
Report of the Trustees and Financial Statements 2024

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About Shell Foundation

Shell Foundation's five-year, 2023-2028 strategy established a charitable mission to enable tens of millions of people to raise their incomes while lowering emissions by 2032.

The mission represents an evolution shaped by the Foundation's 25-year experience in alleviating poverty through clean energy access. It targets deep and lasting social and environmental impact for tens of millions of under-served people in Africa and Asia.

The Foundation's approach is rooted in the specific needs of three customers:

- **A smallholder farmer**
- **A micro-entrepreneur**
- **A transporter**

Why refer to them as customers? Because Shell Foundation believes they are viable participants in a just market economy.

This customer-lens is backed with a robust investment strategy. Financial and non-financial resources are deployed to encourage transformative innovation and harness private markets to deliver public benefit at scale.

Early-stage innovation is championed. Shell Foundation seeks and supports technology and business model invention with the potential to reach millions of people in ways that are commercially viable. Partnerships are brokered with established businesses operating in Africa and South Asia to accelerate scale.

Finance is mobilised for innovation and scale from concessional and commercial sources. Shell Foundation uses its expertise and experience to present the investment case in solutions, its concessional capital to de-risk opportunities and unlock commercial funding, and its understanding of markets and business to develop and scale new and appropriate financing mechanisms.

www.shellfoundation.org

Trustees, Directors, Officers and Advisors

Trustees, Directors, Officers and Advisors

Trustees, Directors, Officers and Advisors Trustees (who are also Directors)

The Trustees of the Foundation who were in office during the year and up to the date of signing the financial statements were:

Ms Gail Klintworth – Chair
 Ms Vinita Bali
 Ms Alice Chapple – Resigned 6 December 2024
 Mr Grzegorz Gut
 Ms Sinead Lynch
 Mr Jack Ngare
 Ms Olufunke Opeke
 Mr Huibert Vigeveno – Resigned 31 March 2025
 Mr Parminder Kohli – Appointed 23 October 2024
 Mr Paul Simpson – Appointed 23 October 2024
 Mr Tim Livett – Appointed 27 January 2025

Principal Officers

Mr Jonathan Berman – Chief Executive Officer
 Mr Richard Gomes – Chief Programme Officer
 Ms Rachel Singh Davies – Chief Financial Officer and Company Secretary
 Mr Nicholas Voges – Interim Chief Financial Officer

Registered Office

Shell Centre, York Road, London SE1 7NA

Bankers

Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN

Independent External Auditor

EY, 1 More London Place, London, SE1 2AF

Audit and Risk Committee Members

Ms Alice Chapple – Chair to 6 December 2024
 Mr Tim Livett – Chair from 27 January 2025
 Ms Vinita Bali – from 21 May 2025
 Ms Gail Klintworth
 Mr Parminder Kohli – from 12 November 2024
 Ms Sinead Lynch
 Mr Alan Howard – co-opted

Funding Approvals Committee members

Ms Gail Klintworth – Chair
 Ms Alice Chapple – to 6 December 2024
 Mr Parminder Kohli – from 5 December 2024
 Ms Sinead Lynch – to 12 June 2024
 Mr Jack Ngare – from 5 December 2024
 Ms Olufunke Opeke

Investment Manager

Shell Asset Management Company, Lange Kleiweg 40,
 2288 GK Rijswijk, The Netherlands

Independent Investment Advisor

Cazenove Capital, 1 London Wall Place, London, EC2Y 5AU
 United Kingdom

Investment Committee Members

Ms Gail Klintworth – Chair
 Ms Alice Chapple – to 6 December 2024
 Mr Grzegorz Gut
 Ms Sinead Lynch – to 12 June 2024
 Mr Paul Simpson – from 23 October 2024
 Mr Tim Livett – from 27 January 2025
 Mr Alan Howard – co-opted
 Mr Jonathan Berman
 Ms Rachel Singh Davies

Remuneration Committee Members

Ms Gail Klintworth – Chair
 Ms Vinita Bali – from 6 December 2024
 Ms Alice Chapple – to 6 December 2024
 Ms Sinead Lynch – to 12 June 2024

Message from the Chair of the Board of Trustees



It is the blend of impact that I find most impressive as we reflect on Shell Foundation's 2024 performance. Across the three customer groups, in multiple markets, the team has found new ways to understand and address the specific challenges faced by farmers, entrepreneurs and transporters.

By bringing new innovation to the portfolio in the areas of technology and digital platforms, and the partnering with established leaders of industry, there is a clear line of sight to scale and depth of impact for Shell Foundation's intended customers.

The Board recognises that depth of impact, as seen through income increase for farmers, entrepreneurs and transporters, is complex and a long-term purpose. Also, that the partnerships being entered into are multi-faceted and a heavy lift in design and deployment stages. We support the Shell Foundation view that the impact potential justifies these efforts.

However, the scale numbers being delivered are invigorating. 1.4 million people empowered to improve their lives through clean energy. 1.5 million tonnes of CO₂e emissions reduced or avoided. \$266 million mobilised into solutions designed with customers at their heart. These are numbers that can only be delivered with agility and innovation, with the taking of catalytic risk, and with active learning. Learning from the Foundation's history, but also from its now.

Two years into the five-year strategy, the Board recognises progress and learning on the journey to empower tens of millions of people to increase their incomes while lowering emissions in South Asia and Africa. We further recognise the potential for future impact grows with every partnership, every innovation, and every dollar leveraged.

Gail Klintworth

Message from Shell Foundation CEO



This is an annual report. In this instance, however, I think it interesting to take a two-year reflection. When we launched our new five-year strategy in 2023 we recognised the level of ambition. Enabling tens of millions of people across Africa and South Asia to raise their incomes while lowering their emissions would require courage and risk. Momentum would be slow to build, and we would need to learn and adapt along the way.

Two years into the strategy, Shell Foundation has improved the lives of more than 2.2 million people with clean energy solutions. Our interventions have catalysed \$460 million into the markets and sectors in which we work. This represents an 8x leverage on our own capital deployments.

In 2023 we evolved our strategy to include income increase as a deep and sustainable impact goal. Impact increase has proven challenging to measure, and we have seen a time lag to impact. However, we are now forecasting \$166 million total additional annual income potential generated by post-2023 interventions.

I am pleased to see new technology innovation in our customer portfolios, and new innovation encouraged with potential to improve lives of our intended customers. I was lucky enough to be in New York during Climate Week and see GreenPod Labs awarded a \$50,000 innovation prize for its technology cutting Post-Harvest Loss, as part of our collaboration with the UK government and our long-standing incubation partner FactorE. I was also overjoyed to see, for the second year in a row, a Shell Foundation portfolio innovation recognized with an EarthShot Prize. KeepITCool – recognised in the 'Build a Waste Free World' category, followed up SAS's 2023 win.

We have built a series of partnerships and interventions with potential to achieve scale and depth over the coming years. Our work with AFEX, Kofa/Pash, Co-operative Bank of Kenya, ITC in India, and Davis & Shirtliff in Kenya steers proven sector leaders' expertise and resources towards increasing incomes for our intended customers. Multi-stakeholder partnerships are complex in design and initial deployment; however, the potential for impact, we believe, provides value in the resources and time needed to deliver.

I write this in Summer 2025 with immense delight at the steps we are taking to deliver against our ambitious strategic vision. I also look forward to working alongside existing and new innovators, scale partners and financial institutions, as well as our team and trustees towards a common purpose: to empower tens of millions of farmers, transporters and entrepreneurs across Africa and South Asia to increase their incomes while lowering emissions.

Jonathan Berman, Shell Foundation CEO

Shell Foundation Programmes



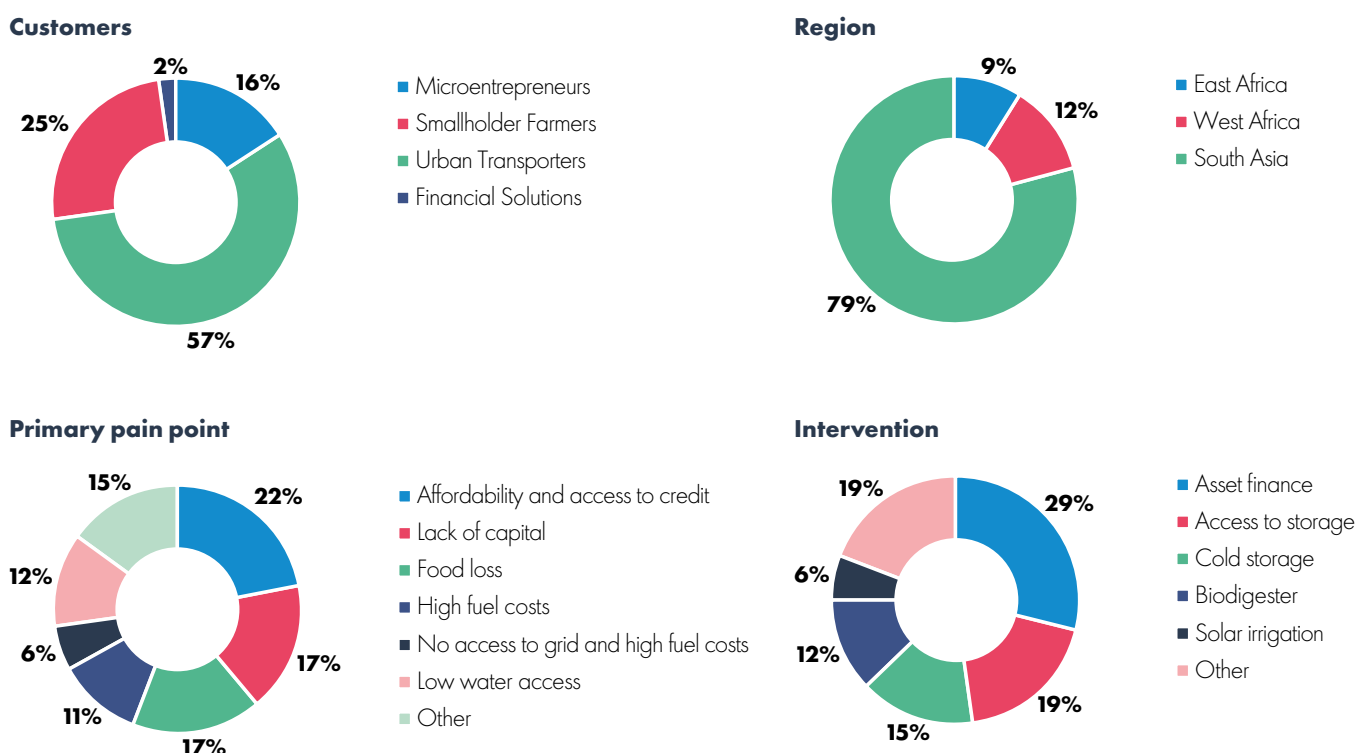
Shell Foundation Portfolio Impact

Impact indicators and evolution through learning

In 2024 Shell Foundation enabled **1.4 million customers with potential to improve their lives through clean energy**. These interventions reduced or avoided 1.5 million tonnes of CO₂e emissions. Shell Foundation mobilised **\$266 million** into the markets and sectors it serves to expand reach of clean technologies to under-served customers.

The impact was shared across the three intended customer profiles – smallholder farmers, urban transporters and microentrepreneurs – as well as the regions of operation. Interventions covered a range of those customers’ pain points, and included multiple technology solutions and financing (see figure 1).

Figure 1



However, newer projects have a longer life cycle

It should be noted that the 2024 impact is sourced mostly from projects started in 2022 or earlier. More recent projects are now beginning to report customers reached, but the more ambitious nature of the interventions has seen a lag in on-the-ground implementation and reporting.

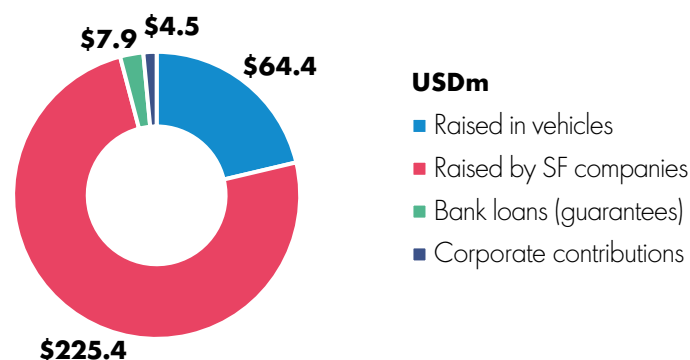
Increased complexity of interventions and partnerships – with multi-stakeholder involvement and often introducing new entrants to the social change space – has also impacted the level of direct funding that Shell Foundation deployed in 2024. It should be noted, however, that anticipated deployment levels for 2025 are conservatively estimated to be double those of 2024, and that Shell Foundation continues to hold strong conviction that while the time to deploy has proven challenging, the potential of these interventions to deliver sustainable impact for millions of customers is high.

Leverage performance – the catalytic role Shell Foundation funding plays in encouraging more resources into the markets and in service of low-income customers – evidences this conviction. Shell Foundation estimates that \$302 million of capital was mobilised by its portfolio in 2024 and over 80% of this was from private sources (see figure 2) who recognise the impact potential. Mobilised capital is defined here as capital provided on fully commercial terms.

Shell Foundation Portfolio Impact (continued)

Figure 2

Capital mobilised by SF partners 2024



Source for data: capital mobilised is self-reported quarterly by Shell Foundation partners through a Partner Management system.

