QUADRATURE CLIMATE FOUNDATION

(a charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Company Number 12194319
Charity Number 1187301

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QUADRATURE CLIMATE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees (who are also directors of the charity for the purposes of the Companies Act 2006) present the annual report and the audited financial statements of Quadrature Climate Foundation (the "Foundation" or the "Company") for the year ended 31 December 2025. The trustees confirm that the annual report and financial statements of the Foundation comply with current statutory requirements, the governance requirements of the Foundation and the provisions of the 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 (FRS102) (effective 1 January 2019) ("SORP").

The financial statements have been prepared for the year ending 31 December 2025.

OBJECTIVES AND ACTIVITIES

a. Foundation overview

The Foundation was registered as a charity on 10 January 2020. It was founded by Greg Skinner and Suneil Setiya, the founders of the Quadrature group of companies ("Quadrature"). Mr. Skinner and Mr. Setiya are trustees of the Foundation.

b. Vision and strategy

During 2025, the trustees approved a refreshed strategic direction for the Foundation in response to a changing global environment and the evolving needs of the communities and organisations it supports.

The Foundation's vision is a just and resilient world where those most affected by intersecting crises have the power to shape their own futures.

Its role is to trust and resource those closest to the work, to secure today, and transform tomorrow.
This approach reflects the Foundation's view that acute human suffering, poverty and inequality, and escalating climate risks are deeply interconnected challenges that increasingly shape the resilience and stability of societies. It believes these challenges require both immediate support for those facing acute vulnerability and longer-term efforts to strengthen the systems, institutions and conditions needed for more just and resilient futures.

c. Key funding objectives

To advance its charitable purposes, the Foundation prioritises funding across three connected areas:

- **Human security**
  Protecting survival and dignity in the face of acute threats, including conflict, natural disasters and climate shocks.
- **Poverty and inequality**
  Addressing persistent economic exclusion and unequal access to opportunity, by tackling the structural drivers of injustice.
- **Climate risk**
  Responding to escalating threats to lives and livelihoods from climate impacts, which will intensify without a fast, fair transition.

The trustees recognise that progress across these areas is often interconnected, and that outcomes may be strengthened where challenges are addressed in a coordinated way.

d. Strategies for achieving objectives

The Foundation principally delivered its objectives during 2025 through grantmaking, strategic partnerships and field engagement.

Its strategy focused on supporting pathways most likely to contribute to lasting systems change, including:

1. **Changemakers**
   Organisers, innovators, and leaders reimagining systems, challenging existing models and building alternatives that create ripple effects beyond their immediate work.
2. **Movements and coalitions**
   Social movements, civil society, public, business and industry alliances, and cross-sector coalitions that build power, generate ideas and challenge entrenched structures and norms.
3. **Narratives**
   The stories, ideas and cultural forces that shape public understanding, social norms and political possibility by expanding what is seen as legitimate, urgent and achievable.
4. **Knowledge and innovation**
   New research, ideas and approaches that expand what is technically, socially and politically possible, opening pathways to more resilient societies.

The Foundation sought to provide funding that was timely, proportionate and appropriately flexible, while maintaining robust due diligence, oversight and accountability.

It also worked through partnerships, collaboration and convening activity where these supported its charitable objectives and strengthened the wider field.

The Foundation has a governance framework designed to support effective decision-making, accountability, risk management and internal control. Key elements include the role of the board and advisory council, its scheme of delegation, and the Foundation's reserves and conflicts policies. The Foundation also maintains a suite of supporting operational policies.

In setting objectives and planning activities, the trustees have given due consideration to guidance published by the Charity Commission on public benefit, including *Public Benefit: running a charity (PB2)*.

e. Objects

The Foundation is established for the public benefit and its objects are:

1. to promote sustainable development by the:
   a. protection, preservation and improvement of the environment and the prudent use of resources; and
   b. promotion of sustainable means of achieving economic growth and regeneration;
2. to advance the education of the public in subjects relating to sustainable development and the protection, enhancement, and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large; and
3. such other purposes being exclusively charitable according to the law of England and Wales as the trustees in their absolute discretion think fit.

STRATEGIC REPORT

Strategic development and organisational strengthening

During 2025, the Foundation continued to deploy significant funding in pursuit of its charitable objects, supporting organisations and initiatives working across human security, poverty and inequality, and climate risk, through a diverse portfolio of partners operating at community, national and global levels.

