Shell Foundation Annual Report and Accounts

For the year ended 31 December 2025

Shell Foundation

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Shell Foundation at a glance

Who we are and what we do

Shell Foundation is a philanthropic organisation that enables millions of people in Africa and Asia to increase their incomes with clean energy solutions.

Our mission

Shell Foundation's charitable mission is to apply business thinking to major social and environmental issues linked to the energy sector, helping to relieve poverty while protecting the environment for the public benefit. Our five year strategy (2023–2028) aims to improve the lives of tens of millions of people by 2032 by promoting and developing business based solutions and the market environments needed to achieve impact at scale.

We focus on delivering deep and lasting social and environmental impact for under served people in Africa and Asia. We view these individuals as customers, recognising their role as active participants in a fair and functioning market economy.

Our approach is grounded in the needs of three core customer groups:

- Smallholder farmers
- Microentrepreneurs
- Transporters

Shell Foundation aligns its work with global efforts to end poverty and deliver a just energy transition, contributing in particular to **Sustainability Development Goals 1, 7, 8 and 13**. Through partnerships with governments, development finance institutions (DFIs) and the wider market, we also contribute to global initiatives such as **Mission 300**, supporting the expansion of commercially viable energy access and productive use at scale.

How we deploy our resources

We deploy our resources through three core strategies:

Fostering Innovation

We back early stage technologies and business models that can raise incomes while lowering emissions. Using a strong customer lens and investment discipline, we support enterprises developing commercially viable clean energy solutions with the potential to reach millions.

Scaling Partnerships

We accelerate proven innovations by partnering with large companies, cooperatives and other organisations already serving millions of customers. Through research, development and targeted supply chain collaboration, we help unlock scaled market access.

Mobilising Catalytic Finance

We mobilise concessional and commercial capital to strengthen and expand clean energy solutions. By presenting robust investment cases, using our capital to de risk opportunities, and applying deep market insight, we enable financial structures that can scale impact.

Our customer driven approach is underpinned by a disciplined investment strategy. We deploy financial and non financial resources to drive transformative innovation and harness private markets for public benefit at scale.

Our culture

At Shell Foundation we strive to instil cultural behaviours throughout our organisation to encourage a healthy and progressive environment for our staff and partners. These five behaviours keep us grounded and are defined as:

Open: We speak honestly and act with good intent

Inclusive: Everyone's voice matters

Courageous: We take bold steps and embrace vulnerability

Learning: We rapidly learn, adapt and grow

Moving together: We move as one towards shared goals

www.shellfoundation.org

Message from the Chair of the Board of Trustees

Markets do not shift by accident. They shift when discipline, partnership, and capital are aligned around real customer need.

In 2025, the Board again spent time with farmers, entrepreneurs, and transporters across our core markets. Those conversations continue to anchor our strategy. Clean energy access is not a future aspiration for them; it is immediate economics — lower operating costs, greater reliability, improved productivity, safer working conditions, and more stable incomes. When solutions work commercially at the customer level, they endure.

Shell Foundation's strength lies in its clarity of purpose and its discipline of execution. We invest early where technology shows promise. We work rigorously to understand customer demand. And we partner deliberately with organisations whose own incentives create scale.

This year, collaborations with consumer goods companies, global leaders in cooling, and non-bank financial institutions demonstrated how quickly markets can move when distribution, finance, and technical capability are aligned. These are not peripheral partnerships; they are system actors. Embedding clean energy solutions within their commercial channels accelerates adoption and reduces long-term dependence on philanthropic support.

The progress achieved to date under the current year five-year strategy is substantial: 4.4 million people reached, over $770 million catalysed into the sector, and 4.9 million tonnes of CO_2e reduced or avoided since 2023. These figures represent more than outputs - they demonstrate real market traction.

Equally important is our growing sophistication in measuring depth of impact. We are examining income shifts, productivity gains, health outcomes, and safety improvements. This sharper lens strengthens capital allocation decisions and ensures that scale does not come at the expense of quality.

Three years into our strategy, Shell Foundation is not simply supporting projects; it is helping to shape markets in alignment with global efforts to deliver the SDGs. By combining early-stage risk capital, rigorous partner selection, and a relentless focus on customer economics, it is contributing to systems change that delivers societal, commercial, and environmental value simultaneously.

This work demands patience and resolve. It also requires confidence — confidence that markets can be reshaped when capital is catalytic, partnerships are chosen wisely, and the customer remains central.

The Board and I are confident that the Shell Foundation, our people and our partners, are playing that role with increasing clarity and impact.

Gail Klintworth

Message from Shell Foundation CEO

The Foundation has an ambitious ten-year target to enable tens of millions of people to raise their incomes while lowering emissions by 2032. To have done so for 4.4 million people in the first three years of that strategy speaks to the viability of that ambition. Our interventions have now catalysed over $770 million into the sector, demonstrating an exceptional 9x leverage for our investments.

Having spent the first two years laying the groundwork for scale, we are now seeing many of our strategic choices yielding impact. Our partnership with Accion, a global non-profit supporting financial service providers serving low-income customers, through the ClimaFii Alliance exemplifies this: it has improved access to climate technology for over 27,000 farmers and microentrepreneurs across India and Africa. Our collaboration with the Global Alliance for Mass Entrepreneurship in India, which supports entrepreneurs with digital enablement, training and capacity building for collectives of women, has supported over 10,000 women-led businesses.

We also continue to foster early-stage innovation that has the potential for transformative impact on our customers: our investment in Savannah Circuit, which provides solar milk chillers and dairy management solutions to farmers in Kenya, has reached thousands of farmers, including 40% women, resulting in reduced spoilage and higher incomes. Our support to Zypp Electric, India's leading EV rental platform, has already contributed to raising incomes for drivers and decarbonising last-mile delivery.

We know we cannot do this work alone. We continue to invest in pivotal relationships with co-funders such as the Gates Foundation and the UK Government's FCDO, and with innovators like Good Machine- a leading climate venture studio; Advik- a global automotive component manufacturer; and Trane Technologies- a leader in heating and air-conditioning solutions, to improve access to affordable and high-quality clean energy technology for our customers. We believe this unique combination of resources, technical expertise, and market experience will unlock greater scale and depth of impact in the years to come.

I write this on the heels of a visit to Kenya, where I saw firsthand the impact the partners and portfolio companies we support are having on the ground- from transporters increasing their daily take-home pay with electric motorcycles; to farmers boosting productivity and resilience thanks to solar irrigation; to micro-entrepreneurs protecting their health and bottom line through e-cooking. These experiences continue to strengthen my understanding of our customers' needs. We are also mindful that our customers are feeling the effects of the conflict in the Middle East. Prolonged disruption to global supply chains or continued volatility in energy prices would affect their livelihoods and we will continue to monitor these dynamics closely through our partners and in country teams.

I look forward to working with our innovation, scale, and financial partners- alongside our team and Trustees—to improve incomes while avoiding emissions for tens of millions of farmers, transporters, and entrepreneurs across Africa and Asia.

Jonathan Berman,
Shell Foundation CEO

Shell Foundation Programmes

Shell Foundation Achievements and Performance

Impact indicators and evolution through learning

Delivery of the new strategy is now clearly visible in the results. New deals signed since 2023 are converting into customer reach, contributing over a third of 2025 results and reducing reliance on legacy partnerships. At 4.4 million people reached since 2023 (31% of the five-year target), delivery is on track with scale expected to accelerate as newer partnerships mature.

In 2025 alone, Shell Foundation enabled 2 million customers to access clean energy solutions with the potential to improve their lives. These interventions reduced or avoided 1.3 million tonnes of CO_2e emissions. In addition, a further $358 million was mobilised across the markets and sectors we serve, helping to expand the reach of clean technologies to under-served customers.

Impact was delivered across our three core customer groups—smallholder farmers, urban transporters and microentrepreneurs—and across all regions of operation. Ten new deals show early traction and contributed almost one-third of results.

New projects account for one-third of impact in 2025

Performance in 2025 alone reflects a portfolio moving from design into delivery. Results were driven mainly by established partners and maturing platforms, particularly in the Smallholder Farmer and Microentrepreneur portfolios, while newer deals began to deliver tangible results, accounting for approximately one third of reported impact.

Differences across segments were driven mainly by external factors. Smallholder Farmer interventions benefited from seasonality and established delivery channels, while progress for Transporters was slower due to liquidity constraints, regulatory uncertainty and supply side delays. Newer interventions also tended to involve more complex partnership and financing structures, which require additional time for setup and alignment but help strengthen foundations for scale and reduce medium term execution risk.

Capital mobilisation and gender inclusion provide additional indicators of portfolio health. Shell Foundation funding continued to play a catalytic role in attracting additional capital, particularly from private sources. Women represented 31% of customers enabled in 2025, reflecting deliberate design choices and partner selection, with further validation underway.

Overall, performance in 2025 reflects timing rather than traction. With deployment accelerating, reporting lags narrowing, and newer projects moving from execution into scale, the portfolio is well positioned for stronger delivery in the years ahead.

Portfolio Highlights

Our three customer portfolios delivered strong results in 2025, with several investments progressing from pilot to scale across Africa and Asia.

Microentrepreneurs

In 2025, the Microentrepreneurs portfolio—which serves urban, peri-urban, and rural micro-enterprise owners—reached over 100,000 direct customers, including 38% women. Our research has shown that finance, skills and markets remain the primary constraints for this customer segment, making the traction for our bundled-service investments particularly encouraging.

Our partnership with Accion, launched in January 2025 to accelerate the adoption and financing of emission-reducing energy and electric mobility technologies by providing catalytic funding and technical assistance to startups focused on those areas, has already enabled over 20,000 micro-entrepreneurs across 20 companies.

Our partnership with the Global Alliance for Mass Entrepreneurship, which supports women collectives with digital enablement, training, and capacity building, proved particularly impactful- engaging over 10,000 women entrepreneurs and provided over 6,000 with improved energy access.

