THE CLIMATE CHANGE ORGANISATION

t/a CLIMATE GROUP

Annual Report and Accounts 2024/25
12 months to 30 June 2025

COMPANY NUMBER: 4964424
CHARITY NUMBER: 1102909

Board of Trustees' Report

Hon. Mike Rann AC, CNZM

A message from our Chair

During the more than twenty years since Climate Group was established, we've seen at close hand how the path to net zero has never been a straight line - no matter how much progress was made and continues to be made.

In May of 2025, there was a Federal election in Australia, a nation that has been embroiled in "climate wars" for decades. Emboldened by events in the US, and heavily funded by the fossil fuel lobby, the climate deniers mounted a huge campaign to stall progress on renewables and decarbonisation. This time it didn't work. The Australian experience of climate change now matches the warnings of the scientists, with record heat and catastrophic weather events. Business, including major energy companies, joined the public to say "enough", backing a continuation of the country's direction towards a clean energy future.

Why am I telling you this? It's because sometimes, amidst all the political rhetoric and on misinformation, it's easy to forget that the vast majority of major corporations, governments and ordinary people know exactly what's going on, and what needs to be done. They saw the LA fires at the start of the year, they felt the heatwaves, or saw their homes flooded. Well over 80 percent of businesses and the public want to go ahead with the switch to renewables – because it makes sense: economic, social and cultural.

People know climate change is happening, and that we need systemic change. And when it comes to businesses: they know it makes financial sense to embrace a clean future as that will increase their competitiveness, create new innovative jobs, and increase energy independence.

And it's that same sense of steadfastness I felt in our organisation over the past year. We had the biggest ever Climate Week NYC in 2024, with over 900 events, and with partners from around the world eager to work with us. But even after January 2025, we continued to forge ahead. It wasn't always easy, but we had successful events such as the US Leaders' Forum in Washington DC, where we brought together politicians and businesses from across North America. That's an incredible achievement, in the current environment, and a great credit to Climate Group's US team.

Just a few weeks later, in May, we strategically invested in our second Climate Group Asia Action Summit in Singapore, to further strengthen business and government climate action in the region – and embolden our network of frontrunners.

In all this, there's a special role for subnational governments, who have been leading the transition around the world. They so often are the decisive implementers, acting as a goad to action for stronger national policies and plans. Climate Group is proud that some of our long-term member states and regions are now acknowledged as world leaders in decarbonisation and in the percentage of renewable power generation.

They are also the first responders when disasters strike, and they can be testbeds and laboratories for change and in building climate resilience.

I am proud to say that we bring these powerful networks of businesses and subnational governments together at an unparalleled scale. It's what we kept doing, this year, with renewed determination. By doing so, we empower our audiences, we empower ourselves, and we help shift markets.

Inevitably, Climate Group has felt the headwinds of the global economy, the impact of uncertainty…like so many other organisations. We've had to make sometimes difficult choices in what we could and couldn't do. We remain a responsible and sound organisation, with commitment, collaboration and transparency at the core of our credentials. We're in good shape and have no intention of raising the white flag on our ambitions.

So, as Climate Group Chair, I'd like to congratulate our CEO Helen Clarkson and her team for keeping the ship on course and increase the organisation's ambition while keeping a close eye on our finances and on our team's wellbeing. And I'd like to thank our board; their support, and their collaboration with the North American board, which has been critical over this difficult and hectic year.

Thank you.

Mike Rann AC, CNZM
Chair of the Board of Trustees at Climate Group

Helen Clarkson, OBE

A message from our Chief Executive

Over the past year the climate pendulum has been swinging between extremes – not just for us at Climate Group, but for many of the stakeholders we work with.

We saw the biggest Climate Week NYC in our history in September 2024 and felt the energy of the more than 900 events across the city. We launched the 24/7 Carbon-Free Coalition; we repositioned our transport work to better reflect realities in different markets; we built out our food work; we further grew our Under2 Coalition and held successful climate action summits in Singapore and Washington DC.

These are all milestones in their own right.

But zooming out, there have been obvious, fierce challenges. We saw a disappointing COP29 that did not deliver on the financial needs that lay ahead, led by a country whose President called oil and gas a 'Gift from God'. We saw floodings, devastating wildfires in LA, Canada and Europe, and blistering heatwaves across the globe.

And of course there were the profound geopolitical shifts, halfway through the financial year. Yes, parts of the world are electrifying at an astonishing speed, but when the world's wealthiest economy (and some companies) and the second biggest emitter suddenly turns its back on climate and creates business uncertainty through tariffs, the effects are felt across the globe.

It has had an impact on the international businesses we work with especially, and by extension on our organisation. While many of our closest allies have told us they'll go on in the direction they set out in their strategies, they're likely to be less vocal, and they might scale back investments in their external profile.

Throughout the year it became clear how it impacted us: while we're in a sound financial position, equally it reminded us to look for efficiencies where we can. This will enable us to remain agile and respond swiftly and decisively to external changes and shifting priorities.

In that light, I'm extremely proud of what we achieved over the year. We grew the membership of our corporate initiatives by 42 companies to just over 650, which helps us increase our leverage with governments. We strengthened the impact of our Under2 Coalition governments at key moments in the climate agenda, including at COP29 and at the Bonn Climate Change Conference.

And maybe the best example of what our theory of change can achieve, lies in China. We re-opened our office there several years ago, with a one-person team. We started building out our initiatives: first RE100, then others followed. We increased team capacity and strengthened relationships with key stakeholders in China.

And, after years of hard work, in May this year China's Green Electricity Certificates officially became aligned with RE100's technical criteria. That means that companies can now use China's GECs confidently – knowing that the renewables they buy are having a verifiable, real-world impact.

It's the fruit of eight years of work and two years of working on this specific issue; it's truly shifted markets. And, building on that success, we're now in conversation with the Chinese government as it’s looking to decarbonise its Industrial Development Zones (IDZs) by making them RE100 compliant.

At a time when many of us are struggling with uncertainties, we should take pride -and comfort- in these milestones. In the end, either we have a liveable planet, or we don’t. It’s up to us to protect what we love, and this annual report is our testament to that.

Helen Clarkson

Helen Clarkson OBE
Chief Executive of Climate Group

1. Objectives and activities

About us

Our mission is to drive climate action, fast. Our goal is a world of net zero carbon emissions by 2050, with greater prosperity for all. We do this by forming powerful networks of business and government, unlocking the power of collective action to move whole systems such as energy, transport, heavy industry, and food to a cleaner future. Together, we're helping to shift global markets and policies towards faster reductions in carbon emissions.

What we do

Three factors make us unique:

- **Scale:** We power large networks and hold each organisation accountable.
- **Speed:** We focus on action now—not action tomorrow.
- **Collaboration:** We know who needs to work together to get things done.

How we do it

- **We make it happen:** we convince, challenge and help organisations to make commitments, then turn them into action.
- **We multiply it:** we build and run networks. We join up organisations to unlock the power of collective action that shares the same ambitions and creates influence.
- **We shout about it:** we share what we achieve together to show more organisations what they could do.

We work with leaders and decision-makers from business and government because they shape the market frameworks that can help the world achieve net zero emissions by 2050 or earlier. They have the tools and influence to make it possible in the time we have left.

Our objectives and key initiatives

This year was the first of our current three-year strategy – our four key strategic goals for this period are set out below. Our focus is on changing key systems of the world where we can drive the deepest emissions cuts, using our theory of change.

Drive action through commitment-centred networks

We create membership networks of businesses and governments focused on ambitious climate commitments. We use accountability processes to check our members' progress and understand the barriers that are preventing their ambition from turning into implementation. We bring members together to learn from one another how to go faster, and to collaborate around the removal of specific barriers to action.

Shape political will, policy, regulation and market developments

We use our networks to influence and shape climate strategies in different geographies. We use our own advocacy voice and that of our members to engage policymakers and regulators. We champion subnational climate action as a route to faster global change.

Convince decision-makers to take bolder, faster action

We are driving a narrative of unstoppable momentum on climate action through our communications, our events, our media work, and our public affairs in different geographies.

Achieve Organisational Excellence

Our three programmatic goals are built on our strong foundations of internal collaboration and organisational excellence. As an organisation, we'll be effective, skilled, fact-based and financially responsible, providing true value to our funders and other key stakeholders, ensuring Climate Group is a rewarding, supportive, inclusive, and welcoming workplace. In line with the focus on key systems, we have taken forward the following initiatives.

Initiative	Description
Energy	
RE100	A global initiative of influential businesses committed to 100% renewable electricity, working to massively increase demand for – and delivery of – renewable energy.
EP100	A global initiative of energy-smart companies committed to using energy more productively, to lower greenhouse gas emissions and accelerate a clean economy.
24/7 Carbon-Free Coalition	A coalition of ambitious organisations that are moving towards powering their businesses using 24/7 carbon-free electricity – every hour, every day, sourced from the grids where they operate.
Heavy Industry	
SteelZero	A global initiative, in partnership with ResponsibleSteel, to build a group of leading companies committed to the responsible sourcing and production of net zero steel.
ConcreteZero	A global initiative, in partnership with the World Green Building Council, to build a group of leading companies committed to the sourcing of net zero concrete.
Transport	
EV100	A global initiative of forward-looking companies committed to accelerating the transition to electric vehicles (EVs) and making electric transport the new normal by 2030.
Zero Emission Vehicle (ZEV) Community	Our ZEV Community initiative brings together all levels of governments to share and learn about exciting ZEV initiatives taking place around the world.
Food	
Alliance for Regenerative Ranching in the Peruvian Amazon	Introducing sustainable agriculture and livestock practices to recover and regenerate forests in the Peruvian Amazon and contribute to local economic development. A pilot project involving Under2 Coalition member, Madre de Dios, Peru.
Low carbon food procurement	Scoping project initiated to explore role of sub-national governments in influencing the food system by helping to shift demand, open markets and create tipping points through health and climate-focused food procurement.