Portfolio Highlights

Across our three customer portfolios we are seeing impressive results, and new interventions designed specifically to address the needs of under-served customers across South Asia and Africa.

In 2024, our Microentrepreneurs portfolio – that exists to serve small business owners and service providers – supported projects that put income-generating technology directly into the hands of 67,000 low-income customers. 58% of those supplied with technology were women.

Research and learning showed that high fuel costs and affordability of alternative income generating clean energy solutions remain a key challenge for microentrepreneurs. 2024 saw new interventions to address this. In Ghana Kofa and Pash are advancing a "Battery as a Service" model, enabling customers to access portable clean energy solutions, without ownership costs. Digital platform CaVEx is leveraging carbon financing to reduce up-front costs of multiple clean energy solutions.

High cost of productive use assets also surfaced as a critical challenge for smallholder farmers. This insight has led to new partnerships with AFEX in Nigeria, Co-operative Bank of Kenya, ITC in India, and Davis & Shirtliff in Kenya.

In October, in collaboration with the UK government and long-term partner Factor[e], a \$50,000 innovation prize was awarded to GreenPod Labs for their technology addressing Post-Harvest Loss. This prize is one element of our work focusing on product innovation and cost reduction, aiming for solutions at 80% of current costs and new business models that avoid debt for customers.

The Smallholder Farmer portfolio enabled 207,000 customers to access productive energy uses in 2024. Key contributors include Sistema.bio (13%), Infocold (23%), and Rabo Foundation (40%), with Rabo's impact driven by a government contract for solar pumps.

The Urban Transporter portfolio, meanwhile, supported work that reached 76,000 customers. The portfolio also mobilised \$155 million, led by RevFin and Mufin who raised \$65 million, respectively.

Additional highlights from this portfolio included early impact for our support of the SIDBI EV Risk Sharing Facility in India. Intended to unlock commercial capital for EV Financiers to onward lend to transporters in India, SIDBI is now working with five partner financial institutions and reached 1,899 drivers in the first half of this year.

In Rwanda, e-bike supplier Ampersand reached 3,549 vehicles on the road, accelerated by Shell Foundation's partnership with MKOPA Mobility. This rapid scaling is set to continue when, starting in January 2025, Rwanda will only license electric motorbikes for public transport in Kigali.

For the EV sector, challenges include the slow supply of affordable EV assets into Sub-Saharan Africa from other regions of the world. Shell Foundation is addressing this with the Kofa/Pash collaboration, but also a new partnership that was agreed in April 2025 with large India-based component provider, Advik, which serves over 50% of the global 2W market and has acquired an innovative energy storage technology with high potential in the EV space.

Shell Foundation Portfolio Impact (continued)

Shell Foundation Portfolio Impact Metrics

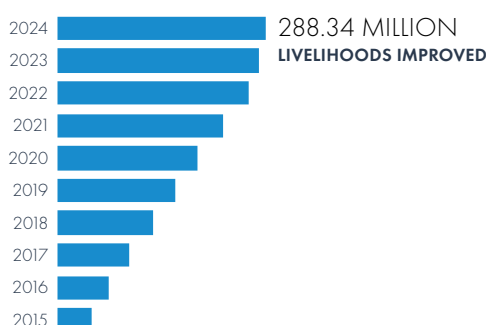
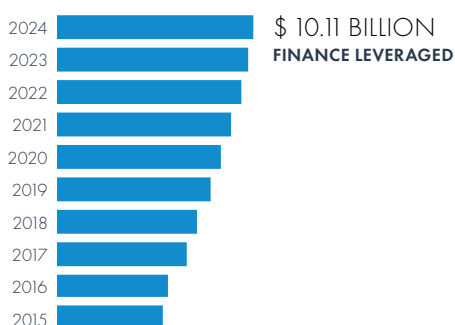
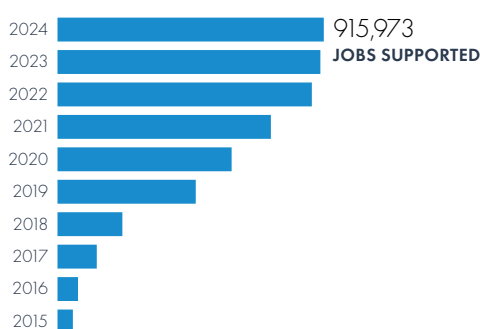
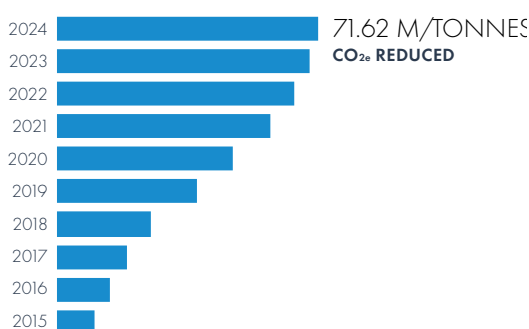
Shell Foundation's cumulative impact is achieved through the work of all the various partnerships in its portfolio and calculated using a comprehensive set of indicators that feed into aggregate numbers. Shell Foundation tracks and measures changes in performance against pre-defined milestones and targets, which allows for a meaningful analysis of the drivers of impact. It measures its overall developmental impact by four broad metrics.

As part of its strategy, Shell Foundation is currently reviewing these metrics and establishing an approach on how it measures and tracks progress on impact on income and closing the living income gap for its customers. This will involve reporting against new metrics in 2025.

SOCIAL IMPACT	1. Livelihoods Improved: Net number of people with access to good quality and cost-effective energy and transportation products and services, skills training, and career support.
ENVIRONMENTAL IMPACT	2. Jobs Supported: Net number of people employed directly by partners and indirectly by businesses to which the partner is a core supplier of products, services, human resources, finance or technical support.
ECONOMIC IMPACT	3. CO₂ Reduced: Net tonnes of CO ₂ or CO ₂ equivalent gasses reduced due to consumer of business adoption of partner products, services and/or industry standards.
	4. Finance Leveraged: Amount of follow-on finance mobilised by partners post-Shell Foundation support or as direct funding for activities/companies supported by its programmes.

These four broad metrics are underpinned by indicators that are specific to each partnership, depending on the sector and stage of business. Examples include:

- Low-income customers served, for example through product sales or passenger journeys
- Reduced emissions, in accordance with market standards relevant to the respective sectors that partners operate in, or water usage
- Jobs created, earnings increased, money saved
- Improved health or time saving



Source for KPI data: Impact KPIs are self-reported quarterly by Shell Foundation partners through a Partner Management system.

Shell Foundation Strategic Partnerships

TIME (TRANSFORMING INCLUSIVE ENERGY MARKETS)



Transforming
Energy
Access

TIME is a partnership between the Shell Foundation and the UK Foreign, Commonwealth and Development Office (FCDO) supporting a just, inclusive, clean energy transition by accelerating the impact of pioneering enterprises and creating new financial and business intermediaries to support scale and replication.

It is part of the FCDO's Transforming Energy Access (TEA) platform, which supports the technologies, business models and skills needed to enable an inclusive clean energy transition, contributing to SDG71 and SDG132 targets by 2030.

The partnership aims to invest a total of £144 million between 2016 and 2027, including up to £72 million from FCDO, and the same amount from Shell Foundation.

The partnership takes an "ecosystem" approach. It addresses the core market barriers and bottlenecks for the sector such as supply, demand, finance and institutions. It helps to de-risk the sector for new and emerging innovators and enterprises by piloting and scaling up new, untested business models that can be replicated by new entrants and by reducing market barriers that constrain growth and dissuade new enterprises from entering the market. This in turn, unlocks private investment to further amplify impact and support growth of the sector.

As of December 2024, TIME has supported 120 funding interventions for businesses that can be scaled for substantial impact, and up to 30 September 2024 it has leveraged over £0.9 billion of capital and improved the lives of over 26 million people with improved access to clean energy.

Shell Foundation Strategic Partnerships

CASEE (CATALYSING AGRICULTURE BY SCALING ENERGY ECOSYSTEMS)



The CASEE programme is an eight-year £30 million 50/50 partnership between Shell Foundation and FCDO to accelerate access to energy-enabled solutions for smallholder farmers and agricultural SMEs (small and medium sized enterprises) in sub-Saharan Africa. Its work contributes to FCDO’s objectives on resilient agriculture and food security.

This programme was extended in 2023 to include an additional £10 million for “financial solutions” from the FCDO (not matched by Shell Foundation) for the final four years of the partnership. The aim of the additional funding is to bridge the gap between Development Finance Institutions’ (DFIs) risk appetite for early-stage investment and the need for high-impact, scalable businesses.

The partnership focuses on the agriculture ecosystem with both direct and indirect links to energy and its objectives are achieved through providing patient grant capital and hands-on business support to enterprise-based innovations that strengthen the energy and agriculture ecosystem, have the potential to scale up without long-term dependence on subsidy from donors, and can generate robust evidence and learning on pathways to scale.

To date, CASEE has partnered with, funded and/or co-created 23 enterprises, intermediaries and market enablers. During 2024, CASEE brought two new businesses into the portfolio – Co-operative Bank of Kenya and DayLipa with 4R Digital, both implementing pilots supporting lower financing costs for productive use energy assets for farmers. By September 2024, CASEE had directly impacted the lives of more than 680,000 people, and leveraged over £200 million of additional finance.

Shell Foundation Net Zero Commitments

Shell Foundation's charitable purpose is to alleviate poverty, by empowering under-served populations to increase their incomes with clean energy products and services. The critical importance of delivering this mission has, in recent years, been highlighted by record temperatures and severe weather events seen around the world. These climate shocks have acutely impacted the populations Shell Foundation seeks to serve – populations that bear little responsibility for current and historic emissions, and have limited resources to mitigate, adapt or recover.

Shell Foundation is committed to bringing the full extent of its resources to address the charitable mission and to join global efforts to reach net-zero carbon emissions by 2050, aiming to reduce emissions enough to keep global temperature rise in line with the goals of the Paris Agreement.

In 2023, Shell Foundation adopted a strategy to reach net-zero carbon emissions by 2050 through its endowment investments. This step was in recognition that a significant source of SF's Scope 1-3 carbon emissions is its endowment, which is invested in various asset classes around the world.

In 2024 Shell Foundation sought to develop a baseline for carbon emissions from its own activities (Scope 1, 2 and 3). It worked with an external partner, Carbon Trust, for this measurement in accordance with the Greenhouse Gas Protocol Corporate Accounting & Reporting and the Partnerships for Carbon Accounting Financials (PCAF) standard for Financed Emissions.

In 2024,

- Shell Foundation had zero Scope 1 and 2 market-based emissions due to the UK office in scope using renewable energy.
- Shell Foundation's Scope 3 emissions (excluding the Endowment portfolio) were 4,016 tCO₂e, driven by three main areas: purchased goods and services (projects & overheads), business travel and social investments.
- It was not possible to complete independent verification of the Scope 3 emissions from the Endowment portfolio due to the transition of asset manager, further details on subsequent page.

Next steps,

- Shell Foundation will aim to keep Scope 1 and 2 emissions to a minimal level.
- Shell Foundation expects that the largest reductions in Scope 3 emissions will come from reducing the emissions from the Endowment portfolio, as they are expected to significantly outweigh Shell Foundation's other emissions. This will be a key focus area to reach net-zero carbon by 2050.
- Scope 3 emissions (excluding the Endowment Portfolio) are vital in delivering Shell Foundation's charitable purpose and, as such, we are unlikely to be able to significantly reduce these activities. Shell Foundation will aim to reduce these emissions, if that can be done without harming the charitable mission.

Shell Foundation will design a multi-year approach to these items, taking into account developing methodologies and increasing external reporting obligations in this area.

Guiding Principles of achieving Net Zero in Shell Foundation's endowment investments

Shell Foundation believes that engagement with the stewards of assets in its Endowment portfolio is the most effective way of catalysing a transition to net zero carbon emissions in its portfolio. Shell Foundation favours engagement rather than divestment, since it is most interested in driving real world impact in reducing carbon emissions in investees, rather than simply seeking to reduce Shell Foundation's reported carbon emissions. However, this engagement approach needs to be justified with clear and targeted engagement goals, with consequences (divestment) if management fail to change course and effect real world change.

The primary ambition in any Paris Agreement-aligned policy is to achieve a decrease in the issuer's carbon intensity through active decarbonisation measures. This reflects a real-world decrease in emissions, which ultimately limits climate change, rather than a portfolio reduction only. Shell Foundation recognises there will be different roles for each asset class, investment manager, and investment vehicle. It will prioritise progress over perfection, and maximise existing levers of influence in the investment industry, to make impact quickly and efficiently.

Net Zero by 2050 will only be achievable if meaningful decarbonisation progress is made by the key milestone dates of 2025, 2030 and 2040. Shell Foundation's engagement approach will include setting asset class and sector targets for these dates, reviewing progress against them and taking decisions during this time which keep it aligned to a 2050 Net Zero path.

Aligned with this engagement approach, SF recently took the decision to exclude some corporate debt, due to the lack of engagement opportunities. Upon transition to our new asset managers, as per paragraph below, SF will be holding corporate debt for the first time in the Endowment fund. SF is committed to not holding corporate debt in companies which are not able to align with the Science Based Targets initiative (SBTi) regarding involvement in exploration, extraction, mining and/or production of oil, natural gas, coal or other fossil fuels.