Alongside its ongoing programme activity, the Foundation undertook a significant strategic review in response to a rapidly changing global context and growing recognition of the interconnected nature of its three challenges. This work resulted in a refreshed strategic direction centred on supporting resilient societies by combining immediate support for those affected by acute need with longer-term efforts to address the systems and conditions that drive vulnerability over time.

The Foundation also reviewed its organisational structure, operating model and grantmaking processes to ensure these remained fit for purpose as the scale and complexity of its work increased. Areas identified for strengthening included thematic and geographic expertise, senior relationship management capacity, impact and learning systems, and cross-functional collaboration. Work commenced during the year on a revised organisational structure intended to support clearer accountability, stronger execution and improved partner experience.

During the year, the Foundation also initiated a more integrated approach to impact, insights and organisational learning across its portfolio. This included initiating its first impact report, expected in 2026, and commissioning the Foundation's first independent partner perception survey, gathering structured feedback from partners and stakeholders. Feedback indicated that the Foundation was valued for its willingness to act quickly, support innovation, work across traditional sector boundaries and maintain constructive, high-trust relationships. The feedback also identified opportunities to improve communication, clarify processes and strengthen consistency of engagement across a growing portfolio of partners.

The Foundation remained committed throughout the year to supporting innovative and under-resourced work, while also deepening relationships with established partners capable of delivering impact at scale. Trustees also continued to prioritise organisational culture, leadership capability and team development in preparation for the Foundation's next phase of growth.

Plans for the future

The Foundation enters 2026 with a refreshed strategic direction centred on resilience and the interconnected challenges of human security, poverty and inequality, and climate risk.

Priority areas for the coming year include implementing the updated organisational structure, embedding revised portfolio and grantmaking processes, strengthening impact and learning systems, and continuing to build thematic, geographic and operational capability across the organisation.

The Foundation also expects to deepen strategic partnerships with trusted organisations and networks, while retaining the flexibility to respond to urgent humanitarian need, emerging risks and high-potential early-stage opportunities.

Alongside its grantmaking activity, the Foundation will continue exploring the selective use of impact-first investments where these can help unlock additional capital, support equitable transition pathways or strengthen long-term resilience outcomes furthering its charitable objectives.

Plans for the future (continued)

The Foundation intends to continue strengthening its organisational effectiveness, learning culture and operational systems to support effective delivery in an increasingly complex and fast-changing global context.

Financial review

a. Going concern

The trustees have assessed whether the Foundation is able to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements.

In making this assessment, the trustees have considered the Foundation's funding arrangements, including its ongoing financial support from Quadrature, from which it receives donations to fund its operational and grantmaking activities.

The Foundation receives funding in advance for its annual operational budget and monthly to meet grant commitments. In addition, the Foundation maintains a level of free reserves to provide a buffer against timing differences, unexpected expenditure, or potential shortfalls in funding.

Having considered these factors, the trustees are satisfied that the Foundation has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Foundation's reserves policy is designed to ensure financial resilience and continuity of operations in the context of a funding model that is reliant on charitable donations from Quadrature.

The Foundation distinguishes between total accounting reserves and free reserves, with the latter representing liquid, unrestricted funds readily available to meet short-term operational needs. All reserves held at the balance sheet date are unrestricted.

The Foundation aims to maintain a minimum level of free reserves equivalent to six months of core operating expenditure. This level is intended to provide a financial buffer against unexpected funding shortfalls, timing delays in funding receipts, or unplanned expenditure, and is not intended to be used in the course of normal operations.

The Foundation obtains a donation from Quadrature for the following calendar year's operational budget prior to the commencement of each year. The Foundation obtains donations from Quadrature in advance for any grant payments made and, through this mechanism, it is ensured that sufficient reserves are maintained to cover future operational expenditure.

Reserves are defined as unrestricted funds that are freely available to support the Foundation's operations.

While this funding model reduces liquidity risk, the reserves policy ensures that an appropriate level of financial resilience is maintained. The level of reserves is monitored on a regular basis and reviewed annually by the trustees to ensure it remains appropriate in light of the Foundation's financial position, risk profile, and future plans.

b. Reserves policy (continued)

Total reserves are £48,198,716 (2024: £26,947,018). Free unrestricted reserves are calculated by taking unrestricted reserves and deducting fixed assets. As at 31 December 2025, free unrestricted reserves were £47,972,038 (2024: £26,839,485).

c. Financial results

The financial statements have been prepared covering the year from 1 January 2025 to 31 December 2025.

