

Hudson Yards Infrastructure Corporation Fiscal Year 2025 Investment Report

I. Investment Guidelines (See Schedule 1)

II. Explanation of the Investment Guidelines

The Hudson Yards Infrastructure Corporation (the “Corporation”) originally adopted Investment Guidelines on October 4, 2007, with subsequent amendments on January 16, 2009, September 26, 2013, September 23, 2014, September 28, 2018, September 24, 2019, September 29, 2020, and September 30, 2024. The Investment Guidelines specify the policies and procedures relating to the investment, monitoring and reporting of funds of the Corporation. For purposes of the Investment Guidelines, funds of the Corporation are all moneys and other financial resources available for investment by the Corporation on its own behalf or on behalf of any other entity or individual. All such moneys shall be invested at all times to the fullest extent practicable, and in accordance with the requirements and restrictions set forth in the Investment Guidelines.

III. Results of the annual independent audit of the investments (See Schedule 2)

IV. Investment Income of record of the Corporation (See Schedule 3)

V. List of total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment services to the Corporation (See Schedule 3)

SCHEDULE 1

HUDSON YARDS INFRASTRUCTURE CORPORATION

Investment Guidelines

Adopted October 4, 2007

Amended January 16, 2009, September 26, 2013, September 23, 2014, September 28, 2018, September 24, 2019, September 29, 2020, and September 30, 2024

I. Purpose

- A. Adoption. These investment guidelines (the “Guidelines”) are adopted by the Board of Directors of the Hudson Yards Infrastructure Corporation (the “Corporation”).
- B. Scope. These Guidelines specify the policies and procedures relating to the investment, monitoring and reporting of funds of the Corporation. For purposes of these Guidelines, funds of the Corporation are all moneys and other financial resources available for investment by the Corporation on its own behalf or on behalf of any other entity or individual. All such moneys shall be invested at all times to the fullest extent practicable, and in accordance with the requirements and restrictions set forth in these Guidelines.
- C. Review and Amendment. These Guidelines shall be reviewed and approved by the Board of Directors annually and may be amended by the Board of Directors from time to time.

II. Permitted Obligations

- A. Investments. All investments shall be invested in Eligible Investments as defined in the Trust Indenture, dated as of December 1, 2006, as amended by a Second Supplemental Trust Indenture, dated as of February 1, 2008, and further amended and restated as of October 1, 2011, by and between the Corporation and U.S. Bank, National Association, as trustee (the “Trustee”); and the Second Trust Indenture, dated as of May 1, 2017, by and between the Corporation and the Trustee; the Third Supplemental Trust Indenture, dated as of February 1, 2019,

by and between the Corporation and the Trustee; and the Fourth Supplemental Trust Indenture, dated as of October 1, 2021.

III. Conditions of Investment

- A. Maturities: All investments shall mature or be redeemable at the option of the holder no later than such times as shall be necessary to provide moneys needed for payments to be made from any fund or account in which such investments are held.
- B. Diversification
 - 1. The Corporation shall take diversification considerations into account when making investment decisions.
- C. Payment for Securities. Payment for investments shall be made only upon receipt of the securities purchased. In the case of book entry form securities, payment may be made only when the custodian's account at the Federal Reserve Bank is credited for the purchased securities.
- D. Custodial Arrangements.
 - 1. All securities held by any depository designated by the Corporation in bearer or book-entry form (the "Custodial Bank") are held solely as agent to the Trustee. Any securities held in registered form shall be registered in the name of the Trustee. Payment for purchases is not to be released until the purchased securities are received by the Custodial Bank.
 - 2. The Custodial Bank will, upon instructions of the Trustee, release to the Treasurer of the Corporation all purchased securities including those subject to repurchase. This will permit the Corporation to sell such securities, if necessary.
 - 3. Collateral securities shall not be held by an institution having a depository relationship with the Corporation.
- F. Standards and Qualifications. The following are the standards for the qualifications of brokers, agents, dealers, investment advisors, investment bankers and custodians:
 - 1. Brokers, Agents, Dealers
 - a. In Government Securities: any bank or trust company organized or

licensed under the laws of the United States of America or any state thereof or any national banking association or any registered broker/dealer or government securities dealer.

- b. In Municipal Securities: any broker, dealer or municipal securities dealer registered with the Securities and Exchange Commission (the "SEC").
 - 2. Investment Advisors: any bank or trust company organized under the laws of any state of the United States of America or any national banking association, and any firm or person which is registered with the SEC under the Investment Advisors Act of 1940.
 - 3. Custodians: any bank or trust company organized under the laws of any state of the United States of America or any national banking association with capital and surplus of not less than \$50,000,000.
- G. Contracts. With the exception of forward purchase and delivery agreements, the Corporation shall not be required to enter into written contracts for the purchase of investments, except when the Corporation at its discretion agrees that it is in its best interest to do so.