SF is in the process of agreeing the technical definition of the exclusion, and due to the timing of the asset manager transition, this will be published in the 2025 Annual Report.

At the time of writing, SF is transitioning away from its current asset manager to a new Outsourced Chief Investment Officer (OCIO) relationship with Goldman Sachs Asset Management (GSAM). With its current asset manager, Shell Foundation has measured its (Scope 3) emissions through equity investments in its endowment, which have reduced in line with its 2025 interim target. However, it was not possible to complete independent verification of these numbers prior to the transition of asset manager. Shell Foundation is committed to pursuing its net zero journey transparently and robustly and intended to publish them in this document and on its website. However, it is equally committed to ensuring that everything it does in this space is in accordance with evolving norms and accepted standards and independently verified. If a number cannot be independently verified then Shell Foundation will usually choose not to publish it. It is the intention and desire, once transition to the new manager takes place, that endowment emissions are measured, verified and made public. Any shortcomings in these measurements will be disclosed clearly at the time.

Report of the Trustees and Financial Statements 2024

Additional copies of this report, the reports for prior years and further information regarding the activities of Shell Foundation may be obtained from the following web site:

www.shellfoundation.org

Report of the Trustees for the year ended 31 December 2024

The Trustees, who are also directors of the Foundation for the purpose of the Companies Act, present their annual report and the audited consolidated financial statements for the year ended 31 December 2024.

The information with respect to Trustees, directors, officers and advisors set out on page 4 forms part of this report as does the report on Achievement and Performance on pages 8 to 14. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, UK GAAP FRS 102 and the Statement of Recommended Practice 'Charities SORP' effective 1 January 2019.

STATUS AND ADMINISTRATION

Shell Foundation ('the Foundation' or 'SF') is a charitable company limited by guarantee, incorporated on 31 May 2000 (company registration number 4007273) and registered with the Charity Commission as a charity on 2 June 2000 (charity registration number 1080999).

The Foundation is registered in the United States of America under section 501(c)(4) of the Internal Revenue Code, identification number 98 0368454.

The Foundation has a single subsidiary, SF Investment Management Limited, (company number 09425215), which was incorporated in 2015 to manage a restricted programme with USAID to generate employment in Iraq through investment in small and growing businesses. On completion of this programme, any proceeds from the investments are to be returned to USAID.

Structure, Governance and Management

RELATIONSHIP WITH THE SHELL GROUP

To ensure clarity in the relationship of the Foundation to Shell plc and its subsidiaries ('the Shell Group'), the Foundation Board includes a Chair and a majority of Trustees who have no direct relationship with the Shell Group, known as the 'Nominated Trustees'. They are selected for their experience and eminence in the Foundation's field of activities.

Between incorporation and 31 December 2000, donations of \$259 million were received from the Shell Group.

In addition to the initial endowment, the Foundation has received restricted and unrestricted donations from the Shell Group totalling \$292 million to the end of 2024.

GOVERNANCE AND INTERNAL CONTROLS

Trustees are formally appointed by the sole member of the Foundation (The Shell Petroleum Company Limited) upon their identification, selection and recommendation by the Board of Trustees. New Trustees are provided with information on Trustee guidelines as prepared by the Charity Commission, and information on the Foundation as appropriate. Briefing discussions are held with the CEO of the Foundation and other key staff. Trustees are requested at least annually to confirm any conflicts of interest and related party transactions.

The Trustees meet formally at least four times each year.

They review and approve:

1. The Foundation's financial results and statutory returns;
2. Internal controls (including delegation of authorities and segregation of duties);
3. Risks associated with the Foundation's activities and appropriate mitigation measures in respect of these;
4. The endowment investment returns, strategic asset allocation, and performance of the fund manager;
5. Social investment performance;
6. A strategic plan and annual budget for the Foundation;
7. Management accounts, variances from budget, and non-financial performance indicators;
8. The team's performance against pre-determined annual targets, including the scorecard outcome;
9. The Foundation's social impact and public benefit against defined evaluation metrics.

The Board is supported in items 1-3 by an Audit and Risk Committee (ARC); by an Investment Committee (IC) for item 4; by a Remuneration Committee (RemCo) for item 8, and by a Funding Approvals Committee (FAC) for item 9.

The ARC comprises three Trustees who invite the Foundation CEO, CFO, external auditor and relevant experts to attend as required. The Chair and a majority of the ARC are Nominated Trustees. They take responsibility on behalf of the SF Board of Trustees to ensure that there is a framework for accountability; for examining and reviewing systems and methods of control, both financial and otherwise, including risk analysis and risk management; and for ensuring that SF is complying with all aspects of the law, relevant regulations and good practice. It reports back to the Board and makes recommendations as appropriate.

The IC comprises three Trustees, the CEO and the CFO, advised by an independent investment advisor (Cazenove Capital). The Chair and a majority of the IC are Nominated Trustees. The remit of the IC is to establish, review, recommend and report to the Board on the Investment strategy and policy for all financial investments and the selection and performance of fund manager(s) including the Investment management agreement(s).

The Remuneration Committee consists of three Trustees. The committee sets remuneration for certain senior staff and reviews Foundation performance for the year as reflected in the annual scorecard and makes a recommendation to the Board for the scorecard outcome. The scorecard outcome determines a component of the remuneration of Shell Foundation staff.

The Funding Approvals Committee consists of four Trustees of which the Chair and a majority are Nominated Trustees. The Committee reviews and approves material funding proposals, with regard to the level of social impact and public benefit they will deliver.

The Trustees have delegated operational management of the Foundation to the CEO, who reports on the performance against the strategic plan and budget as approved by the Trustees.

Report of the Trustees for the year ended 31 December 2024 (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Report of the Trustees (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standard FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (2006 Companies Act). 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 the affairs of the Foundation and the Group and of the incoming resources and application of resources, including the income and expenditure, of the 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 FRS102 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- (a) there is no relevant audit information of which the company's auditor is unaware; and
- (b) they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

GRANT COMMITMENTS

The Foundation identifies strategic partners it wants to support in order to further its charitable purposes for the public benefit, and does not encourage the submission of unsolicited grant applications.

As part of its risk control framework, the Foundation conducts due diligence assessments of these prospective grantees (grant recipients) prior to awarding grants to confirm that, at the time of grant approval, there is an expectation that the project is likely to be successful and, therefore, that the grant commitment will be paid in full. Grants are assessed and approved by the Funding Approvals Committee or Leadership Team, depending on value.

Certain milestones must be met by the grantee to receive scheduled grant payments to ensure they remain aligned to the Foundation's charitable objectives. The expectation upon signing the Letter of Commitment (LOC) is that the grantee will be able to achieve the milestones. Progress against milestones is monitored using a variety of methods including reports from the grantee, meetings with grantees, reviews of their activities, visits to the grantee sites and receiving feedback from the communities the grantee is serving. Where a grantee does not meet a milestone the payment of that instalment of the grant may be deferred until such time as the milestone has been met, or ultimately the grant may be terminated if it is deemed no longer possible that project objectives can be met.

SOCIAL INVESTMENTS

SF makes use of a variety of non-grant instruments where appropriate to suit the partner's needs and deliver impact most effectively (e.g. leveraging support from other investors). These may include convertible grants, concessionary loans, fund investments, financial guarantees, and de-risking facilities for financial institutions.

All social investments are reviewed to ensure that any private benefit generated is incidental to the delivery of public benefit and SF's charitable objectives.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The primary objective of the Foundation is to alleviate poverty, enabling millions of underserved people to earn a living income through creating and scaling enterprise solutions that provide access to clean energy products and services in Africa and Asia. Living income is the net annual income required for a household in a particular place to afford a decent standard of living for all members of that household¹; it factors in local spending patterns and inflation, whereas the international poverty line does not. The Foundation pursues its objective via grants and social investments made through its Smallholder farmers, Microentrepreneurs and Urban Transporters programmes.

These objectives have been met through the activities described in this report.

¹ As defined by the Global Living Wage Coalition.

Report of the Trustees for the year ended 31 December 2024 (continued)

The Trustees confirm they have complied with the guidance contained in the Charity Commission's general guidance on public benefit in section 4 of the Charities Act 2011 when reviewing the Foundation's aims and objectives and when considering funding to be awarded. The Foundation's Articles permit it to further these objectives anywhere in the world, and its policy is to act as a truly international foundation.

Financial Review

FINANCIAL ACTIVITIES

The Statement of Financial Activities is included with the financial statements on page 24.

SF operates within strict budgets as approved by the Board on an annual basis. In 2024 all expenditure was within the agreed budgets and limits. Endowment withdrawals are in accordance with Investment Committee policy and per annual approval of SF Board.

Restricted income is principally received under the terms of a five year funding agreement with the Foreign, Commonwealth and Development Office (FCDO) which runs until 2027. Restricted income for 2024 is \$10.9 million (2023: \$10.2 million). Shell Foundation is well positioned to enter other restricted funding partnerships and equally to ensure its activities and commitments can be met with unrestricted endowment resources.

Total unrestricted charitable expenditure was \$32.1 million, compared to \$28.8 million in 2023. \$18.4 million of impairments on social investments was recognised in 2024 compared with \$9.8 million in 2023.

PRINCIPAL FUNDING SOURCES

The Foundation's programmes are funded by distributions from its endowment fund. Shell Group companies made unrestricted donations of \$14.3 million in 2024 (2023: \$7.1 million). Restricted donations totalling \$10.9 million (2023: \$10.2 million) were received from FCDO.

RESERVES

SF holds an expendable endowment to sustain the funding of its annual programmes. The investment policy adopted by Trustees aims to maintain the real value of both distributions and the endowment asset value. SF's endowment constitutes unrestricted reserves and is sufficient to meet the commitments and ambitions of the Foundation now and in the future. Commitments are met by liquidating endowment assets as and when required. The reserve policy is set by the Investment Committee, reviewed regularly by the Audit and Risk Committee, and approved by the Board of Trustees. At year end the value of the endowment was \$607 million (2023: \$571 million) and total value of SF reserves was \$672 million (2023: \$644 million).

At the year end the balance in restricted funds was the value of social investments made under the FCDO TIME partnership. Upon repayment to SF, these funds will be redirected to new

projects to further our charitable objectives consistent with the Partnership governing documents.

ENDOWMENT INVESTMENT POLICY AND PERFORMANCE

The endowment is invested in a diversified portfolio of global Equities, Hedge funds, Fixed income and Real estate. Where necessary in order to mitigate any risk associated with currency exposure, the investment portfolio is partially hedged back to the Foundation's functional currency of US Dollars (by the investment manager) through the use of forward contracts. The Investment objectives of the Foundation are set by an Investment Committee and management of the endowment in accordance with those objectives, either directly or through external fund managers, sits with our selected asset manager.

SF seeks to incorporate Environmental, Social and Governance (ESG) considerations into the management of the endowment and has made several choices in the way the endowment is managed. Firstly, the endowment's equity investments are managed against custom ESG benchmarks that have stronger governance positioning and a significantly lower carbon footprint versus standard market indices. Furthermore, external managers appointed through our asset manager are required to make explicit how ESG considerations are integrated in their investment processes. These managers are also asked to report to the United Nations-supported Principles for Responsible Investment (UNPRI) or, in the case of property investments, the Global Real Estate Sustainability Benchmark (GRESB). SF believes in the power of responsible ownership. We use our influence in investee entities, through voting and engagement, to drive further progress on ESG matters. Given the breadth of our investment portfolio, implementation of these activities is supported through an external provider of stewardship services.

SF supports the goals of the Paris Agreement with a policy adopted in 2023 to reach Net Zero carbon emissions from its endowment by 2050. The initial strategy is one of engagement with investees through our external provider and focus on the most carbon-intensive sectors for the economy. Interim targets have been set and progress will be reported at regular intervals and will inform future decisions on how we better support our mission through the endowment investment choices made. More information on this is set out on pages 13-14.

In addition to our net zero goal, SF has made several choices in the way the endowment is managed. Firstly, the endowment's equity investments are managed against custom ESG benchmarks that have stronger governance positioning and a significantly lower carbon footprint versus standard market indices. Furthermore, external managers appointed through our asset manager are required to make explicit how ESG considerations are integrated in their investment processes. These managers are also asked to report to the United Nations-supported Principles for Responsible Investment (UNPRI) or, in the case of property investments, the Global Real Estate Sustainability Benchmark (GRESB).

Report of the Trustees for the year ended 31 December 2024 (continued)

We have made robust steps in measuring and improving ESG considerations in our endowment and are committed to making further progress in this area.

In 2024, financial markets continued show growth driven by equity valuations in the US and the continued dampening of the inflationary shock of 2022. Equities performed well, benefiting from high tech stock valuations and fiscal stimulus, while Fixed Income returns were positive but lower, as central banks cut interest rates in the second half of the year. The exception was Real Estate which continued to reflect low transaction volumes and weaker valuations in commercial property. All asset classes performed in line with their benchmarks.

The total return of the portfolio for the year was positive (7.3%) (2023: 12.3%) in line with the market benchmark. Annualised returns for the portfolio over a three year period were 2.2%.

