities for research and global learning.

DUKE UNIVERSITY

Duke University is a world-renowned private research university in Durham, North Carolina, known for excellence in academics, research, innovation and health care. Founded in 1924, with roots dating to 1838, Duke prepares students to lead and drive discovery through its highly ranked academic and professional programs.

FURMAN UNIVERSITY

Furman University is a private liberal arts and sciences university in Greenville, South Carolina, known for its rigorous academics, personalized learning environment, unmatched student support and emphasis on engaged learning experiences and community impact. Founded in 1826, Furman's hands-on approach empowers students to personalize their education, refine their goals and shape their futures for meaningful careers and purposeful lives.

JOHNSON C. SMITH UNIVERSITY

Johnson C. Smith University is a private historically Black university in Charlotte, North Carolina, dedicated to preparing students for leadership through a combination of liberal arts and career-focused education. Founded in 1867, it is known for its commitment to community engagement and developing graduates who make meaningful contributions to their professions and communities.

PROMOTING EXCELLENCE IN PUBLIC SERVICE

As more college students gravitate toward degrees in business, computer science and health care, roles in government agencies and other vital civic institutions struggle to attract the brightest and best. The Smith Davidson Leadership Initiative aims to address that problem. A joint project of Johnson C. Smith University and Davidson College, it offers hands-on training to prepare students for careers in public policy, public administration, law and other civic-minded fields.

Students from the two schools receive specialized academic programming on campus and two summer internships at nonprofit or public sector organizations. The Endowment supported the initiative's launch in 2020 with a $630,000 grant. A subsequent $855,000 grant in 2025 supports the program for three more years.

The goal: to produce a cadre of students who help lift their communities through careers in public service or public sector roles. The initiative's graduates are already heading into the workforce.

Before completing her studies at Davidson in January 2026, Brooke Joyce interned at the city of Charlotte and the town of Mooresville. After graduating, she took a job with the town of Mooresville as a planning specialist. She was quickly promoted to community development planner, overseeing a federal grant — and her old internship position.

"I really enjoy public policy," she said. "I always knew I wanted to make a career out of public service."

The Smith Davidson initiative has served more than 30 students in its six years. Some have gone on to land jobs in local government offices, or advanced to graduate school to study public administration or law. Students apply as sophomores and complete a paid summer internship with a Charlotte nonprofit. Students from the two schools live together that first summer so they can share their experiences. A year later, they complete a second paid summer internship in another city or participate in an academic, public policy-related institute.

They receive regular programming during the academic year, and they must complete a capstone project before the end of their senior year. Civic organizations hosting interns have included the city of Charlotte, the Mecklenburg County Office of Violence Prevention, For the Struggle and Action NC.

Ja'Darius Littlejohn secured a high-profile internship with the Joint Center for Political and Economic Studies in Washington, D.C. But an internship with a budget and finance team at the city of Charlotte solidified his intent to seek a finance position with a public agency upon graduation.

"I loved it," the Johnson C. Smith mathematics major said. "I got to see how the government's payments work, where the money gets allocated."

Two political scientists — Drs. Terza Lima-Neves of Johnson C. Smith and Brittany Murray of Davidson — co-direct the initiative. They said the program has matured well, overcoming early hurdles that included student recruitment and retention challenges, campus leadership changes and the COVID-19 pandemic.

A new assistant director based at Davidson, Shakaya Walcott, now holds office hours at JCSU as well, helping to keep affairs running smoothly.

"Sometimes you feel like you're building the plane as you're flying it," said Lima-Neves, who has been with the program since inception. "But I'm very pleased with the work we're doing."

"As we strive for excellence, we look for ways to bring the four Endowment-supported schools together to work strategically with and learn from each other. The Smith Davidson initiative is a great example of what can happen when schools unite behind a common goal," said Kristi K. Walters, director of Higher Education grantmaking for the Endowment. "The initiative is benefitting communities through the work of energetic young interns, while also training a new generation of civic-minded public servants."

“The Smith Davidson initiative is a great example of what can happen when schools unite behind a common goal.”

KRISTI K. WALTERS

DIRECTOR, HIGHER EDUCATION

RURAL CHURCH

We are committed to engaging churches in their role as catalysts for rural communities. We support clergy and congregations — ensuring they have the tools to walk faithfully together — as they strengthen their communities. We invest in rural United Methodist churches to make greater contributions that create meaningful and measurable change.

NEW GRANTS AWARDED

$21,854,412

31 GRANTS

GRANTS AWARDED BY STRATEGY

$10,484,764

CULTIVATE AND SUPPORT PASTORAL LEADERS

We support programs that recruit and retain candidates for ministry; nurture clergy growth and competencies; and support training for district superintendents that strengthens connections between churches and their communities.

$5,919,007

IDENTIFY AND TEST SELECTED PROGRAMS

We identify, develop and test programs that have demonstrated positive outcomes, with a special focus on children. Simultaneously, we provide funding for churches to implement these programs.

$4,950,196

BUILD CONGREGATIONAL CAPACITY

We support programs that engage rural congregations with their neighbors to identify and implement solutions that could have a lasting, positive impact on their rural region.

$500,445

REIMAGINE CHURCH REAL ESTATE

We support structures that help rural congregations make informed decisions about optimizing their assets and using them as catalysts for community-focused ministry.

$5,919,007*

ZERO TO EIGHT

The Duke Endowment is focusing on early childhood as a way to produce greater impact across our grantmaking and provide for better and more equal opportunity for children and families. The Rural Church program area's early childhood priorities include a Summer Literacy Initiative that puts summer reading camps in rural United Methodist churches.

**Included in above strategies.*

THE PURSUIT OF EXCELLENCE, ONE SUMMER AT A TIME

If you give children extra reading instruction over their summer break, they will benefit academically when they return to school.

That is the logical-sounding premise under which the Endowment and a few congregations launched the Summer Literacy Initiative 14 years ago, piloting summer literacy camps at rural United Methodist churches across North Carolina.

But instead of just hoping or presuming the four- to six-week camps would help students academically, the Endowment commissioned a series of increasingly sophisticated evaluations to test that assumption.

External evaluators hired by the Endowment began by conducting the most basic type of research: measuring students' reading scores before the camps and then after the camps. Results were encouraging, with most students gaining two to three months of reading proficiency.

However, those "pre-post" tests could not show what would have happened if the children hadn't been in the camps that summer. Thus, they did not definitively show that the camps caused students' academic gains.

"We didn't have a comparison group to know whether (the reading gains) were really different than what would have happened with no reading camp opportunity," said Karen Manship, managing director at the American Institutes for Research (AIR) and a project evaluator for the Endowment's Rural Church program area.

Reflecting the Endowment's commitment to following the facts and evidence in its grantmaking, the Rural Church program area requested that AIR conduct a more sophisticated study. This time, researchers used state-level data to build a comparison group of students who did not attend the literacy camps but went to similar schools, had similar demographic characteristics and similar beginning reading scores.

Those results, compiled in 2025 and published in 2026, showed a measurable difference. On beginning-of-year reading tests at schools, students who attended summer literacy programs showed one to two months of additional learning compared to their peers who didn't attend the programs.

"The results give us more confidence that the summer literacy programs were the factor causing students' reading growth," Manship said.

A visit to the Book Buddies Literacy Camp at Central United Methodist Church in Albemarle, N.C., showed how such growth might happen. One weekday morning, about two dozen rising first-graders gathered in the church's Sunday school classrooms. They received

small-group lessons in phonics, letter recognition, color recognition and other essential skills from certified teachers who worked hard to build proficiency and confidence.

The pastor, Rev. Dr. David Blankenberg, and the site director, Rev. Caitlin McAlhany Herlocker, said campers' reading scores have been rising. "You wouldn't think with four weeks it would be that big of a difference, but it's amazing," she said. With the small groups, "you really can focus on the kids that have gaps."