The Foundation ended the reporting period with a surplus of £21,251,698 (2024: £5,652,660). The statement of financial activities shows that the total income for the period amounted to £336,123,805 (2024: £221,729,288) and total expenditure of £314,872,107, of which expenditure on charitable activities was £300,292,458 (2024: £216,076,628, of which expenditure on charitable activities was £204,705,047).

d. Financial investments

The Foundation does not currently hold any investments. Any future investments will be approved by the trustees only after obtaining advice from a financial expert as they consider necessary and having regard to the suitability of investments and the need for diversification.

e. Principal risks and uncertainties

The foundation operated in complex and fast-changing contexts across human security, poverty and inequality, and climate risk. The trustees recognise that delivering impact in these areas requires ongoing management of strategic, operational, financial and reputational risks.

The Foundation has identified the following principal risks and uncertainties:

a. **Strategic effectiveness and impact**
   There is a risk that the Foundation's funding and partnerships do not achieve the intended contribution to its charitable objectives or wider systems outcomes. The Foundation mitigates this risk through ongoing development of its impact, insights and learning approach, portfolio review processes, partner engagement and continuous assessment of strategic alignment and effectiveness.
b. **Funding concentration**
   The Foundation is reliant on funding from Quadrature and therefore exposed to changes in future funding availability. This risk is mitigated through regular financial planning, ongoing engagement with Quadrature, funding letters outlining expected future support, and maintaining appropriate levels of free reserves.
c. **External political and economic conditions**
   Political instability, regulatory change, conflict, economic volatility and wider geopolitical developments may affect the Foundation's operations or the ability of partners to deliver intended outcomes. The Foundation mitigates this risk through ongoing due diligence, portfolio-level risk assessment, legal review where appropriate, and maintaining flexibility within its funding approach.
d. **Reputation risk**
   The Foundation operates in areas of significant public and political sensitivity. There is a risk that reputational damage could affect relationships, credibility or operational effectiveness. The Foundation mitigates this risk through clear governance, careful partner assessment, transparent communications and ongoing oversight of funded activities.

e. Principal risks and uncertainties (continued)

e. **Organisational capacity and capability**
There is a risk that the Foundation is unable to recruit, retain or develop the expertise and operational capacity required to deliver its strategy effectively. The Foundation mitigates this risk through workforce planning, organisational development, investment in leadership and specialist capability, competitive and proportionate remuneration and benefits arrangements, and ongoing review of its operating model and team structure.

f. **Operational delivery and organisational change**
As the Foundation evolves its organisational structure and systems, there is a risk that operational processes, governance arrangements or implementation capacity do not keep pace with organisational growth and complexity. The Foundation mitigates this risk through regular review of organisational structures and operational processes, phased organisational development, strengthened cross-functional collaboration, and ongoing refinement of operational systems and control.

f. Financial risk management objectives and policies

The Foundation recognises that risk management is essential to its governance and operations.

The trustees are responsible for ensuring that the Foundation has a sound system of internal control to safeguard its assets and funds and to ensure its assets and funds are used only to further the Foundation's objectives.

The trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the operations and finances of the Foundation and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Foundation has a formal risk management process whereby a full and detailed review of all possible major risks to the charity are categorised with an associated control activity to mitigate the risk and are ranked according to likelihood and impact to the charity for review by the trustees.

g. Principal funding, fundraising activities and income generation

Funding is provided by Quadrature. The Foundation does not currently undertake any fundraising activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Charity Governance Code

The trustees have reviewed the Charity Governance Code and specifically note the clarity that the seven principles of the code bring to board development, ongoing review and effective governance of the Foundation.

b. *Constitution*

The Foundation is registered as a charitable company limited by guarantee. The Foundation was registered as a charity on 10 January 2020, with charity number 1187301. The Foundation is constituted by its governing document, the articles of association.

c. Methods of appointment or election of trustees

The trustees are elected under the terms of the articles of association.

d. Organisational structure and decision-making policies

The trustees are ultimately responsible for the Foundation. The trustees recognise that good governance is fundamental to the Foundation's success and ensure it is well governed through implementing, supporting and regularly reviewing the Foundation's governance framework to ensure it is appropriate in terms of its size, complexity, stage of development and the Foundation's charitable purposes.