The Equity portfolio returned 11.0% (2023: 18.5%) over the year, driven by high US tech stock valuations and growth in the US, Europe and Emerging Markets. This was partially reversed in Q4 due to the USD strengthening significantly during the quarter, resulting in a negative USD performance. Fixed Income showed positive returns over the year (+2.0%), although this was lower than 2023 (10.5%) due to central banks cutting interest rates in Europe and North America in the second half of the year. In Emerging Market Debt, the performance of local currency markets was primarily impacted by negative foreign exchange returns of emerging market currencies against the USD, while tightening spreads had a positive impact on the performance of the hard currency markets. The hedge fund portfolio performance was positive in 2024 (+7.1%), continuing to overperform versus the benchmark. Real Estate recorded a negative return of -7.2% total return for the year (2023: -10.1%), driven by the negative FX effects of the European exposure despite the stabilising and modest value recovery of the underlying European core funds in Q4.

Over a three-year horizon, Equity and Hedge Funds have posted positive absolute returns. Full portfolio annualised returns over three years stand at 2.2%.

Since the year end, the value of the endowment has increased slightly, driven by valuations of Equity and Fixed Income in line with global markets. As at May 2025 the Trustees remain comfortable that existing investment policy will be followed throughout future market volatility, with investment performance reviewed regularly by the Investment Committee.

In 2023 SF scheduled a formal review of its asset management arrangement. Following an extensive procurement process during 2024, guided by expert external advisors and supported (but not influenced) by Shell, SF has selected Goldman Sachs Asset Management (GSAM) as its new Outsourced Chief Investment Officer (OCIO) and asset manager. SF has been professionally served by Shell Asset Management Company (SAMCo) over past years. As our ambitions increase and our sector context evolves, we believe this move will allow SF's endowment to further serve

our mission. At the time of writing, work was underway to transition from our existing asset manager arrangements and to GSAM. Once GSAM is operational in the role of OCIO, SF expects to share more around endowment strategy including our continuing responsible investment journey.

PLANS FOR FUTURE PERIODS

See the review of achievements and performance on pages 8 to 14 for details of future plans.

Shell Foundation is largely funded from an expendable endowment which, even if faced with significant market volatility or negative sentiment, is well placed to fund all anticipated spending needs in coming years. In the event that restricted income is lower than seen in recent years, SF can modify spending plans and ambitions. SF has very few long-term commitments and so is able to 'right size' relatively easily, without jeopardising social impact already created.

SF also expects to play a role in the next few years as a facilitator of funding, by signing agreements with impact investors to provide a high quality pipeline of investible enterprises from its portfolio.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have identified the major risks to which the Foundation is exposed. The level of exposure for each risk is assessed by considering the likelihood of occurrence, the potential consequences of occurrence and the effectiveness of existing controls in place and actions taken to mitigate the risk. The Trustees review these assessments at least twice a year through their Audit and Risk Committee and at their board meetings. None of the key risks is currently regarded as posing an unacceptable residual exposure.

Risks include:

Reputation: Maintaining an appropriate reputation is fundamental to SF's ability to deliver meaningful positive benefit to its target beneficiaries, as it impacts the Foundation's ability to attract and maintain partnerships across both public and private sectors. The Trustees are attuned to the range of issues which could affect the Foundation's reputation, monitor reputational issues closely and are committed to taking the actions necessary to protect the reputation of SF.

Staff: Its experienced and committed team is a key asset of SF and of fundamental importance to its success. The ability to attract, retain and motivate team members in key SF locations is therefore essential to SF's ongoing activity. In 2024 SF continued to recruit staff in our core markets; this proximity to market brings benefits to delivery of strategy but also risks, with different approaches necessary to harness value for staff, SF and its beneficiaries. The Board seeks to ensure that any issues related to SF's team are managed timely and effectively by the leadership team. Staff wellbeing and engagement will continue to be monitored and managed regularly with additional actions

Report of the Trustees for the year ended 31 December 2024 (continued)

taken where necessary. SF maintains a hybrid working model with most staff dividing their working time between office and home. Initiatives and routines to sustain and strengthen a strong cohesive culture in a globally dispersed team are established.

Partners: The Foundation is reliant on strategic partners to take programmes forward and build both developmentally sound and financially viable scalable solutions to the challenge of raising incomes in Shell Foundation's target groups. This continues to be managed through the careful selection process for new partners, ongoing management of existing partners and considered review of the portfolio and the impact both created and forecast.

Independence and relationship with Shell: The Trustees explicitly recognise their charitable responsibilities in this regard by stating formally in Shell Foundation's Business Principles that the Foundation's activities will always be consistent with achieving its mission and cannot promote the commercial interests of the Shell Group, and that any benefit that may accrue to the Shell Group from the Foundation's activities will be incidental and outweighed by the contribution to the Foundation's charitable objectives. Activities that could give rise to heightened independence concerns are identified and managed accordingly, including regular reporting to the Audit and Risk Committee (ARC) where appropriate. The ARC is chaired by a Nominated Trustee to provide robust scrutiny and independent risk assessment and response.

Investment Risk: The Trustees have implemented clear investment objectives, including long term Endowment fund return targets to fund SF's ongoing charitable objectives, and ESG and Net Zero commitments. There is a risk that the investment performance of the Endowment does not meet these targets and commitments. To ensure the Foundation's investment objectives are met, there is a considerable allocation to return-seeking assets, meaning volatility in annual investment performance is expected and accepted. The Investment Committee regularly reviews investment performance and strategy.

The Foundation has also made a number of social investments. The key financial risk associated with these investments is the size, timing and reliability of cash flows. This cash flow risk is mitigated by regular monitoring of the investments and a prudent approach in cash flow forecasting.

For further information on the Trustees' assessment of going concern, please refer to the Basis of Preparation in Note 1 to the Financial Statements.

Monitoring and Evaluation: A delivery risk on monitoring and evaluation is recognised as the Foundation has grown significantly over recent years, requiring renewed focus on implementing efficient and systematic ways to measure its charitable performance and research outcomes. SF continues to develop its monitoring and evaluation software and methodologies. This includes piloting a framework to measure impact per dollar

of SF spend using historical data and future projections on strategic partners, supporting partners across the programme areas to implement standardised GHG methodologies, and developing SF's approach to measuring its impact contribution from indirect investments including, funds, platforms and working with corporates. Trustees recognise a need to ensure that wherever SF supports carbon measurement, credits and trade, that the credits must be of the best quality and supporting real world carbon reductions. SF is seeking to make its internal carbon credit frameworks more robust, layered on top of international and market standards. A Voluntary Carbon Markets screening tool is being developed for all new projects to be assessed under and to mitigate against this risk.

Compliance: The increase in the size and complexity of SF and its partnerships, combined with an ever more demanding external regulatory environment, presents a heightened compliance risk. As SF continues to work closely with external donors, Trustees regularly review compliance requirements.

Portfolio management: The refreshed Strategy launched at the start of 2023 focuses on a smaller number of partners with a high potential for income increase for our target customer groups. This resulted in a reduction in the number of partners in the portfolio through a phased process of partner graduations. The focus on scalable and potentially larger partners and the graduation process has changed the nature of portfolio management risk and requires a different relationship with the some of the partners.

Health, Safety, Security and Environment (HSSE):

SF staff frequently travel to remote or developing places as they work with partners. The risks associated with this are carefully managed, including making use of the Shell Group's HSSE systems where available to respond to changing circumstances. In 2024 SF continues to provide mentoring and guidance on HSSE to relevant partners and monitors their HSSE systems as part of the annual partner assurance process.

Safeguarding: SF is conscious to avoid its actions or its partners' actions adversely affecting the safety, privacy and dignity of the people whose lives it aims to improve. To do this, SF has a zero-tolerance Safeguarding approach and procedures, delivering an ongoing programme of Safeguarding training for all Foundation staff and its partners, and helping individual partners to implement improved safeguarding policy and practice in their enterprises. SF has two Safeguarding Officers and a Safeguarding Trustee, plus a dedicated member of staff focusing on programme compliance, including Safeguarding. SF retains the services of external Safeguarding experts both in the UK and in our target markets to assist with on-going training and ensure a local approach to managing Safeguarding. Trustees and management have an increased focus on the wellbeing of staff and partners, assessing the need to mitigate potentially increased safeguarding and HSSE risks which can arise in crisis situations.

Report of the Trustees for the year ended 31 December 2024 (continued)

INDEPENDENT AUDITOR

The sole member approved the adoption of Elective Resolutions on 28 March 2001, in accordance with the Companies Act 2006, to dispense with (a) the holding of Annual General Meetings, (b) the laying of report and financial statements before general meetings each year, and (c) the annual re-appointment of auditor.

Ernst & Young LLP accordingly shall be Independent Auditor of Shell Foundation pursuant to section 487(2) of the Companies Act 2006. In accordance with the Companies Act 2006, any Member or the Auditor may require the report and financial statements to be laid before a general meeting by depositing a notice to that effect at the registered office of the Foundation not later than 28 days after the despatch of the financial statements and reports to Members.

The Report of the Trustees, including the Strategic Report, were approved by the Trustees and signed on their behalf by order of the Board:



Gail Klintworth

Chair of the Board of Trustees
26 June 2025

Independent Auditor's report to the members of Shell Foundation

Opinion

We have audited the financial statements of Shell Foundation (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, consolidated income and expenditure account, consolidated and charity balance sheets, cash flow statement and consolidated cash flow statement and the related notes¹ to 28, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its 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 below. We are independent of the group and of the charitable company 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 group and on the charitable company's ability to continue as a going concern for a period of 18 months from when the financial statements are authorised for issue until 31 December 2026.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter 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 directors' report and the strategic report prepared for the purpose 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 light of the knowledge and understanding of the group and of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; 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.

Independent Auditor's report to the members of Shell Foundation (continued)

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the group and of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that 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 group's and 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 management either intends to liquidate the group and the charitable company or to cease operations, or has 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 on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and to the charitable company and determined that the most significant are the reporting requirements to the Charity Commission and reporting under the Companies Act 2006.
- We understood how the group and the charitable company is complying with those frameworks by obtaining an understanding of the group and of the charitable company's

procedures to ensure compliance and understanding of the controls in place for management to detect breaches in laws and regulations. We also considered the oversight of those charged with governance (i.e. considering the potential for override of controls or other inappropriate influence over the financial reporting process, such as efforts by management to manage earnings), the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.

- We assessed the susceptibility of the group and of the charitable company's financial statements to material misstatement, including how fraud might occur by making enquiries of those charged with governance and management and considering the potential for override of controls or other inappropriate influence over the financial reporting process. We tested journal entries and performed procedures on significant estimates and judgements.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved confirming if management are aware of any breaches in laws and regulations or fraudulent activity, inspecting any correspondence between the charitable company and the Charity Commission, reading external specialist reports and the minutes of the Board, testing manual journal entries and undertaking the FRS 102 disclosure checklist to ensure relevant requirements are met.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

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Stephen Reid (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London

30 June 2025

Consolidated statement of financial activities for the year ended 31 December 2024

Company Registered Number: 4007273

	Note	Unrestricted Funds 2024 \$000	Restricted Funds 2024 \$000	Endowment Funds 2024 \$000	Total Funds 2024 \$000
Income and endowments from					
- Donations	2	14,386	11,762	-	26,148
- Donated services	2	707	-	-	707
- Investments	3	1,102	20	9,470	10,592
Total Incoming Resources		16,195	11,782	9,470	37,447
Expenditure on Raising Funds					
Investment management costs		(891)	-	-	(891)
Total Cost of Raising Funds		(891)	-	-	(891)
Charitable Activities					
- Micro Entrepreneurs		(20,906)	(5,151)	-	(26,057)
- Urban Transporters		(5,078)	(810)	-	(5,888)
- Smallholder Farmers		(6,184)	(2,682)	-	(8,866)
Total Charitable Activities	4	(32,168)	(8,643)	-	(40,811)
Total Resources Expended		(33,059)	(8,643)	-	(41,702)
Net gains on investments					
Realised and Unrealised loss on the revaluation and disposal of investment assets		-	-	32,273	32,273
Net income/(expenditure) before transfers		(16,864)	3,139	41,743	28,018
Transfers between funds		5,000	-	(5,000)	-
Net (Expenditure)/Income		(11,864)	3,139	36,743	28,018
Net Movement in Funds		(11,864)	3,139	36,743	28,018
Fund balances brought forward at 1 January		44,535	28,889	570,712	644,136
Fund balances carried forward at 31 December		32,671	32,028	607,455	672,154

The Foundation has elected to take the exemption under section 48 of the Companies Act 2006 not to present the Foundation statement of financial activities. The Foundation's net movement in funds in 2024 was \$28.02 million surplus. All incoming resources, resources expended and resulting net movements in funds were derived from continuing activities.

The accompanying notes form part of these financial statements.

Consolidated statement of financial activities for the year ended 31 December 2023

Company Registered Number: 4007273

	Note	Unrestricted Funds 2023 \$000	Restricted Funds 2023 \$000	Endowment Funds 2023 \$000	Total Funds 2023 \$000
Income and endowments from					
- Donations	2	7,073	10,170	-	17,243
- Donated services	2	663	-	-	663
- Investments	3	1,056	40	9,622	10,718
Total Incoming Resources		8,792	10,210	9,622	28,624
Expenditure on Raising Funds					
Investment management costs		(952)	-	-	(952)
Total Cost of Raising Funds		(952)	-	-	(952)
Charitable Activities					
- Micro Entrepreneurs		(13,261)	(6,185)	-	(19,446)
- Urban Transporters		(9,027)	(131)	-	(9,158)
- Smallholder Farmers		(6,557)	(1,381)	-	(7,938)
Total Charitable Activities	4	(28,845)	(7,697)	-	(36,542)
Total Resources Expended		(29,797)	(7,697)	-	(37,494)
Net gains on investments					
Realised and Unrealised loss on the revaluation and disposal of investment assets		-	-	54,867	54,867
Net (expenditure)/income before transfers		(21,005)	2,513	64,489	45,997
Transfers between funds		28,500	-	(28,500)	-
Net Income		7,495	2,513	35,989	45,997
Net Movement in Funds		7,495	2,513	35,989	45,997
Fund balances brought forward at 1 January		37,040	26,376	534,723	598,139
Fund balances carried forward at 31 December		44,535	28,889	570,712	644,136

The Foundation has elected to take the exemption under section 48 of the Companies Act 2006 not to present the Foundation statement of financial activities. The Foundation's net movement in funds in 2023 was \$45.9 million surplus. All incoming resources, resources expended and resulting net movements in funds were derived from continuing activities.

