

CONSOLIDATED FINANCIAL STATEMENTS

**NATIONAL WOMEN'S LAW
CENTER AND AFFILIATES**

**FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2024**

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
National Women's Law Center and Affiliates
Washington, D.C.

Opinion

We have audited the accompanying consolidated financial statements of National Women's Law Center and Affiliates (the Organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025, and the consolidated change in its net assets, consolidated functional expenses, and its consolidated 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 in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

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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, including omissions, 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated February 25, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 24 - 26 are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



January 8, 2026

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2025
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 20,590,669	\$ 32,167,915
Investments	48,457,372	46,210,083
Grants and contributions receivable, net	21,661,999	22,548,470
Other receivables	377,675	-
Inventory	67,798	50,490
Prepaid expenses and other assets	880,087	1,694,408
Property and equipment, net	5,408,924	5,938,784
Operating right-of-use asset, net	9,362,886	11,667,939
Deferred compensation investments	<u>455,035</u>	<u>476,771</u>
TOTAL ASSETS	<u>\$ 107,262,445</u>	<u>\$ 120,754,860</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 2,937,090	\$ 3,837,632
Operating lease liability, net	15,638,784	17,741,758
Deferred compensation liability	<u>455,035</u>	<u>476,771</u>
Total liabilities	<u>19,030,909</u>	<u>22,056,161</u>

NET ASSETS

Without donor restrictions	15,014,462	21,290,721
With donor restrictions	<u>73,217,074</u>	<u>77,407,978</u>
Total net assets	<u>88,231,536</u>	<u>98,698,699</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 107,262,445</u>	<u>\$ 120,754,860</u>

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024**

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Grants and contributions	\$ 7,030,114	\$ 19,247,320	\$ 26,277,434	\$ 43,615,184
Contributed nonfinancial assets	2,328,426	-	2,328,426	3,735,084
Interest on cash and cash equivalents	603,146	-	603,146	540,321
Other income	594,891	-	594,891	222,994
Net assets released from donor restrictions	<u>27,235,897</u>	<u>(27,235,897)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>37,792,474</u>	<u>(7,988,577)</u>	<u>29,803,897</u>	<u>48,113,583</u>
EXPENSES				
Program Services:				
Women's Legal Rights	9,039,916	-	9,039,916	9,100,784
Workplace Justice and Education	8,858,896	-	8,858,896	7,784,201
Child Care / Early Learning and Income Security	8,478,928	-	8,478,928	8,072,745
Reproductive Rights and Health	8,313,495	-	8,313,495	8,011,219
TIMES UP Legal Defense Fund and Legal Network for Gender Equality	1,488,389	-	1,488,389	1,511,548
Abortion Access Legal Defense Fund	<u>634,280</u>	<u>-</u>	<u>634,280</u>	<u>970,137</u>
Total program services	<u>36,813,904</u>	<u>-</u>	<u>36,813,904</u>	<u>35,450,634</u>
Supporting Services:				
Administration	4,904,171	-	4,904,171	4,726,664
Development	<u>4,273,293</u>	<u>-</u>	<u>4,273,293</u>	<u>4,029,940</u>
Total supporting services	<u>9,177,464</u>	<u>-</u>	<u>9,177,464</u>	<u>8,756,604</u>
Total expenses	<u>45,991,368</u>	<u>-</u>	<u>45,991,368</u>	<u>44,207,238</u>
Change in net assets before other item	<u>(8,198,894)</u>	<u>(7,988,577)</u>	<u>(16,187,471)</u>	<u>3,906,345</u>
OTHER ITEMS				
Net investment return	1,707,781	3,797,673	5,505,454	6,843,164
Gain on lease modification	<u>214,854</u>	<u>-</u>	<u>214,854</u>	<u>12,279</u>
Total other items	<u>1,922,635</u>	<u>3,797,673</u>	<u>5,720,308</u>	<u>6,855,443</u>
Change in net assets	(6,276,259)	(4,190,904)	(10,467,163)	10,761,788
Net assets at beginning of year	<u>21,290,721</u>	<u>77,407,978</u>	<u>98,698,699</u>	<u>87,936,911</u>
NET ASSETS AT END OF YEAR	<u>\$ 15,014,462</u>	<u>\$ 73,217,074</u>	<u>\$ 88,231,536</u>	<u>\$ 98,698,699</u>