Initiative	Description
Governments and Policy	
Under2 Secretariat	Providing executive support for the Under2 Coalition including working with the Co-Chairs to develop strategy, set its ambition, deliver peer to peer learning, manage future programme development, and to drive the public profile of the Coalition through events and communications.
Net Zero Futures Policy Forum	An initiative disseminating today’s best climate policies and developing new policies to ensure full decarbonisation by Under2 governments.
Climate Finance	Funded by Brazil UK PACT, the Mobilising Green Investment in Brazilian states project aims to enhance climate finance capacities and planning across three Brazilian states - Mato Grosso, Pernambuco, and São Paulo. Through establishing a community of practice, the project's lessons will be scaled up to other states across Brazil. The Next Generation Budgets project aims to align public budgeting with climate neutrality goals in 11 European and North American states and regions through technical training and sharing of international best practice. The project is led by Climate Group with the Government of North Rhine Westphalia and funded by Stiftung Mercator.
Summits and events	
Climate Week NYC	Our premier annual international summit in New York and a key moment in the global climate calendar, convening climate leaders from business, government and civil society to showcase amazing climate action and engage on how to do more.
US Leaders' Forum	The US Leaders’ Forum, part of our US Climate Action Summit, unites key leaders in business, politics and advocacy to drive US climate momentum during Earth Week. Our goal for the US Climate Action Summit is to create a participant-led platform that drives measurable outcomes on climate policy and business action, with attendees at the heart of the agenda.
Climate Group Asia Action Summit (CGAAS)	Convening our powerful networks in the fastest growing economic region on earth to ask: how can Asia become the green economic powerhouse of the future?

2. Achievements and performance

Goal 1: Drive action through commitment-centred networks

What we said we'd do
We set out in 2024/25 to drive climate action in systems where governments and leading businesses can have the greatest impact. That means delivering substantial work programmes on energy, transport and heavy industry, and scoping a new body of work in the food system. At the heart of our approach were our corporate commitment campaigns (RE100, EP100, EV100, SteelZero and ConcreteZero) and amplifying the voices of frontrunning businesses to drive national policy-making and wider market design. We engaged these networks to bring a strengthened approach to advocacy in key geographies such as Japan and South Korea - working with our business members locally and in global value chains to address the priorities of each country.

We also planned to develop new programmes of work. In particular, we supported the next generation of renewables leadership in more mature markets through piloting a campaign that will drive 24/7 carbon-free electricity.

What we achieved
We use the power of demand as a fundamental driver of climate action, inspiring businesses to set clear commitments to buy lower and zero carbon products and services. We use the feedback from annual reporting cycles to identify and then address fundamental barriers to the delivery of our members' commitments. Specifically, we use their voice to advocate for policies and regulations that speed up investment in low or zero carbon solutions and encourage suppliers to accelerate their transition.

Growing corporate ambition
This past year, there was an ongoing media debate around a growing unwillingness from some companies to keep their climate commitments, with some companies withdrawing from sustainability initiatives and reducing their public work on climate change. Despite this debate, most notably in the US, we maintained an incredibly engaged membership community across all our corporate commitment campaigns.

> ***Impact highlight***
> *The overall membership of Climate Group's corporate initiatives grew over the year from 612 to 654, highlighting the continued level of business ambition on strategic climate issues, and the growing power of our networks, year-on-year.*

Our members are increasingly focused on the 'how' – what they need to do to reduce emissions and add commercial value to their climate action. Often barriers relate to policy and regulations, but we also focused on the daily challenges of energy and fleet managers and those with responsibility for procurement. For example, with our heavy industry campaigns, we engaged our members on key areas of debate such as the standardisation of accounting for steel and concrete decarbonisation across international forums and institutions.

In April 2025, we released a new briefing paper jointly authored by SteelZero, the Institution of Structural Engineers (IStructE), and the British Constructional Steelwork Association (BCSA), reviewing the limits and opportunities of scrap in global steel decarbonisation. The research highlights the need to maximise the use of scrap steel, while recognising its limits to decarbonise the global industry and meet future steel demand. It also spotlights the need to drive a dual decarbonisation approach that focuses on both scrap-based and new iron-based steelmaking, and it has recommendations for policymakers, designers and specifiers on how to drive global steel decarbonisation.

Impact highlight

The release of the joint paper on the role of scrap in steel decarbonisation, led to SteelZero publishing further guidance for members on communicating to project partners the limited scope and impact of higher scrap-steel specifications. This resource has been used by at least 50% of our SteelZero members in their project and supply chain conversations in the last quarter, sparking dialogues and leading to action that takes a holistic, global view on enabling steel decarbonisation. Additionally, the findings on scrap resource constraints and availability from the joint paper have been referenced in our submissions to the European Commission's consultation on the Industrial Decarbonisation Accelerator Act and the UK Department for Energy Security and Net Zero's technical consultation on low carbon industrial products, calling for the setup of steel classifications that use a scrap-variable decarbonisation scale.

That same month, the ConcreteZero team released its Specification Guidance, showing how the concrete specification process can reduce embodied carbon in construction. The guidance is a practical resource for anyone involved in specifying concrete, from developers and engineers to contractors and suppliers. It includes best practices and real-world case studies, as well as clear steps to successfully use lower carbon concrete and drive industry-wide collaboration.
Alongside the development of existing programmes, this year we've piloted a new initiative– the 24/7 Carbon-Free Coalition. It builds on RE100's -success and is designed as the next frontier in electricity procurement. 24/7 carbon-free electricity drives innovation through a broad set of technologies – including increasing renewables, improving battery storage, and using flexible and dispatchable tech to fill gaps when more intermittent carbon-free sources aren't available.
Working with a group of Founding Partners and expert organisations, we published world-leading technical criteria that partner companies observe when procuring carbon-free electricity and defining their progress towards their 24/7 CFE targets. The technical criteria can also be used by any company that wants to procure time- and location-matched CFE and make a credible claim to its use. From May to September 2025, the technical criteria has been viewed over 230 times worldwide and is already referenced in the draft update to SBTi's Corporate Net Zero Standards.

Adapting to market context

Our companies have a global footprint. Last year it became increasingly clear that we need to adapt our campaigns to key issues faced by business and government in our priority geographies.

In the transport sector, we recognised the critical role of policy frameworks in driving the sales of electric vehicles - in 2023, 99% of global zero-emission vehicles were sold in markets with strong EV policies. Over the past year, we made sure that a constructive business voice was heard by policymakers in Europe and the US at key moments by facilitating meetings with political decision-makers, organising events, and delivering high impact calls to action, for example informing decisions on CO_2 standards for trucks, cars and vans in the EU.

Meanwhile, we recognised that the EV100 commitment needed to be revised to reflect market realities in different countries, in particular in geographies with a slower EV uptake. As part of a suite of changes, we updated the EV100 campaign commitment to acknowledge different speeds of transport electrification in different markets, while retaining the overall ambition. Also, companies at the early stage of their EV journey can now join a new, pre-commitment tier of the campaign: the EV100 Pledge Network (EVPN). We have also merged our EV100 (light duty) and EV100+ (medium and heavy duty) networks to provide a combined voice for policy and market shifts in target geographies.

> ***Impact highlight***
> *Our relaunch of EV100 means that companies that are early in their EV journey can also join this community of leaders and learners. This will grow our network of corporate voices across an increased number of markets, speeding up urgently needed policy changes across multiple markets.*

The political environment for climate action is also changing at the global or multilateral level. On the back of COP28 in Dubai in late 2023, which included the pledge to triple renewables and double the rate of energy efficiency, this year we refined our approach in the energy system. We brought together our initiatives on renewable electricity (RE100) and energy efficiency (EP100), supporting a joint narrative in line with the COP28 ambition.

Reshaping market frameworks
At the Climate Group Asia Action Summit in May 2025, we were proud to announce a new partnership with the China Renewable Energy Engineering Institute (CREEI). It reflected our collaboration over the last two years to align China's Green Electricity Certificates (GEC) system with the technical requirements of RE100.

> ***Impact highlight***
> *The alignment of RE100 with China's GEC system means that Chinese and globally headquartered RE100 companies can more easily prove what renewables they are buying, and report on their progress towards their 100% renewable electricity goals. The changes also ensure that renewables use by large manufacturers in China reverberates throughout global supply chains.*

Over the last year, SteelZero and ConcreteZero have continued to test and innovate the reporting frameworks that were first piloted in 2023/24. These frameworks not only enable members to monitor and benchmark their emissions, but also influence the supply chain, driving industry-wide transparency and best practices in emissions reporting. This year, the ConcreteZero commitment was updated to reflect this experience since its launch in 2022. We're exploring how this model can be aligned with the requirements of specific countries, including through a research project in Singapore.

Next year we will

- Grow the membership of our transport system in target geographies, including members of our EV100 Pledge Community in Latin America and Africa.
- Launch the Smart Energy Coalition to build on our work with EP100 and focus on the opportunities from advancing action on energy efficiency.

- Publish the first impact reports for SteelZero and ConcreteZero highlighting our role in market creation and transition for lower emission materials, as well as defining what accountability of embodied carbon data looks like.
- Develop our work in China to secure an RE100 Ready approach to renewables procurement for Industrial Development Zones.
- Launch the AutoCAST (Automotive Clean Accelerated Steel Transition) program to enable the use of low-emission steel in manufacturing of the auto sector.
- Work with subnational governments in the Under2 Coalition (and companies in their jurisdictions) to improve their own food procurement and food policies, including the role of protein diversification to create climate, health and economic benefits.

Goal 2: Shape political will, policy, regulation and market developments

What we said we'd do

We set out in 2024-2025 to deepen subnational engagement in international climate processes in the run up to COP30, through strengthening multi-level action and cooperation across differing levels of government. We also intended to develop new work on climate finance, aimed at supporting states and regions to access and manage climate funds. And finally, we had the ambition to deliver a new body of work on addressing methane emissions, recognising that decarbonisation alone is insufficient to keep global temperature rises to less than 1.5°C.

What we achieved

Strengthening subnational engagement

COP29 coincided with the announcement of a new Trump presidency, signalling renewed uncertainty around US federal climate leadership. In response, we launched a press release emphasising that subnational governments must step up as climate leaders. For them, the challenge—and the opportunity—is clear: it's game on. At COP29 in Baku, the Government of California addressed the plenary on behalf of the Local Governments and Municipal Authorities constituency, highlighting the vital role of subnational action in driving the transition to net zero.

No one group of stakeholders can bring about the change needed without multilevel action. Cities, states and regions, and national governments all have a critical role to play to reinforce climate action and ensure effective climate governance.

Our work on ensuring subnational engagement in the NDCs, such as the UK and Brazil NDCs, led to high profile media moments with coverage in: The New York Times, AFP, Euronews, PA Media (syndicated by The Independent, The Scotsman and The Ecologist), IANS, Channel News Asia, Climate Home News, and The Energy Gang podcast among others.

Later in the year, seven Under2 Coalition governments were highlighted in the UN's Earth Day 'Local Leaders' series, amplifying the vital role of subnational governments in emissions reduction.