Evaluators will next do a randomized controlled trial of the Summer Literacy Initiative, applying the gold standard of social science research methods. It could provide even stronger evidence. Robert R. Webb III, director of the Rural Church program area, expressed hope that the evidence being built around the program will help persuade state and local governments to champion more evidence-based summer literacy camps.

He quoted the Endowment's founder, James B. Duke, who said in the Endowment's founding document that he was trying in his philanthropy to "make provision in some measure for the needs of mankind along physical, mental and spiritual lines."

"In order to know that we're making provision for young readers, and to know that we're doing that in a way that's effective, we need the work that Karen and her team are producing," Webb said. "This is a textbook example of how you can use data and evidence to strengthen programming and spotlight effective solutions."

“This is a textbook example of how you can use data and evidence to strengthen programming and spotlight effective solutions.”

ROBERT R. WEBB III

DIRECTOR, RURAL CHURCH

ADDITIONAL FOCUS

Through our strategic emphasis on early childhood and other emerging issues, we seek to continuously adapt to meet today's challenges, even as we honor our founder's mandate.

NEW GRANTS AWARDED

$111,545,000

21 GRANTS

GRANTS AWARDED BY STRATEGY

$103,345,000

PARTNERSHIP TO FUND PROVEN PROGRAMS

Employing the Partnership to Fund Proven Programs model, we use philanthropic matching dollars as an incentive for state and local governments to support the expansion of social programs proven to produce important gains in educational/economic mobility and other life outcomes.

$6,000,000

DISASTER

The Duke Endowment, as part of its mission to improve life in the Carolinas, provides assistance to communities in North Carolina and South Carolina in the wake of major natural disasters.

$2,200,000

OTHER

The Duke Endowment makes additional investments beyond its grantmaking program areas in order to respond and adapt to meet changing needs.

$ 51,800,000*

ZERO TO EIGHT

The Duke Endowment is focusing on early childhood as a way to produce greater impact across our grantmaking and provide for better and more equal opportunity for children and families.

**Included in above strategies.*

NEW BENCHMARK GUIDES GUILFORD EARLY CHILDHOOD EFFORT

If you're investing in improving a community's early childhood outcomes, how do you know if it is working?

That is a key question facing officials in Guilford County, N.C., where local leaders have joined forces with the Endowment and other funders to build a groundbreaking early childhood system of care.

Ready for School, Ready for Life (Ready Ready), the local "backbone" agency driving the effort, aims to build a connected, innovative system of care for Guilford County's youngest children and their families. The agency envisions a countywide system that reaches all children, even those who have yet to enter preschool and kindergarten.

But few, if any, American communities have ever built such a system, so local officials lacked comprehensive data points or benchmarks to consult, especially regarding children who haven't reached preschool.

To resolve that dilemma, Guilford County Schools in 2025 began administering the Early Development Instrument (EDI), a well-researched community measure of children's health, development and school readiness. By assessing young children's development levels in virtually every kindergarten class in the county, the EDI can help identify areas to improve early childhood services and community conditions so that more children are prepared for success in school.

"As a school system, we know that readiness doesn't begin on the first day of kindergarten," said Guilford County Schools Superintendent Whitney Oakley. "The EDI is a powerful tool to understand the whole child and to partner with families and the community to build a stronger, more connected system of support as they transition to school-age."

The EDI hopefully will supply a baseline reading on local children's early development so officials and the public can follow along in subsequent years and get a sense of the initiative's impact, said Ed Kitchen, a former co-chair of the board of Ready Ready.

"We wanted to come up with something that would be a measure of population-level outcomes," he said, "something that the community writ large could look at and say, 'Yes, we're making progress.'"

The 2025 results showed 49 percent of children were on track across five domains of readiness, with neighborhood-level rates ranging from 19 percent to 87 percent. It marked the county's first-ever comprehensive assessment of school readiness. Now, leaders can use the data to recommend improvements to better coordinate services and target supports in select geographic areas.

Two local grantmaking organizations — the Joseph M. Bryan Foundation, led by Kitchen, and the Cemala Foundation, led by Susan Schwartz — pushed for the data collection. Schwartz and Kitchen served as co-chairs of the Ready Ready board from 2018 to 2023.

The two leaders said their foundations see the EDI as both a diagnostic tool and a potential lever to help build community will behind early childhood priorities. Schwartz said leaders hope to administer the EDI every one to three years, and as the longitudinal data builds, the community will get a better sense of how early childhood needs and gaps are changing before kids arrive at kindergarten.

"If they're coming to school unprepared, then you can try to do things earlier in the neighborhoods" to address that, she said. "That would help us."

The Endowment has supported Ready Ready's work in Guilford County since 2018, and sees the countywide introduction of the EDI as an encouraging development.

"This is an ambitious community-wide effort with audacious goals," said Meka S. Sales, director of Special Initiatives for the Endowment. "It will take the entire community coming together to reach them. The introduction of the EDI gives local leaders a good solid base of data to guide them as they build and refine this critically important new system of care that families want and deserve."

“The introduction (of new educational testing) gives local leaders a good solid base of data to guide them as they build and refine this critically important new system of care that families want and deserve.”

MEKA S. SALES

DIRECTOR, SPECIAL INITIATIVES

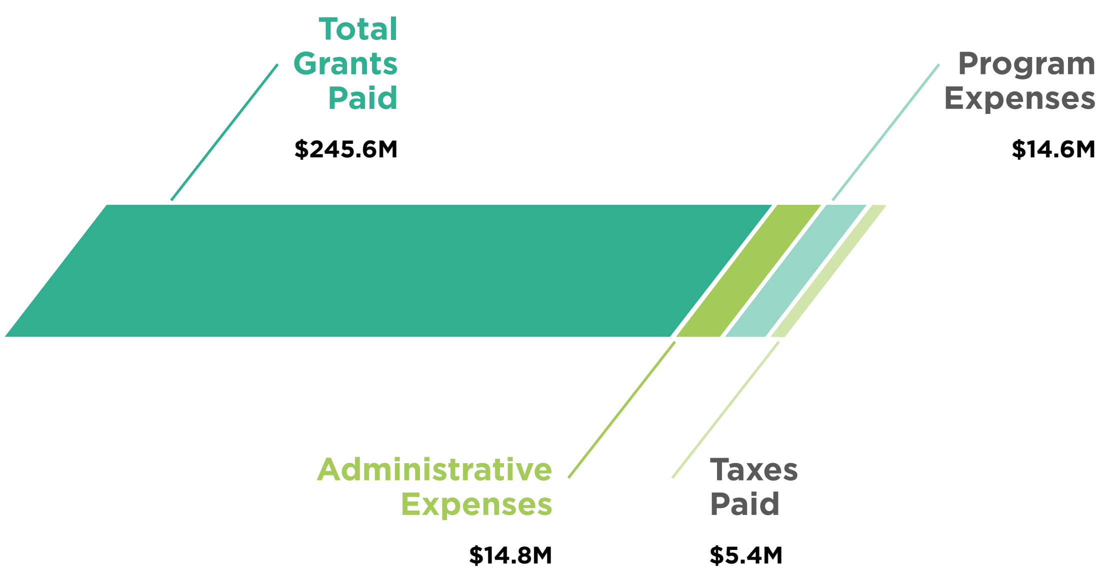
2025 FINANCIALS

Since James B. Duke's death in 1925, the assets of The Duke Endowment have grown from $107 million to $5.4 billion.

2025 GRANTS & EXPENSES

More than 87 percent of the Endowment's total spending goes directly to grantmaking, which compares favorably to foundations of similar size.

This chart shows our grantmaking in the context of our expenses.



INVESTMENTS

Since July 2007, The Duke Endowment's investment portfolio has been managed by DUMAC Inc., a professionally staffed investment organization in Durham, N.C., governed by Duke University.