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024

2025

Program Services

	Women's Legal Rights	Workplace Justice and Education	Child Care/Early Learning and Income Security	Reproductive Rights and Health	TIMES UP Legal Defense Fund and Legal Network for Gender Equality	Abortion Access Legal Defense Fund	Total Program Services
Personnel	\$ 4,912,920	\$ 5,642,959	\$ 4,862,194	\$ 5,448,460	\$ 1,026,718	\$ 341,976	\$ 22,235,227
Consultants	2,175,997	666,319	1,269,436	892,701	17,455	31,085	5,052,993
Donated legal services	251,975	1,403,015	97,523	557,340	-	-	2,309,853
Regranting	437,700	50,000	1,146,398	495,000	100,000	-	2,229,098
Occupancy	184,437	302,144	264,294	267,249	-	-	1,018,124
Conferences	320,923	81,081	332,794	49,222	4,000	-	788,020
Software services	125,033	160,670	138,731	144,279	12,589	14,039	595,341
Depreciation and amortization	105,328	127,135	115,882	115,094	-	-	463,439
Impact litigation	13,664	8,255	-	2,002	289,119	234,460	547,500
Travel	164,339	85,067	70,967	87,563	8,250	6,020	422,206
Subscriptions and publications	42,015	167,580	46,712	94,518	3,687	2,101	356,613
Professional dues and registrations	101,730	38,481	26,525	50,545	4,497	2,058	223,836
Printing and copying	42,155	18,825	18,494	20,032	1,043	384	100,933
Liability insurance	17,055	27,888	24,455	24,723	16,482	-	110,603
Other	92,706	10,629	5,036	4,997	819	1,604	115,791
Telephone and internet services	20,217	30,221	25,777	26,061	-	-	102,276
Audit and accounting fees	15,270	16,020	14,048	14,202	3,633	392	63,565
Postage and shipping	7,071	10,490	8,951	8,905	97	-	35,514
Office expenses and supplies	5,472	7,915	7,027	6,877	-	161	27,452
Equipment and furniture	3,632	3,749	3,287	3,324	-	-	13,992
Employment procurement	277	453	397	401	-	-	1,528
Loss on uncollectible grants and contributions	-	-	-	-	-	-	-
TOTAL	\$ 9,039,916	\$ 8,858,896	\$ 8,478,928	\$ 8,313,495	\$ 1,488,389	\$ 634,280	\$ 36,813,904

See accompanying notes to consolidated financial statements.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024

	2025 (Continued)			2024	
	Supporting Services				
	Administration	Development	Total Supporting Services	Total Expenses	Total Expenses
Personnel	\$ 3,913,057	\$ 2,693,993	\$ 6,607,050	\$ 28,842,277	\$ 26,780,158
Consultants	249,648	874,057	1,123,705	6,176,698	6,013,604
Donated legal services	-	-	-	2,309,853	3,706,538
Regranting	-	7,500	7,500	2,236,598	1,016,427
Occupancy	330,121	132,064	462,185	1,480,309	1,576,710
Conferences	12,602	203,230	215,832	1,003,852	869,972
Software services	104,280	116,056	220,336	815,677	766,972
Depreciation and amortization	110,079	52,493	162,572	626,011	605,840
Impact litigation	-	-	-	547,500	598,379
Travel	12,879	46,626	59,505	481,711	705,323
Subscriptions and publications	19,424	11,199	30,623	387,236	364,443
Professional dues and registrations	24,502	9,547	34,049	257,885	291,112
Printing and copying	7,318	51,453	58,771	159,704	114,728
Liability insurance	27,330	12,224	39,554	150,157	110,939
Other	26,085	3,158	29,243	145,034	135,416
Telephone and internet services	26,486	12,606	39,092	141,368	130,409
Audit and accounting fees	21,693	7,022	28,715	92,280	32,993
Postage and shipping	8,237	34,140	42,377	77,891	72,624
Office expenses and supplies	6,583	3,641	10,224	37,676	41,691
Equipment and furniture	3,433	2,086	5,519	19,511	30,788
Employment procurement	414	198	612	2,140	242,091
Loss on uncollectible grants and contributions	-	-	-	-	81
TOTAL	\$ 4,904,171	\$ 4,273,293	\$ 9,177,464	\$ 45,991,368	\$ 44,207,238

See accompanying notes to consolidated financial statements.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (10,467,163)	\$ 10,761,788
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Realized and unrealized gain on investments	(5,525,309)	(6,814,095)
Receipt of donated securities	(232,031)	(1,021,820)
Proceeds from the sale of donated securities	229,161	1,020,857
Realized loss on donated securities	2,870	963
Change in discount on grants and contributions receivable	(258,058)	103,566
Loss on uncollectible grants and contributions	-	81
Depreciation and amortization of property and equipment	626,011	605,840
Amortization of operating right-of-use asset	708,753	722,561
Gain on lease modification	(214,854)	(12,279)
Decrease (increase) in:		
Grants and contributions receivable	1,144,529	(7,113,794)
Other receivables	(377,675)	-
Inventory	(17,308)	(1,768)
Prepaid expenses and other assets	814,321	(455,275)
Decrease in:		
Accounts payable and accrued expenses	(900,542)	(1,996,385)
Operating lease liability	(291,820)	(1,038,670)
Net cash used by operating activities	<u>(14,759,115)</u>	<u>(5,238,430)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	57,141,145	75,239,520
Purchases of investments	(53,863,125)	(52,763,437)
Purchases of property and equipment	(96,151)	(102,185)
Net cash provided by investing activities	<u>3,181,869</u>	<u>22,373,898</u>
Net (decrease) increase in cash and cash equivalents	(11,577,246)	17,135,468
Cash and cash equivalents at beginning of year	<u>32,167,915</u>	<u>15,032,447</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 20,590,669	\$ 32,167,915

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

National Women's Law Center (NWLC) was formed in 1981 as a non-profit corporation in accordance with the laws of the District of Columbia. NWLC fights for gender justice—in the courts, in public policy, and in our society—working across the issues that are central to the lives of women and girls. NWLC uses the law in all its forms to change culture and drive solutions to the gender inequity that shapes our society and to break down the barriers that harm all of us—especially women of color, LGBTQ people, and low-income women and families. For 50 years, NWLC has been on the leading edge of every major legal and policy victory for women.