At the Bonn Intersessionals, the key climate meetings ahead of COP30, the Under2 Coalition was invited by UNFCCC to host a roundtable on strengthening the role of subnational governments in the international climate process. We amplified the leadership of states and regions through the week: the Honourable Commissioner Aisha Barde from Taraba State, Nigeria, was the only subnational government invited to speak at the COP30 Presidency's Action Agenda launch. The government of Minas Gerais, Brazil, also took the floor at the Global Stocktake and NDC event. Both governments soft launched our new project on Subnational Transition Plans, which calls for multilevel cooperation in setting and meeting the NDCs.

And finally, during London Climate Action Week, we held a high-level roundtable in partnership with Instituto Climate Sociedade (ICS). This was part of a major global series of subnational roundtables, bringing Governors and Ministers together with key climate stakeholders to have forward-looking discussions on pragmatic, scalable approaches to mitigation, and how state and regional leadership can accelerate ambition and implementation on the path to COP30.

In 2025, the 10th anniversary year for the Under2 Coalition, we focused on amplifying the voices of each of the regions. So far, this has included the Global Ministerial at Climate Week NYC 2024 , the Asia ministerial at the Climate Group Asia Action Summit, and the European

Ministerial at Brussels. Further ministerials are set to take place in Africa and the Americas in the second half of 2025.

Impact highlight

South African provincial governments directly informed the Presidential Climate Commission's recommendations for South Africa's Next NDC through an Under2 Coalition hosted stakeholder dialogue, ensuring it reflects the realities, strengths and challenges of subnational governments.

Expanding access to climate finance

There are several ways in which we supported subnational governments to increase their expertise on climate finance, while also showcasing the innovation already happening in this level of government across carbon pricing, procurement, green budgeting, and developing bankable projects.

Carbon pricing instruments

Subnational governments, particularly those with devolved financial powers, are a critical partner in raising climate finance. 44% of all global carbon pricing instruments are implemented at the subnational level. But this alone cannot meet the funding gap. 32 Under2 Coalition governments - including 20 state and regional governments and all 12 Moroccan regions – endorsed the need for internationally coordinated solidarity levies, aligned with the work of the Global Solidarity Levy Taskforce (GSLTF).

We released a statement at the Fourth Financing for Development Summit, demonstrating that some Under2 Coalition members are already contributing to closing the international climate finance gap through domestic mechanisms - for example Quebec and Scotland. Our statement also called for improved access to finance, especially for regions unable to raise domestic climate revenue through levies. Subsequently, we have been asked to join the GSLTF as an official partner, and scope how subnational governments can participate in this important initiative.

Subnational food procurement related work

Subnational governments can reshape market behaviours through their purchasing power, supporting the shift to a more sustainable food system. Through our partnership with the Laudes Foundation, we produced two research reports that not only identify best practices and challenges in sustainable public food procurement but also outline practical solutions. These reports go further - showing how downstream food companies can be activated to accelerate decarbonisation across the food sector.

These findings were reinforced during Climate Week NYC, through a session on the 'Power of Policy: Putting sustainable food on the public plate'. The panel brought together representatives from Wales, Québec, Minas Gerais and New York State, as well as the food service companies Sysco and Sodexo for a discussion on how subnational governments can work with the private sector to make their public food procurement more sustainable.

As we move into next year, we're working to secure funding to deepen this workstream to support governments to implement new purchasing frameworks.

Developing a pipeline of bankable projects
Our UK PACT funded Brazil project, mobilising green investment in Brazilian states, has made solid progress over this first year of delivery. We have worked in depth with three Brazilian states (Mato Grosso, Pernambuco and São Paulo) to enhance their climate finance and planning capacities.

This has included setting up inter-sectoral climate finance taskforces and developing a pipeline of bankable projects. Initial ideas focused on a large-scale coastal adaptation project in Pernambuco; sustainable agriculture in the Pantanal biome in Mato Grosso; and flood defence measures in São Paulo. We've also established a wider community of practice bringing together 10 Brazilian states, with the aim of replicating project processes and outcomes to other Under2 Coalition member states.

Impact highlight

Green budgeting is an important tool to ensure a cross-sectoral and cross-government approach to climate action. 11 states and regions participated in the Next Generation Budgets initiative and developed their green budgeting plans for 2025. These governments have a combined budget of $428.1 billion, illustrating tremendous greening potential of their overall budgets. As a result of this work, Hawai'i has included green budgeting in the Department of Transport's Draft Energy Security & Waste Reduction Plan. Catalonia is improving its green budget tagging methodology to track expenditures that are not aligned with its emissions reduction goals.

Establishing new work on methane emissions reduction

This year, we made substantial progress on one of our goals to develop new work on reducing methane emissions. In March 2025, we secured a two-year grant of US $1m dollar from the Global Methane Hub to coordinate the Subnational Methane Action Coalition.

This is a significant initiative at a critical time – there's no scenario of staying within the 1.5°C temperature limit without reducing global methane emissions by at least 30% by 2030 in the energy, agriculture and waste sectors. The role of subnational governments is vital in this. We will grow this community of leaders through best practices on identifying and reducing methane emissions, and support Coalition members to develop and advance their methane action plans.

During Climate Week NYC, we also co-hosted a high-level Subnational Climate Action Leaders' Exchange (SCALE) dialogue, which aimed to empower subnational leaders in advancing climate action aligned with the 1.5°C target. The dialogue brought together governors, mayors, national government representatives, and stakeholders from civil society, the private sector, academia, and philanthropy to strengthen multilevel climate collaboration.

Supporting governments from emerging economies – the role of the Future Fund

The role of developing and emerging regions is fundamental to accelerating climate action. Due to a lack of resources these regions traditionally struggle to join international climate processes. The Future Fund is working to change that. It's a powerful source of climate funding from contributing governments and corporate foundations to support climate action in developing and emerging economy regions. It directly funds capacity-building projects, peer learning and secondments, and access to global climate events and forums in regional languages.

Impact highlight

The Future Fund supported the State of Acre, Brazil, in developing an online platform to monitor the impacts of extreme weather events - particularly floods - on vulnerable populations. Flooding is the most severe climate change impact in the region, with a March 2024 event affecting over 120,000 people and triggering emergency declarations in 19 of 22 municipalities.

The platform enables real-time data collection and analysis to support more effective, evidence-based decision-making. It will be continuously updated to enhance the state's climate resilience and emergency response capacity.

Next year we will

- Amplify the leadership and reinforce the importance of states and regions in the NDC development and implementation process through our subnational transition plan initiative. Key opportunities include the UN NDC Summit and COP30.
- Lead the Global States and Regions Summit, which will form part of the Local Leaders Forum (supported by Bloomberg Philanthropies and the COP30 Presidency) at COP30. This will bring together national, regional and global networks working with states and regions into a high-level summit focused on implementation.
- Further strengthen the Subnational Methane Action Coalition by growing the coalition and supporting members to drive down their methane emissions.
- Expand and deepen our work on climate finance, aimed at mobilising and incentivising investment for climate action; supporting states and regions to access climate finance and manage green budgets; and supporting multi-level action to speed up the transition.
- We will establish the Under2 Project Advisory Group throughout 2025/26 through which we'll track subnational government's needs, knowledge gaps and solutions on adaptation and resilience. This will be informed also by ongoing partnership review with Regions4.
- Grow the Future Fund to better support more governments in emerging economies to have a greater influence in key international climate processes.

Goal 3: Convince decision-makers to take bolder, faster action

Last year we said

- We'd deliver a crosscutting, activist annual campaign to spur hesitant governments and corporates into action.
- Build integrated, sector-leading (digital) strategic influencing campaigns targeting the relevant decision makers and policies in both international spheres and targeted geographies in line with Strategy, Systems and Governments & Policy priorities.
- Strengthen our presence in media and other platforms to drive relevant debates forward.

What we achieved

We started this year with the aim to strengthen Climate Group's position at the forefront of relevant debates, in support of the growth of our networks and our influence.

That led to a comms and marketing strategy which focuses on campaigning with a clear narrative to support our membership growth and engagement, our influence on policy decisions, finding our way into media, and strengthening our relationships with external influentials.

Secondly, we're positioning Climate Group and its leaders as experts with key audiences of decision-makers, against a backdrop of geopolitical shifts. We did that by strengthening our existing flagship events such as Climate Week NYC, the Climate Group Asia Action Summit, and the US Leaders' Forum, the Under2 Coalition visibility at COP, and by driving events for specific systems.

Climate Week NYC

Climate Week NYC 2024 was the biggest yet, bringing together climate leaders from across the globe to drive progress. We facilitated 900+ event across the city of New York, with well over 100 journalists at the event, and close to 1 billion impressions of the hashtag #climateweeknyc. Our video viewership increased by 130% and our engagement rate rose by 136%, meaning we reached more people who found our content more interesting.

To keep pushing for real-world action, we launched our Global To-Do List in a high production-value video during the Opening Ceremony: seven clear actions which governments and businesses can take immediately and that will drive change within a year. On the back of Climate Week NYC, we used the asks and the video to campaign for change.

> ***Impact***
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> *Climate Week NYC had more than 100,000 people joining to speed up climate action. The Opening Ceremony and The Hub Live alone drew 4,476 people from 88 countries, with an increased number of C-suites, governments, media and members – including Heads of State and others at the highest level of business and government. It increased our visibility, our network and by extension our ability to drive change.*

At the beginning of 2025 we evolved our focus due to geopolitical shifts. We showed flexibility by changing our narrative to reflect that Climate Group is a trusted partner for companies and governments in a fast-changing world. We focused on what unites us all: the need for cheap energy on well-functioning grids, a healthy environment, innovative job markets, and insurable homes and companies.

To mitigate the possible impact on Climate Week NYC 2025, in the Spring of 2025 we launched a targeted campaign to update hundreds of our closest contacts about the event. To ensure we have the right level of decision makers at the event, we launched our campaign in the run up to Climate Week NYC 2025 under the banner Power On.

Other events

The US Climate Acton Summit in April saw its largest **US Leaders' Forum** to date, with 275 attendees. Over 40% of them came from companies, including 49 of our corporate members. It demonstrated the energy and demand to come together. To emphasise the high level of speakers and amplify their voices, the marketing team oversaw the production and dissemination of two dozen partner interviews and strong pre-event videos.

With the **Climate Group Asia Action Summit** (May), we delivered a high-impact one-day summit with strong feedback from attendees and sponsors. We positioned the event to highlight Asia's climate leadership and its economic opportunities, and secured a very senior audience, with comms amplifying their regional leadership. To position ourselves for sponsors and audiences for next year, we launched social ads in Japan, South Korea, India, and Singapore.