The trustees provide strategic oversight, support the Foundation in respect of performance and impact and is responsible for the Foundation's risk management framework.

Whilst some matters are reserved for the trustees and cannot be delegated, day-to-day operations of the Foundation have been delegated to the executive team. In line with best practice, the trustees have approved the delegation framework in a scheme of delegation.

The Foundation is supported by an advisory council which uses its expertise to act as both 'challenger' and 'thought partner'. The advisory council does not have any decision-making powers.

e. Policies adopted for the induction and training of trustees

On appointment, trustees are formally inducted to the Foundation by attending onboarding sessions with the executive team and key functions including Programmes, Legal, Finance and Impact. New trustees are provided with copies of key documents relevant to the Foundation such as the latest financial statements, the conflicts of interest policy, the risk management framework and the current strategic plans.

f. Remuneration policy

The Foundation operates with a growing and agile team, and its remuneration policies and practices are designed to support the effective delivery of its charitable objectives and long-term strategic priorities.

The Foundation undertakes annual reviews of employee pay, including those employees identified as key management personnel. In setting remuneration, relevant benchmarking data is considered across comparable roles in the philanthropic, charitable and wider private sectors. This informs salary ranges and remuneration decisions.

The trustees have direct oversight of the remuneration arrangements for the Chief Executive Officer, and approve the Foundation's overall remuneration approach, including salary banding structures. Remuneration for all other employees is managed under the Foundation's delegated authority framework and internal approval processes.

Attracting, retaining and motivating employees with high-quality and specialist expertise is important to the Foundation's continued effectiveness. Remuneration is therefore intended to be fair, competitive and proportionate, while remaining consistent with the prudent stewardship of charitable resources.

Employees are provided with a benefits package designed to support health, wellbeing, professional development and retention.

g. Related party relationships

The Foundation receives funding and other contributions from Quadrature. The Foundation's trustees act in the best interests of the Foundation.

h. Risk management

The trustees identify and assess the major risks to which the Foundation is exposed, including risks relating to the Foundation's programmes and partners, the Foundation's people operations and finances as well as external factors such as its reputation and the environment in which it operates.

h. Risk management (continued)

The trustees are satisfied that systems and procedures are in place to mitigate exposure to the major risks including the establishment of a risk framework, identification, assessment, mitigation, and monitoring of the major risks through an organisational risk register in which risks are categorised and ranked according to likelihood and impact. The risk register also includes actions to be taken to mitigate and manage risk, including designating an accountable person to manage each risk.

i. Trustees' indemnities

In accordance with the Foundation's articles of association, the trustees are entitled to benefit from trustee indemnity insurance and may receive an indemnity from the Foundation under certain circumstances.

j. Grantmaking

The trustees approve the Foundation's business plan, which sets the strategic priorities for grantmaking and helps ensure resources are applied in furtherance of the Foundation's charitable purposes and for the public benefit. Priorities are reviewed regularly in response to emerging needs, evidence and learning.

The Foundation makes grants to a range of organisations, including charities in the UK and overseas, universities and, where appropriate in furtherance of its charitable purposes, other entities. Grants are awarded on an invitation to apply basis only.

Potential partners are identified through the Foundation's programme work, research and sector engagement. Opportunities are assessed for strategic alignment, anticipated impact, risk and budget availability before any invitation to apply is issued.

Applications are submitted through the Foundation's grants management system and are subject to proportionate due diligence and internal review, including input from finance and legal teams. Funding decisions are made in accordance with the Foundation's delegated authorities, with larger or higher-risk grants referred to the trustees where required.

Following approval, grants are overseen by the Foundation's programme team, supported by operational functions, with progress, reporting and payments monitored throughout the funding period.

k. Volunteers

The Foundation does not use volunteers to deliver any services or in support of its grantmaking activities.

l. Main activities undertaken to further the Foundation's purposes for the public benefit

The Foundation's principal activity is grantmaking in furtherance of its charitable purposes. The Foundation also engages with other philanthropic entities and relevant networks to share learning and good practice. The Foundation may from time-to-time host or support convenings where they further the Foundation's charitable objectives.