National Women's Law Center Fund LLC (Fund LLC) was formed as a single member limited liability company in 2018 in accordance with the laws of the District of Columbia. NWLC is the sole member of the Fund LLC, which is dedicated to connecting individuals who face sex discrimination and other forms of sexual harassment with legal assistance and to help pay the legal fees and costs of certain cases of workplace-related sexual harassment and retaliation.

National Women's Law Center Action Fund (Action Fund) was formed in 2020 as a non-profit corporation in accordance with the laws of the District of Columbia. The Action Fund operates for social welfare purposes that advances and protects women's legal rights in areas such as employment, health and reproductive rights, family economic security, and education.

Abortion Access Legal Defense Fund LLC (AALDF LLC) was formed as a single member limited liability company in 2023 in accordance with the laws of the District of Columbia. NWLC is the sole member of AALDF LLC, which helps individuals and entities pay for certain legal expenses they are facing because they sought abortion or helped someone obtain an abortion or information about abortion care.

Principles of consolidation -

The accounts of NWLC, the Fund LLC, the Action Fund, and AALDF LLC (hereinafter, collectively referred to as the Organization) have been consolidated in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). All intercompany transactions and balances have been eliminated in consolidation.

Basis of presentation -

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with U.S. GAAP related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions (see Note 5).

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Basis of presentation (continued) -

- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity (see Note 12).

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class; such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are presented together in net investment return, which also includes investment expenses paid to external investment advisors, in the accompanying Consolidated Statement of Activities and Change in Net Assets. Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. The Organization's policy is to liquidate all gifts of donated securities as soon as possible after the gift.

Grants and contributions receivable -

Grants and contributions receivable include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivable are recorded at their fair value, which is measured as the present value of the future expected cash flows. The discount on long-term grants and contributions receivable is computed using a discount rate of 2.03%, which is based on the annual interest rate earned on the Organization's cash and cash equivalents. Amortization of the discount is included in support from grants and contributions.

The Organization reviews grants and contributions receivable for collectibility on a periodic basis. Each receivable balance is assessed based on management's knowledge of and relationship with the donor and the age of the receivable balance.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Grants and contributions receivable (continued) -

As a result of these reviews, receivable balances for which collection is deemed doubtful are charged to loss on uncollectible grants and contributions and an allowance is recorded. Management considers all grants and contributions receivable to be fully collectable; therefore, no allowance for doubtful accounts has been established.

Other receivables -

Other receivables primarily consists of refunds expected and reimbursements due to the Organization within one year that are not related to exchange transaction revenue. Therefore, other receivables are recorded at net realizable value, which approximates fair value. Management believes other receivables to be fully collectable.

Inventory -

Inventory consists of logo items and merchandise held for sale. Inventory is stated at the lower of cost or net realizable value using the first in, first out (FIFO) method of valuation. Management performs an annual physical count of all merchandise and, as a result, inventory is adjusted annually to agree to the physical count. Therefore, management has not established an allowance for obsolete inventory.

Property and equipment -

Property and equipment acquisitions in excess of \$2,000 are capitalized and stated at cost. Property and equipment is depreciated or amortized on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. Leasehold improvements are amortized over the lesser of the useful life of the asset or the remaining term of the lease. The cost of maintenance and repairs is recorded as expenses are incurred.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is to its current value, and a loss is reported in the Consolidated Statement of Activities and Change in Net Assets, to its current fair value.

Leases -

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to and the agreement creates enforceable rights and obligations. The Organization also considers whether its services agreements include the right to control the use of an asset.

The Organization recognizes most leases on its Consolidated Statement of Financial Position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria as defined by GAAP. The Organization made an accounting policy election not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of lease payments over the term of the lease at the commencement or modification date.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Leases (continued) -

The Organization made the accounting policy election to use a risk-free discount rate, which is aligned with the lease term. The Organization has made an accounting policy election that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes.

Income taxes -

NWLC is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). NWLC is not a private foundation. From time to time, NWLC has taxable unrelated business income related to earnings from the private equity holdings in its investment portfolio. However, there is no provision for income taxes included in the accompanying consolidated financial statements. The Fund LLC and AALDF LLC are both treated as a disregarded entities for income tax purposes. As such, the activities of the Fund LLC and AALDF LLC are included in the tax filings of NWLC.

The Action Fund is exempt from Federal income tax under Section 501(a) of the IRC, as an organization described in IRC Section 501(c)(4). The Action Fund does not have any unrelated business income. Accordingly, there is no provision for income taxes included in the accompanying consolidated financial statements.

Support from grants and contributions -

Grants and contributions are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with Accounting Standards Codification (ASC) Topic 958.

For grants qualifying under the contribution rules, support is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, the Organization had no refundable advances as of June 30, 2025.

In addition, the Organization may obtain funding source agreements related to conditional contributions, which will be received in future years. The Organization had no conditional contributions to be received in future years as of June 30, 2025.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Contributed nonfinancial assets -

Contributed nonfinancial assets are recorded at their fair value as of the date of the gift and primarily consisted of contributed legal services. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. None of the contributed nonfinancial assets were restricted by donors.