Our partnership with Trane advanced the deployment of affordable, energy-efficient technologies. This included collaboration with Ndarama Works to provide around 5,000 cooling vests to microentrepreneurs in Nigeria and Ghana, delivering early reach and generating insights to inform future scale.

Smallholder Farmers

The Smallholder Farmer portfolio, supporting farmers with less than five acres of land, enabled close to 150,000 customers, including 28% women, to access clean energy technology designed to reduce post-harvest losses and improve productivity. Working with smallholder farmers, we have found that short-term impact will come from scaling proven solutions, and that reaching women is most effective through gender-inclusive value chains such as dairy.

Key contributors included long-standing partners such as Rabo Foundation (42%), Inficold (17%), and Sistema.bio (7%), alongside new partners that expanded reach and capability. For example, ITC (8%), a major agribusiness in India, provided soil testing kits and advisory services to more than 23,000 farmers, while businesses within the ClimaFii alliance (8%) collectively reached over 40,000 farmers. Our support to Savannah Circuit demonstrated strong early outcomes, reaching more than 4,000 farmers, including 40% women, with decentralised solar-powered cooling that results in reduced spoilage and strengthened income resilience.

Transporters

Our Transporter portfolio supported more than 40,000 drivers and mobilised $150 million into the sector, with leadership from RevFin and Mufin, consistent with prior years. While customer reach was lower than expected, reflecting capital and local liquidity constraints and supply-side delays in some markets, there were some important signs of momentum. No-debt models such as Zypp Electric, India's largest EV rental provider, onboarded over 4,000 new drivers to support its tier-two city expansion within six months. The SIDBI EV Risk Sharing Facility in India, created to attract commercial capital for EV financiers and reduce the acquisition costs for transporters, has now supported close to 2,500 drivers.

Persistent challenges, including charging infrastructure gaps, affordability constraints, and limited supply continue to affect the sector. In response, the Transporter portfolio has increased its focus on lower risk delivery models, supply side innovation, and market enabling infrastructure. These steps position the portfolio to scale as liquidity conditions improve and regulatory clarity strengthens.

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 has resulted in reporting against new metrics in 2025, across four core dimensions:

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.

2. Jobs Supported

Net number of people employed directly by partners and indirectly by businesses for which partners are a core supplier of products, services, human resources, finance or technical support.

Environmental Impact

3. CO_2 Reduced

Net tonnes of CO_2 or CO_2 equivalent greenhouse gases reduced to avoided through the adoption of partner products, services and/or industry standards by consumers or businesses.

Economic Impact

4. Finance Leveraged

Amount of follow-on finance mobilised by partners following Shell Foundation support, or direct funding raised for activities or companies supported by its programmes.

These four headline metrics are underpinned by partner-specific indicators tailored to sectors context and stage of business development. Low-income customers served, for example through product sales or passenger journeys:

- Low-income customers served (e.g. through product sales or passenger journeys).
- Reduced emissions, in line with relevant sector standards, or reductions in water usage.
- Jobs created, earnings increased, money saved.
- Improved health outcomes or time savings.

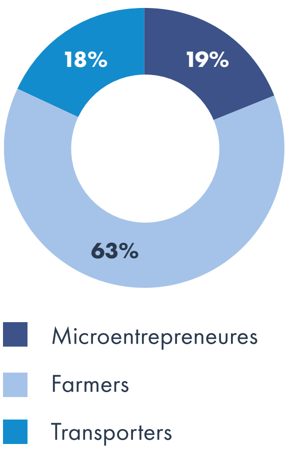
Shell Foundation Achievements and Performance

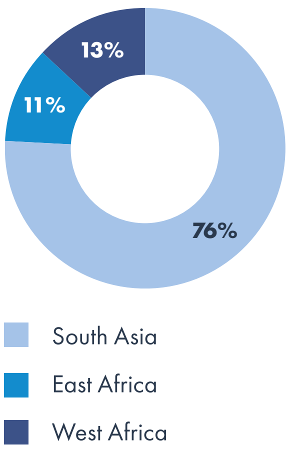
Our Cumulative Portfolio impact results since 2023

2025 results reflect legacy strength and traction from new deals

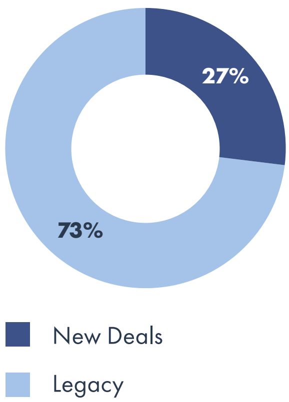
	Direct customers supported with clean energy	People enabled with potential to improve their lives with clean energy	Women customers reached	Capital Mobilized
Our **cumulative impact** since 2023	**1,107,748**	**4,430,992**	**22%**	**$778 million**
In **2025**, we achieved	**506,363**	**2,025,452**	**31%**	**$358 million**

Our reach is mostly **farmers** and in India





In 2025, **10 deals** adopted under the 2023 strategy show traction and **account for almost one-third** our direct customer reach



- The largest contribution to our 2025 results were delivered via our partnerships with ITC (26 thousand) and Accion (47 thousand). This reflects our continued focus on scaling these partnerships.
- Our GAME partnership delivering strong gender reach (exceeding the 10 thousand target)
- Through our partnership with Savanna, we reached four thousand farmers (80% of annual target); this resulted in30% higher income and spoilage reduction for those reached.

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

Shell Foundation Strategic Partnerships

UK's Foreign, Commonwealth and Development Office (FCDO)

Shell Foundation has partnered with the UK Government since 2011, initially with the Department for International Development (DFID) and now with the FCDO. The partnership is built on long standing collaboration, shared strategic objectives, and a strong track record of co funding impactful programmes.

The partnership currently comprises three jointly funded programmes under FCDO's Research and Analysis Directorate: **TIME, CASEE and RIDE**. All three form part of the **Ayrton Fund**, the UK Government's commitment to invest up to £1 billion in research and development for clean energy technologies and business models in developing countries.

TIME (Transforming Inclusive Energy Markets)

TIME supports a just and inclusive clean energy transition by accelerating the impact of pioneering enterprises and strengthening the financial and business intermediaries needed for scale and replication.

The programme forms part of the FCDO's Transforming Energy Access (TEA) platform, which supports technologies, business models and skills needed to deliver an inclusive clean energy transition and contributes to SDG7 and SDG13 targets by 2030.

The partnership aims to invest a total of £132 million between 2016 and 2027, including up to £66 million from FCDO, matched by Shell Foundation.

TIME takes an "ecosystem" approach, addressing core market barriers across supply, demand, finance and institutions. It de risks the sector by piloting and scaling new business models that can be replicated by others. This, in turn, helps unlock private investment and amplify impact across the sector.

As of December 2025, TIME has supported 133 funding interventions for scalable businesses. By 30 September 2025, it had leveraged over £1.0 billion of capital and improved the lives of over 27.8 million people through increased access to clean energy. In FCDO's most recent Annual Review, the venture building output of the Transforming Energy Access (TEA) platform - within which TIME sits - received an A++ rating (the highest possible score).

CASEE (Catalysing Agriculture by Scaling Energy Ecosystems)

The CASEE programme is an eight-year £30 million partnership between Shell Foundation and FCDO, structured on a 50/50 basis. It aims to accelerate access to energy-enabled solutions for smallholder farmers and agricultural SMEs (small and medium-sized enterprises) in sub-Saharan Africa, contributing to the FCDO's objectives on resilient agriculture and food security.

In 2023, the programme was extended to include an additional £10 million for "financial solutions" from the FCDO for the final four years of the partnership. This funding, which is not matched by Shell Foundation, is designed to unlock greater flows of capital into the energy-for-agriculture ecosystem by addressing financing constraints faced early-stage, high-impact, scalable businesses delivering productive, climate-resilient and low-emission solutions.

CASEE focuses on the agriculture ecosystem, with both direct and indirect links to energy. It supports enterprise-based innovations through patient grant capital and hands-on business support. These interventions are designed to scale without long-term dependence on donor subsidy, and to generate robust evidence and learning on pathways to scale.

To date, CASEE has partnered with, funded or co-created 33 enterprises, intermediaries and market enablers. During 2025, ten new businesses joined the portfolio: 500 Global's Sustainable Innovation Seed Accelerator, Collectives for Integrated Livelihood Initiatives ("CiNi"), Good Machine, Industree Foundation, Infracredit, Lendable Decarbonisation Fund, Standard Bank & Offgrid finance, Savanna Circuit, Startup Discovery School & MyAgro and Unmarkets joint venture studio. These organisations work to increase smallholder farmers' incomes and resilience by improving access to markets, finance, energy, technology, data, and inclusive value chains, particularly in climate vulnerable and low infrastructure contexts.

By September 2025, CASEE had directly impacted the lives of more than 800,000 people and leveraged over £220 million of additional finance. CASEE was also assessed highly in FCDO's most recent Annual Review, receiving an A+ rating in recognition of its performance exceeding expectations against agreed objectives.

Research on Infrastructure in Developing Economies (RIDE) - Transport Innovation Hub (TIH)

The Transport Innovation Hub (TIH) is a five year (2025–2030) delivery pillar of the RIDE programme, agreed in 2025 and led by Shell Foundation. TIH is designed to identify, test and scale low carbon transport innovations that reduce emissions and deliver measurable income gains for low income transport users, while generating evidence to inform policy and unlock private investment.

The Hub focuses on early commercial pilots and market demonstrations, complementing the wider RIDE research agenda. Lessons from delivery feed directly into FCDO, multilateral development bank and government policy dialogue through the broader RIDE platform.

TIH is supported by £2.71 million of FCDO funding and £1.2 million of Shell Foundation co funding over 2025–2030, with deployment front loaded across the five year period.