Impact

The invite-only Climate Group Asia Action Summit had 328 attendees from 24 countries, that shared in-depth insights around IDZ's in China, the impact of Carbon Border Adjustment Mechanisms, and the role of India in the transition, among many other issues. One of the highlights was the official moment China's Green Energy Certificates (GECs) aligned with international (RE100) standards, which was picked up by media,

Our experts take centre stage

One of our aims is to strengthen the authority of our experts in media and international debates, with a focus on our CEO. Their external position is vital for our convening power and ability to push for change. Through a targeted strategy which especially paid off in the second half of the year, we landed our CEO major media moments (Reuters, AP, WSJ, The Energy Gang, Outrage+Optimism). We also strengthened her profile through high-level panels with the FT, the IEA Summit in Brussels, London Climate Action Week, and Newsweek.

Our Executive Director of Governments and Policy was interviewed by The Energy Gang as well, at COP30, and was quoted by AP, strengthening our position across media. Our energy experts were regularly leading the debate around renewables, especially in South Korea.

Work with our membership

Comms and Marketing developed a new campaign to raise corporate awareness of the benefits of **24/7 carbon-free electricity** and recruit them into the pilot. A key moment was the development of messaging, branding and assets for the launch at Climate Week NYC.

Our **Energy** comms team worked hard on building a wider coalition of external experts, to drive the unleashing of renewables forward. They released a 'Time To Triple' report in the run up to COP29, with seven prominent experts building a case for renewables.

Later in the year, the Energy comms team focused on a variety of markets. We engaged with media around the alignment of Chinese Green Electricity Certificates with RE100 criteria. And when the new president of South Korea was sworn in, mentioning RE100 in his inaugural speech, the RE100 team sent him a letter with our policy asks. It went to media as well and was picked up on national TV. This positioned RE100 in the heart of the critical renewables debate.

In the second half of the year, most of the **Transport** comms focused on the repositioning of our EV100 initiative. To help grow the initiative, and with that our influence and impact, comms led on the external messaging.

> ***Impact***
>
> *To fight regression, the comms team for Transport adopted a vigorous campaigning-attitude, especially in Europe and the UK. It immediately jumped into action when carmakers started questioning the UK ZEV Mandate. Some of the members of our EV100 initiative publicly endorsed the mandate, which was picked up by media across the UK, making EV100 and its members key players in the debate.*

Our **Heavy Industry** comms team was able to lift the work and impact of our SteelZero and ConcreteZero initiatives, including in relatively new markets (Germany and Europe). Around Climate Week NYC it highlighted that companies are willing to pay extra for low carbon steel. That led to 35+ media pieces, countering the narrative that low carbon steel is too expensive.

Under2 Coalition

Throughout the year, we highlighted the work of the Under2 Coalition and its Governments, to grow the recognition for their critical work on climate change, push their ambition, and work towards a more established role of subnational governments in international climate discussions.

At COP29 in Baku, we highlighted their work through video interviews, and coordinated their media appearances, focusing on their role in climate action. In the second half of the year, we used the coalition's 10-year anniversary to highlight their influence. We also took on the comms and marketing around the Subnational Methane Action Coalition, further strengthening its leading role on tackling methane emissions.

Marketing

Besides working on our branding, positioning us as thought leaders and reaching the right level of decision makers around events, our marketing team got our work and impacts in front of the right (and new) audiences, keeping Climate Group and its work front of mind. Key to this was the launch of the Member hubs in August, sections of our website that are only accessible for our members, where we keep them informed and engaged. And to spotlight our experts externally, we created a space for their thought leadership on our site.

On socials, we started moving away from X, ignited our work on BlueSky and fully transitioned to LinkedIn to reach a more senior, B2B audience in specific regions. We increased our LinkedIn audience by 15,000, extending our online reach and influence, with an engagement well above the sector's average. Our Newsletter on LinkedIn gained tens of thousands of followers in just a few weeks.

We also launched a new video identity, to give our video work, which is becoming increasingly important, a more recognisable, well-branded look and feel.

India

Top-tier news media amplified our thought leadership in India, through which we reached out to thousands with news about our programmes and expert insights. The publications include Hindustan Times, CNBC TV18, Outlook and Press Trust of India.

We also built up our social media presence in the region with 120,000+ impressions through 37 posts on LinkedIn. Most number of people following our LinkedIn page are from the country.

Next year we will

- Strengthen our campaigning capacity, in coordination with our members and governments, to support the growth of our membership, highlight achievements and speed up the change we want to see.
- Strengthen the membership proposition through marketing.
- Support the increasing impact of the Under2 Coalition and our policy work.
- Further grow our media network, and our network of influential climate leaders.
- Further strengthen the visibility, impact and income of our events.

Goal 4: Achieving organisational excellence

What we said we'd do

We set out to continue to build on our targeted use of AI tools to improve productivity and organisational excellence. We also aimed to continue to strengthen our staff's climate knowledge and management skills, while focusing on inclusivity and diversity.

What we achieved

This year we significantly strengthened our Learning and Development (L&D) offering. This was appreciated by our staff (eight percentage point improvement in the L&D score in the staff survey). We curated and delivered a rich internal learning programme covering technical and behavioural skills, including line management trainings, plus tailored development for Manager level roles and targeted public speaking training.

We strengthened line manager capability through trainings on coaching and managing difficult conversations as well as dedicated sessions on delegation and giving and receiving feedback effectively. We continued providing line manager surgeries as well as one-to-one coaching.

We expanded our online learning offer by introducing new learning platforms - focusing on technical learning. We further built staff climate knowledge through a series of "Meet & Learn" sessions, including deep dives on our new strategy, Carbon Border Adjustment Mechanism (CBAM), 24/7 carbon-free energy, subnational vocabulary, Renovation Revolution, Brazil UK PACT project, and election specials on South Africa and France.

We continued to embed EDI across our people practices, leadership development, and events. To strengthen fairness in recruitment we took actions to attract a more diverse pool of candidates and improve hiring outcomes.

Our Knowledge Club and Inclusiveness training focused on bias awareness, intercultural teaming and allyship. We promoted resources to inspire understanding and conversation and held events in our locations to celebrate the breadth of our cultural heritage. These learning opportunities were supported by reverse mentoring and a programme of mental health and wellbeing activities.

These efforts reflect our commitment to creating a workplace where everyone can thrive and ensuring our external impact aligns with our values

Our supporters

We are deeply grateful to our philanthropic, government and corporate partners whose commitment and generosity have made our work possible. Their support empowers Climate Group to accelerate climate action across the global economy - driving corporate leadership, influencing policy, and fostering collaboration that turns ambition into tangible impact. Together, we are building the momentum needed for a net zero, resilient future.

Our philanthropic supporters included:

Bentley Environmental Foundation, Bloomberg Philanthropies, C40 Cities Climate Leadership Group, Climate Imperative Foundation, ClimateWorks Foundation, European Climate Foundation, Forum for the Future, Global Methane Hub, Google, International Sustainable Energy Foundation, John D. and Catherine T. MacArthur Foundation, Laudes Foundation, Pooled-Fund on International Energy, Rockefeller Philanthropy Advisors, Shakti Sustainable Energy Foundation, Stiftung Mercator, Stichting SED, Tara Climate Foundation, Tiina and Antti Herlin Foundation, Tilt Collective, We Mean Business Coalition and its philanthropic partners, William and Flora Hewlett Foundation, as well as a number of private individual donors.

Our government supporters included:

The Government of Baden-Wurttemberg

The Government of Navarra

The Government of Quebec

The Government of Scotland

UK PACT (Partnering for Accelerated Climate Transitions)

Next year

- We will continue to give focus to compliance with the regulatory environment in which we and our international entities operate, monitoring changes to regulatory requirements and/or charity sector guidance.
- We have started a full review of all our system platforms from CRM to Web hosting to ensure that we are taking advantage of new technologies and that all our systems are cost effective.
- We will continue to support our people both in terms of their development and by providing our people with the right tools and guidance to be able to do their work effectively.
- We will continue to evolve our membership and event offering to maximise our impact and ensure financial stability.

3. Financial review

The Statement of Financial Activities (page 37) and accompanying notes present our full financial results for the year. Financial information in this report relates both to the UK charity (shown as "Charity" in the accounts) and to the consolidated position of the UK, US, Netherlands, and India entities (shown as "Group"). Figures in this section reflect the consolidated Group results.

In the 2024/25 financial year, we reported a deficit of £0.8m, including £0.4m of foreign exchange losses. The result also reflects ongoing deficits linked to our investments in developing operations in China and the Netherlands, as well as depreciation on our UK premises, funded by a designated reserve. Consequently, unrestricted reserves were reduced to £1.1m, which is below the Trustees' target range of two to three months expenditure; however, we are actively working to return to the target reserves range over the coming financial years.

Income

Total income for the year was £16.8m (2023/24: £15.1m), and at 30 June 2025 we held £6.5m of deferred income (2023/24: £6.2m).

Income generation remained resilient, with year-on-year growth of 11%. The primary sources of income were:

- **Government and foundation grant funding:** £6.5m (2023/24: £6.0m). We navigated a challenging year in climate philanthropy, as new donors entered the field and collaborative funding platforms reshaped the landscape. These shifts, combined with the U.S. pullback on development funding, slowed some decisions and created uncertainty in the market. Even so, we achieved an 8% increase of our diversified income base on the previous year. We also strengthened our long-term growth prospects by launching a new programme to expand philanthropic partnerships and deepen engagement in Asia — focusing on driving impact and building new streams of support.
- **Sponsorship income:** £4.3m (2023/24: £4.2m). Climate Week NYC achieved strong revenue growth, while lower revenues for our smaller events moderated overall portfolio growth to 3%.
- **Membership and partnership income:** £5.7m (2023/24: £4.7m), reflecting 20% income growth, driven by the 24/7 Carbon Free Energy project and continued growth across our membership campaigns. As a more predictable income source, membership income provides confidence in our ability to progress critical work and mitigates volatility in other income streams.

We continued to expand our network of funding partners and collaborators to develop new projects that build on the success of existing programmes and support strategic growth into new areas. We have improved our innovation capacity and processes, resulting in accelerated development of new products and programmes, and the improvement of fundraising systems and structures. During the year, we continued to advance work in the food system through pilot grants exploring how corporates and subnational governments can leverage procurement to drive positive change. This has led to significant new relationships with funders that are expected to convert to new projects in 2025/26. We continued to build on the funding portfolio of regional grants in the Netherlands and China and deepened our work in climate finance.