Use of estimates -

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the Organization's programs and supporting services have been summarized on a functional basis in the Consolidated Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services that benefited. Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and indirect expenses that benefited more than one functional area, such as personnel costs, were allocated based on estimated time and effort.

Risks and uncertainties -

The Organization invests in pooled investment funds, which are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Reclassifications -

Certain amounts in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation. The reclassifications had no effect on the previously reported consolidated net assets and change in net assets.

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
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JUNE 30, 2025

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Investments recorded in the Consolidated Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NWLC is the only entity in the consolidated group that has investments. NWLC's investments primarily consist of pooled investment funds which are managed by Commonfund. The pooled investment funds offered by Commonfund have a small number of investors and are not publicly traded. Therefore, NWLC's pooled investment funds are considered to be alternative investments. NWLC's portfolio includes pooled investment funds that invest in a) securities that are publicly traded and b) private capital securities that are not publicly traded.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended June 30, 2025. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Cash and Cash Equivalents* (Level 1) - The fair value of cash and cash equivalents, which include FDIC-insured money market funds and overnight sweep balances, is determined based on publicly available information. Cash and cash equivalents can be sold on a daily basis and are deemed to be actively traded in a public market.
- *Mutual and Exchange-Traded Funds* (Level 1) - Valued at the daily closing price as reported by the fund. Mutual and exchange traded funds held by Organization are open-end funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual and exchanged traded funds held by Organization are deemed to be actively traded.
- *Pooled Investment Funds* (Level 2) - The fair value of certain pooled investment funds is derived from the net asset value per unit of ownership as reported by Commonfund. The pooled investment funds offered by Commonfund are not investment companies registered with the SEC. Thus, the practical expedient under GAAP is not allowed to be used to estimate the fair value of these investments. When fair value is measured at net asset value per unit of ownership and when the investment can be redeemed within 90 days at the net asset value at the measurement date, the investment is categorized as Level 2 in the fair value hierarchy. NWLC can redeem the pooled investment funds in any month on the last business day of the month with 5 business days' notice at the net asset value per unit of ownership in effect on the last business day of the month. Redemption proceeds are generally paid on the first business day of the following month, except in the case of 100% redemption, when 90% is generally paid on the first business day of the following month and the remaining 10% paid within 30 days.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

- *Pooled Investment Funds* (Level 3) - The fair value of certain pooled investment funds is derived from the fair value of limited partnerships as reported by Commonfund and the private equity managers. Therefore, these investments are categorized in Level 3 of the fair value hierarchy. The limited partnerships have no redemption rights. The termination date for the CP VI partnership is scheduled to be January 20, 2027, and for the CP VII partnership is scheduled to be February 21, 2030, each of which are subject to a potential extension of up to three years at the discretion of the general partner.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of June 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Cash and Cash Equivalents	\$ 1,348,088	\$ -	\$ -	\$ 1,348,088
Pooled Investment Funds:				
Commonfund OCIO Global Equity, LLC	-	27,122,503	-	27,122,503
CFI High Quality Bond Fund, LLC	-	6,342,272	-	6,342,272
CF Credit Series	-	3,275,423	-	3,275,423
CF REIT Portfolio, LLC	-	1,443,716	-	1,443,716
CFI Capital Partners VI, LP	-	-	1,882,741	1,882,741
CFI Capital Partners VII, LP	-	-	1,196,942	1,196,942
OCIO Global Private Equity Fund V	-	-	271,021	271,021
Venture Partners XV	-	-	189,592	189,592
CFI Real Estate & Infrastructure Opportunity Fund III	-	-	23,546	23,546
Mutual and Exchange-Traded Funds:				
Global Absolute Alpha Company A	2,703,697	-	-	2,703,697
Fidelity 500 Index	947,130	-	-	947,130
Fidelity Inter Treasury Bond Index Fund	768,251	-	-	768,251
Vanguard REIT ETF	473,575	-	-	473,575
Fidelity U.S. Bond Index Fund	468,875	-	-	468,875
TOTAL INVESTMENTS	<u>\$ 6,709,616</u>	<u>\$ 38,183,914</u>	<u>\$ 3,563,842</u>	<u>\$ 48,457,372</u>
Deferred Compensation Investments:				
Cash and Cash Equivalents	\$ 455,035	\$ -	\$ -	\$ 455,035
TOTAL DEFERRED COMPENSATION INVESTMENTS	<u>\$ 455,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,035</u>

The following is a summary of investments valued using Level 3 inputs along with the related unfunded commitments and redemption information as of June 30, 2025:

	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Notice Period</u>
CFI Capital Partners VI, LP	\$ 1,882,741	\$ 169,125	None	N/A
CFI Capital Partners VII, LP	1,196,942	104,000	None	N/A
OCIO Global Private Equity Fund V	271,021	790,000	None	N/A
Venture Partners XV	189,592	497,753	None	N/A
CFI Real Estate & Infrastructure Opportunity Fund III	23,546	1,486,832	None	N/A
TOTAL	<u>\$ 3,563,842</u>	<u>\$ 3,047,710</u>		

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Investments valued using Level 3 inputs consisted of the following activity as of and for the year ended June 30, 2025:

Beginning balance	\$ 3,223,839
Purchases	327,247
Distributions	(313,846)
Net investment return	<u>326,602</u>
ENDING BALANCE	<u>\$ 3,563,842</u>

Investments related to endowment funds totaled \$33,894,429 as of June 30, 2025.