Initial pilots include:

- Kinetic Green, supporting pilots of electric two and three wheelers across multiple African markets to test demand, vehicle performance, charging and service infrastructure, and pathways to scale.
- Africa Corporate Innovation Program (NEC / Double Feather Partners), an open innovation platform sourcing, de risking and piloting logistics and mobility innovations, initially focused on freight and farm to market use cases.

Shell Foundation Net Zero Commitments

Shell Foundation's charitable purpose is to alleviate poverty, by empowering under-served communities to increase their incomes through access to clean energy products and services. The urgency of this mission has been underscored in recent years by record temperatures and severe weather events worldwide. These climate shocks have disproportionately affected the populations we aim to serve – communities that bear little responsibility for historic emissions, and have limited resources to mitigate, adapt, or recover.

Shell Foundation is committed to deploying all available resources to advance this mission and contribute to global efforts to achieve net-zero carbon emissions by 2050, in line with the Paris Agreement. In 2023, the Foundation adopted a strategy to align our endowment investments with a net-zero pathway, recognising that a significant share of our Scope 1–3 emissions arises from the endowment portfolio invested across diverse asset classes globally.

Last year, we disclosed that following a formal engagement with the Carbon Trust, the Foundation sought to establish its baseline Scope 1–3 emissions. We reported that the Foundation's endowment represented the most significant source of our greenhouse gas emissions. We committed to providing greater transparency on our pathway to net zero.

In 2025, we have taken important steps toward this goal:

- In Q4, we transitioned to a new asset manager that also acts as an outsourced chief investment officer (OCIO). The scope of the relationship between the Investment Committee, Foundation staff and Goldman Sachs Asset Management is being refined to ensure that data-driven and timely engagement supports well-informed decision-making.
- As part of this transition, we implemented a new investment strategy (which was in progress at year end). The equity sleeve, which is the largest part of the new portfolio, has a specific net-zero objective and a defined decarbonisation pathway.
- The Investment Committee has agreed to consider its ESG objectives and implementation options in more detail in a series of sessions over 2026. In the first of these sessions, the Investment Committee approved that, from 2026, the equities portfolio will be subject to restrictions under the OCIO's Net Zero Framework, which is based on the principles of the Institutional Investors Group on Climate Change Net Zero Investment Framework (IIGCC NZIF). These restrictions comprise: (i) a 5% tilt towards companies aligned with the Paris Agreement relative to the index benchmark; and (ii) the exclusion of companies not categorised as "Achieving Net Zero", "Aligned" or "Aligning" where they meet any of the following criteria:
    - involvement in coal power, mining and/or infrastructure expansion projects;
    - deriving more than 5% of revenue from thermal coal-based power generation;
    - deriving more than 5% of revenue from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties; or
    - deriving more than 5% of revenue from unconventional oil and gas extraction and production.

Looking ahead, Shell Foundation will continue to refine its approach, setting interim targets and reporting annually on progress. Our ambition remains to achieve net-zero emissions across all activities, including the endowment, by 2050.

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

Shell Foundation believes that engagement with the asset stewards is the most effective way to catalyse a transition to net zero carbon emissions within its portfolio. Engagement is favoured over divestment because the goal is to drive real-world emissions reductions, rather than simply reducing the Foundation's reported portfolio emissions. Engagement is guided by clear objectives and escalation expectations, with portfolio action considered where issuers or strategies do not demonstrate credible progress over time.

Under a Paris Agreement-aligned approach, the primary ambition is a real-world decrease in carbon emissions through credible decarbonisation measures. Shell Foundation recognises that different asset classes and investment vehicles play different roles and will prioritise "progress over perfection," using available levers to drive efficient, impactful change.

Reaching Net Zero by 2050 requires significant progress against milestones set for 2025, 2030 and 2040. The Foundation's engagement approach will include setting asset-class targets for these dates, reviewing progress and taking decisions that maintain a 2050 pathway.

This net zero ambition is implemented alongside the Foundation's broader ESG exclusion policy for direct equity holdings.
The investment committee agreed to apply exclusion screens including, for example, controversial weapons, nuclear weapons in selected countries and companies that are violating the United Nations Global Compact ten principles, the United Nations Guiding Principles (UNGP) for Business and Human Rights, and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. We recognise that for index-tracking exposure (e.g., passive funds, ETFs, index derivatives, or comingled funds) it may not be practically feasible to apply the same exclusions on a look-through basis.

For equity and fixed income commingled funds, we aim to invest in strategies that promote environmental and/or social characteristics through minimum standards, including exclusion policies (with revenue-based thresholds that may vary by fund) and good governance expectations aligned with internationally recognised frameworks. Implementation is supported by third-party ESG data and classifications, recognising that coverage gaps (e.g., new issuers) may occur and will be addressed through reasonable efforts and remediation where required.

Measuring Portfolio Emissions

Previously, Shell Foundation measured Scope 2 emissions from equity investments through its prior asset manager but was unable to independently verify this data.

Under the new asset manager, Shell Foundation can obtain verifiable emissions data on listed equity holdings in our portfolio using industry standard methodology, marking a significant step forward in transparency. As at the reporting date, the carbon intensity of our listed equity portfolio was 43 tCO_2e per USD invested on an Enterprise Value including Cash (EVIC) basis (Scope 1 + 2 Emissions), in line with the 2025 interim target of 43 tCO_2e per USD invested, and ahead of the market benchmark (MSCI All World Country Investable market Index) of 45 tCO_2e per USD invested.

As we seek to continuously improve, Shell Foundation will look to expand our reporting to include additional metrics in future periods in line with our evolving ESG objectives.

Reference and Administrative Details

Trustees (who are also Directors)

Ms Gail Klintworth (Chair)
Mr Thomas Baird (from 1 August 2025)
Ms Vinita Bali
Mr Cederic Cremers (from 1 August 2025)
Mr Grzegorz Gut (to 30 June 2025)
Mr Parminder Kohli
Ms Sinead Lynch (to 9 December 2025)
Mr Jack Ngare
Ms Olufunke Opeke
Mr Huibert Vigeveno (to 31 March 2025)
Mr Paul Simpson
Mr Tim Livett (from 27 January 2025)

Company Number

4007273

Charity Number

1080999

Registered Name

Shell Foundation

Registered Office

Shell Centre, 2 York Road, London SE1 7NA

The Charity is incorporated in England and Wales.

Company Secretary

R Singh Davies (to 17 September 2025)
S Crier (from 6 January 2026)

Independent Auditors

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

Bankers

Lloyds Bank plc 25 Gresham Street London EC2V 7HN

Investment Manager

Shell Asset Management Company Lange Kleiweg 40 2288 GK Rijswijk The Netherlands (to 30 September 2025)

Goldman Sachs Asset Management Plumtree Court, 25 Shoe Lane, London, EC4A 4AU United Kingdom (from 1 October 2025)

Independent Investment Advisor

Cazenove Capital 1 London Wall Place London EC2Y 5AU United Kingdom (to 30 September 2025)

Key Management Personnel

Chief Executive Officer	Jonathan Berman
Chief Financial Officer (to 30 September 2025)	Rachel Singh Davies
Interim Chief Financial and Operations Officer (from 1 January 2025 to 30 September 2025)	Nicholas Voges
Chief Financial and Operations Officer (from 1 October 2025)	Nicholas Voges
Chief Programme Officer	Richard Gomes
Chief Impact Officer (from 3 March 2025)	Juliette Keeley
Outsourced Chief Investment Officer (from 1 October 2025)	Goldman Sachs Asset Management

Shell Foundation

(a company limited by guarantee)

Report of the Trustees and financial statements for the year ended 31 December 2025

Company Registered Number: **4007273**

Charity Registered Number: **1080999**

Report of the Trustees for the year ended 31 December 2025

The Board of Trustees (who are also directors of the Foundation for the purposes of the Companies Act) present their annual report and the audited consolidated financial statements for the year ended 31 December 2025.

The information with respect to Trustees, directors, officers and advisors set out on page 13 forms part of this report, as does the report on Achievements and Performance on pages 5 to 10. 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 two subsidiaries: 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; and SFOK Limited, a limited company incorporated in 2026 to manage the operational footprint of the Foundation in Kenya- as such the results of SFOK Limited are not presented in the 2025 results.

Structure, Governance and Management

Relationship with the Shell Group

In 2000, the Shell Group contributed $259 million to create an endowment designed to fund the Foundation's mission on a long-term, perpetual basis. In addition to the initial endowment, the Foundation has received restricted and unrestricted donations from the Shell Group totalling $300 million to the end of 2025.

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.

Trustee Recruitment, Appointment, Induction and Development

Trustee recruitment and appointment are led by the Nomination Committee, who identify and recommend individuals. The formal appointment is by the sole member of the Foundation (The Shell Petroleum Company Limited).

New Trustees are onboarded to their role using several resources. They are provided with information on Trustee guidelines prepared by the Charity Commission, together with key information on the Foundation. They also undertake briefing discussions with the CEO and other key staff. They have access to an electronic portal to access key documentation relating to the charity's constitution, governance arrangements, roles and responsibilities, and Board and committee business. This ensures Trustees gain a greater understanding of the work of the Foundation and can identify opportunities to become more involved.

Trustees complete an annual reassessment against the Board competency framework, to help identify and implement areas of development.

Conflicts of Interest

The Foundation operates a robust conflicts of interest policy. All Trustees and staff are required to declare any potential or actual conflicts annually (including related parties), and declarations are also requested at every Board and committee meeting. Any identified conflicts are recorded and managed in accordance with the policy to ensure transparency and maintain the integrity of the Foundation's decision making processes.