QUADRATURE CLIMATE FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 DECEMBER 2025

Trustees	G H Skinner S Setiya N Cosgrove J Hooke
Registered Office	10 Queen Street Place London EC4R 1AG
Company number	12194319
Charity number	1187301
Auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Bankers	Barclays Plc 1 Churchill Place London E14 5HP UBS Wealth Management 5 Broadgate London EC2M 2QS JP Morgan Asset Management 60 Victoria Embankment London EC4Y 0JP Goldman Sachs Asset Management 25 Shoe Lane London EC4A 4AU

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 presume that the Foundation will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Foundation and for taking reasonable steps to prevent and detect fraud and other irregularities.

So far as each of the trustees is aware at the time this report is approved:

- there is no relevant audit information of which the Foundations auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

HaysMac LLP has expressed its willingness to continue in office as auditors and a resolution proposing its re-appointment will be submitted at the appropriate Trustee meeting.

Approved by order of the members of the board of trustees on 9 September 2026 and signed on their behalf by:



Jennifer Hooke
Trustee

Date: 9 September 2026

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUADRATURE CLIMATE FOUNDATION

Independent auditor's report to the members of Quadrature Climate Foundation

Opinion
We have audited the financial statements of Quadrature Climate Foundation for the year ended 31 December 2025 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of 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 Foundation's affairs as at 31 December 2025 and of the Foundation's net movement in funds, including the 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 charity 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 Foundation'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. The other information comprises the information included in the Trustees' Report. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other

Other information (continued)
information. 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 the audit:

- the information given in the Trustees' Report (which includes the strategic report and 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 strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' 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 accounting records have not been kept by the Foundation; or
- the Foundation 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 for the financial statements
As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the Foundation 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 Foundation'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 Foundation 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 since these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Foundation and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, Charities SORP (2019) and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the recognition of grant expenditure at the year-end. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing the controls and procedures of the charity, including during the Covid-19 remote working period;
- Reviewing minutes of trustees' meetings;
- Identifying and testing journals, in particular journal entries posted around the year-end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

This report is made solely to the Foundation'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 Foundation'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 Foundation and the Foundation's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Weaver
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 10/09/2026

QUADRATURE CLIMATE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	31 December 2025 £	31 December 2024 £
Income from:			
Donations	2	335,074,098	221,690,197
Interest		1,049,707	39,091
Total income		336,123,805	221,729,288
Expenditure on:			
Charitable activities	3	300,292,458	204,705,047
Other expenditure	4	14,579,649	11,371,581
Total expenditure		314,872,107	216,076,628
Net movement in funds		21,251,698	5,652,660
Reconciliation of funds:			
Reconciliation of funds:			
Total funds brought forward		26,947,018	21,294,358
Net movement in funds		21,251,698	5,652,660
Total funds carried forward		48,198,716	26,947,018

All the Charity's funds in both the current and prior year were unrestricted.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 17 to 27 form part of these financial statements.

QUADRATURE CLIMATE FOUNDATION

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2025 **Company number: 12194319**

	Note		31 December 2025 £		31 December 2024 £
Fixed assets					
Tangible fixed assets	8		226,678		107,533
Current assets					
Debtors	9	1,226,586		749,946	
Cash and cash equivalents		64,115,865		27,094,006	
		65,342,451		27,843,952	
Creditors: amounts falling due within one year	10	(17,370,413)		(1,004,467)	
Net current assets			47,972,038		26,839,485
Total assets less current liabilities			48,198,716		26,947,018
Total net assets			48,198,716		26,947,018
Charity funds					
Unrestricted funds			48,198,716		26,947,018
Total funds			48,198,716		26,947,018

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the financial statements.

These financial statements were approved and authorised for issue by the trustees on 9 September 2026 and signed on its behalf by:

Jennifer Hooke
Trustee

The notes set out on pages 17 to 27 form an integral part of these financial statements.

QUADRATURE CLIMATE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	31 December 2025 £	31 December 2024 £
Cash flows from operating activities			
Net cash used in operating activities	11	36,159,029	(339,340)
Investing activities			
Purchase of tangible fixed assets		(186,877)	(88,253)
Interest income		1,049,707	39,091
Change in cash and cash equivalents in the reporting period		37,021,859	(388,502)
Cash and cash equivalents at the end of the period		64,115,865	27,094,006

Cash and cash equivalents comprise solely cash at bank and in hand for both the current and prior period.

The notes on pages 17 to 27 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

The financial statements have been prepared for the year ended 31 December 2025.

The financial statements have been prepared in accordance of with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practise 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quadrature Climate Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2. Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3. Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the Foundation's objectives and which have not been designated for other purposes.