Net investment return consisted of the following for the year ended June 30, 2025:

Interest and dividends	\$ 124,717
Realized and unrealized gain on investments	5,525,309
Investment expenses	<u>(144,572)</u>
NET INVESTMENT RETURN	<u>\$ 5,505,454</u>

3. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable are expected to be collected as follows as of June 30, 2025:

Less than one year	\$ 15,670,946
One to five years	<u>6,214,000</u>
Total	21,884,946
Less: Discount to net present value	<u>(222,947)</u>
NET GRANTS AND CONTRIBUTIONS RECEIVABLE	<u>\$ 21,661,999</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30, 2025:

Furniture, software and equipment	\$ 195,407
Website	226,715
Leasehold improvements	<u>6,505,078</u>
Total property and equipment	6,927,200
Less: Accumulated depreciation and amortization	<u>(1,518,276)</u>
NET PROPERTY AND EQUIPMENT	<u>\$ 5,408,924</u>

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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5. NET ASSETS WITHOUT DONOR RESTRICTIONS

The Organization's net assets without donor restrictions include funds that have been designated by the Board of Directors. NWLC is the only entity in the consolidated group with Board designated net assets. NWLC's Board designated net assets include various long-term reserve funds which are intended to provide emergency funds to cover at least six months of NWLC's core annual expenses and to generate income for NWLC's operations. In particular, the MARGARET Fund is intended to support NWLC's work, including its work on Title IX, to educate a large number of attorneys, policy makers, administrators, and other interested persons to effect change and ensure equity for girls and women.

Net assets without donor restrictions consisted of the following as of June 30, 2025:

Undesignated net assets	\$ 468,646
Board designated net assets:	
Other long-term reserve funds	5,867,520
Unencumbered endowment earnings fund	6,006,810
MARGARET fund	<u>2,671,486</u>
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 15,014,462</u>

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of June 30, 2025:

TIMES UP Legal Defense Fund and Legal Network for Gender Equity	\$ 10,356,497
Workplace Justice and Education	3,256,251
Child Care / Early Learning and Income Security	3,206,693
Women's Legal Rights	2,345,233
Reproductive Rights and Health	1,174,583
Abortion Access Legal Defense Fund	878,649
Endowment funds	33,894,429
Non-endowment funds with time restrictions	<u>18,104,739</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 73,217,074</u>

Net assets released from donor restrictions consisted of the following during the year ended June 30, 2025:

TIMES UP Legal Defense Fund and Legal Network for Gender Equity	\$ 2,088,300
Child Care / Early Learning and Income Security	2,654,640
Reproductive Rights and Health	2,600,296
Women's Legal Rights	1,982,464
Workplace Justice and Education	1,231,157
Abortion Access Legal Defense Fund	734,287
Legacy Fund	94,541
Endowment appropriations	2,519,501
Expiration of time restrictions on non-endowment funds	<u>13,330,711</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 27,235,897</u>

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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7. LIQUIDITY AND AVAILABILITY

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Management periodically reviews the Organization's liquid asset needs and adjusts the cash and cash equivalents balances as necessary. Amounts in excess of operating liquidity are invested in various short-term certificates of deposit and highly liquid securities such as overnight sweeps and money market funds. The Organization's Board of Directors has designated a portion of net assets without donor restrictions as Board designated net assets, which are described in Note 5. Board designated net assets can be made available for spending at the discretion of the Board of Directors. Therefore, these amounts are considered available for general expenditures.

The Organization also considers net assets with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. Short-term investments amounts include amounts transferred from the Endowment funds as described in Note 12, that are transferred to operating cash accounts each month. Therefore, these amounts are also considered available for expenditures.

Financial assets available for use for general expenditures within one year of the Consolidated Statement of Financial Position date include the following as of June 30, 2025:

Cash and cash equivalents	\$ 20,590,669
Investments	48,457,372
Grants and contributions receivable, net	21,661,999
Other receivables	<u>377,675</u>
Subtotal financial assets	91,087,715
Less amounts not available for expenditure within one year:	
Investments without liquidity	(3,563,842)
Endowment funds amount held in perpetuity	<u>(20,182,895)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 67,340,978</u>

8. CONTRIBUTED NONFINANCIAL ASSETS

The Organization was the beneficiary of certain contributed nonfinancial assets which allowed the Organization to provide greater resources towards its various programs. Contributed nonfinancial assets consisted of the following for the year ended June 30, 2025:

Donated legal services	\$ 2,309,853
Other donated services	<u>18,573</u>
TOTAL CONTRIBUTED NONFINANCIAL ASSETS	<u>\$ 2,328,426</u>

Contributed nonfinancial assets have been recorded in support and revenue and have also been allocated among the program services expenses as follows for the year ended June 30, 2025:

Workplace Justice and Education	\$ 1,403,015
Reproductive Rights and Health	559,712
Women's Legal Rights	253,148
Child Care / Early Learning and Income Security	111,480
TIMES UP Legal Defense Fund and Legal Network for Gender Equality	<u>1,071</u>
TOTAL EXPENSES	<u>\$ 2,328,426</u>

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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9. LEASE COMMITMENT

NWLC leases office space under an operating lease agreement that originated on March 1, 2023, and is scheduled to terminate on February 28, 2035. The lease includes a rent abatement, escalations of base rent, and the Organization is required to pay its proportionate share of operating expenses and real estate taxes. Under the lease agreement, NWLC received an allowance of \$6,505,078 as a lease incentive to be used for tenant improvements to the office space. The leasehold improvements have been capitalized in property and equipment and are being amortized over the term of the lease. The Organization elected to use a risk-free rate of 4.16% as the lease discount rate for determining the net present value of the operating lease liability.