The accompanying notes form part of these financial statements.

Consolidated income and expenditure account for the year ended 31 December 2024

Company Registered Number: 4007273

	Note	2024 \$000	2023 \$000
Income	2	26,855	17,906
Gains on investments		32,273	54,867
Interest and investment income	3	10,592	10,718
Gross income in the reporting period		69,720	83,491
Expenditure		(23,275)	(27,705)
Impairment of Social Investments	4	(18,427)	(9,789)
Total expenditure		(41,702)	(37,494)
Net Income for the reporting period		28,018	45,997
Net surplus of income over expenditure for the year		28,018	45,997

The accompanying notes form part of these financial statements.

Consolidated and charity balance sheets as at 31 December 2024

Company Registered Number: 4007273

	Note	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Fixed Assets					
Endowment	10	607,455	570,712	607,455	570,712
Social investments	11	65,396	73,360	56,993	61,737
Subsidiary undertakings	12	-	-	8,473	11,733
Total Fixed Assets		672,851	644,072	672,921	644,182
Current Assets					
Debtors:					
amounts falling due within one year	13	6,594	4,338	6,594	4,338
Cash at bank and in hand	14	16,362	15,650	15,958	15,229
Social investments	11	1,299	1,309	1,299	1,309
Total Current Assets		24,255	21,297	23,851	20,876
Creditors: amounts falling due within one year	15	(22,328)	(20,298)	(22,275)	(20,247)
Provisions	16	(2,000)	(300)	(2,000)	(300)
Net Current Assets	19	(73)	699	(424)	329
Total Assets less Current Liabilities		672,778	644,771	672,497	644,511
Creditors: amounts falling due after more than one year	17	(624)	(635)	(656)	(667)
Net Assets		672,154	644,136	671,841	643,844
The funds of the Foundation:					
Endowment Funds	18	607,455	570,712	607,455	570,712
Unrestricted Funds	18	32,671	44,535	32,671	44,535
Restricted Funds	18	32,028	28,889	31,715	28,597
Total Foundation Funds		672,154	644,136	671,841	643,844

The accompanying notes form part of these financial statements.

The financial statements on pages 24 to 49 authorised for issue, approved by the Trustees and signed on their behalf by:

Gail Klintworth
Chair of the Board of Trustees
26 June 2025

Cash flow statement and consolidated cash flow statement for the year ended 31 December 2024

Company Registered Number: 4007273

	Note	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Net cash used in operating activities	20	5,954	(10,305)	5,992	(10,109)
Cash flow from investing activities					
Investment Income – unrestricted and restricted		1,123	1,097	1,102	1056
Investment income from endowment funds		9,470	9,622	9,470	9,622
<i>Endowment Fund</i>	10				
Purchase of investments		(89,503)	(56,886)	(89,503)	(56,886)
Sale of investments		90,472	74,941	90,472	74,941
Loss on foreign exchange		(80)	(219)	(80)	(219)
Increase/(decrease) in investment cash		(5,359)	1,042	(5,359)	1,042
<i>Investments</i>	11				
Purchase of social investments		(12,390)	(19,499)	(12,390)	(17,499)
Repayment/unrealised gain of social investments		1,025	2,647	1,025	2,647
Investment in subsidiary		-	-	-	(2,000)
Net cash from investing activities		(5,242)	12,745	(5,263)	12,704
Cash flow from financing activities					
Transfer out from endowment fund		(5,000)	(28,500)	(5,000)	(28,500)
Transfer in to unrestricted funds		5,000	28,500	5,000	28,500
Net cash used in financing activities		-	-	-	-
Net Increase in cash and cash equivalents		712	2,440	729	2,595
Cash and cash equivalents at the beginning of the year		15,650	13,210	15,229	12,634
Cash and cash equivalents at the end of the year		16,362	15,650	15,958	15,229

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2024

Company Registered Number: 4007273

1. Summary of Significant Accounting Policies

GENERAL INFORMATION

Shell Foundation ('the Foundation') and its subsidiary, SF Investment Management Limited (together 'the Group') is an independent charity established by the Shell Group in 2000 to create and scale new solutions to global development challenges. We apply entrepreneurial thinking to create new ways to deliver social and environmental change and economic growth in low-income areas of the world. In line with our mission and charitable independence, Shell Foundation decides what issues to tackle, in which countries, with which partners, as well as if and when to draw on our links to Shell in ways that we believe will achieve large-scale development outcomes.

The company is a private company limited by guarantee and is incorporated in England and Wales. The address of its registered office is Shell Centre, York Road, London, SE1 7NA.

STATEMENT OF COMPLIANCE

The financial statements are prepared in accordance with the 'Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102)', effective 1 January 2019, and in accordance with applicable United Kingdom accounting standards and the Companies Act 2006. The accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

BASIS OF PREPARATION

These consolidated and separate financial statements are prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments. Social investments are recorded at historical cost less any impairment.

The Trustees have closely examined the ability of Shell Foundation to continue as a going concern and they remain assured of the Foundation's ability to continue on a going concern basis. Foundation activities are largely funded through withdrawals from a large, unrestricted, liquid endowment. As at 30 April 2025, the endowment value was \$620 million and cash held in the bank was \$19 million. At the current rate of planned withdrawals the fund is sufficient to cover 20 years of planned expenditure. The Trustees have reviewed in detail the ability of SF to continue as a going concern for a minimum period of 18 months from the date when the financial statements are authorised for issue, considering existing and budgeted commitments, operating costs, and a range of endowment valuations. In terms of the ability of the Foundation to meet all existing and planned commitments to end of the next 12-month operating cycle at 31 December 2026, the endowment would have to experience a fall in value of 87% before the Foundation would have to modify planned commitments, whilst remaining able to meet existing commitments. In addition, the Foundation has the ability to significantly modify future ambitions to match resources if required, although based on the stress test above, this is not anticipated.

In preparing the financial statements, the Trustees have considered the impact of the physical and transition risks of climate change and have concluded that it does not have a material impact on the carrying values of social investments, and the recognition and measurement of the assets and liabilities in these financial statements as at 31 December 2024 year-end date.

BASIS OF CONSOLIDATION

The financial statements consolidate the results of the Foundation and its wholly owned subsidiary SF Investment Management Limited on a line-by-line basis. A separate Statement of Financial Activities and Investment and Expenditure Account for the Foundation has not been presented as the Foundation has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

FOREIGN CURRENCY

Functional and presentation currency

The Group financial statements are presented in United States dollars and rounded to thousands.

The Foundation's functional and presentational currency is the US dollar. This is because the operating currency of the Foundation is US Dollars, reflecting the high proportion of grants awarded and donations received in dollars and consequent dollar weighting of its investment funds.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the daily mean rate entered into the accounting system at the beginning of the month in which the transaction occurred.

At each period end, foreign currency monetary items are translated using the closing exchange rate. The exchange rate used at the year end to translate Sterling (GBP £) to US Dollars (USD \$) was USD/GBP \$1.2536 (2023: \$1.2731).

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

FUND ACCOUNTING

Funds held by the Foundation are either:

- general unrestricted income funds, that are expendable at the discretion of the Trustees in furtherance of the Foundation's objects; or
- restricted income funds, that are expendable at the discretion of the Trustees in furtherance of the specific purpose stated by the donor; or
- expendable endowment funds, whose principal purpose is for investment to build the asset base of the Foundation to a sustainable level but which can be converted at the discretion of the Trustees into expendable income when needed.

INCOME AND ENDOWMENTS

Donations and investment income are included in the Statement of Financial Activities when the Foundation is legally entitled to the income, receipt is probable and its amount can be measured reliably. Restricted donations include government grants as detailed further in Note 2. Donated services, if applicable, are included in income at a valuation, which is an estimation of the value to the Foundation. Donated services of \$0.7 million were received in 2024 (2023: \$0.7 million).

Investment income arising from expendable endowment fund investments is added to endowment funds. This reflects the fact that the income is currently reinvested, in accordance with the investment strategy.

EXPENDITURE

The related expense for Donated services is included in expenditure and is an estimation of the value to the Foundation. Related Donated services expenditure was \$0.7 million in 2024 (2023: \$0.7 million).

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated programmes on a basis consistent with the use of resources. Support costs are allocated across the programmes based on the value of grants given out by that programme and direct costs attributable to that programme.

COSTS OF RAISING FUNDS

The costs of generating funds comprise investment management costs for both income generation and capital maintenance.

CHARITABLE ACTIVITIES

Charitable activity costs are comprised of grants, costs for processing grants and applications, direct costs invoiced to the Foundation, and for the administration and monitoring of projects. These costs include costs incurred for staff undertaking these activities. Staff costs include charges in respect of: employees and contractors of Shell Group companies seconded to SF; staff in market locations engaged through an employer of record, staff engaged as contractors to Shell Foundation; and the CEO who is a direct employee.

Grant commitments charged as charitable activity costs in the Statement of Financial Activities represent the new commitments awarded by the Foundation in the year, as evidenced by the Letters of Commitment (LOCs) signed in that year. Grant commitments for which payments were outstanding at the year-end are shown as liabilities on the Balance Sheet. The commitments are not discounted.

Within support costs are costs for the strategic running of the Foundation itself as an organisation, as distinct from directly pursuing its charitable activities and include such items as external audit, legal advice for Trustees and costs associated with and statutory requirements. Indirect costs include a proportion of management (and other staff) time spent on strategic activities, together with donated overhead costs.

VALUE ADDED TAX ('VAT')

The Foundation is registered for Value Added Tax ('VAT') as part of the Shell International Petroleum Company VAT Group. Services provided by members of the same VAT group are not taxable. VAT incurred by the Foundation on all other expenditure is not recoverable, as the Foundation does not make any taxable supplies. Irrecoverable VAT is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

GAINS AND LOSSES ON FOREIGN EXCHANGE

Monetary assets and liabilities denominated in currencies other than US Dollars are converted to US Dollars at the rate ruling at the balance sheet date. Items of income and expenditure in non-US Dollar currencies are converted at the daily mean rate entered into the accounting system at the beginning of the month in which the transaction occurred. Non-US Dollar items primarily relate to UK operating costs, which are incurred in pounds sterling ('GBP'), as well as a proportion of grants awarded in GB Pounds, Euros, and other local currencies. All realised and unrealised gains and losses on exchange are reflected in the Statement of Financial Activities.

INVESTMENTS

Investments include the endowment and social investments in the form of investments in funds and concessionary loans made to partners for the purpose of delivering charitable objectives. Investments in funds are classified as either Mixed Motive Investments (MMIs) where a return is expected in addition to delivery of charitable objectives or Programme Related Investments (PRIs) where the investment is made wholly to achieve charitable objectives. Concessionary loans are classified as PRIs.

Programme related investments and mixed motive investments are carried at cost less any provision for impairment. Such investments are not able to be carried at fair value as there is no open market for such investments. All programme related investments and mixed motive investments are subject to review, and any impairment is charged to the Statement of Financial Activities.

Shell Foundation takes a dual approach for impairment of MMIs and PRIs. Where there is a clear objective indicator for the value of impairments to be taken, such as a Fund Manager report, this has been used.

Where there is no such indicator, and for concessionary loans, the repayment dates are several years in the future, a portfolio approach has been taken based on remaining terms of the loans, and a provision recognised in the Financial Statements.

Investments are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals form part of the fund in which the investment is held at the time of the revaluation or disposal. Realised and unrealised gains and losses are shown separately in the Statement of Financial Activities.

FINANCIAL ASSETS

(i) Classification

The Foundation classifies its financial assets in the following categories: at fair value through SOFA; and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

1. Financial assets at fair value through the SOFA

Financial assets at fair value through the SOFA are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current investments.

2. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Foundation's loans and receivables comprise trade, contractual loans and cash on the balance sheet.

(ii) Recognition and measurement

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through the SOFA. Financial assets carried at fair value through the SOFA are initially recognised at fair value, and transaction costs are expensed in the SOFA. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Foundation has transferred substantially all risks and rewards of ownership. Loans and trade and other receivables are subsequently carried at amortised cost using the effective interest method, less any provision for impairment.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through the SOFA' category are presented in the SOFA within interest income or expenses in the period in which they arise.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

FINANCIAL INSTRUMENTS

The Foundation has the US Dollar as its functional currency. In order to mitigate the risk associated with investing globally in multiple currencies, the investment portfolio is hedged (by the fund managers) through the use of forward foreign exchange contracts. The mandate is to hedge 100% of non-US Dollar denominated fixed income investments and 100% of non-US dollar hedge fund investments. Unsettled forward contracts are marked to market at the balance sheet date. All realised and unrealised gains and losses on forward foreign exchange contracts are combined in the Statement of Financial Activities with the gains and losses on the underlying investment portfolio.