Our Board and Committee Structure

The Trustees meet formally at least twice each year to oversee the Foundation's strategy, performance and governance. At these meetings, they review and approve:

1. The Foundation's financial results and statutory filings.
2. Key risks facing the organisation and the effectiveness of mitigation measures.
3. Internal controls, including delegation of authority and segregation of duties, to ensure risks remain within appetite.
4. Endowment investment performance, including returns, strategic asset allocation, and fund manager oversight.
5. The performance of the Foundation's social investment portfolio.
6. The strategic business plan and the annual budget that supports it.
7. Management accounts, including budget variances and non-financial performance indicators.

8. Progress against annual organisational targets, including the scorecard outcome.
9. The Foundation's social impact and public benefit against defined evaluation metrics.

To ensure that decisions are informed and appropriate, the Board delegates specific responsibilities and activities to various Board committees, as summarised below. All Board committees are accountable to, and report to, the Board and adhere to their respective terms of reference setting out the committee's duties and responsibilities. Board committees are chaired by a Nominated Trustee and comprise members with relevant skills and experience.

Items 1–3 are supported by the Audit and Risk Committee (ARC). Items 4 and 5 are supported by the Investment Committee (IC). Item 8 is supported by the Remuneration Committee (RemCo). Item 9 is partially supported by the Funding Approvals Committee (FAC) with respect to public benefit considerations.

The ARC comprises three Trustees and invites the Foundation CEO, CFO, external auditor and relevant experts to attend as required. A Nominated Trustee chairs the Committee, and Nominated Trustees form the majority. The ARC acts on behalf of the Board to provide a robust framework for accountability. Its responsibilities include reviewing the Foundation's financial and operational controls, evaluating key risks and the adequacy of mitigation measures, and ensuring compliance with legal, regulatory and good-practice requirements. The ARC reports its findings to the Board and makes recommendations as appropriate.

The IC is shared by a nominated trustee and comprises an additional two Trustees alongside the CEO and CFO nd is supported by an independent investment advisor. It sets and reviews the Foundation's investment strategy, oversees fund managers, and reports to the Board on endowment performance, asset allocation, and long-term financial sustainability.
The Committee also leads the Foundation's responsible investment work, including developing the initial roadmap for aligning the endowment with a net-zero pathway and monitoring progress against ESG and net-zero commitments.

The RemCo comprises three Trustees. Chaired by a nominated trustee, it sets remuneration of designated senior staff and reviews Foundation annual performance through the scorecard. Based on this assessment, the Committee recommends the scorecard outcome to the Board, which in turn determines the performance-related component of staff remuneration.

The FAC consists of four Trustees, of which the Chair and a majority are Nominated Trustees. The Committee reviews and approves material funding proposals, considering the level of public benefit they will deliver.

The Nomination Committee is comprised of a chair and two additional Trustees. It identifies, evaluates and recommends candidates for Trustee positions, oversees succession planning, and supports effective governance.

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.

Secretary

During 2025, the Company Secretary was absent for part of the year. Secretariat responsibilities were covered by other members of Foundation staff during this period, with a permanent successor formally appointed in early 2026. There was no impact on governance arrangements.

Governance review

In 2026, the Foundation have commenced a comprehensive review of its governance arrangements, using the new Charity Governance Code as the primary framework for assessment. The review will evaluate Board effectiveness, decision-making, oversight and accountability, alongside the Foundation's leadership, culture and alignment with its charitable purpose. It will inform a report to the Board setting out findings, recommendations and a prioritised action plan to strengthen governance in support of the Foundation's charitable objectives and public benefit. At this stage, there are no material findings to report.

Grant Commitments

The Foundation identifies strategic partners to advance its charitable purpose and does not invite or encourage unsolicited grant applications.

As part of its risk management, the Foundation undertakes due diligence on grantees before approval to assess delivery risk and the likelihood that the commitment will be used as intended. Grants are approved by the Funding Approvals Committee or Leadership Team, depending on value.

Grant payments are linked to milestones to ensure alignment with the Foundation's charitable objectives. Each Letter of Commitment ("LOC") is issued on the basis that milestones can be met, and progress is monitored through reports, meetings, site visits and feedback from the communities served. Payments may be deferred if milestones are not met and, where objectives can no longer reasonably be achieved, the grant may be terminated.

Social Investments

Where appropriate, the Foundation uses non-grant instruments to meet partner needs and maximise impact, including convertible grants, concessionary loans, fund investments, financial guarantees, and de-risking facilities for financial institutions.

All social investments are subject to review to ensure that any private benefit arising is incidental and directly linked to the delivery of public benefit and the Foundation's charitable objectives.

Objectives and Activities for the Public Benefit

The Foundation exists to reduce poverty by enabling underserved people in Africa and Asia to earn a sustainable living. We do this by supporting and scaling enterprise solutions that provide access to clean energy products and services, enabling individuals and communities to improve their livelihoods. A living income is defined as the amount a household needs each year to afford a decent standard of living, based on local costs and inflation, per the Global Living Wage Coalition.

To deliver this public benefit, the Foundation provides grants and social investments across three programmes—Smallholder Farmers, Microentrepreneurs, and Urban Transporters—ensuring our work directly supports people who face the greatest barriers to economic opportunity.

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

The Trustees confirm they have complied with the Charity Commission's guidance on public benefit set out in section 4 of the Charities Act 2011 when reviewing the Foundation's aims and objectives and when making funding decisions. 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 presented on page 27.

SF operates within strict budgets as approved annually by the Board. In 2025, while overall expenditure remained closely aligned to the approved budget, there was overspend on staff costs and travel, primarily driven by the transition to a new CFO. In addition, approvals for new grants from unrestricted funds exceeded budgeted amounts (though this was not reflected on an accounting basis due to the timing of contracting), and additional budget was sought from, and approved by, the Board to cover these over-approvals, with endowment withdrawals made in accordance with Investment Committee policy and with Board approval.

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 2025 was $21.3 million (2024: $10.9 million). The Foundation remains well positioned to meet its commitments through unrestricted endowment resources and can enter additional restricted funding partnerships as opportunities arise.

Total unrestricted charitable expenditure was $45.2 million (2024: $32.1 million). Impairments on social investments totalled $11.4 million (2024: $18.4 million).

Principal Funding Sources

Programmes are funded primarily through distributions from the endowment fund. Shell Group companies made unrestricted donations of $6.8 million in 2025 (2024: $14.3 million). Restricted donations totalling $21.3 million (2024: $10.9 million), of which $21.0 million (2024: $10.9 million) were received from FCDO and $0.3 million (2024: $0.9 million) from the Gates Foundation (see note 2).

Reserves

The Foundation holds an expendable endowment designed to sustain the long-term programme funding. The investment policy adopted by Trustees aims to maintain the real value of both annual distributions and the endowment capital. The endowment constitutes unrestricted reserves, which are sufficient to meet the current and future commitments. Commitments are funded through the liquidation of endowment assets as required. The reserve policy is set by the Investment Committee, reviewed by the Audit and Risk Committee, and approved by the Board. At year end, the endowment value was $695 million (2024: $607 million), with total reserves of $759 million (2024: $672 million).

In 2023 SF scheduled a formal review of its asset management arrangement. Following an extensive procurement process during 2025, guided by expert external advisors and supported (but not influenced) by Shell, the Foundation 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. Our asset manager arrangements transitioned to GSAM as of 1 October 2025. GSAM and SF are working together to evolve the endowment strategy including our continuing responsible investment journey.

Restricted funds at the year-end primarily represent social investments made under the FCDO TIME and CASEE partnerships. As repayments are received, these funds will be redeployed to new projects in line with partnership agreements to further our charitable objectives consistent with the Partnership governing documents.

Endowment Investment Policy and Performance

The investment objectives of the Foundation are set by the Investment Committee, and management of the endowment in accordance with those objectives sits with our selected asset manager.

The endowment is invested in a diversified portfolio of global equities, hedge funds, fixed income, real estate and alternative investment strategies. If necessary, to mitigate any risk associated with currency exposure, the investment manager is permitted to partially hedge back to the Foundation's functional currency of US Dollars using forward contracts.

The Foundation 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. Following the transition in Q4 2025 to Goldman Sachs Asset Management as OCIO, the endowment's equity sleeve (the largest part of the portfolio) is managed with a specific net-zero objective and a defined decarbonisation pathway, consistent with the Foundation's commitment to support the goals of the Paris Agreement.

External managers appointed through our asset manager are required to make explicit how ESG considerations are integrated in their investment processes and how these are applied in practice. This includes reflecting the Foundation's ESG exclusion screens for direct equity holdings, covering, for example, controversial weapons, nuclear weapons in selected countries, and companies assessed as violating the United Nations Global Compact ten principles, the United Nations Guiding Principles (UNGP) for Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. We recognise that for index-tracking exposure (e.g., passive funds, ETFs, index derivatives, or commingled funds) it may not be practically feasible to apply the same exclusions on a look-through basis.

For equity and fixed income commingled funds, we aim to invest in strategies that promote environmental and/or social characteristics through minimum standards, including exclusion policies (with revenue-based thresholds that may vary by fund) and good governance expectations aligned with internationally recognised frameworks. Implementation is supported by third-party ESG data and classifications, recognising that coverage gaps (e.g., new issuers) may occur and will be addressed through reasonable efforts and remediation where required.

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 page 11.

The Foundation has made robust steps in measuring and improving ESG considerations in our endowment and is committed to making further progress in this area.

In 2025, financial markets were shaped by elevated policy uncertainty and periods of sharp volatility, driven primarily by US trade policy developments and shifting expectations for global monetary policy. Equities experienced an uneven path through the year, with drawdowns around tariff escalation followed by a recovery as risk sentiment improved and central banks moved toward easing policy later in the year. Overall, equities had another strong year. Fixed Income returns were supported by the turn toward monetary easing, despite intermittent inflation and interest rate volatility. Real Estate continued to be influenced by valuation levels, subdued transaction activity, and currency effects on non-UK exposures. All asset classes performed in line with their benchmarks.