NWLC signed a modification to the operating lease. In accordance with the terms of the lease modification, the landlord agreed to convert 12 months of the rent abatement, as initially stated in the lease agreement, to be used as additional tenant improvement allowance. The lease modification also changed the lease payments over the term of the lease but did not change the term of the lease. Therefore, NWLC adjusted the right-of-use asset and operating lease liability for these changes and recorded a gain on lease modification of \$214,854 during the year ended June 30, 2025.

Lease cost totaled \$1,356,215 during the year ended June 30, 2025, which is included in Occupancy expense in the accompanying Consolidated Statement of Functional Expenses. Cash paid for the operating lease totaled \$933,675 during the year ended June 30, 2025.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of June 30, 2025:

<u>Year Ending June 30,</u>	
2026	\$ 955,616
2027	1,645,445
2028	2,017,799
2029	2,065,217
2030	2,113,750
Thereafter	<u>10,533,951</u>
	19,331,778
Less: Imputed interest	<u>(3,692,994)</u>
OPERATING LEASE LIABILITY, NET	<u>\$ 15,638,784</u>

10. RETIREMENT PLANS

Defined Contribution Plan

NWLC provides retirement benefits to its employees through a 403(b) defined contribution plan (the Plan). In accordance with the provisions of the Plan, employees are immediately eligible to make voluntary deferral contributions to the Plan, up to the annual Internal Revenue Service maximum. Beginning on the first of the month after 90 days of employment, NWLC contributes employer matching and employer non-elective contributions. The employer matching contribution equals 100% of an eligible employee's contribution, up to 3% of compensation. The employer non-elective contribution is 6% of an eligible employee's compensation, regardless of tenure. Both types of employer contributions are 100% vested immediately. NWLC's contributions to the Plan have been included in Personnel expense in the accompanying Consolidated Statement of Functional Expenses and totaled \$1,917,372 for the year ended June 30, 2025.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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10. RETIREMENT PLANS (Continued)

Deferred Compensation Plan

NWLC maintains a deferred compensation retirement plan under Section 457(b) of the Internal Revenue Code on behalf of certain key executives of NWLC. Investments held for deferred compensation are described in Note 2. Deferred compensation investments and the corresponding deferred compensation liability totaled \$455,035 as of June 30, 2025. NWLC's contributions to the deferred compensation plan have been included in Personnel expense in the accompanying Consolidated Statement of Functional Expenses and totaled \$13,447 for the year ended June 30, 2025.

11. JOINT COSTS

The Organization incurred joint costs that supported both program and fundraising activities which totaled \$483,309 for the year ended June 30, 2025. Joint costs totaling \$356,725 were allocated to program services and joint costs totaling \$126,584 were allocated to supporting services, specifically development, for the year ended June 30, 2025.

12. ENDOWMENT FUNDS

The Organization's endowment funds include the following donor-restricted endowment funds:

Ford Endowment: The Ford Foundation provided \$10,000,000 to NWLC to start the Ford Endowment and pay the operating expenses of the related endowment campaign. As a result, NWLC received a total of \$14,182,895 from the Ford Foundation and other donors to provide unrestricted, general support.

Nokomis Endowment: The Nokomis Foundation provided \$6,000,000 to NWLC as an endowment fund to provide unrestricted, general support.

Accumulated earnings on the endowment funds are to be used for unrestricted activities. In accordance with GAAP, accumulated earnings without a purpose restriction from the donor have an implied time restriction which expires when the Board of Directors approves appropriations from the endowment earnings.

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted by the District of Columbia as requiring the preservation of the fair value of the original gift made to the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

As a result, of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025

12. ENDOWMENT FUNDS (Continued)

Additionally, in accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the Organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the Organization.

Return Objectives and Risk Parameters -

The Organization has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Given the relationship between risk and return, a fundamental step in determining the investment policy for the endowment funds is the determination of an appropriate risk tolerance. After taking into consideration such factors as the Organization's financial stability, uncertainty of cash flows in and out of the endowment funds over the long-term, the capital market volatility, the Organization's Board of Directors believes a moderate risk strategy is prudent. Under this policy, as approved by the Board of Directors, the long-term goal for the investment objective of the endowment funds are to 1) preserve the real purchasing power (after inflation) of the principal donated to create the endowment, taking into consideration the assets in unencumbered endowment earnings fund and 2) provide a stable source of perpetual financial support.

Strategies Employed for Achieving Objectives -

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy -

The Organization has adopted a spending policy for each of its endowment funds that are designed to be consistent with the terms of the gift instruments and NWLC's strategies for achieving its endowment objectives. The spending policy approved by the Board of Directors for both the Ford Endowment and Nokomis Endowment permits NWLC to spend up to 5% of the endowment funds' three-year rolling average, so long as spending from the endowment funds does not reduce the funds below their historical dollar value. However, spending may reduce the funds below their historic dollar value in emergency circumstances with the prior approval of NWLC's Board of Directors. The spending policy for each endowment fund is consistent with the Organization's objective to maintain the purchasing power of the endowment assets which are held in perpetuity as well as to provide additional real growth through new gifts and investment return.