FINANCIAL LIABILITIES

(i) Classification

The Foundation classifies its financial liabilities in the following categories: at fair value through the SOFA; and amortised cost. The classification depends on the nature of the underlying liabilities, with management determining the classification of financial liabilities at initial recognition.

1. Financial liabilities at fair value through the SOFA

Financial liabilities at fair value through the SOFA are those held for trading, and derivatives in a negative fair value position. These liabilities are classified as current where expected settlement is within 12 months, otherwise they are classified as non-current liabilities.

2. Financial liabilities at amortised cost

All other financial liabilities which do not meet the criteria of fair value through the SOFA are held at amortised cost.

(ii) Recognition and measurement

Financial liabilities are initially recognised at fair value, and then subsequently at either fair value through the SOFA or at amortised cost. Those financial liabilities held at fair value through the SOFA are revalued at each balance sheet date, with gains and losses recognised directly in the SOFA. All other liabilities are carried at amortised cost using the effective interest rate method.

INVESTMENT IN SUBSIDIARIES AND PARTICIPATING UNDERTAKINGS

These comprise investments in shares and loans that the Foundation intends to hold on a continuing basis. The investments in subsidiaries and participating undertakings are stated at cost, less provisions for impairment. The Foundation carries out a review for the potential impairment of an investment if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment reviews are performed in accordance with SORP 21.28. Any impairments are recorded in the SOFA.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are evaluated and based on historical experience and reasonable expectations of future events.

(a) Income and expenditure

Income and expenditure are recognised where it is probable that there will be an inflow or outflow of resources; restricted income is accrued to the extent that the conditions for receipt have been met, and liabilities recognised for expenditure that has been committed by the Foundation to its partners via signed letters of commitment with the partners agreeing to any terms.

(b) Impairment of investments

Programme related investments and mixed motive investments are carried at cost less any provision for impairment. Such investments are not able to be carried at fair value as there is no open market for such investments. All investments are subject to impairment reviews based on valuation reports or other suitable benchmarks.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

GUARANTEES AND CONTINGENT LIABILITIES

All financial guarantees are disclosed as contingent liabilities in the Notes to the Accounts. (Note 27). At the end of each reporting period, the present circumstances are reviewed, and a provision recognised if it is considered more probable that Shell Foundation will be required to transfer economic benefits in settlement. The provision is recognised as grant expenditure in the SOFA and as a liability in the Balance Sheet.

SF reviews provisions at each reporting date and adjusts them to reflect the current best estimate of the amount that would be required to settle the obligation at that reporting date. Any adjustments to the amounts previously recognised are recognised in the SOFA. If a transfer of resources is no longer needed to settle the obligation, the amount of the provision no longer required is reversed, with a corresponding credit to the grant expenditure in SOFA.

2. Donations and other income

	2024 \$000	2023 \$000
Cash and accrued		
<i>Unrestricted donation</i>		
BG Group Ltd	6,285	853
Shell plc	2,101	220
Shell Trading International Limited	6,000	6,000
Shell International Ltd – donated services	707	663
Total unrestricted donations	15,093	7,736
<i>Restricted donation – non-Government related</i>		
Gates Foundation	877	0
Total restricted donations – non Government related	877	0
<i>Restricted donation – Government related</i>		
Foreign, Commonwealth & Development Office	10,885	10,170
Total restricted donations – Government related	10,885	10,170
Total Donations and other income	26,855	17,906

Donations were received from the following countries: the United Kingdom \$26.0 million (2023: \$17.9 million), the United States of America \$0.9 million (2023: Nil).

Restricted donations – government related

Foreign, Commonwealth & Development Office (FCDO)

FCDO TIME (Transforming Inclusive Energy Markets): Through the TIME partnership, FCDO and Shell Foundation, in collaboration, have committed £143.7 million to further their mutual objective of accelerating global access to modern energy services for low-income households and small businesses. Donations of \$6.5 million (2023: \$8.0 million) were received in 2024 against this programme, which relate to amounts recognised as income in both the current and prior years. Income of \$6.6 million (2023: \$8.9 million) was recognised in 2024, based on the value of the Shell Foundation commitments to partners made during the year.

FCDO CASEE (Catalysing Agriculture by Scaling Energy Ecosystems): Through the CASEE partnership, FCDO and Shell Foundation, in collaboration, have committed £30.0 million to accelerate access to energy for smallholder farmers and agricultural SMEs (small and medium sized enterprises) in sub-Saharan Africa and South Asia. The programme was extended in 2023 to include an additional £10 million for “financial solutions” from FCDO funding (not matched by SF) for the final four years of the partnership. Donations of \$2.3 million (2023: \$2.0 million) were received in 2024 against this programme, which relate to amounts recognised as income in both the current and prior years. Income of \$4.2 million (2023: \$1.3 million) was recognised in 2024, based on the value of the Shell Foundation commitments to partners made during the year.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

Restricted donations – non-government related

Gates Foundation

Gates Foundation and SF have committed \$1.5 million in 2024 to “Catalyzing Innovative Financing for Clean Energy Assets” aimed at increasing understanding of how increased usage of renewable energy solutions can enable low-income women to increase their income and financial resilience. Donations of \$0.9 million were received in 2024.

3. Investment income

	2024 \$000	2023 \$000
Interest	1,122	1,096
Fixed interest securities	323	299
Dividends	9,147	9,323
	10,592	10,718

4. Charitable Activities Expenditure by Programme

	Grants \$000	Impairment of Investments \$000	Direct costs \$000	Support costs \$000	2024 \$000	2023 \$000
Micro Entrepreneurs	(2,958)	(17,173)	(3,042)	(2,884)	(26,057)	(19,447)
Urban Transporters	(955)	(794)	(3,496)	(643)	(5,888)	(9,157)
Smallholder Farmers	(4,519)	(460)	(2,919)	(968)	(8,866)	(7,938)
Total for 2024	(8,432)	(18,427)	(9,457)	(4,495)	(40,811)	(36,542)
Total for 2023	(14,006)	(9,789)	(9,389)	(3,358)		

The Foundation’s new strategy was launched at the start of 2023 and is focused on three customer groups: Micro Entrepreneurs, Urban Transporters, and Smallholder Farmers. All expenditure in 2024 was classified under these three groups.

Grant expenditure was lower in 2024 due to timing of commitments and a different mix of funding instruments for partners.

Impairments were made on a range of investments across the portfolio (see Note 11. Social Investments). Under the new strategy, SF deploys a wider range of financial instruments, including an increase in Social Investments. To enhance clarity, impairment of Social Investments, which was previously presented under Direct costs, is presented separately from 2023. Impairments are dependent on market conditions and performance of the partner or fund, and can be volatile from year to year.

The above \$18.4 million impairment for 2024 includes a \$7.5 million prior year impairment adjustment for the Energy Entrepreneurs Growth Fund. New information became available in 2024 which highlighted a higher level of impairment than previously calculated. The foundation was liable to pick up costs while the fund scaled up, which took longer than initially expected. Further investigation showed that a \$7.5 million impairment should have been recognised in the prior year.

5. Direct and Support Costs

	Direct costs \$000	Support costs \$000	2024 \$000	2023 \$000
Staff costs	(4,984)	(2,198)	(7,182)	(5,135)
External services	(2,718)	(342)	(3,060)	(2,431)
Travel	(809)	(22)	(831)	(795)
Donated expenses	-	(707)	(707)	(663)
Sundry	(946)	(665)	(1,611)	(3,046)
External audit fees (inclusive of VAT)	-	(213)	(213)	(182)
Legal fees	-	(301)	(301)	(432)
Trustee expenses	-	(47)	(47)	(63)
Direct and Support Costs Total	(9,457)	(4,495)	(13,952)	(12,747)

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

Direct costs are costs which are directly incurred in the delivery of charitable activities that includes Staff costs and travel costs incurred for program team and CEO in delivering their work, External Services costs for which shell foundation has taken consultancy services from third parties. And Sundry expenses like Training, Subscriptions, admin expenses and few comms related consultancy.

Support costs cannot be directly linked to an activity and are apportioned across the programme themes on the basis of total grant and direct costs. Support costs includes staff and travel costs incurred for the finance team and other staff, consultancy expenses, legal costs, audit fee and sundry expenses which cannot be directly apportioned to the main programs.

External service costs are those paid directly to a third-party supplier for services (including professional fees and consultancy) rather than being paid via a grantee intermediary.

Net incoming resources are stated after charging auditor's remuneration for audit services ('External Audit Fees') as shown above. These are the fees for the audit of the Group's Financial Statements.

The external auditor was appointed in 2016 and the most recent terms of engagement signed on 06 June 2024.

6. Grants expenditure

The top 9 Grantees in 2024 (excluding concessionary loans and social investments) are listed below, together with their corresponding 2024 commitments.

Grantee Name Purpose of Project	Programme	2024 \$'000	2023 \$'000
The Co-operative Bank of Kenya Ltd To catalyse and nurture the project "Harvesting the power of green energy for smallholder farmers" Chain.	Smallholder Farmers	3,070	-
BFA Global The Climate and Finance Innovations Alliance (ClimaFii) provides support to energy enterprises and SMEs/startups in Sub-Saharan Africa.	Micro Entrepreneurs	1,000	-
Upaya Social Ventures UPAYA's charitable mission focuses on creating jobs for people living in poverty by supporting energy enterprises in India and SSA.	Micro Entrepreneurs	1,000	-
4 R Digital Limited For piloting PUE assets and providing financing solutions for energy use, we will launch DayLipa Finance.	Micro Entrepreneurs	950	1,000
Google LLC - X Division	Cross Theme	1,550	-
Accion International The project's objective is to offer technical assistance to financial solution providers and to function as the overall program manager.	Micro Entrepreneurs	600	-
Kofa Holdings Limited To scale the supply of affordable batteries and 2W EVs, we will accelerate the scale-up of Kofa in Sub-Saharan Africa (SSA).	Urban Transporters	519	-
AFEX Fair Trade Limited To pilot a new distribution model for the supply of a range of productive use of energy (PUE) assets to hard-to-reach and marginalized small holder farmers in rural Nigeria.	Smallholder Farmers	40	1,000
UOMA (Open Capital Advisors - Uganda Market Accelerator) To strategically transition Market Institutions (MIs) and provide initial seed capital for the MI Facilities	Urban Transporters	32	465
Total: Top 9 Grants		8,761	2,465
Total: Other Grants (including termination of grants awarded in prior years)		(329)	11,541
Total: Grants		8,432	14,006

The grant awarded to Google LLC - X Division is listed under the programme "Cross Theme" as this project is contributing to multiple themes and not specific to a theme.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

7. Trustee Information

The Chair of the Board of Trustees, Ms GA Klintworth, received an honorarium of £25,000 in 2024, under Article 21 (2) of the Articles of Association in respect of her contract for services as Chair (2023: £25,000). No pension contributions or other benefits were paid. The Foundation directly incurred or reimbursed travel expenses in relation to five Trustees, totalling \$20,099 (2023: \$28,543).

Trustees' liability has been purchased by the Foundation for the Nominated Trustees. Trustees who are employees of the Shell plc Group are automatically covered by the Shell Group Directors and Officers liability insurance policy. Insurance cover is permitted under clause 21 of the Foundation's Memorandum of Association.

8. Employee Information

Staff costs include charges in respect of employees and contractors of Shell Group companies seconded to SF; staff in market locations engaged through an employer of record, staff engaged as contractors to Shell Foundation; and the CEO who is a direct employee. Some staff are seconded by Shell Group Companies to work for the Foundation in sole pursuit of its charitable objectives. Their remuneration is based on Shell Group Global Pay Policy and their performance is assessed against pre-determined personal targets concerning their work for the Foundation as well as their wider contribution to meeting the Foundation's overall charitable mission. The monthly average number of staff working for the Foundation during the year was 35.7 (2023: 37.2). The monthly average split of employees between direct and support activities was direct 23.1 (2023: 21.6) and support 12.6 (2023: 15.6).

The Foundation employs a Chief Executive Officer under its direct payroll. CEO remuneration is delegated to, overseen and approved by Shell Foundation Remuneration Committee.

Employee expenditure included in Direct and Support costs (note 5) charges at cost in respect of the services of the Shell Group employees and contractors, the employees engaged through the employer of record, the direct contractors and the CEO, including salaries and taxes. The salary and taxes paid by Shell Group companies and by Shell Foundation relation to these employees are as follows:

	2024 \$000	2023 \$000
Wages and salaries	(4,997)	(4,206)
Social security	(409)	(374)
Other pension costs	(507)	(495)
Performance Share Plan (PSP)	(311)	(79)
Performance Share Plan (PSP) – revised estimate for past awards	(0)	790
	(6,224)	(4,364)

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

SHARE-BASED COMPENSATION PLANS

The principal share-based employee compensation plan applied under The Shell Group Global Pay Policy to relevant Shell Foundation staff is the Performance Share Plan (PSP). Awards of Shell plc shares under the PSP are granted to eligible Foundation employees based on performance. The actual number of shares that may vest ranges from 0% to 200% of the awards, depending on the outcomes of prescribed performance conditions over a three-year period beginning on 1st January of the award year. Shares vest for nil consideration. The cash value of the awards is charged to the Foundation on vesting. The Foundation has estimated and recognised a liability of (\$0.3) million at the year-end for PSPs granted between 2022 and 2024 that vest in future years.