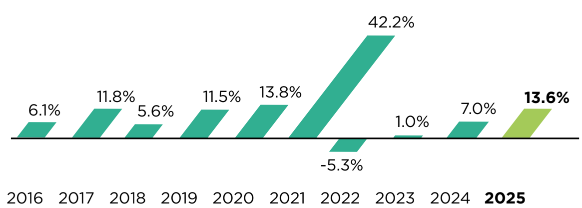
During 2025, the investment return on the Endowment's portfolio was 13.6 percent.* The portfolio benefited from positive investment returns across public and private asset classes, except for private real estate and foreign currency hedges. The Endowment's investment portfolio increased in value from $4.96 billion to $5.36 billion from December 31, 2024, to December 31, 2025, impacted by investment returns, grants and expenses. The Endowment's total assets were $5.41 billion at year end.

For the 10-year period ending December 31, 2025, the Endowment's investment portfolio returned 10.1 percent annualized, net of fees, outperforming its policy benchmark, which returned 9.3 percent annualized, and a 70 percent MSCI All Country World Index/30 percent Bloomberg U.S. Aggregate Bond Index benchmark, which returned 9.0 percent annualized over the same period.

Investment return is based on pre-audit investment valuations.

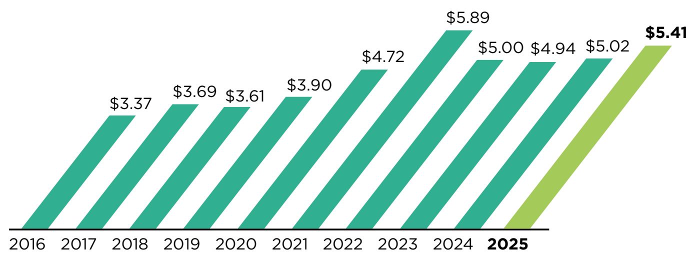
Investment Returns

13.6%



Total Assets

$5.4B



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
The Duke Endowment

Opinion

We have audited the financial statements of The Duke Endowment (the“Endowment”), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and cash flows for the year 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 Endowment as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

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

Report on 2024 summarized comparative information

We have previously audited the Endowment’s financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 22, 2025. In our opinion, the accompanying summarized comparative information as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 Endowment’s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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 US 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 US 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 Endowment'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 Endowment'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.

Grant Thornton LLP

Charlotte, North Carolina
May 21, 2026

STATEMENTS OF FINANCIAL POSITION

December 31, 2025
(with comparative amounts for the year ended December 31, 2024)

	2025	2024
Assets:		
Cash and cash equivalents	$ 16,480,504	$ 21,736,103
Securities transactions receivable	2,536,042	4,969,538
Investments, at estimated fair market value	5,359,843,526	4,958,846,599
Land, building, furniture and equipment, net	31,541,895	32,520,370
Other assets	2,180,845	1,993,045
TOTAL ASSETS	**$ 5,412,582,812**	**$ 5,020,065,655**
Liabilities and Net Assets		
Liabilities:		
Grants payable	$ 22,180,151	$ 25,813,643
Net deferred excise tax liability	23,389,727	20,193,946
Securities transactions payable	177,303	1,233,918
Notes payable	23,900,631	25,441,701
Other liabilities	14,548,158	18,664,686
Total Liabilities	**$ 84,195,970**	**$ 91,347,894**
Net assets:		
Without donor restriction	$ 7,906,401	$ 9,444,240
With donor restrictions		
Purpose restrictions	5,060,799,363	4,659,592,443
Restricted in perpetuity	259,681,078	259,681,078
Total Net Assets	**$ 5,328,386,842**	**$ 4,928,717,761**
TOTAL LIABILITIES AND NET ASSETS	**$ 5,412,582,812**	**$ 5,020,065,655**

See accompanying notes to financial statements on page 45.

STATEMENTS OF ACTIVITIES

For the Period Ended December 31, 2025
(with summarized financial information for the year ended December 31, 2024)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL 2025	TOTAL 2024
Revenue				
Dividends and interest income, net	$ 96,473,437	$ —	$ 96,473,437	$ 81,480,286
Contributions received	—	19,325,000	19,325,000	—
Net realized gain on investment transactions	—	330,345,096	330,345,096	269,793,016
Increase in net unrealized appreciation on assets	—	226,716,649	226,716,649	11,518,503
Total Revenue	**$ 96,473,437**	**$ 576,386,745**	**$ 672,860,182**	**$ 362,791,805**
Expenses				
Administrative	$ 14,751,416	$ —	$ 14,751,416	$ 14,289,119
Grantmaking	14,557,767	—	14,557,767	12,183,890
Provision for taxes	5,404,351	—	5,404,351	7,954,456
Decrease in pension benefit obligation	(3,517,186)	—	(3,517,186)	(3,122,434)
Total Expenses	**$ 31,196,348**	**$ —**	**$ 31,196,348**	**$ 31,305,031**
Released from Restrictions	**$ 175,179,825**	**$ (175,179,825)**	**$ —**	**$ —**
Grants Approved				
Higher Education	$ 75,577,271	$ —	$ 75,577,271	$ 73,725,702
Health Care	52,430,764	—	52,430,764	51,610,184
Child & Family Well-Being	16,041,012	—	16,041,012	15,623,932
Rural Church	19,083,893	—	19,083,893	18,313,473
Traditional Special Opportunities	38,603,813	—	38,603,813	43,551,404
Additional Special Opportunities	40,258,000	—	40,258,000	27,333,000
Total Grants Approved	**$ 241,994,753**	**$ —**	**$ 241,994,753**	**$ 230,157,695**
Change in Net Assets	**$ (1,537,839)**	**$ 401,206,920**	**$ 399,669,081**	**$ 101,329,079**
Net Assets at Beginning of Year	**$ 9,444,240**	**$ 4,919,273,521**	**$ 4,928,717,761**	**$ 4,827,388,682**
NET ASSETS AT END OF YEAR	**$ 7,906,401**	**$ 5,320,480,441**	**$ 5,328,386,842**	**$ 4,928,717,761**

See accompanying notes to financial statements on page 45.

STATEMENTS OF CASH FLOWS

Year ended December 31, 2025
(with comparative amounts for the year ended December 31, 2024)

	2025	2024
Cash Flows From Operating Activities		
Change in net assets	$ 399,669,081	$ 101,329,079
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expenses	978,476	1,051,327
Net realized gains on investment transactions	(330,345,096)	(269,793,016)
Increase in net unrealized appreciation on assets	(226,716,649)	(11,518,503)
Increase in net deferred tax liability	3,195,781	162,364
Changes in assets and liabilities:		
Decrease in securities transactions receivable	2,433,496	4,664,130
Increase in other assets	(187,800)	(174,632)
Decrease in grants payable	(3,633,492)	(17,937,080)
Decrease in securities transactions payable	(1,056,615)	(3,601,722)
Decrease in other liabilities	(4,116,528)	(2,518,574)
Net Cash Used in Operating Activities	**$ (159,779,346)**	**$ (198,336,627)**
Cash Flows From Investing Activities		
Proceeds from sales and maturities of investments	$ 2,346,809,100	$ 2,217,724,364
Disbursements for purchase of investments	(2,190,744,283)	(2,011,443,521)
Net Cash Provided by Investing Activities	**$ 156,064,817**	**$ 206,280,843**
Cash Flows from Financing Activities		
Principal payments on notes payable	$ (1,541,070)	$ (1,483,409)
Net Cash Used in Financing Activities	**$ (1,541,070)**	**$ (1,483,409)**
Net (Decrease) Increase in Cash and Cash Equivalents	**$ (5,255,599)**	**$ 6,460,807**
Cash and Cash Equivalents at Beginning of Year	**21,736,103**	**15,275,296**
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 16,480,504**	**$ 21,736,103**
Supplemental Cash Flow Information		
Cash paid during the year for taxes	$ 5,404,351	$ 7,954,456
Cash paid during the year for interest	$ 964,814	$ 1,022,475

See accompanying notes to financial statements on page 45.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025
(with comparative amounts for the year ended December 31, 2024 and summarized financial information for the year ended December 31, 2024)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

The Duke Endowment (the Endowment) was established by James B. Duke by Indenture and Deed of Trust of Personalty, dated December 11, 1924, for specific charitable, educational and religious purposes. The Endowment is to have perpetual existence. Subsequently, additional amounts were contributed to the Endowment under Items VIII, X, and XI of the Will of James B. Duke and by gifts from members of Mr. Duke's family. Additional amounts were also received from The Doris Duke Trust. The Endowment has been classified as a private foundation and, accordingly, is subject to federal excise taxes imposed on net investment income, including realized capital gains. The Endowment is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

(b) DUMAC

On July 1, 2007, the Trustees of the Endowment entered into a formal agreement with Duke Management Company (DUMAC), an organization providing investment management services for the Duke University endowment assets, whereby Duke Management Company would perform investment management services on behalf of the Endowment.