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to maintain as a fund of perpetual duration. However, there were no funds with deficiencies as of June 30, 2025.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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12. ENDOWMENT FUNDS (Continued)

Funds with Deficiencies (continued) -

Endowment funds consisted entirely of net assets with donor restrictions and included the following as of June 30, 2025:

	<u>Available for Appropriation</u>	<u>Held in Perpetuity</u>	<u>Total</u>
Ford Endowment	\$ 10,441,872	\$ 14,182,895	\$ 24,624,767
Nokomis Endowment	<u>3,269,662</u>	<u>6,000,000</u>	<u>9,269,662</u>
TOTAL ENDOWMENT FUNDS	<u>\$ 13,711,534</u>	<u>\$ 20,182,895</u>	<u>\$ 33,894,429</u>

Changes in endowment funds consisted of the following as of and for the year ended June 30, 2025:

	<u>Available for Appropriation</u>	<u>Held in Perpetuity</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 12,433,362	\$ 20,182,895	\$ 32,616,257
Net investment return	3,797,673	-	3,797,673
Appropriations	<u>(2,519,501)</u>	<u>-</u>	<u>(2,519,501)</u>
ENDOWMENT FUNDS, END OF YEAR	<u>\$ 13,711,534</u>	<u>\$ 20,182,895</u>	<u>\$ 33,894,429</u>

13. COMMITMENTS AND CONTINGENCIES

Collective Bargaining Agreement: NWLC has a voluntary recognition process agreement with IFPTE Local 70/NPEU (the Union) to recognize the Union as the collective bargaining representative of a group of NWLC's employees. The bargaining unit consists of NWLC's full-time employees (i.e., those employees working at least 37.5 hours per week) and regular part-time employees (i.e., those working at least 20 hours per week). The bargaining unit excludes temporary employees (i.e., those hired to work for less than 6 months); interns; supervisors (employees and positions that NWLC's management and the Union agree to exclude from the bargaining unit); managers, and confidential employees as defined by the National Labor Relations Act. The terms of the collective bargaining agreement with the Union were ratified on October 7, 2022.

Litigation: NWLC has been named as a defendant in lawsuits based upon activities that occurred in the ordinary course of business. NWLC's policy is to accrue amounts related to litigation when such amounts are probable and can be reasonably estimated based on consultation with outside legal counsel. While legal counsel has indicated that the outcome of these actions is not presently determinable, management believes that any resulting liability will not have a materially adverse impact on the financial position or operations of NWLC.

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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14. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 8, 2026, the date the consolidated financial statements were issued.

On September 5, 2025, management announced a reduction in workforce affecting approximately 20% of staff positions. This action was taken to better align operating expenses with anticipated future revenues. Because the decision occurred after June 30, 2025, no adjustments have been made to the accompanying consolidated financial statements. However, the cost of the reduction in workforce is expected to approximate \$1.6 million, which will be reported in the consolidated financial statements for the year ending June 30, 2026.

SUPPLEMENTAL INFORMATION

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF JUNE 30, 2025

	National Women's Law Center	National Women's Law Center Fund LLC	National Women's Law Center Action Fund	Abortion Access Legal Defense Fund LLC	Eliminations	Total
ASSETS						
Cash and cash equivalents	\$ 7,377,610	\$ 11,568,556	\$ 707,647	\$ 936,856	\$ -	\$ 20,590,669
Investments	48,457,372	-	-	-	-	48,457,372
Grants and contributions receivable, net	20,411,999	-	1,200,000	50,000	-	21,661,999
Other receivables	308,372	1,175	51,931	16,197	-	377,675
Due from affiliates	347,425	-	-	15,281	(362,706)	-
Inventory	67,798	-	-	-	-	67,798
Prepaid expenses and other assets	840,347	13,508	21,304	4,928	-	880,087
Property and equipment, net	5,391,156	-	17,768	-	-	5,408,924
Operating right-of-use asset, net	9,362,886	-	-	-	-	9,362,886
Deferred compensation investments	455,035	-	-	-	-	455,035
TOTAL ASSETS	\$ 93,020,000	\$ 11,583,239	\$ 1,998,650	\$ 1,023,262	\$ (362,706)	\$ 107,262,445
LIABILITIES						
Accounts payable and accrued expenses	\$ 2,318,890	\$ 226,489	\$ 247,099	\$ 144,612	\$ -	\$ 2,937,090
Due to affiliates	-	122,445	240,261	-	(362,706)	-
Operating lease liability, net	15,638,784	-	-	-	-	15,638,784
Deferred compensation liability	455,035	-	-	-	-	455,035
Total liabilities	18,412,709	348,934	487,360	144,612	(362,706)	19,030,909
NET ASSETS						
Without donor restrictions	14,013,739	877,808	122,914	1	-	15,014,462
With donor restrictions	60,593,552	10,356,497	1,388,376	878,649	-	73,217,074
Total net assets	74,607,291	11,234,305	1,511,290	878,650	-	88,231,536
TOTAL LIABILITIES AND NET ASSETS	\$ 93,020,000	\$ 11,583,239	\$ 1,998,650	\$ 1,023,262	\$ (362,706)	\$ 107,262,445