The salary and taxes paid by Shell Foundation and Shell Group companies in relation to key management personnel, consisting of the Chief Executive Officer, Chief Financial Officer and a Chief Programme Officer, were as follows. The Chief Executive Officer was the highest paid employee in 2024 and his total remuneration for the year was \$448k (2023: \$455k) comprising Base salary \$302k (2023: \$328k), Social security \$37k (2023: \$0), , Performance Bonus \$59k (2023: \$78k), Pension costs \$51k (2023: \$49k). The remuneration for the Chief Executive Officer is set by the Remuneration Committee and is reviewed periodically in relation to performance.

	2024 \$000	2023 \$000
Wages and salaries	(787)	(785)
Social security	(104)	(76)
Other pension costs	(128)	(124)
	(1,019)	(985)

The number of Shell Group employees and contractors working on Foundation activities and Shell Foundation employees and contractors whose emoluments were above \$60,000 is as follows.

USD \$000	2024	2023
60 – 70	0	1
70 – 80	1	3
80 – 90	1	2
90 – 100	0	1
100 – 110	0	2
110 – 120	0	2
120 – 130	7	2
130 – 140	4	2
140 – 150	2	4
150 – 160	2	1
160 – 170	2	5
170 – 180	4	1
180 – 190	1	1
190 – 200	0	1
200 – 210	2	0
210 – 220	1	0
220 – 230	0	1
230 – 240	0	1
240 – 250	1	0
260 – 270	1	0
270 – 280	1	0
280 – 290	0	1
290 – 300	1	0
380 – 390	0	0
440 – 450	1	0
470 – 480	0	1
	32	32

Shell Group companies made contributions during the year to the respective defined benefit or defined contribution pension schemes in relation to 22 employees of \$0.51 million (2023: \$0.43 million in relation to 24 employees).

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

9. Taxation

The Foundation is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried out in furtherance of the Foundation's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

10. Endowment

	2024 \$000	2023 \$000
Market value at 1 January	570,712	534,723
Purchase of investments	89,503	56,886
Sales/withdrawals	(90,472)	(74,941)
Realised and Unrealised gains	32,353	55,086
Movement of investment cash	5,359	(1,042)
Market value at 31 December	607,455	570,712
The year end value is analysed as:		
	2024 \$000	2023 \$000
Bonds – overseas	16,377	14,634
Emerging market debts - overseas	70,888	69,499
Equity investments – UK	27,299	24,852
Equity investments – overseas	370,670	341,480
Hedge funds – overseas	62,090	58,801
Real Estate	51,845	58,326
Forward foreign currency contracts	-	-
Other assets	1,136	1,330
Investment cash	7,150	1,790
Market value at 31 December	607,455	570,712

The investment policy of the Trustees aims to maintain the real value of both distributions and the endowment asset value. To achieve this, the endowment is invested in a diversified asset allocation of global equities, emerging market debts, hedge funds, fixed income and real estate.

Where relevant, the foreign currency exposure of the investment portfolio is hedged by the fund managers through the use of forward foreign exchange contracts. The mandate is to hedge 100% of non-US Dollar denominated bonds and 100% of non-US Dollar hedge fund investments. At the year-end no relevant exposures existed and no foreign exchange contracts were in place.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

11. Social Investments

From 2023, adhering to the disclosure requirements of SORP, Shell Foundation has reduced the detail in Note 11 Social Investments to provide a clearer view of our social investments by category. We continue to provide details of social investments drawn down in the year and provide a breakdown of social investments in Note 22 Financial Instruments.

	Cost less impairment 2023 \$000	Movement from non-current to current \$000	Drawn \$000	Repaid \$000	Unrealised gain/(loss) \$000	Impairment \$000	Cost less impairment 2024 \$000
FOUNDATION							
Programme Related Investments							
Current							
Social investment funds	150	75	-	(69)	-	-	156
Concessionary loans	1,159	258	-	(256)	(18)	-	1,143
Total Current	1,309	333	-	(325)	(18)	-	1,299
Non-Current							
Social investment funds	18,076	(75)	4,257	-	-	(10,812)	11,446
Concessionary loans	26,679	(258)	4,565	(700)	(894)	(3,599)	25,793
Total Non-Current	44,755	(333)	8,822	(700)	(894)	(14,411)	37,239
Total Programme Related Investments	46,064	-	8,822	(1,025)	(912)	(14,411)	38,538
Mixed motive Investments							
Non-Current							
Equity investments	2,400	-	-	-	-	(795)	1,605
Quasi-equity investments	10,000	-	-	-	-	-	10,000
Social investment funds	4,581	-	3,568	-	-	-	8,149
Total Mixed motive Investments	16,981	-	3,568	-	-	(795)	19,754
Total Foundation Social Investments	63,045	-	12,390	(1,025)	(912)	(15,206)	58,292
SUBSIDIARY UNDERTAKINGS							
Non-Current							
Social investment funds	11,624	-	-	-	-	(3,221)	8,403
Total Subsidiary Social Investments	11,624	-	-	-	-	(3,221)	8,403
Total GROUP Social Investments	74,669	-	12,390	(1,025)	(912)	(18,427)	66,695

Provision for Doubtful Debts

SF has made every effort to assess impairment on each individual investment. In some cases where there is an absence of reliable information available to estimate future cash inflows to SF, a provision has been made taking into account factors such as instrument and tenor. In 2024, SF increased its provision by \$1.2 million, which is included in the \$3.6 million concessionary loans impairment above.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

Social investments drawn in the year

FOUNDATION

Programme related investments

Social investments	Invested 2024 \$000	Total Commitment \$000	Description
Energy Entrepreneurs Growth Fund Investment	4,257	-	EEGF uses multiple investment instruments across multiple development stages.
Subtotal	4,257	-	

Concessionary loans	\$000	Term (years)	Description
Kofa Holdings Limited	1,215	6	Funding scaling up of the supply of affordable batteries and 2W EVs by accelerating deployment of Kofa's multi-use battery technology in Sub Saharan Africa (SSA).
4 R Digital Limited	250	1	Funding to launch a productive use of energy (PUE) asset financing company for smallholder farmers in Kenya.
ChargeAM Kofa Asset Co Ltd	3,100	7	Funding to accelerate deployment of battery technology in Sub Sharan Africa.
Subtotal	4,565		
Total programme related investments	8,822		

The EEGF investment of \$4.3 million was committed as at 31 December 2024 and was invested in January 2025.

Mixed motive investments

Social investment funds	Invested 2024 \$000	Total Commitment \$000	Description
Echo VC Eco Pilot Fund I LP	1,925	2,500	The Fund provides capital to early-stage, African owned/managed businesses in SF target sectors.
Equator Africa Fund LP	321	5,000	\$43 million Fund to accelerate an equitable climate transition in Sub-Saharan Africa by providing essential capital and active support to climate-tech start-up ventures.
SIMA Commercial & Industrial Solar Green Bond B.V.	1,322	3,500	Fund to promote the development of solar energy generation with commercial and industrial offtake arrangements in Africa by offering financing products to small/mid-scale solar energy solutions companies.
Total mixed motive investments	3,568		
Total Foundation Social Investments drawn in the year	12,390		

Concessionary Loans (Note 11)

Concessionary loans are provided to partners at below-market rates of interest. The majority of loans are provided at 0% interest, but in some cases, interest is charged for regulatory reasons or to test a specific market pilot. The highest rate of interest charged on a concessionary loan is 8%. No security is provided by recipients of the loans. Repayment is usually triggered by a partner reaching an agreed financial or operational milestone. The loan terms vary between 3 and 10 years for full repayment.

SF has commitments to funds in which it is currently invested but which have not yet been called, totalling \$19.0 million as at 31 December 2024 (\$22.6 million as at 31 December 2023).

Impairment

The above impairment for Foundation non-current Social Investment funds includes an additional \$7.5 million prior year impairment adjustment for the Energy Entrepreneurs Growth, which was not previously recognised.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

12. Subsidiary and related undertakings

The related undertakings whose results or financial performance principally affect the figures shown in the consolidated financial statements are as follows:

Name	Country of Incorporation	Nature of business		Interest	
SF Investment Management Limited	United Kingdom	Investment management		100% ordinary shares	
		Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
SF Investment Management Limited shareholding					
Cost less impairment brought forward as at 1 January		-	-	11,733	11,159
Purchases		-	-	-	2,000
Impairment (including operating expenses)		-	-	(3,260)	(1,426)
Cost carried forward as at 31 December 2024		-	-	8,473	11,733

Commitment to invest with GroFin in the NOMOU Iraq Fund (NIF) and Northern Iraq Investments Limited (NIIL). NIF is a unique integrated solution of patient risk capital (\$0.1 million - \$2 million) and end-to-end business support to start-up and growing businesses in Basra, Iraq. NIIL is a sustainable, development-impact-orientated vehicle for the provision of business support, start-up and early-stage growth capital essential for the development of sustainable small and medium-sized businesses in the Northern region of Iraq. Investors: Shell Foundation and USAID. Total fund capital committed \$18.2 million. Business support for these funds was provided by the Iraq Business Support Facility for which SFIM provided grants. No further capital commitments or grants are expected as the period of performance in the Cooperative Agreement with USAID ended in Sep 2023. 2024 impairment is principally made up of the \$0.7 million impairment of NIF and \$2.5 million impairment of NIIL.

13. Debtors

	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Amounts falling due within one year are:				
<i>Restricted donation - Non Government related</i>				
World Resources Institute P4G	-	79	-	79
<i>Restricted donation - Government related</i>				
Foreign, Commonwealth and Development Office	6,594	4,259	6,594	4,259
<i>Prepayments and Accruals</i>	-	-	-	-
Total debtors	6,594	4,338	6,594	4,338

14. Cash at bank and in hand

	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Cash at Bank	16,362	8,377	15,958	7,956
Short term deposits	-	7,273	-	7,273
Total cash at bank and in hand	16,362	15,650	15,958	15,229

For the purposes of the cash flow statement, cash includes bank balances, other than cash invested in institutional cash funds, which is classified as an investment.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

15. Creditors: amounts falling due within one year

	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Grants Payable	9,146	12,012	9,146	12,013
Trade Creditors – Shell International Limited	7,796	6,951	7,796	6,951
Payroll Taxes Payable	2	2	2	2
Accruals	1,127	1,333	1,074	1,281
Other Creditors	4,257	-	4,257	-
	22,328	20,298	22,275	20,247

Some programme support expenses, investment management costs and Foundation management expenses are initially incurred and paid through Shell International Limited. These expenses are then recharged at cost by invoice from Shell International Limited to the Foundation on a regular basis. Accruals largely relate to invoices to be received from the third parties towards contract staff costs, legal expenses and programme related consultancy costs.

16. General Provisions

Shell Foundation has general provisions for grants and loans where payment is probable, but the timing is uncertain.

	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Brought forward at 1 January	300	756	300	756
Provision	2,000	-	2000	-
Release of provision	(300)	(456)	(300)	(456)
Carry forward at 31 December 2024	2,000	300	2,000	300

The £2 million provision relates to a grant to test a step-down interest rate to subsidise the cost of borrowing for farmers. SF will pay the delta in the interest rate of loans over their tenures of up to three years. Estimated timing of payments: 2025-2029. The grant has been recognised in the statement of financial activities.

17. Creditors: amounts falling due after more than one year

	Group 2024 \$000	Group 2023 \$000	Foundation 2024 \$000	Foundation 2023 \$000
Total grants payable	9,558	12,446	9,590	12,478
Less amounts falling due within one year (note 15)	(9,146)	(12,013)	(9,146)	(12,013)
Grants payable falling due after more than one year	412	433	444	465
Accrual for employee benefit	212	202	212	202
Total payables falling due after more than one year	624	635	656	667
Represented by:				
Grants payable in greater than one year but less than two years	412	433	444	465
Grants payable in greater than two years but less than three years	-	-	-	-
Accrual for employee benefit	212	202	212	202
	624	635	656	667

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

18. Funds

Group	Balance B/fwd \$000	Incoming Resources \$000	Resources Expended \$000	Transfers \$000	Investment Gain/(losses) \$000	Balance C/fwd \$000
Endowment Funds	570,712	9,470	-	(5,000)	32,273	607,455
Unrestricted Funds	44,535	16,195	(33,059)	5,000	-	32,671
Restricted Funds	28,889	11,782	(8,643)	-	-	32,028
	644,136	37,447	(41,702)	-	32,273	672,154

Foundation	Balance C/fwd \$000	Incoming Resources \$000	Resources Expended \$000	Transfers \$000	Investment Gain/(losses) \$000	Balance C/fwd \$000
Endowment Funds	570,712	9,470	-	(5,000)	32,273	607,455
Unrestricted Funds	44,535	16,195	(33,059)	5,000	-	32,671
Restricted Funds	28,597	11,761	(8,643)	-	-	31,715
	643,844	37,426	(41,702)	-	32,273	671,841