Our Corporate Partnerships work is expanding rapidly, and this year has focused significantly on our Energy pillar. This includes leading our partnership with Google, developing our new 24/7

Carbon-Free Coalition and recruiting selected companies to join. We also worked on the development of an innovative new programme model with supply-side companies, a first for Climate Group, which interfaces with our 24/7 Coalition. We have run an Energy Transition programme in the US with Deloitte, collaborated with Signify around the importance of Energy Efficiency, and secured our first 1:1 partnership in the APAC region with CapitaLand, focused on low-carbon concrete.

Expenditure

During the year, total expenditure was £17.6m (2023/24: £15.3m). Expenditure increased in line with growth in project and event delivery income and further investment in staffing capacity.

Staff costs rose by 10% to £10.2m, reflecting performance-related pay adjustments and limited additional headcount to deliver project work. The overall result included £0.4m of adverse foreign exchange movements, of which £0.3m were unrealised, primarily resulting from the year-end revaluation of net assets held in US Dollars.

Expenditure also included collaborative subgrants to partner organisations, including Institute For Essential Service Reform, I4CE – Institute for Climate Economics, Expertise France, Society For Technology And Action For Rural Advancement, Korea Sustainability Investing Forum and Responsible Steel. These subgrants align with our charitable objectives and support the delivery of our programmes.

Financial position at year-end

Total funds as at 30 June 2025 were £1.1m (2023/24: £1.9m). The decrease in unrestricted reserves of £0.8m reflects the deficit for the year.

Across our global offices:

- **North America** achieved 5% income growth and continued to develop a project portfolio supporting both local and global goals, reducing dependence on global membership and events income. New work included initiatives linking climate and public health, grants enabling US states to access Inflation Reduction Act financing, and programmes expanding climate leadership among Latino stakeholders.
- **India** delivered strong growth, with income increasing by 22% year-on-year, supported primarily by restricted grants funding core local initiatives. While international philanthropy remains the main funding source, regulatory oversight continued to tighten following the 2024 Indian election. Portfolio growth was particularly strong in promoting zero-emission vehicles and industrial decarbonisation campaigns, with emerging areas of work including corporate action on food. We are expanding domestic membership contributions and engaging with Indian donor advisory networks and high-net-worth individuals.
- **Europe (Netherlands)** delivered 53% income growth through a mix of global programme delivery and locally sourced project work. The Netherlands office leads our food systems strategy, with new opportunities to expand this work. The office will also play a key role in deepening our work on climate finance for states and regions.
- **China** recorded 30% income growth (excluding pass-through grant expenses) as the team continued to build a portfolio aligned with our regional goals. Current grant funding focuses on industrial system decarbonisation. Future growth is expected to centre on

corporate access to renewable energy, supported by philanthropic and corporate partnerships.

Reserves policy

Climate Group's objective is to maintain unrestricted reserves at a level that enable the charity to withstand short-term financial risks and safeguard its long-term viability.

In previous years, building reserves beyond the upper target range allowed us to invest in developing our operations in China and the Netherlands—investments that were essential to delivering our strategy. The impact of these investments on recent results, combined with a challenging external environment for income generation and foreign exchange losses arising from the weakening US Dollar during the period, has led the Trustees to review our target reserves range.

The Trustees take confidence from the strength of the balance sheet, which continues to demonstrate strong liquidity, with high levels of cash relative to unrestricted reserves. This position largely reflects deferred income within our portfolio, which includes annual membership fees and grant-funded projects, where cash is typically received in advance of delivery.

Given this position, the Trustees consider that adjusting the target range for unrestricted reserves to two to three months of unrestricted expenditure strikes an appropriate balance between investing in strategic delivery and maintaining sufficient liquidity to withstand potential income shocks.

Although we ended the year below the lower end of the revised target range, our short-term cash reserves of £5.4m at year end (30 June 2024: £5m) were sufficient to cover 3.7 months of average total monthly expenditure. The Trustees remain confident in the strength of the balance sheet, which continues to show a robust cash position alongside deferred income relating to ongoing membership programmes and project delivery.

As at 30 June 2025, unrestricted reserves totalled £1.1m (30 June 2024: £1.9m), representing approximately 1.3 months of unrestricted expenditure. The Trustees anticipate returning to the revised target range and rebuilding reserves through the consistent delivery of appropriate surpluses in future financial years.

Going concern

Climate Group's strategic planning, annual budgeting, and ongoing financial performance review processes include detailed analysis of variances, alongside regular forecasts of income, expenditure, and cash flows. These processes consider the current economic climate, its potential impact on income streams, and planned expenditure.

Funders – particularly foundations and corporates – continue to demonstrate strong support for our sector. While we do not anticipate any material risk to income in the year to 30 June 2026, we remain alert to external developments and ready to implement mitigating actions as required.

Overall, given our level of reserves, absence of debt, strong cash flows, and robust relationships with partners, donors, and funders, the Trustees consider that Climate Group is well positioned to manage the business risks it faces.

The Trustees have a reasonable expectation that the charity has adequate resources to continue operating for the foreseeable future and are satisfied that there are no material uncertainties that cast doubt on Climate Group's ability to continue as a going concern.

Managing principal risks and uncertainties

The Trustees are responsible for ensuring that major risks facing Climate Group are appropriately managed and that there are effective and adequate risk management and internal control systems in place to manage strategic and operational risks. Our risk management processes outline the approach we use to identify and manage risks. Identified major risks are regularly reviewed and their potential impact assessed. Strategies and controls to manage each risk appropriately are in place, with some subject to continuing improvement to mitigate any residual level of risk where this is inevitable. The risk register, including reports from quarterly reviews, are reviewed by the Executive Management Team and Finance and Audit Committee. The Board of Trustees annually reviews the risk register, with a further mid-year review following Committee review.

The principal risks identified are:

Geopolitical environment

The geopolitical environment continues to pose increased risk to our income portfolio. Funders and regional partners are being more cautious and processes to secure funding are taking take longer than previously, while some funders review their strategies. However, we have a strong track record in project delivery, and our philanthropic income is now entering a growth phase. Corporate partnerships, which we expected to be one of our growth areas, have not developed as quickly as anticipated, but we are optimistic we can continue to build on our strong reputation in this space.

Income imbalance and vulnerability

Our event portfolio has grown in size, complexity and as a proportion of our income as we work to increase our impact. As a result, the potential revenue impact from reputational, delivery or force majeure risks is increasing. We continue to work to drive new sponsorship opportunities and are now looking at new funding models. We are committed to expanding our event portfolio and the impact they drive but will proceed with caution given geopolitical headwinds?

Campaign relevance and financial stability

We are actively working to ensure that our membership campaigns evolve in line with the latest climate knowledge and member needs which is critical in the current economic environment. This is a significant challenge as our campaigns are at different levels of maturity in different geographies. We rolled out a new transport membership offer this year and continue to work to ensure we are providing value to our members and maximising impact through all our campaigns.

4. Structure, governance and management

Structure

The Climate Change Organisation, which is known as and trades as Climate Group, is a company limited by guarantee registered in England and Wales under company number 4964424 and charity number 1102909. It was incorporated in November 2003 and gained charitable status in March 2004. Climate Group's statutory objects and powers are established in a Memorandum of Association, and the company is governed under its Articles of Association.

Climate Group is also represented by legal entities in the US, India and the Netherlands, with a Representative Office in China. These legal entities work closely with the UK charity, with local board positions for members of our Board of Trustees and Executive Management Team strengthening international relationships. Our head office's relationship with the regional offices is underpinned by legal agreements, which cover co-ordination of work programmes and licensing of the name and trademarks to the regional representatives.

Board of Trustees

The members of the Board of Trustees are Directors for the purpose of company law and Trustees for the purpose of charity law. Members of the Board who served during the period and up to the date of this Report are set out below.

The Climate Group Board of Trustee (Board) currently comprises eight unpaid Trustees, who are also the Directors of the company limited by guarantee. The Memorandum and Articles of Association provide that Trustees may be elected to serve for three years and can be re-elected for a second term. After six years, Trustees must take a minimum 12 months' break before being eligible for re-appointment. Trustees meet quarterly, with additional meetings if required, and delegate the day-to-day operations of the organisation to the Executive Management Team headed by the Chief Executive. All Trustees give of their time freely and no remuneration was paid in the year.

The present and past Trustees who served during the year, and to the date of signing this report, are listed below. Trustees who form part of sub-committees and/or working groups are indicated as follows, Finance and Audit Committee (F&A), Global Nominations and Governance Committee (GN&G), Remunerations Committee (R) and Climate Week NYC Board Steering Group (BSG).

Zoë J. Ashcroft	Deputy Chair of the Board; GN&G
Andrew Clark	Trustee; Chair: F&A; R (all until January 2025)
Emma Cox	Trustee (from 6 January 2026)
James Hall-Smith	Trustee; F&A
Mayumi Omi	Trustee
Joanne Parker	Trustee; BSG (until October 2025)
Michael Rann	Chair of the Board; GN&G; R
Gov. Bill Ritter, Jnr.	Trustee; GN&G (until December 2025)
Jonathan Williams	Trustee; F&A
Rachel Andrews	Trustee; Chair: F&A (F&A Chair from January 2025)
Lutamyo Mtawali	Trustee; F&A

Trustee recruitment and induction

The Trustees look for a range of skills for representation on the Board when recruiting and appointing new Trustees, including familiarity with the ways that leading businesses and governments should respond to climate change. Our current Board includes members with finance, communications, business, government and legal expertise.

The induction of new Trustees is tailored to the skills, knowledge and expertise of each individual. Our Chair and Chief Executive brief new Trustees on recent progress, future plans, legal structure and finances, as well as Trustees' obligations in their role. Trustees also meet with members of the Executive Management Team to fully understand Climate Group's programmes, and the systems and processes which support them. Wherever possible we also encourage prospective Trustees to observe one or two Trustee Board meetings to familiarise themselves with our work before formal election.

Board committees

The Board is supported by committees and steering and working groups. The **Finance and Audit Committee**, which meets quarterly, and more frequently if required, has oversight of our finances, budgeting and fundraising performance, considers our risk management plan, reviews and recommends remuneration strategies and policies and meets with and obtains reports from the organisation's auditors.