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES

**CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	National Women's Law Center	National Women's Law Center Fund LLC	National Women's Law Center Action Fund	Abortion Access Legal Defense Fund LLC	Eliminations	Total
ACTIVITIES WITHOUT DONOR RESTRICTIONS						
SUPPORT AND REVENUE						
Grants and contributions	\$ 6,542,651	\$ 45,880	\$ 391,004	\$ 50,579	\$ -	\$ 7,030,114
Contributed nonfinancial assets	2,327,355	1,071	-	-	-	2,328,426
Interest on cash and cash equivalents	293,291	237,933	37,046	34,876	-	603,146
Other income	466,593	-	128,298	-	-	594,891
Net assets released from donor restrictions	22,245,853	2,088,300	2,167,457	734,287	-	27,235,897
Total support and revenue	31,875,743	2,373,184	2,723,805	819,742	-	37,792,474
EXPENSES						
Program Services:						
Women's Legal Rights	6,582,926	-	2,456,990	-	-	9,039,916
Workplace Justice and Education	8,712,590	-	146,306	-	-	8,858,896
Child Care/Early Learning and Income Security	8,102,866	-	376,062	-	-	8,478,928
Reproductive Rights and Health	8,133,068	-	180,427	-	-	8,313,495
TIMES UP Legal Defense Fund and Legal Network for Gender Equality	-	1,488,389	-	-	-	1,488,389
Abortion Access Legal Defense Fund	-	-	-	634,280	-	634,280
Total program services	31,531,450	1,488,389	3,159,785	634,280	-	36,813,904
Supporting Services:						
Administration	3,813,409	600,980	304,321	185,461	-	4,904,171
Development	4,229,895	-	43,398	-	-	4,273,293
Total supporting services	8,043,304	600,980	347,719	185,461	-	9,177,464
Total expenses	39,574,754	2,089,369	3,507,504	819,741	-	45,991,368
Change in net assets without donor restrictions before other items	(7,699,011)	283,815	(783,699)	1	-	(8,198,894)
OTHER ITEMS						
Net investment return	1,707,781	-	-	-	-	1,707,781
Gain on lease modification	214,854	-	-	-	-	214,854
Total other items	1,922,635	-	-	-	-	1,922,635
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	\$ (5,776,376)	\$ 283,815	\$ (783,699)	\$ 1	\$ -	\$ (6,276,259)
ACTIVITIES WITH DONOR RESTRICTIONS						
SUPPORT AND REVENUE						
Grants and contributions	\$ 16,404,320	\$ 60,000	\$ 2,360,000	\$ 423,000	\$ -	\$ 19,247,320
Net assets released from donor restrictions	(22,245,853)	(2,088,300)	(2,167,457)	(734,287)	-	(27,235,897)
Change in net assets with donor restrictions before other item	(5,841,533)	(2,028,300)	192,543	(311,287)	-	(7,988,577)
OTHER ITEM						
Net investment return	3,797,673	-	-	-	-	3,797,673
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	\$ (2,043,860)	\$ (2,028,300)	\$ 192,543	\$ (311,287)	\$ -	\$ (4,190,904)
CHANGE IN NET ASSETS	\$ (7,820,236)	\$ (1,744,485)	\$ (591,156)	\$ (311,286)	\$ -	\$ (10,467,163)

NATIONAL WOMEN'S LAW CENTER AND AFFILIATES
CONSOLIDATING SCHEDULE OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

	National Women's Law Center	National Women's Law Center Fund LLC	National Women's Law Center Action Fund	Abortion Access Legal Defense Fund LLC	Eliminations	Total
NET ASSETS WITHOUT DONOR RESTRICTIONS						
Net assets as of July 1, 2024	\$ 19,790,115	\$ 593,993	\$ 906,613	\$ -	\$ -	\$ 21,290,721
Change in net assets without donor restrictions	<u>(5,776,376)</u>	<u>283,815</u>	<u>(783,699)</u>	<u>1</u>	<u>-</u>	<u>(6,276,259)</u>
Net assets as of June 30, 2025	<u>14,013,739</u>	<u>877,808</u>	<u>122,914</u>	<u>1</u>	<u>-</u>	<u>15,014,462</u>
NET ASSETS WITH DONOR RESTRICTIONS						
Net assets as of July 1, 2024	62,637,412	12,384,797	1,195,833	1,189,936	-	77,407,978
Change in net assets with donor restrictions	<u>(2,043,860)</u>	<u>(2,028,300)</u>	<u>192,543</u>	<u>(311,287)</u>	<u>-</u>	<u>(4,190,904)</u>
Net assets as of June 30, 2025	<u>60,593,552</u>	<u>10,356,497</u>	<u>1,388,376</u>	<u>878,649</u>	<u>-</u>	<u>73,217,074</u>
NET ASSETS AS OF JUNE 30, 2025	<u>\$ 74,607,291</u>	<u>\$ 11,234,305</u>	<u>\$ 1,511,290</u>	<u>\$ 878,650</u>	<u>\$ -</u>	<u>\$ 88,231,536</u>