Pursuant to the terms of the arrangement, DUMAC is compensated by the Endowment for its investment management services at a rate proportionate to the Endowment's share of the total investment assets managed by DUMAC in comparison to the total operating expenses of DUMAC, paid annually. For the years ending December 31, 2025, and 2024, the Endowment incurred investment management fees to DUMAC in the amount of $5,801,000 and $6,382,143, respectively. Such fees are netted against dividends and interest income within the accompanying Statements of Activities.

(c) Method of Accounting

The Endowment presents its financial statements on an accrual basis in accordance with accounting principles generally accepted in the United States of America (US GAAP). Certain items are maintained on a cash basis, which is not materially different from the accrual basis of accounting.

(d) Basis of Presentation

The Endowment's basis of presentation is governed by the Indenture and Deed of Trust of Personalty, subject to the defined authority of the trustees. More specifically, the Endowment is required by the Indenture to distribute to Duke University a certain amount of Endowment Income from the Original Corpus, Corpus Item VIII and Corpus Item XI, subject to a limited right to withhold by the trustees of the Endowment. The Indenture provides for additional trustee discretion with respect to the disbursement of funds to beneficiaries other than Duke University and also to Duke University out of accounts other than the three Corpus accounts listed above. In accordance with terms of the Indenture, which established the Endowment, realized gains and losses arising from investment transactions are considered part of Corpus. For purposes of presentation within the financial statements, all Corpus accounts are classified as net assets with donor restrictions.

The Endowment has elected to implement the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). As a result of this implementation, the trustees determined that they would classify as donor restricted net assets maintained in perpetuity (a) the original value of Original Corpus, Corpus VII and Corpus XI, plus (b) the original value of subsequent gifts to Corpus, less (c) distributions specified by the donor.

The net assets of the Endowment and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions — These amounts are free from donor restrictions and are available for appropriation to the beneficiaries of the Endowment or for similar charitable purposes in accordance with terms of the Indenture.

Net Assets with Donor Restrictions — These funds are subject to donor restrictions that will be met by the actions of the trustees for appropriation to the beneficiaries of the Endowment or for similar charitable purposes in accordance with terms of the Indenture or under circumstances described in Note 3. Using UPMIFA guidelines, the trustees have determined that $259,681,078 be classified as net assets with donor restrictions maintained in perpetuity as of December 31, 2025 and 2024. For the same periods, the remaining balance of $5,060,799,363 and $4,659,592,443, respectively, represent the appreciation in the original values listed above.

Dividends and interest are reported as increases in net assets without donor restrictions. Realized and unrealized gains and losses are reported as increases or decreases in net assets with donor restrictions. Expenses and appropriations are recorded as decreases in net assets without donor restrictions.

The financial statements include certain prior-year summarized comparative financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP.

Accordingly, such information should be read in conjunction with the Endowment's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and certain short-term interest-bearing investments held with banks for beneficiary and expense purposes. The Endowment maintains cash on deposit and the balance, at times, may be in excess of federally insured limits.

(f) Securities Transactions Receivable

Securities transactions receivable represents investment transactions that have been sold, but not settled. The Endowment recognizes investment transactions on a trade-date basis. Amounts are recognized in the Statements of Financial Position at fair market value.

(g) Investments

The Endowment accounts for investments under Accounting Standards Codification (ASC) 958, Not-for-Profit Entities, through which the Endowment has elected to record investments at estimated fair market value with gains and losses included in the Statements of Activities. Realized gains and losses are recognized when securities are sold based on the first-in, first-out method.

(h) Land, Building, Furniture and Equipment

Land, building, furniture and equipment owned by the Endowment are stated at cost at date of acquisition. Useful lives range from 39 years for buildings, 7 years for furniture and 5 years for technological equipment. Depreciation is calculated on the straight-line basis over the assets' estimated useful lives, except for land. The Endowment reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the undiscounted cash flows estimated to be generated. An impairment charge is recognized when the fair value, less estimated selling costs, of the asset or group of assets is less than the carrying value. There was no impairment recognized for the years ended December 31, 2025, or 2024.

(i) Grants

The Endowment records grants payable once the Board of Trustees approves the grant. Once approved, each grantee organization must sign a grant agreement which stipulates guidelines and related requirements. The grantee must meet the terms of the signed grant agreement before funds are distributed.

The Endowment approves grants within four program areas of Higher Education, Health Care, Child & Family Well-Being, and Rural Church along with Special Opportunities. For the year ended December 31, 2025, Special Opportunities were separated into two categories. Traditional Special Opportunities include place-based work and collaborative work between the program areas. Additional Special Opportunities include grants approved through the Special Grants Committee.

(j) Securities Transactions Payable

Securities transactions payable represents investment transactions that have been purchased, but not settled. The Endowment recognizes investment transactions on a trade-date basis. Amounts are recognized in the Statements of Financial Position at fair market value.

(k) Provision for Taxes

The Endowment is exempt from federal income taxes on related income under Section 501(c)(3) of the Internal Revenue Code and is classified as a private foundation. Legislation in 2020 established a fixed federal excise tax rate on private foundations of 1.39% on net investment income.

In addition, the Endowment may be required to pay unrelated business income tax incurred through certain private equity investments. This tax is not material to the financial statements.

The Endowment records deferred excise taxes using the asset and liability method. Under this method, deferred excise taxes are determined based on temporary differences between the financial statements and tax bases of assets and liabilities using enacted tax rates expected to be in effect when such amounts are realized or settled.

(l) Risks and Uncertainties

A significant portion of the Endowment's assets are held in a variety of investment forms. Investment securities, and other investments, including alternative investments in general, are exposed to various risks, such as interest rate risk, credit risk, liquidity risk, foreign currency risk and overall market volatility. Additionally, certain of the Endowment's alternative investments contain redemption rights which may be restricted or eliminated by the underlying funds based on the provisions of the fund agreements. Alternative investment transactions are conducted primarily through secondary markets, and accordingly the risk exists that the secondary markets could experience fluctuations in liquidity and/or volume, which could impact the estimated fair value of these alternative investments.

Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities will occur and that such changes could materially affect the amounts reported in the financial statements.

(m) Use of Estimates

Management of the Endowment has made certain estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in preparing these financial statements in conformity with US GAAP. Actual results could differ from these estimates.

Significant items in the Endowment's financial statements subject to such estimates and assumptions include valuations for certain investments without readily determinable fair values, and actuarially determined benefit liabilities related to the Endowment's pension and other postretirement benefit plans.