The total return of the portfolio for the year was positive (19.3%) (2024: 7.3%) in line with the market benchmark. Annualised returns for the portfolio over a three-year period were 13.0%.

The Equity portfolio returned 25.6% (2024: 11.0%) over the year, reflecting a volatile but ultimately constructive backdrop for global equities, including a period of weakness linked to trade policy uncertainty and a reassessment of US technology and AI-related stock valuations; equity performance also varied across regions over the year, with periods of stronger returns outside the US, before markets recovered as financial conditions stabilised and expectations for monetary policy support increased.

Fixed Income showed positive returns over the year, returning 13.6% (2024: 2.0%), supported by the shift toward easier policy later in the year, though returns reflected changing expectations for growth and inflation. In Emerging Market Debt, the performance of local currency markets was primarily impacted by foreign exchange moves versus the USD, while changes in spreads influenced hard currency market returns.

The hedge fund portfolio performance was positive in 2025 (8.1%); (2024: 7.1%), benefiting from dispersion and opportunities during periods of market dislocation.

Real Estate delivered a 3.6% total return in 2025 (compared to (7.2)% in 2024), supported by valuation, transaction activity, and FX effects from overseas holdings.

Since the year end, global financial markets have been volatile following recent developments in the Middle East. In response to this volatility, the portfolio has been rebalanced reducing exposure to equities and hedge funds and increasing exposure to fixed income and liquid assets. As at [16th April 2026] the endowment was valued at $[725] million. As of May 2026, the Trustees remain comfortable that existing investment policy will be followed throughout future market volatility, with investment performance reviewed regularly by the Investment Committee.

Plans for Future Periods

As the Foundation holds an expendable endowment, it remains resilient to market volatility and can meet anticipated spending needs over the coming years. Should restricted income fall below recent levels, the Foundation can adjust spending plans and ambitions accordingly. With limited long-term commitments, the Foundation retains the flexibility to 'right size' its activities when needed, without jeopardising social impact already created.

Shell Foundation also expects to play an important role in the coming years as a facilitator of funding, by entering agreements with impact investors to provide a high-quality pipeline of investible enterprises from its portfolio. This approach is designed to help scale proven models, attract additional capital into the sector, and ultimately extend the reach and sustainability of the Foundation's impact.

In 2026, the Foundation will tighten its focus to further scale impact:

- 70% of our resources will be concentrated on 8 deals.
- We aspire to cut the deal lifecycle by a third within two years.
- We target doubling the number of women empowered compared to the start of the strategy.
- We further seek to mobilise capital and target leveraging our funds by 11x.

Refer to the review of achievements and performance on pages 7 to 10 for further details of future plans.

Principal Risks and Uncertainties

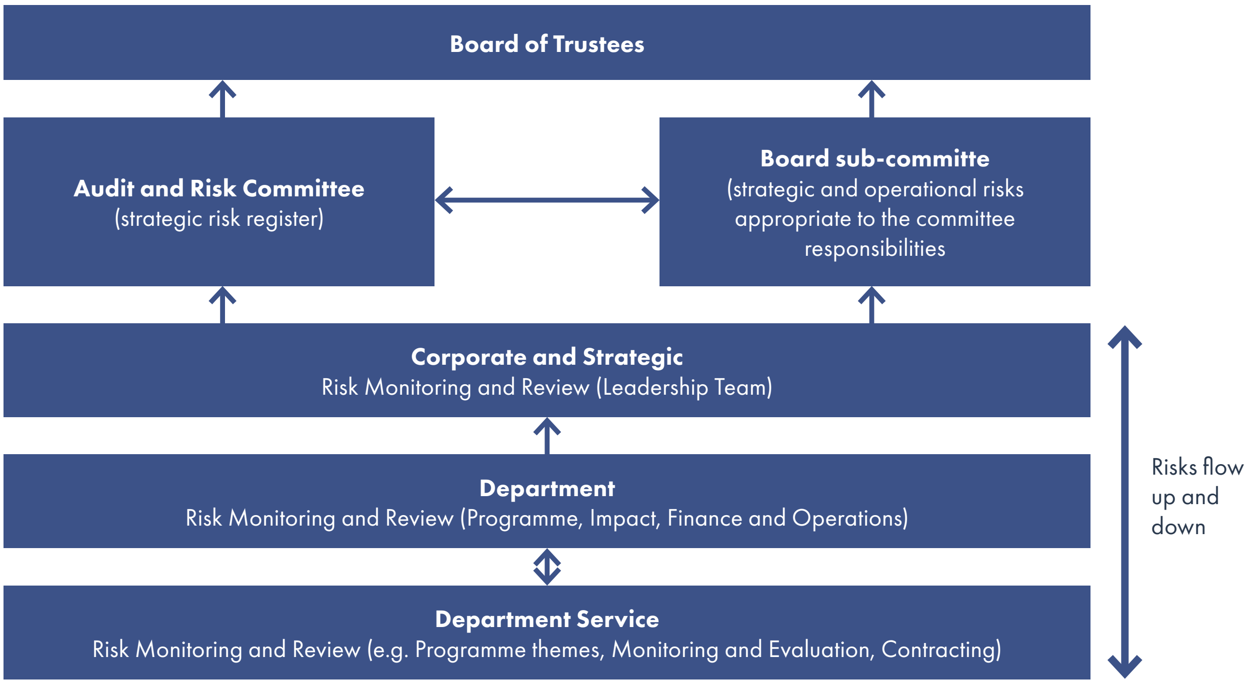
The Trustees are responsible for ensuring there are effective and adequate risk management and internal control systems in place for the management of risks to the Foundation. This includes setting the risk appetite and ensuring that appropriate policies and procedures are in place for the protection and detection of major risks, including fraud and other irregularities.

The Trustees have assessed and identified the Foundation's key risks. 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 to ultimately consider whether the residual risk is within appetite.

The Foundation recognises the importance of effective risk management in the successful delivery of the Foundation's strategy and charitable objectives; therefore, risk management is exercised throughout the Foundation. Operational departments continuously monitor risk by applying the relevant business assurance frameworks. The leadership team reviews significant departmental risks on a regular basis and assesses the impact on the strategic risks to ensure the strategic risk register remains dynamic. The leadership team also monitors strategic risks on a quarterly basis, and reviews and reports strategic risks to the Audit and Risk Committee ('ARC') at least twice annually.

The ARC maintains oversight of the Foundation's activities and strategic risks, exercising appropriate challenge to ensure robust mitigation actions and controls are managed by the Leadership Team, having regard to the Foundation's risk management framework. The Foundation's strategic risks are reported to the Board on a quarterly basis for oversight and assurance that effective risk management processes are in place.

The ARC annually reviewed the Foundation's Board assurance and risk management frameworks for Board approval, and during the reporting period it was determined that both remained effective.



Long description: The image is a flow diagram showing how risk management operates across organisational levels. At the top, the Board of Trustees holds ultimate accountability. Below are two connected bodies: the Audit and Risk Committee (responsible for the strategic risk register) and a Board sub-committee overseeing risks aligned to its remit, with arrows indicating coordination and escalation.

Beneath these, the Leadership Team manages corporate and strategic risk monitoring and review, linking governance with operations. This flows down to department-level risk monitoring (Programme, Impact, Finance and Operations), and further to service-level risk management (for example programme themes, monitoring and evaluation, and contracting).

Arrows between all levels show two-way reporting and oversight, reinforced by a vertical label indicating that risk flows up and down the organisation, reflecting delegated operational management within an overall accountable framework.

The table on the following pages presents the principal risks which are currently monitored closely by the trustees and the Leadership Team.

The key strategic risks and mitigations include:

Risk	Mitigation
The core strategy does not fulfil the Charitable Mission: ensuring that the strategy supports the charitable objectives, with measurable impact. Excessive reliance on one geographic location or programme theme is avoided	■ **Clear Strategic Framework:** The Foundation operates under a robust 5-year strategy that sets out defined goals and objectives, which are regularly monitored and reviewed by the Leadership Team and the Board of Trustees. This ensures alignment with the charitable mission and provides a basis for measuring success. ■ **Annual Business Planning:** An annual business plan translates strategic objectives into actionable priorities, enabling granular resource allocation and timely adjustments to maintain progress toward mission delivery. ■ **Integrated Financial Planning:** A financial plan aligned with the corporate plan underpins the strategy, supported by rigorous budgeting and monitoring processes. This allows for proportionate corrective measures when required. ■ **Diversification and Risk Avoidance:** The strategy explicitly avoids excessive reliance on any single geographic location or programme theme, reducing vulnerability and ensuring balanced impact across target areas. ■ **Data-driven:** The Foundation creates and leverages data and intelligence to support decision-making. ■ **Reserves and Contingency:** Sufficient financial reserves are maintained to safeguard continuity of the Foundation's mission in the face of unforeseen challenges.