The **Remuneration Committee**, made up by the Board and Finance and Audit Committee Chairs, is tasked on behalf of the Board with ensuring fair and proportionate remuneration for C-suite employees (currently the CEO and COO).

The **Global Nominations and Governance Committee** is comprised of board members from both our UK and North American boards (from December 2025, the Committee is comprised of board members from our UK board only), and meets as required to review the structure, size and composition (including the skills, knowledge, experience and diversity), and give full consideration to succession planning, of each of Climate Group's boards and any advisory groups, and to consider specific organisational governance requirements.

Executive Management Team and Scheme of Delegation

The Trustees have set out a scheme of delegation. While retaining overall responsibility for Climate Group, ensuring it is solvent and well run, its assets are safeguarded, it complies with relevant laws and regulations and it delivers its charitable objects, the Trustees delegate some matters to the Chief Executive and thereon to the Executive Management Team, member details of which can be found below.

The key matters delegated by the Trustees to the Chief Executive are the formulation and proposing of the organisation's strategic plans, annual budget and policy approaches; the implementation of the strategy; the day-to-day management and operationalisation of all work and programmes; and the implementation of decisions of the Board. The scheme of delegation is reviewed periodically.

Helen Clarkson OBE	Chief Executive (CEO)
Chris Ballard	Executive Director, Development (March 2025 - December 2025)
Luke Herbert	Executive Director, Communications and External Affairs

Ana Mates	Chief Operating Officer (COO)
David Mole	Executive Director, Development (until February 2025)
Alex Moore	Executive Director, Finance and IT
Champa Patel	Executive Director for Governments and Policy
Mike Peirce	Executive Director, Systems Change

Statement of Trustees' responsibilities

The Trustees (who are also Directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company; and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. This report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006.

Provision of information to auditors

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as he/she is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Fundraising code

Climate Group is registered with the Fundraising Regulator. Although we do not undertake any street, door-to-door or private site fundraising, and do not engage with commercial partners or volunteers to raise funds on our behalf, we work to ensure that those fundraising activities we do undertake comply with the law and regulations as it applies to charities and fundraising.

We also take our responsibilities to protect vulnerable people seriously and where any fundraising activities involve vulnerable people; we follow relevant guidance.
During the reporting period, Climate Group received no fundraising complaints from members of the public.

Remuneration policy

The salaries of Climate Group staff are periodically benchmarked against comparable organisations, including other charities. Climate Group aims to set salaries equivalent to the median for such organisations. All posts are evaluated based on agreed, organisation-wide criteria that determine the grade and salary for the post.

Public benefit

The Trustees confirm that they have referred to the information contained in the Charity Commission's guidance on public benefit when reviewing Climate Group's aims and objectives, and in planning activities and setting policies and priorities for the year ahead.

All of our initiatives, activities and strategies described in this report further Climate Group's charitable objects (a) by helping to protect the world's climate systems through actions that directly or indirectly cut greenhouse gas emissions and (b) by educating the public and interested parties through events, briefings and the publication of freely available reports that track progress of the action undertaken through our programmes and that identify and explain how more can be done.

The Trustees' Report was approved by the Board of Trustees on **17 March 2026** and was signed on its behalf by:

Hon. Mike Rann AC, CNZM
Chair of the Board of Trustees

Key people and advisors

The information shown below pertains to the period between **1 July 2024 and 17 March 2026**, the date of the signing of the accounts.

Registered office

The Clove Building
4 Maguire Street
London
SE1 2NQ

Directors of our Network Boards:

The Climate Group, Inc.

- Gov. Bill Ritter, Jnr. (Chair)
- Zoë J. Ashcroft (until December 2025)
- Ambassador Erica Barks Ruggles (from December 2024)
- Helen Clarkson (until April 2025)
- Mary Jo Cook
- David Davenport
- Ariane de Vienne (until June 2025)
- Gary Doer
- Charles Imohiosen
- Joseph M. Kinard
- Douglas Lawrence (Vice-Chair)

TCCO India Projects Pvt. Ltd

- Helen Clarkson
- Divya Sharma (Wholetime Director and Chair)

Stichting Climate Group Europe

- Maria Anna Van Keep (Chair)
- Helen Clarkson
- Jeroen Gerlag
- Jeffrey Prins

Principal Professional Advisers

Bankers
HSBC Bank plc
Church Street,
Weybridge
Surrey KT13 8DF

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

5. Audited accounts

Independent auditor's report to the members and trustees of The Climate Change Organisation

Opinion

We have audited the financial statements of The Climate Change Organisation ('the charitable company') and its subsidiaries ('the group') for the year ended 30 June 2025 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and the charitable company's affairs as at 30 June 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement set out on page 29, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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 a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.
Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), anti-fraud, bribery and corruption legislation, taxation legislation and employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

18 March 2026

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

	Notes	Restricted	Unrestricted	**Year ended 30 June 2025**	Year ended 30 June 2024
Income from:		£	£	**£**	£
Donations and legacies					
Donations & similar funding		-	359,149	**359,149**	141,182
Grants	2	5,917,843	536,102	**6,453,945**	6,084,114
		5,917,843	895,251	**6,813,094**	6,225,296
Charitable activities					
Membership and partnership income		-	5,694,537	**5,694,537**	4,733,436
Sponsorship and other		-	4,283,276	**4,283,276**	4,161,546
			9,977,813	**9,977,813**	8,894,982
Total income		**5,917,843**	**10,873,064**	**16,790,907**	15,120,278
Expenditure on:					
Raising funds		-	1,827,836	**1,827,836**	1,652,468
Charitable activities		5,917,843	9,862,440	**15,780,283**	13,638,265
Total expenditure	3	**5,917,843**	**11,690,276**	**17,608,119**	15,290,733
Net income		**-**	**(817,212)**	**(817,212)**	(170,455)
Other recognised gains and losses					
Gain / (Loss) on revaluation of foreign subsidiaries		-	(10,087)	(10,087)	(812)
Net movement in funds		**-**	**(827,299)**	**(827,299)**	(171,267)
Reconciliation of funds:					
Total funds brought forward		-	1,892,373	**1,892,373**	2,063,640
Total funds carried forward	11	**-**	**1,065,074**	**1,065,074**	1,892,373

All the above results derive from continuing activities. There are no gains and losses other than those disclosed above.

Balance sheet

	Notes	**Group 30 June 2025 £**	Group 30 June 2024 £	**Charity 30 June 2025 £**	Charity 30 June 2024 £
Fixed assets					
Tangible fixed assets	7	**143,447**	233,239	**99,580**	196,612
Investments	8	**-**	-	**10,770**	10,770
		143,447	233,239	**110,350**	207,382
Current assets					
Debtors	9	**3,960,121**	4,661,648	**4,003,405**	4,758,603
Cash at bank and in hand		**5,373,926**	5,036,780	**4,784,002**	4,451,232
		9,334,047	9,698,428	**8,787,407**	9,209,835
Creditors: amounts falling due within one year	10	**(8,412,420)**	(8,039,294)	**(7,529,989)**	(7,084,341)
Net current assets		**921,627**	1,659,134	**1,257,418**	2,125,494
Net assets	11	**1,065,074**	1,892,373	**1,367,768**	2,332,876
Represented by					
Restricted funds		**-**	-	**-**	-
Unrestricted funds – General		**1,065,074**	1,722,373	**1,367,768**	2,162,876
Unrestricted funds – Designated		**-**	170,000	**-**	170,000
Total funds	12	**1,065,074**	1,892,373	**1,367,768**	2,332,876

The net movement in funds for the charity only for the year was negative £965,108 (2024: negative £12,769).

The accounts on pages 37 to 55 were approved by the Board of Trustees and authorised for issue on **17 March 2026** and signed on its behalf by:

Hon Mike Rann AC, CNZM
Chair of the Board of Trustees

Consolidated cash flow statement

	Year ended 30 June 2025 £	Year ended 30 June 2024 £
Cash flows from operating activities:		
Net cash provided by operating activities (Note a)	**397,126**	(1,046,726)
Cash flows from investing activities:		
Payments to acquire tangible fixed assets	**(59,980)**	(145,507)
Change in cash and cash equivalents in the reporting period	**337,146**	(1,192,233)
Cash and cash equivalents at the beginning of the year	**5,036,780**	6,229,013
Cash and cash equivalents at the end of the year	**5,373,926**	5,036,780

Note to the cash flow statement

Reconciliation of net income to net cash provided by operating activities

	Year ended 30 June 2025 £	Year ended 30 June 2024 £
Net income for the year	**(817,212)**	(170,455)
Adjustments for:		
Depreciation charges	**127,650**	177,804
Investment income	**-**	-
Foreign exchange differences, excluding gains arising on revaluation of fixed assets	**12,034**	943
(Increase)/ Decrease in debtors	**701,527**	(1,374,915)
Increase / (Decrease) in creditors	**373,127**	319,897
Net cash provided by operating activities	**397,126**	(1,046,726)

Notes to the accounts

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), and the Companies Act 2006. Dormant subsidiaries are excluded from consolidation in accordance with FRS 102 Section 15.

The statement of financial activities (SoFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings (see Note 16). The results of the charity and its subsidiaries are consolidated on a line-by-line basis. No separate SoFA has been prepared for the charity alone as permitted by Section 408 of the Companies Act 2006.

Going concern

Climate Group, like many charities, is dependent on voluntary contributions from funders and ongoing relationships with our partners to meet its future commitments. Climate Group's planning and performance review processes include financial projections of income, expenditure and cash flows that take into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. Climate Group is well placed to manage the business risks it faces given its level of reserves, no debt, a good cash flow and strong relationships with partners, donors and funders. The Trustees have a reasonable expectation that the charity has enough resources to operate for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of Climate Group to continue as a going concern. The accounts have been prepared on that basis.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Sources of estimation uncertainty

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

b) Income

Income Grants and donations are recognised as income when the charity has entitlement to the funds, any performance conditions have been met, and it is probable that the income will be received, and the amount can be measured reliably. Where income is time-restricted or performance-related, it is deferred until the conditions are met.

Donated services and gifts in kind are included at current market value where their value is ascertainable and material. The estimated valuation of gifts in kind is based upon their contribution to the charity.

Membership and partnership income is recognised in the financial statements evenly over the period to which the fee relates.

c) Expenditure

Costs allocated to Raising Funds are those costs incurred in the charity seeking primarily donations and grants.

Expenditure recognised in the period in which a legal or constructive obligation to a third party is created. Expenditure includes attributable VAT which cannot be recovered.