(2) FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair values of financial instruments have been determined by the Endowment as follows:

> Cash and cash equivalents, securities transactions receivable, and liabilities are carried at cost which approximates fair value because of the short maturity of these instruments.
>
> Investments are carried at estimated fair value, which is generally based on year-end published quotations, except as discussed below.
>
> Certain Endowment assets that are held in various alternative investments, including partnerships that invest in the securities of companies, hedge funds and other investments, may not be immediately liquid and do not have a readily determinable fair value, that is, instruments not listed on national exchanges or over-the-counter markets. Partnerships follow the valuation guidelines stipulated in respective general and limited partnership agreements to determine fair value. Given the inherent risks associated with this type of investment, there can be no guarantee that there will not be widely varying gains or losses on these partnership investments in future periods. For its alternative investments, the Endowment is eligible and has utilized the practical expedient method to measure fair value under generally accepted accounting principles. In accordance with the practical expedient method, the net asset value (NAV) reported by the underlying alternative investment is concluded to represent the fair value.

(3) RELEASED FROM RESTRICTION

In December 2009, the Indenture was modified by court order to allow the trustees to expend net assets with donor restrictions to the extent necessary in the judgment of the trustees for the Endowment to make available to beneficiaries of the Endowment funds reasonably needed for purposes described in the Indenture, consistent with the fiduciary duty of the trustees to preserve the Endowment in perpetuity. The modifications were not in effect until after the trustees' final meeting of the year and did not affect the financial statements of the Endowment for years ended prior to January 5, 2010.

Under certain circumstances described above, the trustees may be required to transfer net assets with donor restrictions to net assets without donor restrictions to the extent necessary to comply with the provisions set forth in Section 4942 of the Internal Revenue Code. As reported on the Statements of Activities, the trustees determined that in 2025 and 2024 transfers of funds with donor restrictions in the amounts of $175,179,825 and $185,768,510, respectively, were required.

Although the Endowment does not intend to transfer funds in excess of amounts approved for general expenditures as part of its annual budget process for operating expenditures and appropriations, trustees could release additional funds from net assets with donor restrictions if necessary.

(4) LIQUIDITY

The Endowment manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. In addition, the Endowment invests cash in excess of daily requirements in short-term investments or fixed income securities. Although the Endowment does not intend to spend from its donor restricted net assets, other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, amounts from net assets with donor restrictions could be made available if necessary. However, donor restricted net assets contain investments with lock-up provisions that reduce the total investments that could be made available. Other than those amounts restricted in perpetuity, all other donor restricted net assets can be spent pursuant to the above limitations. Detail regarding notes payable is available in Note 8.

	2025	2024
Total assets	$ 5,412,582,812	$ 5,020,065,655
Less:		
Assets restricted in perpetuity	(259,681,078)	(259,681,078)
Illiquid private investments and real assets	(2,304,195,560)	(2,082,499,880)
Land, building, furniture and equipment, net	(31,541,895)	(32,520,370)
Other assets	(2,180,844)	(1,993,045)
FINANCIAL ASSETS AVAILABLE WITHIN ONE YEAR	**$ 2,814,983,435**	**$ 2,643,371,282**

(5) PROVISION FOR TAXES AND DEFERRED EXCISE TAX LIABILITY

The Endowment recorded in 2025 a net payment for excise taxes of $5,404,351 and $7,954,456 in 2025 and 2024, respectively. The Endowment's net deferred excise tax liability was $23,389,727 and $20,193,946 at December 31, 2025 and 2024, respectively, which primarily relates to unrealized gains on investments. The increase in deferred excise tax liability was $3,195,781 and was allocated to unrealized appreciation in net assets with donor restrictions for 2025.

(6) INVESTMENTS

Investments are composed of the following:

	2025	
	COST	**MARKET**
Short-term investments	$ 619,566,123	$ 619,566,123
Fixed income	149,288,417	141,857,909
Equities	936,909,369	1,421,427,629
Hedged strategies	346,643,024	557,906,790
Private investments	1,067,954,396	2,027,079,303
Real assets	448,873,441	536,797,335
Other	111,715,044	55,208,437
	$ 3,680,949,814	**$ 5,359,843,526**

	2024	
	COST	**MARKET**
Short-term investments	$ 654,269,093	$ 654,269,093
Fixed income	138,434,967	129,826,895
Equities	665,535,923	1,040,293,425
Hedged strategies	489,395,413	743,765,935
Private investments	1,010,742,670	1,796,579,650
Real assets	432,066,290	545,601,308
Other	115,600,365	48,510,293
	$ 3,506,044,721	**$ 4,958,846,599**

At December 31, 2025 and 2024, $20,932,799 and $44,561,296, respectively, were posted as collaterals for derivatives and thus not readily available for use. Collaterals held are included in hedged strategies and short-term investments.

The Endowment's investment classes are described in further detail below. Classes include direct holdings, which are generally marketable securities, and interests in funds for which the related investment strategies are described.

Short-term investments include cash collateral, money market funds, short-term U.S. Treasury, agency, corporate and other highly liquid debt securities with an aggregate duration of less than a year.

Fixed income includes U.S. Treasury and agency debt, as well as nongovernment domestic and international fixed income securities, funds holding similar securities, and debt-based derivatives.

Equities include U.S. and non-U.S. stocks, equity-based derivatives and interests in funds that invest predominantly long but also short stocks.

Hedged strategies primarily include interests in funds that invest both long and short in U.S. and non-U.S. stocks, credit-oriented securities and arbitrage strategies. Virtually all of the Endowment's investments in these funds are redeemable, and the underlying assets of the funds are predominately marketable securities and derivatives.

Private investments primarily include interests in funds or partnerships that hold illiquid investments in venture capital, buyouts and credit. These funds typically have periods of 10 or more years during which committed capital may be drawn. Distributions are received through liquidation of the underlying assets of the funds, which are anticipated to occur over the next 4 to 10 years. Certain private placement securities may also be held.

Real assets include interests in funds or partnerships that hold illiquid investments in residential and commercial real estate, oil and gas production, energy, other commodities and related services businesses. These funds typically have periods of 10 or more years during which committed capital may be drawn. Distributions are received through liquidations of the underlying assets of the funds, which are anticipated to occur over the next 5 to 12 years. Additionally, certain liquid commodity- and real estate-related equities, private placement securities and related derivatives are included.

Other includes primarily other derivative instruments.

As of December 31, 2025, and 2024, redemption frequency and the corresponding notice period for all investments are shown within the table below. The values of the unfunded commitments included within the following table are as of December 31, 2025.

ASSET CLASS	Unfunded commitments	Redemption frequency (in days) (if currently eligible)[1]	Redemption notice period (in days)
Short-term investments	$ —	daily	1
Fixed income	—	1 to 30	1 to 30
Equities	—	1 to >365	1 to 90
Hedged strategies	—	1 to >365	30 to 180
Private investments	273,913,895	N/A	N/A
Real assets	149,270,475	N/A	N/A
Other	—	N/A	N/A

[1] *Based on current terms, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreement.*

The Endowment measures fair value at the price expected to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance prioritizes the assumptions that market participants would use in pricing the asset or liability (the inputs) into a three-tier fair value hierarchy. This fair value hierarchy gives the highest priority (Level 1) to quoted prices in active markets for identical assets or liabilities and the lowest priority (Level 3) to unobservable inputs in which little or no market data exists, requiring enterprises to develop their own assumptions.

Observable inputs that do not meet the criteria of Level 1 and include quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets and liabilities in markets that are not active, are categorized as Level 2. Level 3 inputs are those that reflect management's estimates about the assumptions market participants would use in pricing the asset or liability, based on the best information available in the circumstances. Alternative investments are typically valued using Level 3 inputs, and such inputs include information provided by the managers of the underlying funds.

At December 31, 2025, $159,965,698 or 3.0% of the Endowment's total investments, are valued using Level 3 inputs. At December 31, 2024, $127,208,306 or 2.6% of the Endowment's total investments, are valued using Level 3 inputs. These items consisted of alternative investments in private equity funds as well as other alternative investments. The schedule below presents the Endowment's financial assets and financial liabilities that are recorded at fair value on a recurring basis, categorized by the level of inputs utilized in determining the fair value of each.[2] As of December 31, 2025 and 2024, the Endowment had no material financial assets or financial liabilities that were measured at fair value on a non-recurring basis.