Risk	Mitigation
Environmental, Social and Governance (ESG): inability to meet stakeholder expectations and regulatory obligations. Specific consideration is taken to SF's credibility in the climate change arena	To address the risk of failing to meet stakeholder expectations and regulatory obligations on ESG matters, the Foundation has implemented the following measures: ■ **Environmental Strategy Development:** In collaboration with the new Investment Manager, the Foundation is developing and delivering a comprehensive net-zero strategy for its endowment that aligns with ESG objectives while maintaining compliance and required returns. ■ **Stakeholder Engagement:** Active engagement and collaboration with stakeholders on ESG initiatives ensure transparency and responsiveness to evolving expectations. ■ **Regulatory Compliance Monitoring:** Robust systems are in place for monitoring statutory and regulatory obligations, supported by an action plan to ensure timely compliance. ■ **Policy Framework:** ESG-related policies and procedures are regularly reviewed and updated to reflect best practices and regulatory changes. ■ **Responsible Investment:** All investments are conducted responsibly, with due consideration of ESG factors to ensure alignment with the Foundation's mission and commitments.
Partners: Each partner SF engages with potentially carries the full suite of risks detailed in this section, but with a misaligned experience or risk appetite to the Foundation.	To manage the risks associated with partners through whom the Foundation delivers impact, the following measures are in place: ■ **Rigorous Selection Process:** Before engagement, the Foundation undertakes robust due diligence, including Know Your Customer (KYC) screening of partner owners and key management personnel. ■ **Policy and Governance Assurance:** Assurances are obtained and documented on critical partner policies and procedures, such as governance, HSSE, and safeguarding, to ensure alignment with the Foundation's standards. ■ **Ongoing Monitoring and Support:** Throughout the contract lifecycle, the Foundation provides continuous oversight and support. This includes SF personnel acting as non-executive directors where appropriate and conducting audits to verify adherence to contractual milestones. The Foundation continues to provide mentoring and guidance on HSSE to relevant partners and monitors their HSSE systems as part of the annual partner assurance process. ■ **Risk Alignment:** The Foundation actively manages differences in risk appetite and experience by maintaining close engagement and providing guidance to partners, ensuring risks are mitigated and objectives remain aligned.
Reputation: the loss of public trust and confidence	To safeguard public trust and confidence and manage potential reputational challenges, the Foundation has implemented the following measures: ■ **Comprehensive Risk Management Framework:** A robust framework ensures risks are identified, assessed, monitored, and mitigated within acceptable tolerance thresholds. ■ **Codes of Conduct:** Clear and regularly reviewed codes of conduct guide behaviours and decision-making across the Foundation. ■ **Specialist Expertise:** Dedicated resources in key areas such as safeguarding, legal, and human resources strengthen risk oversight and response. ■ **Regulatory and Contractual Compliance:** The Foundation maintains strict adherence to statutory, regulatory, and contractual obligations. ■ **Partner and Supplier Management:** Effective due diligence processes and ongoing oversight ensure alignment with the Foundation's standards. ■ **Whistleblowing and Speak-Up Policies:** Well-established and regularly reviewed mechanisms encourage transparency and early issue detection. ■ **Stakeholder Communication:** A proactive communication plan, supported by responsive media management procedures, helps maintain trust and credibility.

Risk	Mitigation
Safeguarding Our People: the lack of adequate and effective policies and practice **Regulatory and statutory:** failure to comply with requirements	■ **Zero tolerance approach to safeguarding**, underpinned by clear policies, procedures, and codes of conduct applicable to all staff, partners, and suppliers. ■ **Mandatory safeguarding training** for all Shell Foundation staff, with induction and regular refresher training, and clear expectations that partners maintain appropriate training and capability within their organisations. ■ **Partner assurance and capacity building**, including safeguarding risk assessments at onboarding and annually, and support to partners to develop or strengthen safeguarding policies, codes of conduct, and reporting mechanisms. ■ **Strong governance and accountability**, with Board level oversight through a Designated Safeguarding Trustee, supported by senior management Safeguarding Officers and programme compliance oversight. ■ **Clear and timely incident reporting and response arrangements**, including confidential reporting channels, proportionate investigation processes, escalation to external authorities where required, and secure record keeping. ■ **Leadership focus on culture, wellbeing, and risk**, promoting respectful working environments, addressing bullying and harassment, and ensuring safeguarding risks are actively identified and managed, including in heightened risk or crisis contexts.

Statement of Trustees’ Responsibilities

The Board of Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees’ Report (including the Strategic Report) and the financial statements in accordance with 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 the Republic of Ireland.

Company law requires the Trustees to prepare financial statements for each financial year. Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of 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 Charities Statement of Recommended Practice (SORP).
- make reasonable and prudent judgements and accounting estimates.
- state whether applicable UK accounting standards, comprising FRS 102, have 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 maintaining 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.

Independent Auditor

Over the course of the year, Ernst & Young LLP continued in their role as the Foundation’s Independent Auditor under the Elective Resolutions approved by the sole member on 28 March 2001, which dispensed with holding Annual General Meetings, the laying of the report and financial statements before members at a general meeting, and the annual re appointment of the auditor in accordance with the Companies Act 2006; accordingly, Ernst & Young LLP continued to act pursuant to section 487(2) of the Companies Act 2006, under which any Member or the Auditor may still require the annual report and financial statements to be presented at a general meeting by depositing a request at the Foundation’s registered office within 28 days of the documents being sent to Members.

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 to make themselves aware of any relevant audit information and to establish that the company’s auditor is aware of that information.

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

Gail Klintworth
Chair of the Board of Trustees

26 June 2026

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 2025, 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 notes numbered 1 to 27, 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 2025 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 2027.

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.

Opinion 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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 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 are complying with those frameworks by obtaining an understanding of the group's and the charitable company's procedures to ensure compliance and 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 honest 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.

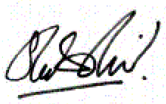
- Based on this understanding, we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved confirming if management are aware of any breaches in laws and regulations or fraudulent activity, inspecting any correspondence between the charitable company 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

29 June 2026

Consolidated statement of financial activities for the year ended 31 December 2025

Company Registered Number: 400723

	Note	Unrestricted Funds 2025 $000	Restricted Funds 2025 $000	Endowment Funds 2025 $000	Total Funds 2025 $000
Income and endowments from					
- Donations	2	6,803	21,340	-	28,143
- Donated services	2	656	-	-	656
- Investments	3	1,149	18	10,860	12,027
Total Incoming Resources		**8,608**	**21,358**	**10,860**	**40,826**
Expenditure on Raising Funds					
Investment management costs		(1,337)	-	-	(1,337)
Total Cost of Raising Funds		**(1,337)**	**-**	**-**	**(1,337)**
Charitable Activities					
- Micro Entrepreneurs		(13,165)	(6,274)		(19,439)
- Urban Transporters		(14,283)	(2,532)	-	(16,815)
- Smallholder Farmers		(17,702)	(5,017)	-	(22,719)
Total Charitable Activities	4	**(45,150)**	**(13,823)**	**-**	**(58,973)**
Total Resources Expended		**(46,487)**	**(13,823)**	**-**	**(60,310)**
Net gains on investments					
Realised and unrealised gains on the revaluation and disposal of investment assets		1,396	-	104,638	106,034
Net income/(expenditure) before transfers		**(36,483)**	**7,535**	**115,498**	**86,550**
Transfers between funds		27,000	-	(27,000)	-
Net (Expenditure)/Income		**(9,483)**	**7,535**	**88,498**	**86,550**
Net Movement in Funds		**(9,483)**	**7,535**	**88,498**	**86,550**
Fund balances brought forward at 1 January		**32,671**	**32,028**	**607,455**	**672,154**
Fund balances carried forward at 31 December		**23,188**	**39,563**	**695,953**	**758,704**

The Foundation has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Foundation statement of financial activities. The Foundation's net movement in funds in 2025 was $86.5 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 2024

Company Registered Number: 400723

	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 gains 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 408 of the Companies Act 2006 not to present the Foundation statement of financial activities. The Foundation's net movement in funds in 2024 was $28.0 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 2025

	Notes	**2025 $000**	2024 $000
Income	2	28,799	26,855
Gains on investments		106,034	32,273
Interest and investment income	3	12,027	10,592
Gross income in the reporting period		**146,860**	**69,720**
Expenditure		(48,933)	(23,275)
Impairment of Social Investments	4	(11,378)	(18,427)
Total expenditure		**(60,311)**	**(41,702)**
Net Income for the reporting period		86,549	28,018
Net surplus of income over expenditure for the year		**86,549**	**28,018**

The accompanying notes form part of these financial statements.

Consolidated and charity balance sheets as at 31 December 2025

	Note	Group 2025 $000	Group 2024 $000	Foundation 2025 $000	Foundation 2024 $000
Fixed Assets					
Endowment	10	695,953	607,455	695,953	607,455
Social investments	11	68,210	65,396	60,930	56,993
Subsidiary undertakings	12	-	-	7,402	8,473
Total Fixed Assets		**764,163**	**672,851**	**764,285**	**672,921**
Current Assets					
Debtors: amounts falling due within one year	13	10,955	6,594	10,955	6,594
Cash at bank and in hand	14	19,500	16,362	19,079	15,958
Social investments	11	5,745	1,299	5,745	1,299
Total Current Assets		**36,200**	**24,255**	**35,779**	**23,851**
Creditors: amounts falling due within one year	15	(34,083)	(22,328)	(34,083)	(22,275)
Provisions	16	(2,000)	(2,000)	(2,000)	(2,000)
Net Current Assets	19	**117**	**(73)**	**(304)**	**(424)**
Total Assets less Current Liabilities		**764,280**	**672,778**	**763,981**	**672,497**
Creditors: amounts falling due after more than one year	17	(5,576)	(624)	(5,607)	(656)
Net Assets		**758,704**	**672,154**	**758,374**	**671,841**
The funds of the Foundation:					
Endowment Funds	18	695,953	607,455	695,953	607,455
Unrestricted Funds	18	23,188	32,671	23,188	32,671
Restricted Funds	18	39,563	32,028	39,233	31,715
Total Foundation Funds		**758,704**	**672,154**	**758,374**	**671,841**

The accompanying notes form part of these financial statements.
The financial statements on pages 27 to 53 authorised for issue, approved by the Trustees and signed on their behalf by:

Gail Klintworth
Chair of the Board of Trustees
26 June 2026

Cash flow statement and consolidated cash flow statement for the year ended 31 December 2025