Expenditure is allocated to a particular activity where the cost relates directly to that activity. Support costs are apportioned to activities based on staff time, which is an estimate of the amount of effort attributable to each activity.

Note 3 shows how support costs have been allocated to each activity.

Grant payments to organisations are recognised as expenditure in the financial statements once the Charity is satisfied that the conditions have been met to release the payment.

d) Investments

Investments are a form of basic financial instruments and are recognised at their transaction value.

e) Fixed assets and depreciation

Fixed assets are stated at cost and such items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Depreciation is provided on all tangible assets at rates calculated to write each asset down to its estimated residual value on a straight-line basis as follows:

Office equipment	- 3 years
Furniture and fixtures	- 3 years

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of support costs.

Unrestricted funds are donations and other income receivable or generated for the objects of the charity. Unrestricted funds set aside for a particular purpose are shown as designated.

g) Pension costs

Contributions to the defined contribution scheme are charged to the SoFA as incurred.

h) Operating leases

Rental costs under operating leases are charged to the SoFA on a straight-line basis over the lease life.

i) Foreign currencies

Transactions in foreign currencies are recorded at the average rate of exchange during the period. Foreign currency balances have been translated at the rates of exchange ruling at the balance sheet date. The results of overseas operations and their balance sheets are translated at the closing rates of exchange at the end of the period.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Creditors and provisions

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Grants

	Restricted	Unrestricted	**Year ended 30 June 2025**	Year ended 30 June 2024
	£	£	**£**	£
Corporations	-	-	**-**	97,225
Governments	990,168	-	**990,168**	836,606
Foundations & NGOs	4,927,675	536,102	**5,463,777**	5,150,283
	5,917,843	536,102	**6,453,945**	6,084,114

3. Analysis of total expenditure

	Direct staff costs	Other direct costs	**Total direct costs**	Support staff costs	Other support costs	**Total support costs**	**Year ended 30 June 2025**	Year ended 30 June 2024
	£	£	**£**	£	£	**£**	**£**	£
Raising funds	1,169,553	47,506	**1,217,059**	309,075	301,702	**610,777**	**1,827,836**	1,652,468
Charitable activities	6,242,488	4,596,049	**10,838,537**	2,500,701	2,441,045	**4,941,746**	**15,780,283**	13,638,265
Total 2025	7,412,041	4,643,555	**12,055,596**	2,809,776	2,742,747	**5,552,523**	**17,608,119**	15,290,733
Total 2024	6,664,082	4,274,140	**10,938,222**	2,617,568	1,734,943	**4,352,511**		

Other support costs comprise:

	Year ended 30 June 2025 £	Year ended 30 June 2024 £
Premises	**663,292**	**636,907**
Other office costs	**149,081**	116,100
IT	**418,742**	354,030
Audit	**57,961**	60,497
Legal and professional	**270,014**	185,928
Exchange differences	**400,737**	30,210
Other	**782,920**	351,271
	2,742,747	1,734,943

4. Net income / (expenditure)

is stated after charging:	**Year ended 30 June 2025 £**	Year ended 30 June 2024 £
Operating lease rentals – buildings	**550,789**	480,197
Depreciation	**149,673**	177,805
Fees payable to charity auditors: audit of the charity's annual accounts	**32,575**	29,400
Fees payable to other group auditors: statutory audit of subsidiary accounts	**25,386**	31,097
Other services	**26,334**	22,579
	784,757	741,078

5. Staff costs

Staff costs during the period amounted to:	**Year ended 30 June 2025 £**	Year ended 30 June 2024 £
Wages and salaries	**7,579,083**	6,949,789
Social security costs	**824,984**	717,959
Employer's pension contributions	**917,949**	775,371
Other staff costs	**644,971**	567,128
	9,966,987	9,010,247
Temporary staff	**254,827**	271,403
	10,221,814	9,281,650

Included within staff costs above is £69,192 (2024: £Nil) relating to termination costs. There were £Nil worth of ex-gratia payments made during the year (2024: £Nil).

The average number of employees in the year was 165 (2024:156).

No volunteers contributed to our core programmatic work in either the current or prior year.

Number of employees with emoluments exceeding £60,000 in the year was:

	2024/25		2023/24	
	UK	**Rest of World Number**	UK	Rest of World Number
£60,000 - £70,000 p.a.	**8**	**3**	4	3
£70,001 - £80,000 p.a.	**5**	**1**	3	4
£80,001 - £90,000 p.a.	**4**	**-**	3	2
£90,001 - £100,000 p.a.	**1**	**2**	-	-
£100,001 - £110,000 p.a.	**1**	**-**	3	1
£110,001 - £120,000 p.a.	**-**	**-**	2	1
£120,001 - £130,000 p.a.	**-**	**1**	1	1
£130,001 - £140,000 p.a.	**2**	**1**	-	-
£140,001 - £150,000 p.a.	**3**	**-**	1	-
£170,001 - £180,000 p.a.	**1**	**-**	-	-
£180,001 - £190,000 p.a.	**-**	**-**	-	1
£190,001 - £200,000 p.a.	**-**	**1**	-	-

Retirement benefits are accruing to the higher paid staff under defined contribution schemes or equivalent overseas. Employer contributions of £125,414 (2024: £100,550) were made during the year.

The key management personnel of the group are the members of the Executive Management Team (EMT), as noted on pages 29-30. The total employee benefits for the EMT were £1,611,868 (2024: £1,445,105) inclusive of employer's pension and national insurance costs.

6. Trustees’ remuneration and expenses

No Trustee received any remuneration during the year (2024: £Nil). Expenses incurred by Trustees during the year totalled to £83 (2024: £1,048).

7. Tangible fixed assets

Group	Office equipment	**Total**
Cost	£	**£**
At 1 July 2024	619,496	**619,496**
Foreign Exchange Revaluation	(14,077)	**(14,077)**
Additions	59,980	**59,980**
Disposals	(5,324)	**(5,324)**
At 30 June 2025	660,075	**660,075**
Depreciation		
At 1 July 2024	386,257	**386,257**
Foreign Exchange Revaluation	8,044	**8,044**
Charge for the period	127,650	**127,650**
Disposals	(5,324)	**(5,324)**
At 30 June 2025	516,627	**516,627**
Net book value		
At 30 June 2025	143,447	**143,447**
At 1 July 2024	233,239	**233,239**

Charity	Office equipment	**Total**
Cost	£	**£**
At 1 July 2024	562,858	**562,858**
Additions	30,618	**30,618**
Disposals	(3,812)	**(3,812)**
At 30 June 2025	589,664	**589,664**
Depreciation		
At 1 July 2024	366,246	**366,246**
Charge for the period	127,650	**127,650**
Disposals	(3,812)	**(3,812)**
At 30 June 2025	490,084	**490,084**
Net book value		
At 30 June 2025	99,580	**99,580**
At 1 July 2024	196,612	**196,612**

8. Investments

	Group 30 June 2025 £	Group 30 June 2024 £	**Charity 30 June 2025 £**	Charity 30 June 2024 £
Seed capital investment fund	**-**	-	**-**	-
Investment in subsidiaries	**-**	-	**10,770**	10,770
	-	-	**10,770**	10,770

9. Debtors

	Group 30 June 2025 £	Group 30 June 2024 £	**Charity 30 June 2025 £**	Charity 30 June 2024 £
Trade debtors	**2,397,574**	3,282,932	**2,187,423**	2,790,465
Other debtors	**451,827**	356,697	**309,140**	312,589
Due from subsidiary companies	**(1)**	-	**601,429**	778,731
Prepayments	**583,041**	711,297	**543,051**	618,207
Accrued income	**527,680**	310,722	**362,362**	258,611
	3,960,121	4,661,648	**4,003,405**	4,758,603

There is an amount of £279,960 that is over a year included in Other Debtors for the London office rent deposit (2024: £279,960).

10. Creditors: amounts falling due within one year

	Group 30 June 2025 £	Group 30 June 2024 £	**Charity 30 June 2025 £**	Charity 30 June 2024 £
Trade creditors	864,063	660,044	839,907	622,610
Taxation and social security	347,777	192,686	220,137	184,762
Other creditors	121,506	122,624	103,888	113,141
Accruals	559,645	868,856	439,491	728,555
Deferred income	**6,519,429**	6,195,084	**5,926,566**	5,435,273
	8,412,420	8,039,294	**7,529,989**	7,084,341

10. Creditors: amounts falling due within one year (continued)
Deferred income

	At 1 July 2024 £	Released to income £	Deferred in the year £	**At 30 June 2025 £**
Membership	1,905,275	96,128	-	**2,001,403**
Restricted grants	1,449,575	(4,939,146)	6,678,175	**3,188,604**
Unrestricted grants	2,080,423	(817,745)	(526,119)	**736,559**
Charity total	5,435,273	(5,660,763)	6,152,056	**5,926,566**
The Climate Group Inc/TCCO India	759,811	(1,613,649)	1,446,701	**592,863**
Group total	6,195,084	(7,274,412)	7,598,757	**6,519,429**

11. Analysis of net assets between funds

Group

	Restricted funds £	Unrestricted funds £	**Total funds £**
Tangible assets	-	143,447	143,447
Investments	-	-	-
Net current assets/(liabilities)	-	921,627	921,627
Net assets at 30 June 2025	-	1,065,074	1,065,074

Charity

	Restricted funds £	Unrestricted funds £	**Total funds £**
Tangible assets	-	99,580	99,580
Investment in subsidiaries	-	10,770	10,770
Investments	-	-	-
Net current assets/(liabilities)	-	1,257,418	1,257,418
Net assets at 30 June 2025	-	1,367,768	1,367,768

Prior year analysis of net assets between funds

Group

	Restricted funds £	Unrestricted funds £	**Total funds £**
Tangible assets	-	233,239	**233,239**
Investments	-	-	-
Net current assets/(liabilities)	-	1,659,134	**1,659,134**
Net assets at 30 June 2024	-	1,892,373	**1,892,373**

Charity

	Restricted funds £	Unrestricted funds £	**Total funds £**
Tangible assets	-	196,612	**196,612**
Investment in subsidiaries	-	10,770	**10,770**
Investments	-	-	**-**
Net current assets/(liabilities)	-	2,125,494	**2,125,494**
Net assets at 30 June 2024	**-**	2,332,876	**2,332,876**