	Fair value as of December 31, 2025	Quoted prices in active markets for identical items (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Investments reported at NAV[2]
Equities	$ 1,421,427,629	$ 605,498,128	$ 23,718,282	$ 1,201,024	$ 791,010,195
Fixed income	141,857,909	1,638,617	42,017,356	46,155,197	52,046,739
Hedged strategies	557,906,790	27,569	621,939	—	557,257,282
Other	55,208,437	(2,127,678)	52,546,115	4,790,000	—
Private investments	2,027,079,303	88,931	—	100,498,245	1,926,492,127
Real assets	536,797,335	30,660,120	11,570,748	7,321,232	487,245,235
Short-term investments	619,566,123	—	619,566,123	—	—
Total assets measured on a recurring basis	**$ 5,359,843,526**	**$ 635,785,687**	**$ 750,040,563**	**$ 159,965,698**	**$ 3,814,051,578**

	Fair value as of December 31, 2024	Quoted prices in active markets for identical items (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Investments reported at NAV[2]
Equities	$ 1,040,293,425	$ 581,738,200	$ 11,094,192	$ 1,772,068	$ 445,688,965
Fixed income	129,826,895	474,379	40,639,172	37,621,294	51,092,050
Hedged strategies	743,765,936	—	1,541,046	—	742,224,890
Other	48,510,293	(2,281,899)	46,002,192	4,790,000	—
Private investments	1,796,579,649	1,718,109	—	74,675,718	1,720,185,822
Real assets	545,601,308	25,258,366	(10,416,496)	8,349,226	522,410,212
Short-term investments	654,269,093	—	654,269,093	—	—
Total assets measured on a recurring basis	**$ 4,958,846,599**	**$ 606,907,155**	**$ 743,129,199**	**$ 127,208,306**	**$ 3,481,601,939**

[2] *Investments measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy (see chart defining measurement levels for each year). The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Financial Position.*

The Endowment has included a summary of the investment valuation methodologies in Note 2. For the years ended December 31, 2025, and 2024, there were no significant transfers in or out of Level 3 fair value measurements of the Endowment's investment portfolio.

The following summarizes the relationship between cost and fair market value of investments:

	2025	2024
Gross unrealized gain, net of deferred excise tax	$ 1,982,072,804	$ 1,794,898,930
Gross unrealized loss	(326,568,819)	(362,290,998)
Excess of Market Over Cost	**$ 1 ,655,503,985**	**$ 1 ,432,607,932**
Increase in net unrealized appreciation on assets	$ 226,716,649	$ 11,518,503
Net realized gains from sale of investments	330,345,096	269,793,016
Total Net Gain	**$ 557,061,745**	**$ 281,311,519**
Net investment income	96,473,437	81,480,286
TOTAL RETURN	**$ 653,535,182**	**$362,791,805**

At December 31, 2025 Duke Energy Corporation common stock represented a concentration of approximately 1.6% of the Endowment's investments unchanged from 2024.

As part of its investment strategy, the Endowment invests in certain derivative instruments, typically intended to economically hedge certain investment positions from fluctuations in market, rate, currency or other identified risks. During fiscal 2025 and 2024, the Endowment, or external investment managers on the Endowment's behalf, entered into swap agreements, futures contracts or forward contracts, and acquired warrants or rights to increase, reduce or otherwise modify investment exposures.

The Endowment's investment related derivative exposures, categorized by primary underlying risk with the prior year being conformed to current year presentation, are as follows:

PRIMARY UNDERLYING RISK AS OF DECEMBER 31, 2025:	LONG NOTIONAL	SHORT NOTIONAL	DERIVATIVE ASSETS	DERIVATIVE LIABILITIES	(LOSS)/GAIN
Equity price[3]	$ 590,870,781	$ 134,832,830	$ 15,111,908	$ (4,451,821)	$ 116,590,959
Interest rate[4]	860,447,177	147,710,346	6,380,108	(47,394,632)	1,283,223
Commodity[5]	235,684,499	15,766,557	2,868,624	(4,100,067)	15,780,522
Credit[6]	1,714,040,742	777,266,155	62,065,817	(10,592,139)	(1,959,394)
Foreign currency exchange rate[7]	13,267,142	217,045,374	272,631	(1,086,686)	(9,628,480)
TOTAL	**$ 3,414,310,341**	**$ 1,292,621,262**	**$ 86,699,088**	**$ (67,625,345)**	**$ 122,066,830**

PRIMARY UNDERLYING RISK AS OF DECEMBER 31, 2024:	LONG NOTIONAL	SHORT NOTIONAL	DERIVATIVE ASSETS	DERIVATIVE LIABILITIES	(LOSS)/GAIN
Equity price[3]	$ 632,407,141	$ 154,190,237	$ 9,152,238	$ (34,887,519)	$ 10,539,960
Interest rate[4]	422,006,507	106,368,809	23,315,389	(34,778,385)	(12,061,379)
Commodity[5]	173,403,402	5,932,637	2,769,404	(2,525,916)	9,323,838
Credit[6]	1,923,876,655	950,205,782	64,676,856	(14,459,961)	(28,820,490)
Foreign currency exchange rate[7]	8,669,618	149,329,950	2,166,706	(212,683)	5,319,459
TOTAL	**$ 3,160,363,323**	**$ 1,366,027,415**	**$ 102,080,593**	**$ (86,864,464)**	**$ (15,698,612)**

[3] *Includes options, swaps, and futures contracts.*
[4] *Includes options, swaps, swaptions, and futures contracts.*
[5] *Includes options, swaps, and futures contracts.*
[6] *Includes credit default swaps, swaptions, and credit total return swaps.*
[7] *Includes options, futures, and forward contracts.*

As part of relative value strategies, the Endowment and investment managers on the Endowment's behalf, entered into credit default swap derivative transactions on investment grade and high yield securities which typically have terms of five years or less to buy and sell credit protection. At December 31, 2025 and 2024 the notional of protection sold was $1,698,037,823 and $1,821,578,472 and the notional of protection bought with identical underlying assets was $158,389,633 and $233,100,200, respectively. These instruments are included in the Credit line of the preceding table.

The Endowment's investment related derivative assets and liabilities at December 31, by counterparty, are as follows:

	2025			2024		
	ASSETS	**LIABILITIES**	**CASH COLLATERAL PLEDGED (HELD)**	**ASSETS**	**LIABILITIES**	**CASH COLLATERAL PLEDGED (HELD)**
Counterparty A	$ 22,656,004	$ (7,172,657)	$ (21,610,000)	$ 22,909,333	$ (28,667,538)	$ 4,310,000
Counterparty B	4,571,116	(1,079,253)	(3,930,000)	3,998,593	(1,238,918)	(3,110,000)
Counterparty C	16,844,074	(19,653,094)	72,071,389	16,171,324	(11,679,428)	59,969,344
Counterparty D	5,873,195	(7,309,523)	(3,638,884)	1,868,263	(7,963,678)	831,456
Counterparty E	24,497,270	(5,499,676)	(19,067,437)	27,687,523	(7,327,738)	(17,823,754)
Counterparty F	3,747,212	—	118,731	6,966,826	(13,612,164)	(345,750)
Counterparty G	49,284	(5,006,312)	—	793,626	(1,526,830)	—
Counterparty H	5,683,890	(2,131,522)	(3,740,000)	12,536,828	(11,074,709)	320,000
Counterparty I	1,685,358	(14,925,521)	—	1,403,509	(231,209)	—
All other counterparties	1,091,685	(4,847,787)	729,000	7,744,768	(3,542,254)	410,000
TOTAL	**$ 86,699,088**	**$ (67,625,345)**	**$ 20,932,799**	**$ 102,080,593**	**$ (86,864,466)**	**$ 44,561,296**

(7) LAND, BUILDING, FURNITURE AND EQUIPMENT, NET

Land, building, furniture and equipment, net, are summarized as follows at December 31:

	2025	**2024**
Land	$ 4,303,101	$ 4,303,101
Building	37,896,786	37,896,786
Furniture	1,113,306	1,113,306
Technological equipment	431,900	1,610,176
Land, Building, Furniture and Equipment, Gross	**$ 43,745,093**	**$ 44,923,369**
Accumulated depreciation	(12,203,198)	(12,402,999)
LAND, BUILDING, FURNITURE AND EQUIPMENT, NET	**$ 31,541,895**	**$ 32,520,370**

During 2025, the Endowment disposed of technological equipment items, which had net accumulated depreciation of $1,178,277. During 2024, the Endowment disposed of certain furniture items, which had net accumulated depreciation of $1,155,813. During 2025 and 2024, depreciation expense was $978,476 and $1,051,327, respectively.