1.4. Income

Income is recognised when the Foundation has entitlement to the income, it is probable that the income will be received, and the amount can be measured reliably.

1.5. Expenditure

Expenditure is recognised on an accruals basis and is allocated to the appropriate cost categories. Where costs cannot be directly attributed to particular activities, they are allocated on a basis consistent with the use of resources.

Expenditure on charitable activities includes all costs incurred in furtherance of the Foundation's objectives, together with associated support costs.

Grants payable are recognised as expenditure when the Foundation has a present obligation, whether legal or constructive, to transfer economic benefits. This occurs when a binding agreement is in place or an unconditional commitment has been made.

Grant approvals communicated to prospective partners are subject to completion of a formal contracting process and do not give rise to a present obligation. Accordingly, such amounts are not recognised as expenditure at that stage.

Grants approved but not yet contracted are disclosed as commitments, where material, but are not accrued.

All expenditure is stated inclusive of irrecoverable VAT.

1.6. Interest receivable

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7. Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include expenditure that is directly attributable to bringing the asset into its intended working condition.

Tangible fixed assets are capitalised where the cost exceeds £1,000.

Depreciation is charged to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Office Equipment	- 4 years

Where assets have shorter useful lives, depreciation is charged over those periods.

Residual values, useful lives and depreciation methods are reviewed at each reporting date and adjusted prospectively where appropriate.

Gains and losses on disposals are recognised in the Statement of Financial Activities.

1.8. Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are recognised at the amount prepaid.

1.9. Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a maturity of three months or less from the date of acquisition.

1.10. Creditors and provisions

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event which will probably result in the transfer of funds to a third party and the amount can be measured reliably.

Creditors and provisions are initially recognised at transaction value. They are derecognised when the obligation is extinguished.

1.11. Critical accounting judgements or estimation

The trustees do not consider there to be any significant judgements or sources of estimation uncertainty in relation to the preparation of the financial statements.

1 Accounting policies (continued)

1.12. Pensions

The Foundation operates a defined contribution pension scheme. Contributions are recognised as an expense when they fall due.

Amounts unpaid at the reporting date are recognised as a liability. The assets of the scheme are held separately from those of the Foundation in independently administered funds.

1.13. Notice period payments

Notice period payments are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the Foundation committed to either terminate the employment of an employee or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Foundation considers it is committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

1.14. Foreign currency translation

The Foundations' functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency and monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

1.15. Related party transactions

The Foundation discloses related party transactions in accordance with Section 33 of FRS 102 and the Charities SORP.

Related parties include trustees, key management personnel, their close family members, and entities in which these individuals have control or significant influence.

All transactions are conducted at arm's length unless otherwise stated. No personal benefit is derived by trustees or key management personnel except as permitted by charity law and disclosed in these financial statements.

Donated services and facilities are recognised at the value to the Foundation where this can be measured reliably. Where equivalent services would not otherwise have been purchased, they are recognised at nil value.

2. Income from donations

	31 December 2025 £	31 December 2024 £
Donations	335,074,098	221,690,197
	335,074,098	221,690,197

3. Analysis of charitable activities

	31 December 2025 £	31 December 2024 £
Grants made to institutions	300,292,458	204,705,047

During the year, the Foundation made grants in excess of £1,000,000 (2024: in excess of £1,000,000) to the following institutions:

	31 December 2025 £	31 December 2024 £
Africatalyst Institute	1,102,383	-
Allied Climate Partners	3,862,913	3,793,511
Amalgamated Foundation	3,430,468	-
Arctic Basecamp	-	1,247,754
BRM Futures	-	2,972,903
Canopy Planet Society	1,248,336	1,310,045
Carbon Free Europe	2,684,836	-
Carbon Gap	2,660,490	-
Carbon Tracker Initiative	-	1,666,667
Cascade Climate	1,634,267	-
Civic Power Fund	2,755,365	-
Civic Square	10,000,000	-
Clean Air Fund	3,143,468	2,967,973
Clean Air Task Force, Inc.	3,047,881	2,367,667
Client Earth	2,076,509	-
Climate Breakthrough	1,577,523	-
Climate Resilience for All	3,644,050	-
ClimateWorks Foundation	39,429,547	12,330,571
Subtotal carried forward	**82,298,036**	**28,657,091**