	Note	**Group 2025 $000**	Group 2024 $000	**Foundation 2025 $000**	Foundation 2024 $000
Net cash used in operating activities	20	**(7,352)**	**5,954**	**(7,351)**	**5,992**
Cash flow from investing activities					
Investment Income – unrestricted and restricted		1,167	1,123	1,149	1,102
Investment income from endowment funds		10,860	9,470	10,860	9,470
Endowment Fund	10				
Purchase of investments		(522,427)	(89,503)	(522,427)	(89,503)
Sale of investments		575,724	90,472	575,724	90,472
Cash flows arising from derivatives		(5,133)	(80)	(5,133)	(80)
Increase/(decrease) in investment cash		(32,034)	(5,359)	(32,034)	(5,359)
Investments	11				
Purchase of social investments		(18,378)	(12,390)	(18,378)	(12,390)
Repayment/unrealised gain of social investments		700	1,025	700	1,025
Net cash from investing activities		**10,490**	**(5,242)**	**10,472**	**(5,263)**
Cash flow from financing activities					
Transfer out from endowment fund		(27,000)	(5,000)	(27,000)	(5,000)
Transfer in to unrestricted funds		27,000	5,000	27,000	5,000
Net cash used in financing activities			**-**		**-**
Net Increase in cash and cash equivalents		**3,138**	**712**	**3,121**	**729**
Cash and cash equivalents at the beginning of the year		16,362	15,650	15,958	15,229
Cash and cash equivalents at the end of the year		**19,500**	**16,362**	**19,079**	**15,958**

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2025

Company Registered Number: 400723

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 that was established in 2000 by the Shell Group to create and scale new solutions to global development challenges. Entrepreneurial thinking is applied to develop new approaches to that drive social and environmental progress and support economic growth in low-income regions. In line with the charitable mission, and commitment to independence, the Foundation determines which issues to address, where to work, and which partners to collaborate with.

Shell Foundation is a private company limited by guarantee incorporated in England and Wales. The 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 endowment investments. Social investments are recorded at historical cost less any impairment.

After careful evaluation, the Trustees consider that Shell Foundation is well placed to continue as a going concern. This assessment is underpinned by significant unrestricted reserves, a large and liquid endowment, and the flexibility to adjust future spending if required. The Foundation's activities are primarily funded through withdrawals from this endowment, which was valued at approximately $759 million as at 31 May 2026, with an additional $6 million held in cash. At the current rate of planned withdrawals, the endowment is sufficient to cover approximately 23 years of projected expenditure.

In assessing going concern, the Trustees have considered the Foundation's ability to meet all existing and planned commitments for at least 18 months from the date of authorisation of these financial statements, taking into account operating costs, budgeted commitments, and a range of endowment valuation scenarios. Stress testing indicates that the endowment would need to decline by approximately 91% before any modification to planned commitments would be required, while existing obligations would remain fully covered. The Trustees also note that, should it become necessary, the Foundation retains the ability to scale back future ambitions, although this is not anticipated based on current projections.

The Trustees have also considered market volatility arising since the reporting date, including geopolitical developments, elevated inflationary pressures and a "higher for longer" interest rate environment, which may result in short term fluctuations in the valuation of the endowment. Based on advice from the Foundation's investment managers, the Trustees do not consider that these conditions indicate a fundamental change in the long term viability of the endowment or the Foundation's ability to continue operations.

In preparing the financial statements, the Trustees have further considered the potential impact of the physical and transition risks associated with climate change and have concluded that these do not have a material effect on the carrying values of social investments, nor on the recognition or measurement of the Foundation's assets and liabilities at 31 December 2025.

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.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

New standards and the amendments to existing standards applied

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Effective for reporting periods beginning on or after 1 January 2025 this amendment clarifies how to assess whether a currency is exchangeable and how to estimate the spot exchange rate when it is not. Entities must disclose the nature and financial impact of any restrictions, along with the estimation method used and risks arising from the lack of exchangeability.

The Foundation has applied the amendments, which do not have a material impact on its financial statements.

Charities Statement of Recommended Practice 2026

The Charities SORP (2026) is effective for accounting periods beginning on or after 1 January 2026. A preliminary assessment has determined that it is not expected to result in material changes to the Group's accounting policies or require the restatement of opening balances in the next year's financial statements.

Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

In March 2024, the FRC published its Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs Periodic Review 2024 ('the amendments'), following its public consultation in FRED 82 issued in December 2022.

The majority of the amendments are mandatorily effective for accounting periods beginning on or after 1 January 2026, with early application permitted provided all amendments are applied at the same time.

The key changes surrounding revenue recognition, lease accounting, share based payment, cash flows related to supplier finance arrangements, property fair value measurement and financial instruments are not applicable to SF. It is therefore not anticipated that there will be any material impact on the financial statements resulting from the FRS 102 updates.

Foreign currency

Functional and presentation currency

The Foundation's functional currency is the US Dollar, reflecting the predominance of grants awarded and donations received in dollars, and the currency composition of its investment portfolio. The Group financial statements are prepared and presented in United States dollars, the functional currency, with all amounts are rounded to the nearest thousand.

Transactions, balances and foreign exchange

Foreign currency transactions are translated into the functional currency using the average exchange rate recorded in the accounting system at the start of the month in which the transaction occurs. At each reporting date, monetary items denominated in foreign currencies are translated at the closing exchange rate.

Income and expenditure in non-US Dollar currencies are translated using the average monthly exchange rate at the start of the month of transaction. Non-US Dollar items primarily relate to UK operating costs incurred in pounds sterling (GBP), as well as a proportion of grants awarded in GBP, Euros, and other local currencies.

All realised and unrealised foreign exchange gains and losses are recognised in the Statement of Financial Activities.
The exchange rate used at the year-end to translate Sterling (GBP) to US Dollars (USD) was USD/GBP $1.3456 (2024: $1.2536).

Fund Accounting

Funds held by the Foundation fall into three categories:

- **Unrestricted income funds,** which Trustees may use at their discretion to further the Foundation's charitable objectives.
- **Restricted income funds,** which must be used in accordance with the specific purposes set by the donor.
- **Expendable endowment funds,** where the principal is invested to build the Foundation's asset base but may be spent at the Trustees discretion when needed.

Each fund type is accounted for separately to ensure that income is applied in line with donor requirements and the Foundation's governing documents.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

Income and endowments

Donations and investment income are recognised in the Statement of Financial Activities when the Foundation is legally entitled to the income, receipt is probable, and the amount can be measured reliably. Restricted donations include government grants (see Note 2). Donated services are recorded at their estimated value; $0.7 million of donated services were received in both 2025 and 2024.

Income arising from expendable endowment investments is credited to the endowment, as the income is currently reinvested in line with the Foundation's investment strategy.

Expenditure

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 a particular heading, they have been allocated to programmes on a basis consistent with the use of resources. Support costs are apportioned across programmes based on the value of grants awarded by that programme and direct costs attributable to each programme.

The related expense for donated services is included within expenditure and is an estimate of the value provided to the Foundation. Donated services expenditure was $0.7 million in 2025 (2024: $0.7 million).

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 comprise grants, the costs for processing grant applications, direct costs invoiced to the Foundation, and expenditure related to administering and monitoring projects. These include staff costs for employees and contractors seconded from Shell Group companies, staff engaged through an employer of record in market locations, contractors engaged directly by the Foundation, and individuals who are direct employees of the Foundation.

Grant commitments recognised as charitable activity costs within the Statement of Financial Activities represent the new commitments awarded during the year, as evidenced by the Letters of Commitment (LOCs) signed in that period. Grant commitments for which payments remained outstanding at the year-end are disclosed as liabilities in the Balance Sheet. These amounts are presented at their full contractual value and are not discounted.

Support costs relate to the strategic management and governance of the Foundation as an organisation, rather than the direct delivery of charitable activities. These include expenses such as external audit, legal advice for Trustees and costs associated with and statutory and regulatory compliance. Indirect costs comprise a proportion of management and other staff time allocated to 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. As a result, services provided by other members of the same VAT group are outside the scope of VAT. VAT incurred on all other expenditure is not recoverable, as the Foundation does not make taxable supplies. Irrecoverable VAT is therefore recognised as part of the cost of the related asset or expense.

Investments

Investments comprise both the Foundation's endowment and social investment. Social investments include both investments in funds and concessionary loans provided to partners to advance the Foundation's charitable objectives. Investments in funds are classified as either Mixed Motive Investments (MMIs) where a financial return is expected alongside to delivery of charitable objectives, or Programme Related Investments (PRIs) which are made solely to achieve charitable objectives. Concessionary loans are classified as PRIs.

PRIs and MMIs are measured at cost less any provision for impairment because they are not traded in an open market and therefore cannot reliably be measured at fair value. These investments are reviewed regularly, and any impairment identified is recognised in the Statement of Financial Activities.

Company Registered Number: 4007273

Shell Foundation uses a dual approach to impairment. Where objective evidence exists - such as a fund manager's valuation report - this is used to assess impairment; otherwise, including for concessionary loans with long- dated repayment terms, a portfolio-based assessment is applied, and provisions are recognised accordingly.

Endowment investments are measured at their closing mid-market value at the balance sheet date. All realised and unrealised gains or losses arising from revaluation or disposal are allocated to the relevant fund and presented separately in the Statement of Financial Activities.

Financial assets

(i) Classification

The Foundation classifies its financial assets into two categories:

- Financial assets at fair value through SOFA; and
- Loans and receivables.

Classification is determined based on the purpose for which the financial assets were acquired and is established at initial recognition.

1. Financial assets at fair value through the SOFA.
   These comprise assets held for trading. An asset is classified in this category if acquired principally for the purpose of short-term sale. Derivative instruments are also included in this category. Assets expected to be settled within 12 months are presented as current investments; those with longer settlement periods 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 unless their maturities exceed 12 months after the reporting date. These are classified as non-current assets. The Foundation's loans and receivables comprise donations receivable under partnership agreements, contractual loans, amounts held in escrow accounts, prepayments 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 measured at fair value through the SOFA are recognised at fair value, with transaction costs are expensed in the SOFA. Financial assets are derecognised when the contractual rights to receive cash flows have expired or have been transferred, and the Foundation has relinquished substantially all risks and rewards of ownership. Loans, trade receivables and other receivables are subsequently carried at amortised cost using the effective interest method net of any impairment provisions.