(8) INDEBTEDNESS

On October 31, 2012, the Endowment (the Issuer) entered into a $40,000,000 note purchase agreement with Massachusetts Mutual Life Insurance Company, MassMutual Asia Limited, and C.M. Life Insurance Company (collectively, the Purchasers), whereby the Endowment authorized the issue and sale of $40,000,000 aggregate principal amount of its 3.85% senior notes due October 31, 2037. In 2021, Massachusetts Mutual Life Insurance Company transferred $1,800,000 of $31,000,000 original principal to Great-West Life & Annuity Insurance Company. In 2025, C.M. Life Insurance Company transferred the total amount of their principal, $4,800,000, to Massachusetts Mutual Life Insurance Company.

The note financed the construction of its headquarters located at 800 East Morehead Street, Charlotte, North Carolina and for other general organizational purposes.

The Endowment is required to make payments of principal, in the amounts specified in the note purchase agreement, on the unpaid balance thereof at the rate of 3.85% per annum, payable semiannually on the last day of April and October in each year commencing 2013. As of December 31, 2025, and December 31, 2024, the principal balance of the notes payable was $23,900,631 and $25,441,701, respectively.

Future maturities of the principal note payments are as follows:

	AMOUNT
2026	$ 1,600,972
2027	1,663,203
2028	1,727,853
2029	1,795,015
2030	1,864,788
Thereafter	15,248,800
TOTAL NOTE PAYABLE	**$ 23,900,631**

The note purchase agreement contains financial covenants customary for such transactions, including limits on minimum total net assets, maximum total indebtedness to total net assets and priority indebtedness. The Endowment was in compliance with its covenants as of December 31, 2025 and 2024.

To supplement working capital and investment commitments the Endowment has a line of credit as of December 31, 2025; $30,000,000 with The Bank of New York Mellon expiring December 2026. At December 31, 2025 and 2024, there were no outstanding borrowings under the agreement.

(9) CONTRIBUTION RECEIVED

The Endowment has agreements with Blue Meridian Partners, Inc. (BMP), a 501(c)(3) public charity to support its regional strategy — Get Ready Guilford. The Endowment is a Regional General Partner of BMP, which requires the Endowment to fund one half of each agreement with the other half funded by other partners of BMP. Pursuant to the terms of the first agreement dated August 28, 2018, BMP invested $32.5 million through 2024, with the Endowment funding one half. The Endowment entered into an agreement with BMP on December 6, 2022, for $120 million to continue support of Get Ready Guilford, with the Endowment funding one half and the balance funded by other partners of BMP through 2029. As of December 31, 2025, the Endowment received $33 million of the $60 million pursuant to the terms of the second agreement. The remaining balance of $27 million will be paid in increments through 2029. The entire $152.5 million investment of the Endowment and BMP supports Get Ready Guilford, a strategy to break the cycle of intergenerational poverty in Guilford County, North Carolina.

The Endowment entered into an agreement with Trillium Health Resources, a managed care organization, to facilitate the distribution of North Carolina Department of Health and Human Services Division of Mental Health Developmental Disabilities and Substance Abuse Services allocated funds of $3,325,000. With these resources, the Endowment funded seven non-profits to either expand school-based tele-behavioral health services into new high-need, low resource, and rural districts or add behavioral health services to an existing physical telehealth program in high-need, low resource, and rural districts. All contributed funds were distributed in 2025.

(10) NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets with purpose restrictions consist of the following at December 31:

	2025	2024
Duke University under Original Corpus, Corpus Item VIII and Corpus Item XI	$ 1,111,361,108	$ 1,027,578,978
Other charitable purposes	3,949,438,255	3,632,013,465
DONOR RESTRICTED NET ASSETS — PURPOSE RESTRICTIONS	**$ 5,060,799,363**	**$ 4,659,592,443**

Donor restricted net assets that are restricted in perpetuity consist of the following at December 31:

	2025	2024
Duke University under Original Corpus, Corpus Item VIII and Corpus Item XI	$ 54,244,354	$ 54,244,354
Other charitable purposes	205,436,724	205,436,724
DONOR RESTRICTED NET ASSETS — RESTRICTED IN PERPETUITY	**$ 259,681,078**	**$ 259,681,078**

(11) FUNCTIONAL EXPENSES

The cost of program activities and administrative services have been summarized on a functional basis on the Statements of Activities. The statements of functional expense present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported within that functional area. Indirect expenses that benefit multiple functional areas have been allocated by the Endowment based upon square footage and headcount.

Expenses are reported on the Statements of Activities in natural categories. Functional expenses were categorized as follows:

	2025		
TYPE	**ADMINISTRATIVE SERVICES**	**PROGRAM ACTIVITIES**	**TOTAL**
Staffing	$ 4,588,550	$ 4,688,527	$ 9,277,077
Retirement plans and employee benefits	4,143,159	3,491,813	7,634,972
Professional fees	2,244,128	3,922,118	6,166,246
Office operations	951,883	714,169	1,666,052
Travel and conferences	65,583	200,978	266,561
Communications	1,120,108	—	1,120,108
Other expenses	569,199	723,980	1,293,179
Interest expense	530,644	405,222	935,866
Depreciation	538,162	410,960	949,122
	$ 14,751,416	**$ 14,557,767**	**$ 29,309,183**

	2024		
TYPE	**ADMINISTRATIVE SERVICES**	**PROGRAM ACTIVITIES**	**TOTAL**
Staffing	$ 4,347,252	$ 4,508,850	$ 8,856,102
Retirement plans and employee benefits	2,466,924	2,255,493	4,722,417
Professional fees	2,021,927	2,918,812	4,940,739
Office operations	862,495	676,033	1,538,528
Travel and conferences	102,130	198,557	300,687
Communications	1,877,727	—	1,877,727
Other expenses	1,466,488	757,838	2,224,326
Interest expense	562,361	429,439	991,800
Depreciation	581,815	438,868	1,020,683
	$ 14,289,119	**$ 12,183,890**	**$ 26,473,009**

For 2025 and 2024, investment expenses of $14,372,984 and $19,319,333, respectively are netted against dividends and interest income within the accompanying Statements of Activities.

(12) PENSION AND OTHER POSTRETIREMENT PLANS

The Endowment sponsors a noncontributory defined benefit pension plan covering all eligible employees, as defined under the plan. The benefits are based on years of service and the employees' average final creditable compensation. Contributions totaling $5,810,000 and $1,640,000 were made to the plan during 2025 and 2024, respectively. The benefit obligation as of December 31, 2025, and 2024 was $31,055,599 and $28,711,398, respectively, and the net pension liability, included in other liabilities in the Statements of Financial Position, was $809,262 and $7,216,998, respectively, based on actuarial assumptions at December 31, 2025 and 2024.

The Endowment also sponsors a defined contribution plan with the Endowment providing matching contributions equal to 100% of employee contributions up to 3% and 50% of employee contributions between 3% and 5%. All full-time employees are eligible after a three-month period. Total Endowment contributions in 2025 and 2024 were $335,436 and $332,804, respectively.