3. Analysis of Grants (continued)

Brought forward	**82,298,036**	**28,657,091**
Ember	2,000,000	1,492,615
EPIC-Africa Foundation	1,508,110	-
European Climate Foundation	15,907,442	20,269,380
FSD Africa	1,549,749	-
GiveDirectly	4,131,369	-
Global Energy Monitor	-	1,161,603
Global Resilience Partnership	-	1,592,456
Grantham Environmental Trust	1,874,681	1,936,875
Grantham Foundation	9,657,282	21,560,708
Greater Change Foundation	1,000,000	-
Green Finance Institute	3,299,593	1,769,240
Growald Climate Fund	19,248,457	19,614,721
Homeworld Collective	-	1,152,836
Innovations for Poverty Action	2,207,798	-
Institute for Climate and Society	-	1,177,449
Institute for Energy Economics and Financial Analysis, Inc.	-	1,182,424
International Committee of the Red Cross	2,945,747	-
International Institute for Environment & Development	4,567,993	1,068,366
International Rescue Committee UK	2,593,960	-
Kids Operating Room	1,519,942	1,539,219
Legatum Foundation	1,535,285	-
London School of Economics and Political Science	2,523,264	-
Médecins Sans Frontières UK	2,500,000	-
Meliore Foundation	-	12,679,310
Mission Possible Partnership UK CIO	3,000,000	-
Norwegian Refugee Council	4,235,038	-
Potential Energy Coalition	-	2,768,457
Project Tempo	2,205,902	4,241,417
Public Engagement Platform	3,962,562	-
Rockefeller Philanthropy Advisors	3,403,092	5,304,430
SilverLining NGO	2,966,816	3,048,626
Southhall Black Sisters	1,000,000	-
Spark Climate Solutions	-	1,573,564
Stichting Foundation for International Law for the Environment	2,254,024	1,289,380
Stitching SED Fund	4,587,919	5,109,541
Stour Trust CIC	1,000,000	-
Swiss Philanthropy Foundation	4,684,552	-
Systemiq	-	1,716,051
Tara Climate	4,663,658	3,956,667
TED Foundation	1,215,568	1,573,541
The African Climate Foundation	1,122,335	-
The Bellona Foundation	1,842,485	1,606,123
The Degrees Initiative	1,397,037	1,397,037
The Good Food Institute	-	1,584,510
The Social Change Nest CIC	1,026,780	-
The Sunrise Project	7,935,735	4,786,903
The Tudor Trust	2,400,000	-
TMP Public CIC	1,009,585	1,104,469
TransitionZero	1,486,525	1,129,153
Subtotal carried forward	**220,268,321**	**159,044,162**

3. Analysis of Grants (continued)

Brought forward	**220,268,321**	**159,044,162**
UNHCR	-	1,345,841
University College London	-	1,155,508
University of Cambridge	1,373,735	1,000,000
University of Chicago	1,547,189	-
University of Oxford	3,108,519	1,433,118
University Of Washington	1,848,046	1,969,620
Urgent Action Fund Africa	1,972,214	-
Windward Fund	5,291,229	6,839,873
Other grants to institutions of less than £1,000,000	64,883,205	31,916,925
	300,292,458	**204,705,047**

The Foundation has entered into commitments that may result in further grants totalling £304,586,622 (2024: £160,054,563) being paid to institutions in future years. These payments are conditional on obligations being met, and, as such, liabilities for these grants have not been recognised at 31 December 2025.

4. Other expenditure

	Total Funds 31 December 2025 £	Total Funds 31 December 2024 £
Administrative expenses	3,411,193	2,002,453
Finance costs	11,223	7,468
Rent	1,097,679	775,433
Foreign Exchange Loss	555,509	617,215
Consulting Fees	1,579,388	1,551,966
Legal and professional fees	362,196	487,951
Wages and Salaries	6,105,752	4,903,628
Employer's National Insurance	821,966	589,492
Pension costs	319,020	205,578
Other staff costs	264,483	199,792
Depreciation	51,240	30,605
	14,579,649	11,371,581

5. Auditors' remuneration

	31 December 2025 £	31 December 2024 £
Legal and professional fees (note 4) includes fees payable to the Company's auditor in respect of:		
The audit of the Company's annual accounts	30,624	28,320
All non-audit services not included above	24,720	23,280

6. Staff costs

	31 December 2025 £	31 December 2024 £
Wages and salaries	6,105,752	4,903,628
Employer's National Insurance	821,966	589,492
Pension costs	319,020	205,578
	7,246,738	5,698,698

6. Staff costs (continued)

Included in the above are notice period payments totalling £109,129 for the year ended 31 December 2025 (and £555,755 for the year ending 31 December 2024).