12. Movement of funds of the Group

	Balances As at 1 July 2024 £	Income £	Expenditure £	Adjustments £	Transfers & exchange difference £	**At 30 June 2025 £**
Restricted funds						
Comms Central	-	96,310	(96,310)	-	-	-
Development Central	-	95,042	(95,042)	-	-	-
Energy	-	555,610	(555,610)	-	-	-
Food	-	133,573	(133,573)	-	-	-
Global Implementation	-	1,521,446	(1,521,446)	-	-	
Industry	-	1,243,850	(1,243,850)	-	-	-
Operations Central	-	79,688	(79,688)	-	-	
Policy & Advocacy	-	341,880	(341,880)	-	-	-
Subnational Governments & Under2	-	677,627	(677,627)	-	-	-
Transport	-	1,172,817	(1,172,817)	-	-	-
Total restricted funds	-	5,917,843	(5,917,843)	-	-	-
Unrestricted Funds						
General Funds	1,722,373	10,873,064	(11,520,276)	(10,087)	-	1,065,074
Designated Funds	170,000	-	(170,000)	-	-	-
Total unrestricted funds	**1,892,373**	**10,873,064**	**(11,690,276)**	**(10,087)**	**-**	**1,065,074**
Total funds	**1,892,373**	**16,790,907**	**(17,608,119)**	**(10,087)**	**-**	**1,065,074**

Systems	Funding for our suite of complementary corporate commitment campaigns – namely RE100, EV100, EP100, EV100+, SteelZero and ConcreteZero. They are designed to create demand signals that can shift markets in the energy, transport, manufacturing, industrial and building sectors in favour of clean technologies, as well as influence the wider policy landscape in this direction. In addition to the core commitment campaigns, offshoot projects (for example on energy efficiency retrofitting, EV policy in Japan and the European Union etc) are funded as part of wider ecosystems of work on renewables, energy productivity and clean transport. Collectively, these corporate initiatives provide building blocks for 21st-century business models that will help to meet science-based climate targets and deliver net zero emissions economies.
Summits	This mainly captures our annual event in New York called Climate Week NYC. It also includes other events we undertake as an organisation where separate funding is received, such as the US Climate Action Summit.
Solutions	Funding to act as Secretariat to the Under2 Coalition and programmatic work directly with government signatories and partners of the Under2 MOU to drive climate ambition and action. The Under2 MoU is a commitment by sub-national governments to limit their GHG emissions by 80% on 1990 levels or 2 tons per capita by 2050. Funding is received for our key sub-national government initiatives. This includes our 'Future Fund' which is funding to empower sub-national governments to accelerate the shift towards a prosperous 'net zero' future for all, through strategic funding that supports climate activities in developing and emerging economy regions.
Designated Funds	Initially, a designated fund of £0.65m to support the costs of the UK office move relating to fixtures and fittings, furniture, and other costs relating to the move. The funds have been fully utilised.

Prior year movement in funds of the Group

	Balances As at 1 July 2023	Income	Expenditure	Adjustments	Transfers & exchange difference	**At 30 June 2024**
	£	£	£	£	£	£
Restricted funds						
Systems Central	-	34,222	(34,222)	-	-	-
Events	-	59,811	(59,811)			
Energy	-	1,514,933	(1,514,933)	-	-	-
Food	-	15,711	(15,711)	-	-	-
Global Implementation	-	769,943	(769,943)	-	-	-
Industry	-	1,191,244	(1,191,244)	-	-	-
Operations Central	-	91,312	(91,312)	-	-	-
Policy & Advocacy	-	184,104	(184,104)	-	-	-
Subnational Governments & Under2	-	590,706	(590,706)	-	-	-
Transport	-	1,119,104	(1,119,104)	-	-	-
Total restricted funds	-	5,571,090	(5,571,090)	-	-	-
Unrestricted Funds						
General Funds	1,728,640	9,549,188	(9,554,643)	(812)	-	1,722,373
Designated Funds	335,000	-	(165,000)	-	-	170,000
Total unrestricted funds	**2,063,640**	**9,549,188**	**(9,719,643)**	**(812)**	-	**1,892,373**
Total funds	**2,063,640**	**15,120,278**	**(15,290,733)**	**(812)**	-	**1,892,373**

13. Taxation

The Climate Change Organisation has charitable status and as such is partially exempt from tax on its income and gains to the extent that they are applied to its charitable objects.

14. Leasing commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025	2024
	Land and buildings	Land and buildings
	£	£
Expiring within 1 year	**631,299**	541,331
Expiring between 1 and 2 years	**279,971**	496,709
Expiring between 2 and 5 years		679,929
	911,270	**1,717,969**

15. Grant and other commitments

Climate Group delivers some of its programmes in collaboration with other partners. It provides subgrants to these organisations to provide the delivery of set outcomes, which form their obligations. The payment of these subgrants is contingent on both the continued funding from our institutional donors and all parties fulfilling the conditions of the grant deliverables. These future commitments have not yet been recognised, as their conditions have not yet been met and/or the restricted funding have not yet been approved or recognised by Climate Group, as they fall after the year end.

The amount of grant commitments falling within one year is £0.3m (2024: £0.1m).

The amount of grant commitments falling between one and five years is £Nil (2024: £Nil).

Major grant payments recognised in 2024/25 is set out below.

Recipient		2025
		£000s
ERM Brazil	UK Pact Brazil	173
Governments	Future Fund – Bentley Foundation	29
Governments	Future Fund UK	62
ResponsibleSteel Ltd	TAH Steel Reporting Framework	24
		288

These grants have been allocated as other direct costs for charitable activities in note 3.

16. Subsidiaries

The Charity is represented by legal entities incorporated in the United States (registered 5 March 2004), India (registered 21 May 2018), the Netherlands B.V. (registered 12 November 2019 and dissolved as of 27 January 2026), China (registered 1 January 2022) and the Netherlands Stichting (registered 25 August 2022). The Charity also has a dormant trading subsidiary in the UK called The Climate Change Organisation Services Ltd (registered on 1 May 2007). These entities operate in close conjunction with the UK charity with a relationship maintained via places on the Boards for members of the charity's management team. All activities undertaken by these entities are in furtherance of Climate Group's mission and objectives. The Charity, the US and Dutch companies have a year-end date of 30 June, and due to local regulations, the Indian company has a 31 March year-end, and the China Representative Office has a 31 December year-end.

Both the Charity and the Netherlands Stichting have Dutch ANBI status as awarded by the Dutch Chamber of Commerce.

Organisation	Balance at 1 July 2024	Subgrants received	Expenses incurred	Payments made/ received	Exchange differences	Provision against intercompany balance	**Balance as at 30 June 2025**
	£	£	£	£	£	£	**£**
The Climate Group, Inc.	440,043	1,070,754	(1,155,457)	-	(53,835)	-	**301,032**
TCCO India Projects Pvt. Ltd	43,864	694,118	(734,309)	-	(3,673)	-	**(0)**
Climate Group (Europe) B.V.	-	-	-	-		-	**-**
Stichting Climate Group Europe	295,297	385,602	(175,796)	-	(4,230)	-	**500,873**
	779,204	2,150,474	(2,065,562)	-	(61,738)	-	**801,905**

Prior year transactions between the charity and related organisations

Organisation	Balance at 1 July 2023	Subgrants received	Expenses incurred	Payments made/ received	Exchange differences	Provision against intercompany balance	**Balance as at 30 June 2024**
	£	£	£	£	£	£	**£**
The Climate Group, Inc.	366,411	2,548,525	(2,470,115)	-	(4,778)	-	**440,043**
TCCO India Projects Pvt. Ltd	172,124	694,118	(818,705)	-	(3,673)	-	**43,864**
Climate Group (Europe) B.V.	-	-	-	-	-	-	**-**
Stichting Climate Group Europe	33,542	385,602	(119,617)	-	(4,230)	-	**295,297**
	572,077	3,628,245	(3,408,437)	-	(12,681)	-	**779,204**

United States – The Climate Group, Inc.

	2025	2024
	£	£
Net assets as at 1 July 2024	**(149,513)**	(252,179)
Income for the year to 30 June 2025	**2,533,316**	4,659,860
Net surplus/(Deficit) for the year to 30 June 2025	(67,660)	102,666
Net assets as at 30 June 2025	(217,173)	(149,513)

China – Climate Group (UK) Beijing Representative Office

	2025	2024
	£	£
Net assets as at 1 July 2024	**10,014**	56,528
Income for the year to 30 June 2025	**476,302**	463,585
Net surplus/(Deficit) for the year to 30 June 2025	102,821	(46,514)
Net assets as at 30 June 2025	112,835	10,014

India – TCCO India Projects Pvt. Ltd

	2025	2024
	£	£
Net assets as at 1 July 2024	**178,114**	100,483
Income for the year to 30 June 2025	**744,175**	897,581
Net surplus for the year to 30 June 2025	11,108	77,631
Net assets as at 30 June 2025	189,222	178,114

Netherlands – The Climate Group (Europe) B.V.

	2025	2024
	£	£
Net assets as at 1 July 2024	**-**	(11,487)
Income for the year to 30 June 2025	**-**	-
Net surplus for the year to 30 June 2025	**-**	11,487
Net assets as at 30 June 2025	**-**	-

Netherlands – Stichting Climate Group Europe

	2025	2024
	£	£
Net assets as at 1 July 2024	**(255,887)**	(42,933)
Income for the year to 30 June 2025	**269,115**	176,301
Net Deficit for the year to 30 June 2025	(183,026)	(212,954)
Net assets as at 30 June 2025	(438,913)	(255,887)

17. Prior year Consolidated Statement of Financial Activities

	Notes	Restricted	Unrestricted	**Year ended 30 June 2024**
Income from:		£	£	**£**
Donations and legacies				
Donations & similar funding		-	141,182	**141,182**
Grants	2	5,571,090	513,024	**6,084,114**
		5,571,090	654,206	**6,225,296**
Charitable Activities				
Membership and partnership income		-	4,733,436	**4,733,436**
Sponsorship and other		-	4,161,546	**4,161,546**
		-	8,894,982	**8,894,982**
Total income		5,571,090	9,549,188	**15,120,278**
Expenditure on:				
Raising funds		-	1,652,468	**1,652,468**
Charitable activities		5,571,090	8,067,175	**13,638,265**
Total expenditure	3	5,571,090	9,719,643	**15,290,733**
Net income	4	-	(170,455)	**(170,455)**
Other recognised gains and losses				
Gain / (Loss) on revaluation of foreign subsidiaries		-	(812)	**(812)**
Net movement in funds		-	(171,267)	**(171,267**
Reconciliation of funds:				
Total funds brought forward		-	2,063,640	**2,063,640**
Total funds carried forward	11	-	1,892,373	**1,892,373**