19. Analysis of net assets between funds

Group	Note	Unrestricted Funds 2024 \$000	Restricted Funds 2024 \$000	Endowment Funds 2024 \$000	Total 2024 \$000	Total 2023 \$000
Fixed Assets						
Endowment investment (at fair value)	10	-	-	607,455	607,455	570,712
Investments (at costs less impairment)	11	37,417	27,979	-	65,396	73,360
		37,417	27,979	607,455	672,851	644,072
Current Assets						
Debtors:						
amounts falling due within one year	13	-	6,594	-	6,594	4,338
amounts falling due after one year	13	-	-	-	-	-
		-	6,594	-	6,594	4,338
Cash at bank and in hand	14	12,360	4,002	-	16,362	15,650
Investments (at cost less impairment)	11	799	500	-	1,299	1,309
Creditors: amounts falling due within one year	15	(18,882)	(3,446)	-	(22,328)	(20,298)
Provisions	16	(2,000)	-	-	(2,000)	(300)
Net Current Assets		(7,723)	7,650	-	(73)	699
Total Assets less Current Liabilities		29,694	35,629	607,455	672,778	644,771
Creditors: amounts falling due after more than one year	17	(656)	32	-	(624)	(635)
Net Assets		29,038	35,661	607,455	672,154	644,136

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

19. Analysis of net assets between funds (continued)

Foundation	Note	Unrestricted Funds 2024 \$000	Restricted Funds 2024 \$000	Endowment Funds 2024 \$000	Total 2024 \$000	Total 2023 \$000
Fixed Assets						
Endowment investment (at fair value)	10	-	-	607,455	607,455	570,712
Investments (at cost less impairment)	11	37,418	19,575	-	56,993	61,737
Subsidiary undertakings	12	-	8,473	-	8,473	11,733
		37,418	28,048	607,455	672,921	644,182
Current Assets						
Debtors						
amounts falling due within one year	13	-	6,594	-	6,594	4,338
Cash at bank and on hand	14	12,359	3,599	-	15,958	15,229
Investments (at cost less impairment)	11	799	500	-	1,299	1,309
Creditors: amounts falling due within one year	15	(18,882)	(3,393)	-	(22,275)	(20,247)
Provisions	16	(2,000)	-	-	(2,000)	(300)
Net Current Assets		(7,724)	7,300	-	(424)	329
Total Assets less Current Liabilities		29,694	35,348	607,455	672,497	644,511
Creditors: amounts falling due after more than one year	17	(656)	-	-	(656)	(667)
Net Assets		29,038	35,348	607,455	671,841	643,844

20. Reconciliation of movement in funds to net cash used in operating activities

	2024 Group \$000	2024 Foundation \$000	2023 Group \$000	2023 Foundation \$000
Net movement in unrestricted and restricted funds	(8,725)	(8,746)	10,008	9,967
Deduct back transfer from endowment fund	(5,000)	(5,000)	(28,500)	(28,500)
Deduct back investment income	(1,123)	(1,102)	(1,097)	(1,056)
Add back impairments	19,339	19,379	9,788	9,936
Decrease in net debtors – unrestricted & restricted funds	(2,256)	(2,256)	835	835
Increase in net creditors – unrestricted & restricted funds	3,719	3,717	(1,339)	(1,291)
Net cash used in operating activities	5,954	5,992	(10,305)	(10,109)

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

21. Analysis of changes in Net debt

Group	Note	Balance at start of year \$000	Cash flows 000	Grants \$000	Net Investments \$000	Endowment Drawdown \$000	Third party payables \$000	Foreign exchange movements \$000	Balance at end of year \$000
Cash at Bank and in hand	14	15,650	12,574	(13,274)	(3,500)	5,000	-	(88)	16,362
Creditors: Amounts falling due within one year	15	(20,298)	-	2,773	(4,257)	-	(602)	56	(22,328)
Creditors: Amounts falling due after more than one year	17	(635)	-	22	-	-	(11)	-	(624)
Total		(5,283)	12,574	(10,479)	(7,757)	5,000	(613)	(32)	(6,590)

Foundation	Note	Balance at start of year \$000	Cash flows 000	Grants \$000	Net Investments \$000	Endowment Drawdown \$000	Third party payables \$000	Foreign exchange movements \$000	Balance at end of year \$000
Cash at Bank and in hand	14	15,229	12,592	(13,275)	(3,500)	5,000	-	(88)	15,958
Creditors: Amounts falling due within one year	15	(20,247)	-	2,774	(4,257)	-	(601)	56	(22,275)
Creditors: Amounts falling due after more than one year	17	(667)	-	22	-	-	(11)	-	(656)
Total		(5,685)	12,592	(10,479)	(7,757)	5,000	(612)	(32)	(6,973)

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

22. Financial Instruments

The Endowment is made up of four asset classes: Equities, Fixed Income, Hedge Funds and Real Estate. All are priced at fair value as per the applicable accounting standard (IFRS13). All exchange listed equities are automatically priced using the last available closing price of the exchange in local currency (IFRS Level 1). Fixed income securities will be priced automatically on a daily basis using a published bid price (IFRS Level 1). Hedge funds are manually priced based on prices received from the hedge fund managers or administrators, normally on a monthly basis (IFRS Level 3). Real Estate is manually priced based on the valuations of independent external parties (IFRS Level 3).

	Note	Group 2024 \$000	Group 2023 \$00	Foundation 2024 \$000	Foundation 2023 \$000
Financial assets at fair value through the SOFA					
Endowment	10	607,455	570,712	607,455	570,712
Cash at bank and in hand	14	16,362	15,650	15,958	15,229
Total		623,817	586,362	623,413	585,941
Financial assets that are debt instrument measured at amortised costs					
Debtors	13	6,594	4,338	6,594	4,338
Total		6,594	4,338	6,594	4,338
Financial assets that are debt instrument measured at costs less impairment					
Programme related investments					
Concessionary loans					
SparkMeter	11	510	510	510	510
Factor(e)	11	12,883	14,868	12,883	14,868
Husk Power Systems Inc.	11	-	217	-	217
Persistent Energy Capital	11	1,250	1,250	1,250	1,250
Buen Manejo del Campo S.A. (Sistema Biobolsa)	11	1,875	1,875	1,875	1,875
Cardecho B.V.	11	-	700	-	700
Nayo Tropical Technology	11	785	1,064	785	1,064
Shortlist	11	-	350	-	350
Science for Society Techno Services (S4S)	11	262	269	262	269
Metro Africa Xpress	11	1,250	1,250	1,250	1,250
Energy Company of the Future Ltd (Konexa)	11	350	350	350	350
Odyssey Energy Solutions	11	500	500	500	500
Pula Advisors Limited	11	50	50	50	50
Jali Finance Limited	11	109	119	109	119
Origen Fresh EPZ Limited	11	-	39	-	39
NavAlt Solar and Electric Boats Private Ltd	11	788	811	788	811
Nithio FI B.V.	11	500	500	500	500
Rovingheights Nigeria	11	240	240	240	240
M-KOPA Holdings	11	234	234	234	234
Lorentz Impact Accelerator GmbH	11	276	293	276	293
Kofa Holdings Limited	11	1,933	718	1,933	718
Aristo Securities Pvt Ltd (RevFin)	11	870	895	870	895
Ampersand Rwanda Limited	11	500	500	500	500
Buen Manejo Del Campo India Private Ltd (Sistema.bio (India))	11	1,158	1,192	1,158	1,192
Hamara Grid Private Limited	11	2,030	2,089	2,030	2,089
Mufin Green Finance Limited	11	935	962	935	962
Havenhill Synergy Limited	11	298	513	298	513
A4&T Power Solutions Limited	11	296	511	296	511
AFEX Fair Trade Limited	11	1,000	1,000	1,000	1,000
4 R Digital Limited	11	250	-	250	-
ChargeAM Kofa Asset Co Ltd	11	3,100	-	3,100	-
Provision for doubtful debts	11	(7,296)	(6,031)	(7,296)	(6,031)
Subtotal		26,936	27,838	26,936	27,838

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

	Note	Group 2024 \$000	Group 2023 \$00	Foundation 2024 \$000	Foundation 2023 \$000
Mixed motive investments					
Aavishkaar Ventures Management Services convertible debt agreement	11	10,000	10,000	10,000	10,000
Total		36,936	37,838	36,936	37,838
Financial assets that are equity instrument measured at cost less impairment					
Programme related investments					
Grofin Africa Fund	11	156	225	156	225
Grofin SGB Fund	11	-	1,204	-	1,204
ResponsAbility Fund	11	1,121	1,350	1,121	1,350
Nomou Iraq Fund	11	3,069	3,803	-	-
Energy Entrepreneurs Growth Fund (EEGF)	11	9,700	14,822	9,700	14,822
Northern Iraq Investments Fund	11	5,334	7,821	-	-
SIMA Angaza Distributor Financing Fund	11	625	625	625	625
Subtotal		20,005	29,850	11,602	18,226
Mixed motive investments					
Persistent Energy Capital	11	1,605	2,400	1,605	2,400
Mirova Gigaton Fund	11	3,000	3,000	3,000	3,000
Equator Africa Fund LP	11	1,502	1,181	1,502	1,181
Echo VC Eco Pilot Fund I LP	11	2,325	400	2,325	400
SIMA Commercial & Industrial Solar Green Bond B.V.	11	1,322	-	1,322	-
Subtotal		9,754	6,981	9,754	6,981
Total		29,759	36,831	21,356	25,207
Financial liabilities at fair value through the SOFA					
		-	-	-	-
Total		-	-	-	-
Financial liabilities measured at amortised costs					
Creditors, provisions and accruals	15,16,17	(24,952)	(21,233)	(24,931)	(21,214)
Total		(24,952)	(21,233)	(24,931)	(21,214)
Other financial liabilities measured at fair value					
Contingent liabilities	27	-	-	-	-
Total		-	-	-	-

23. Derivative financial instruments

At the end of 2024, there were no foreign exchange contracts in place (2024: Nil).

24. Capital commitments

The Foundation had no capital commitments as at 31 December 2024 (2024: Nil).

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

25. Capital

The Foundation is a company limited by guarantee. The sole member has undertaken to contribute \$1 to the assets of the Foundation to meet its liabilities if called on to do so.

26. Related party transactions

The sole member of the Foundation is The Shell Petroleum Company Limited (SPCo). The ultimate parent company of SPCo is Shell plc. The Foundation's investment manager is Shell Asset Management Company (SAMCo), which is also a subsidiary of Shell plc.

During the year the Foundation made payments of \$787,267 (2023: \$973,072) in respect of investment management costs on normal business terms with SAMCo. This is inclusive of \$227,056 paid for 2023 invoices.

Of the Foundation's current or former Trustees listed on page 4, the following are or were directors or officers of certain Shell Group companies: Ms Sinead Lynch, Mr Huibert Vigeveno, Mr Grzegorz Gut and Mr Parminder Kohli. The Shell Group has other charitable affiliates that are not formally related to the Foundation, such as the Shell Oil Foundation in the USA.

Donations received included the following as disclosed in Note 2:

Entity Name	2024 \$000	2023 \$000
BG Group Ltd	6,285	853
Shell plc	2,101	220
Shell Trading International Limited	6,000	6,000

As part of Shell Foundation's approach as an engaged donor, Shell Foundation staff members participate in the governance of strategic partners to maintain strength and skills of the Board. None of the Shell Foundation employees who serve on the Boards of these partners receive any remuneration for these duties. The board positions held by SF key management personnel in 2024 and 2023 are set out in the table below. These partners are not reported as related party transactions in 2024.

Shell Foundation Key Management Personnel	Organisation's Name	Position	Grant 2024 \$000	Grant 2023 \$000	Outstanding Liability 2024 \$000	Outstanding Liability 2023 \$000
Jonathan Berman	Factor(e) Ventures PBC	Board Member	-	-	50	90
Richard Gomes	Global Off-Grid Lighting Association (GOGLA)	Board Observer	-	2,100	-	1,200
Richard Gomes	African Minigrid Developers Association (AMDA)	Board Observer	-	1,100	-	150

Positions of influence of key management personnel, during 2024 were: Jonathan Berman – Chief Executive Officer, Richard Gomes – Chief Programme Officer, Rachel Singh Davies – Chief Financial Officer., Nicholas Voges – Interim Chief Financial Officer.

Notes to the financial statements for the year ended 31 December 2024 (continued)

Company Registered Number: 4007273

27. Guarantees and contingent liabilities

In Q3 2021, Shell Foundation committed to a ten-year financial guarantee of \$1.4 million to Calvert Impact Capital Inc. (CIC). The guarantee is capped at \$1.4 million and is a 20% first loss layer for CIC's \$7 million investment in the Lendable Emerging Market Fintech Fund (LMFCF). LMFCF closed at \$110 million, focused on providing on and off balance sheet debt to fintechs that support micro, small and medium enterprises (MSMEs) and the digital business ecosystem across Africa and South East Asia.

Between 2016 and 2023, USAID donated a total of \$24.5 million to SF under the Iraq MENA II agreement. Under the agreement, these donations have been used to purchase share capital in SF Investment Management Limited, a wholly owned subsidiary, which then uses these funds to carry out the requirements of the agreement. At the conclusion of the programme Shell Foundation must liquidate SF Investment Management, including all remaining investments, and return any remaining funds to USAID. SF takes the view that the eventual settlement amount cannot be reliably measured given that the programme is due to run until 2036 and there are too many factors impacting any potential estimate to make it reliable. As at 31 December 2024, the net assets of SF Investment Management are \$8.8 million (2023: \$12.0 million).

28. Post balance date events

SF has selected a new Outsourced Chief Investment Officer (OCIO) and asset manager for the endowment fund; see p.19 of the Report of the Trustees. There are no other post balance date events.