The average number of persons employed by the Company during the period was as follows:

	31 December 2025 £	31 December 2024 £
Employees	39	27

As at 31 December 2025, the number of persons employed by the Company was 41 (2024:31).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

Salary bands for relevant period	31 December 2025	31 December 2024
£60,001 - £70,000	1	1
£70,001 - £80,000	3	2
£80,001 - £90,000	4	4
£90,000 - £100,000	6	1
£100,001 - £110,000	-	2
£110,001 - £120,000	4	1
£120,001 - £130,000	1	2
£130,001 - £140,000	3	1
£160,001 - £170,000	1	-
£170,001 - £180,000	3	2
£180,001 - £190,000	3	-
£190,001 - £200,000	-	1
£220,001 - £230,000	-	1
£250,001 - £260,000	1	-
£260,001 - £270,000	2	2
£280,001 - £290,000	-	1
£290,001 - £300,000	1	1
£320,001 - £330,000	-	1
£330,001 - £340,000	-	1
£340,001 - £350,000	1	-
£370,001 - £380,000	-	1
£450,001 - £460,000	1	-
£550,001 - £560,000	-	1
£580,001 - £590,000	1	-

Key management personnel compensation totalled £2,644,532 during the year ended 31 December 2025 (and £2,499,087 for the year ending 31 December 2024).

7. Trustees renumeration and expenses

During the period, no trustees received any remuneration or other benefits. During the year ended 31 December 2025, £317 (year ended 31 December 2024, £9,837) worth of Trustee expenses have been incurred.

8. Tangible fixed assets

	Office Equipment £	Total £
Cost		
At 1 January 2025	165,512	165,512
Additions	186,877	186,877
Disposal	(47,970)	(47,970)
At 31 December 2025	304,419	304,419
Depreciation		
At 1 January 2025	57,979	57,979
Charge for the period	51,240	51,240
Depreciation on disposals	(31,478)	(31,478)
At 31 December 2025	77,741	77,741
Net Book Value		
At 31 December 2024	107,533	107,533
At 31 December 2025	226,678	226,678

9. Debtors

	31 December 2025 £	31 December 2024 £
Due within one year		
Prepayments and accrued income	870,010	554,904
Other Debtors	356,576	195,042
	1,226,586	749,946

10. Creditors: Amounts falling due within one year

	31 December 2025 £	31 December 2024 £
Grant Creditors	16,403,398	-
Trade creditors	412,477	295,754
Other creditors	95,012	39,888
Accruals	459,526	668,825
	17,370,413	1,004,467

Details of future grant commitments are given in note 3 to the accounts.

11. Reconciliation of net movement in funds to net cash flow from operating activities

	31 December 2025 £	31 December 2024 £
Net income for the period (as per Statement of Financial Activities)	21,251,698	5,652,660
Adjustments for:		
Depreciation charged	51,240	30,605
Loss on tangible fixed assets	16,492	-
Interest income	(1,049,707)	(39,091)
Increase in debtors	(476,640)	(381,187)
Increase/(decrease) in creditors	16,365,946	(5,602,327)
Net cash provided by operating activities	36,159,029	(339,340)

12. Pension Commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the scheme and amounted to £319,020 (2024: £205,578). At 31 December 2025 contributions of £52,569 (2024: £39,888) were unpaid and included in other creditors.

13. Related party transactions

During the year, donations of £335,074,098 (2024: £221,690,197) were received from Quadrature, a Company controlled by two of the Foundation's trustees. A total of £nil (2024: £nil) was due to Quadrature at the period end.

Included within these donations is a gift in kind of £55,286 (2024: £nil), representing advisory services provided to the Foundation by an employee of Quadrature, who is a close family member of a trustee. The value of these services has been estimated based on the equivalent cost of procuring such services externally.

Donated services and hospitality were provided by Quadrature during the year, valued at £nil.

A total of £97,000 (2024: £81,000) was paid to Jennifer Hooke, Trustee, under a service agreement to provide advisory services to the Foundation.

14. Post balance sheet events

After the year end, the charity incorporated a wholly owned trading subsidiary, QCF Services Limited.