IV. Reports

A. Quarterly. The President or other Authorized Officer shall prepare and deliver to the Board of Directors once for each quarter of the Corporation's fiscal year a report setting forth a summary of new investments made during that quarter, the inventory of existing investments and the selection of investment bankers, brokers, agents, dealers, investment advisors and auditors.

B. Annually.

- 1. Audit. The Corporation's independent auditors shall conduct an annual audit of the Corporation's investments for each fiscal year of the Corporation, the results of which shall be made available to the Board of Directors at the time of its annual review and approval of these Guidelines.
- 2. Investment Report. Annually, the President or other Authorized Officer shall prepare and the Board of Directors shall review and approve an Investment

Report, which shall include:

- a. The Investment Guidelines and amendments thereto since the last report;
- b. An explanation of the Guidelines and any amendments made since the last report;
- c. The independent audit report required by Subsection (1) above;
- d. The investment income record of the Corporation for the fiscal year; and
- e. A list of fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Corporation since the last report. The Investment Report shall be submitted to the Mayor and Comptroller of the City of New York. Copies of the annual report shall also be made available to the public upon reasonable request.

V. Annual Review

Annually, the Board shall review and approve these Investment Guidelines.

VI. Applicability

Nothing contained in these Investment Guidelines shall be deemed to alter, affect the validity of, modify the terms of or impair any contract, agreement or investment of funds made or entered into in violation of, or without compliance with, the provisions of these Investment Guidelines.



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INDEPENDENT AUDITORS' REPORT ON INVESTMENT COMPLIANCE
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE INVESTMENT GUIDELINES

The Board of Directors
Hudson Yards Infrastructure
Corporation:

Report on Investment Compliance

Opinion on Investment Compliance

We have audited the Hudson Yards Infrastructure Corporation (the Corporation), compliance with the types of compliance requirements identified as subject to audit in Section 2925(3)(f) of the New York State Public Authorities Law and Title 2 Section 201.3 of the New York Codes, Rules and Regulations (the investment guidelines) that could have a direct and material effect on its investments for the year ended June 30, 2025.

In our opinion, the Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its investments for the year ended June 30, 2025.

Basis for Opinion on Investment Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of the investment guidelines. Our responsibilities under those standards and the investment guidelines are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance with the investment guidelines. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Corporation's investments.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards and the investment guidelines, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of the investment guidelines as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards and the investment guidelines, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the investment guidelines, but not for the purpose of expressing an opinion on the effectiveness of Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the investment guidelines on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of investment guidelines will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the investment guidelines that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the investment guidelines. Accordingly, this report is not suitable for any other purpose.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the compliance of Hudson Yards Infrastructure Corporation with the types of compliance requirements identified as subject to audit in Section 2925(3)(f) of the New York State Public Authorities Law and Title 2 Section 201.3 of the New York Codes, Rules and Regulations that could have a direct and material effect on its investments for the year ended June 30, 2025. The annual investment report as of and for the year ended June 30, 2025 (annual investment report) is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and

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

EFPR Group, CPAs, PLLC

Williamsville, New York
September 25, 2025

SCHEDULE 3

Hudson Yards Infrastructure Corporation Annual Investment Report As of and for the year ended June 30, 2025
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Investment Income for FY 2025 (accrual basis) \$ 34,930,877

Investment Fees for FY 2025:

US Bank 161,261

Cash Equivalent and Investment by Funds	
<u>Fund</u>	<u>Fair Value</u>
Debt Service Fund	\$ 214,259,531
Corporate Expense Fund	26,406,204
Surplus Fund	302,803,790
Cash Equivalent and Investment	<u>\$ 543,469,525</u>
Cash	-
Total Cash, Cash Equivalents and Investments	<u><u>\$ 543,469,525</u></u>

Cash Equivalent and Investment by Security Types			
		<u>Maturities in Years</u>	
<u>Description</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>
US Treasury Bill	\$ 285,366,038	\$ 285,366,038	\$ -
US Treasury Note	55,039,508	55,039,508	-
Fidelity Government Obligations Money Market	203,063,979	203,063,979	-
Cash Equivalent and Investment	<u>\$ 543,469,525</u>	<u>\$ 543,469,525</u>	<u>\$ -</u>
Cash	-		
Total Cash, Cash Equivalents and Investments	<u><u>\$ 543,469,525</u></u>	<u><u>\$ 543,469,525</u></u>	<u><u>\$ -</u></u>