The Endowment provides certain health care and life insurance benefits to retired employees. The accumulated postretirement benefit obligation at the latest measurement date of December 31, 2025, was $4,840,000. It was included in Other Liabilities on the Statements of Financial Position. At December 31, 2025, the Endowment determined that any additional liability for unfunded retirement benefits extended to retirees and to employees upon their retirement since the latest measurement date would not be material to its net assets.

(13) SUBSEQUENT EVENTS

The Endowment has evaluated its December 31, 2025, financial statements for subsequent events through May 21, 2026, the date the financial statements were available to be issued. The Endowment is not aware of any other subsequent events which would require recognition or disclosure in the financial statements.

LEADERSHIP

TRUSTEES

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Charlotte, North Carolina

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Vice Chair
Durham, North Carolina

Jean G. Spaulding
Vice Chair
Durham, North Carolina

William Barnet III
Spartanburg, South Carolina

John F.A.V. Cecil
Asheville, North Carolina

Ravenel B. Curry III
New York, New York
(Retired in 2025)

Pamela L. Davies
Charlotte, North Carolina

Harris E. DeLoach Jr.
Hartsville, South Carolina
(Retired in 2025)

Allyson K. Duncan
Raleigh, North Carolina

Cammie R. Hauptfuhrer
Charlotte, North Carolina

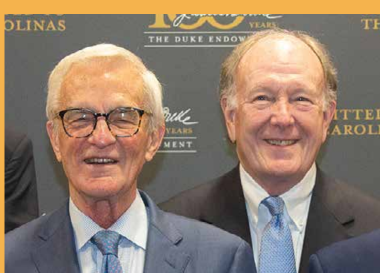
J. Trent Jones
Sun Valley, Idaho

Clarence G. Newsome
Mint Hill, North Carolina

Minor M. Shaw
Greenville, South Carolina

Hope Morgan Ward
Raleigh, North Carolina
(Joined in 2025)

Judy Woodruff
Washington, D.C.



LONGTIME BOARD MEMBERS CURRY, DELOACH RETIRE

In December 2025, The Duke Endowment recognized the service of Trustees Ravenel B. Curry III and Harris E. DeLoach Jr. upon their retirements, honoring their years of leadership and stewardship.

Both provided steady guidance that strengthened the Endowment's strategy and impact across the Carolinas. Their thoughtful leadership leaves a lasting mark on the organization's work. Curry served for 17 years on the Board of Trustees, while Harris served for 13.

President Rhett Mabry expressed appreciation for their contributions, noting that their steady judgment and commitment to improving lives have left a lasting mark on the organization's work.

STAFF

Ashleigh J. Allessio
Senior Coordinator, Higher Education

William F. Bacon
Vice President/Director, Evaluation

Lee Baigas
Coordinator, Human Resources

Cheyenne Booth
Operations Assistant, Finance

B. Dean Burgos
Human Resources Manager

Todd W. Dalrymple
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Charisma J. Hibbler
Senior Coordinator, Evaluation and Special Initiatives

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Elizabeth A. Kupec
Financial Analyst

Jacqueline M. Lademann
Senior Coordinator, Rural Church

Allen P. Lane
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Ali Marzouq
IT Manager

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Project and Facilities Manager

Phillip H. Redmond Jr.
Special Advisor to the President

Kristen R. Richardson-Frick
Associate Director, Rural Church

Karen H. Rogers
Chief Financial Officer/ Treasurer

Hannah Saeger Karnei
Grants Analyst, Finance

Meka S. Sales
Director, Special Initiatives

Ellie Smith
Program Officer, Health Care

Megan M. Smith
Senior Accountant, Finance

Natalie C.W. Smith
Controller, Finance

Shaheen B. Towles
Director, Communications

Carrie Underwood
Program Analyst, Rural Church

Quintin Van Dyk
Program Analyst, Health Care

K. Todd Walker
Managing Director, Investments

Katarina K. Walker
Financial Accountant

Kristi K. Walters
Director, Higher Education

Stacy E. Warren
Associate Director, Health Care

Robert R. Webb III
Director, Rural Church

Anita W. West
Accounting Manager, Finance

Tamika D. Williams
Director, Child & Family Well-Being

Brittany S. Worden
Program Officer, Special Initiatives

Diana Zilberdrut
Senior Coordinator, Communications and Investments

NEWS

EVIDENCE-BASED CHILD WELFARE PROGRAMS EXPAND IN CAROLINAS

The Duke Endowment moved to strengthen families by supporting the expansion of two evidence-based child welfare initiatives: the Positive Parenting Program (Triple P) and the Success Coach model.

A major public-private effort, approved in March 2025, will expand Triple P across the Carolinas, contingent on state matching funds and evaluation. In South Carolina, lawmakers appropriated $750,000 in recurring funds, matched by the Endowment to support rollout in four counties. The Endowment hopes future appropriations, matched by its grant dollars, will expand the program statewide.

The Endowment also continued to support the expansion of the Success Coach model in the Carolinas. Success Coach pairs trained coaches with children and families in the child welfare system to provide consistent, relationship-based support. In 2025, North Carolina officials announced the statewide expansion of the Success Coach model. The Endowment supports implementation and evaluation efforts to ensure the model can scale effectively.

GIVING CHILDREN BOOKS AND HOPE

A public-private partnership could help bring a proven summer reading strategy to thousands more children across North Carolina.

The Duke Endowment and the N.C. Department of Public Instruction are planning an expansion of Annual Book Fairs, a program designed to reduce summer reading loss by giving children books they choose and keep. Two randomized controlled trials have found reading gains of about one-third of a grade level for students in high-poverty schools.

If matched with public funding, the Endowment's five-year investment could reach 6,000-8,000 students annually for three years while officials evaluate the program's impact in North Carolina.

ADDRESSING FOOD INSECURITY ACROSS THE CAROLINAS

In 2025, The Duke Endowment awarded a $1 million grant to Feeding the Carolinas to help food banks in North Carolina and South Carolina respond to rising food insecurity. Increased demand for assistance — driven by ongoing recovery efforts in storm-affected communities, disruptions to public nutrition programs and funding reductions — has placed significant strain on families and local food systems.

Feeding the Carolinas, a partnership of 10 Feeding America-affiliated food banks, supports more than 3,700 charitable agencies serving 2.3 million Carolinians across 146 counties each year. The Endowment's grant will help these food banks meet urgent and growing needs while sustaining access to food for vulnerable children and families.

The grant reflects the Endowment's longstanding commitment to supporting communities during periods of heightened need, including previous investments made during the COVID-19 pandemic and following Hurricane Helene.

STAFF UPDATES

NEW HIRES

B. Dean Burgos
Human Resources Manager

Emily B. Meszaros
Coordinator, Finance

Hannah Saeger Karnei
Grants Analyst, Finance

Carrie Underwood
Program Analyst, Rural Church

Quintin Van Dyk
Program Analyst, Health Care

Katarina K. Walker
Financial Accountant

PROMOTIONS

Eric E. Frazier
from *Digital Communications Strategist*
to *Senior Communications Officer*

Jay E. Kennedy
from *Program Officer, Health Care*
to *Senior Program Officer, Health Care*

Ellie Smith
from *Program Analyst, Health Care*
to *Program Officer, Health Care*

Phillip H. Redmond Jr.
from *Director, Child & Family Well-Being*
to *Special Advisor to the President*

Shaheen B. Towles
from *Associate Director, Communications*
to *Director, Communications*

Tamika D. Williams
from *Associate Director, Child & Family Well-Being*
to *Director, Child & Family Well-Being*

Brittany S. Worden
from *Program Analyst, Special Initiatives*
to *Program Officer, Special Initiatives*

RETIREMENTS

Chris M. Collins
Associate Director, Health Care

Charity L. Perkins
Director, Communications

Matthew D. Sharp
Director, Information Technology

2025 ANNUAL REPORT

THE DUKE ENDOWMENT

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