Gains or losses arising from changes in the fair value of financial assets classified as 'at fair value through the SOFA' are recognised in the SOFA within interest income or expenses in the period in which they occur.

Financial Instruments

The Foundation functional currency is the US Dollar. To mitigate currency risk associated with global investments, the portfolio is hedged by the fund managers using forward foreign exchange contracts. The mandate requires hedging 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 these contracts are reported in the Statement of Financial Activities together with the gains and losses on the underlying investment portfolio.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

(i) Classification

The Foundation classifies its financial liabilities into two categories:

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

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

(ii) Recognition and measurement

Financial liabilities are initially recognised at fair value, and then subsequently measured at either fair value through the SOFA or at amortised cost. 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

These represent investments in shares that the Foundation intends to hold on a continuing basis. Such investments are stated at cost, less provisions for impairment. The Foundation reviews these investments for potential impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment assessments are conducted in accordance with SORP 21.28, and any resulting impairments are recorded in the SOFA.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank, and other short-term investments that are readily convertible to a known amount of cash that carry insignificant risk to changes in value such as deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Any amounts deposited in escrows are presented separately in other receivables since such restricted cash balances are not readily convertible to cash.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are assessed using historical experience and reasonable expectations of future events.

a. Income and expenditure
Income and expenditure are recognised when it is probable that resources will flow to or from the Foundation. Restricted income is accrued once the conditions for receipt have been met, and liabilities recognised for expenditure committed to partners through signed letters of commitment.

b. Impairment of investments
Programme-related and mixed-motive investments are carried at cost, less any provision for impairment. These investments cannot be measured at fair value as no open market exists. All investments undergo impairment reviews based on valuation reports or other appropriate benchmarks.

Guarantees and Contingent Liabilities

Financial guarantees are disclosed as contingent liabilities in the Notes to the Accounts (Note 27). At each reporting date, 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. Such provisions are recorded as grant expenditure in the SOFA and as a liability in the Balance Sheet.

Provisions are reassessed at each reporting date and adjusted to reflect the current best estimate of the amount required to settle the obligation. Any reversal of previously recognised provisions is credited to grant expenditure in SOFA.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

2. Donations

	2025 $000	2024 $000
Donations		
Unrestricted donation		
BG Group Ltd	1	6,285
Shell plc	802	2,101
Shell Trading International Limited	6,000	6,000
Shell International Ltd – donated services	656	707
Total unrestricted donations	*7,459*	*15,093*
Restricted donations		
Gates Foundation (non-Government related)	323	877
Foreign, Commonwealth & Development Office (Government related)	21,017	10,885
Total restricted donations	21,340	11,762
Total Donations	**28,799**	**26,855**

Donations are recognised upon the Foundation's right to receive. In 2025, they were received from the following countries: the United Kingdom $28.5 million (2024: $26.0 million); and the United States of America $0.3 million (2024: $0.9 million).

Restricted donations – non-government related

Gates Foundation: In 2024, the Gates Foundation and Shell Foundation jointly committed $1.5 million to the Catalyzing Innovative Financing for Clean Energy Assets" initiative, which aims to strength understanding of how increased adoption of renewable energy solutions can help low-income women raise their income and build financial resilience. Income of $0.3 million (2024: $0.9 million) was recognised in 2025, based on the value of Shell Foundation commitments to partners made during the year.

Restricted donations – Government related

Foreign, Commonwealth & Development Office (FCDO): Discussion of the Foundation's partnerships with FCDO can be referred to on pages 9 - 10. Under the TIME programme the Foundation received donations of $13.6 million (2024: $6.5 million), relating to amounts recognised as income in both the current and prior years. Income of $10.2 million (2024: $6.6 million) was recognised in 2025, reflecting the value of commitments to partners made during the year. Under the CASSEE programme income of $10.8 million (2024: $4.2 million) was recognised in 2025, based on commitments to partners made during the year.

3. Investment income

	2025 $000	2024 $000
Interest	1,167	1,122
Fixed interest securities	624	323
Dividends	10,236	9,147
	12,027	**10,592**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

4. Charitable Activities Expenditure by Programme

All expenditure in 2025 was allocated across the three customer groups defined in the strategy.

	Grants $000	**Impairment of Investments $000**	**Direct costs $000**	**Support costs $000**	**2025 $000**	2024 $000
Micro Entrepreneurs	(8,773)	(4,441)	(4,462)	(1,764)	**(19,440)**	(26,057)
Urban Transporters	(5,431)	(5,603)	(4,208)	(1,572)	**(16,814)**	(5,888)
Smallholder Farmers	(15,241)	(1,334)	(4,020)	(2,124)	**(22,719)**	(8,866)
Total for 2025	**(29,445)**	**(11,378)**	**(12,690)**	**(5,460)**	**(58,973)**	**(40,811)**
Total for 2024	**(8,432)**	**(18,427)**	**(9,457)**	**(4,495)**	**(40,811)**	

Impairments were recognised across a range of investments within the portfolio (see Note 11: Social Investments). Impairments are influenced by market conditions and the performance of the partner or fund and can therefore fluctuate significantly from year to year.

5. Direct and Support Costs

	Direct costs $000	**Support costs $000**	**2025 $000**	2024 $000
Staff costs	(6,105)	(2,669)	**(8,774)**	**(7,182)**
External services	(3,396)	-	**(3,396)**	**(3,060)**
Travel	(1,079)	(68)	**(1,147)**	**(831)**
Donated expenses	-	(656)	**(656)**	**(707)**
Sundry (including foreign exchange)	(2,110)	(785)	**(2,895)**	**(1,611)**
External audit fees (inclusive of VAT)	-	(221)	**(221)**	**(213)**
Professional fees	-	(946)	**(946)**	**(301)**
Trustee expenses	-	(115)	**(115)**	**(47)**
Direct and Support Costs Total	**(12,690)**	**(5,460)**	**(18,150)**	**(13,952)**

Direct costs are expenses incurred in the delivery of the Foundation's charitable activities. These include staff and travel costs for programme teams and the CEO, as well as external services. External service costs represent payments to third-party suppliers for professional services to advance the charitable mission, such as consultancy, legal advance or other specialist inputs, rather than costs channelled through grantee organisations. Direct costs also cover training, subscriptions and other administrative items required to deliver programme activities.

Support costs relate to activities that underpin the organisation as a whole and cannot be directly attributed to a specific programme. These are allocated across programme themes based on total grant and direct costs incurred. Support costs include staff and travel costs for the finance team and other support staff, professional fees comprising consultancy and legal fees, audit fees and central administrative expenses.

Net incoming resources are reported after deducting the auditor's remuneration for audit services ('External Audit Fees') which relate to the audit of the Group's financial statements.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

6. Grant expenditure

The top 10 Grantees in 2025 (excluding concessionary loans and social investments) are listed below, together with their corresponding 2024 commitments.

Grantee Name Purpose of Project	**Programme**	**2025 $'000**	2024 $'000
500 Startups Incubator LLC To launch Seed and Series A/B programmes in Kenya, India, UAE and Egypt to identify, support and scale leading climate technology companies for the Global South.	Cross Theme	4,500	-
Indus Tree Crafts Foundation To scale the cultivation and processing of bamboo in India through solar powered processing centres, in partnership with the National Rural Livelihood Mission.	Smallholder Farmers	4,000	-
Small Industries Development Bank of India (SIDBI) The project's objective is to improve access to clean energy technologies for Micro-entrepreneurs and Transporters	Cross Theme	3,100	
Startup Discovery School Ltd To source, pilot and scale income enhancing, climate smart solutions for women smallholder farmers in West Africa	Smallholder Farmers	2,500	-
Sankalp Consultancy Ltd / Intellecap Africa Private Limited The project's objective is to pilot and commercialise cooling solutions costing between $10- $100 in Sub-Saharan Africa and India	Micro Entrepreneurs	2,202	
Villgro Innovations Foundation To support SCALE (Scaling Climate-smart Agriculture for Livelihoods and Entrepreneurship) Program with ITC, to increase income of small-holder farmers in India	Smallholder Farmers	2,100	-
Good Machine To provide design and cost reduction advisory for post-harvest loss technologies that have the potential to increase the incomes of 2.2M SHFs by 2032.	Smallholder Farmers	2,000	-
Ampersand Rwanda Limited The project's objective is to scale e-2ws in Africa through partnerships to drive down EV costs and advance sector-level interoperability.	Urban Transporters	1,600	-
Sterling Bank Ltd The program aims to scale multiple clean energy suppliers by catalysing low-cost commercial debt for enterprises serving micro-entrepreneurs through credit guarantees.	Micro Entrepreneurs	1,299	-
Buen Manejo del Campo S.A de C.V (Sistema.Bio) To accelerate energy and climate impact and improve the lives and incomes of some of the world's poorest smallholder farmers, with dedicated funding to strengthen safety systems and prevent harm.	Smallholder Farmers	1,000	-
Total: Top 10 Grants		**24,301**	**-**
Total: Other Grants (including termination of grants awarded in prior years)		5,144	8,432
Total: Grants		**29,445**	**8,432**

The grant awarded to 500 Startups Incubator LLC and SIDBI are listed under the programme "Cross Theme" as these projects are contributing to multiple themes and not specific to a theme.

7. Trustee Information

The Foundation directly incurred or reimbursed travel expenses in relation to eight Trustees, totalling $49,418 (2024: $20,099). No pension contributions or other benefits were paid.

Trustees' liability insurance 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.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

8. Employee Information

Employee expenditure included in Direct and Support costs (note 5) is charged at cost in respect of the services provided, inclusive of employer taxes. Total staff costs comprise the costs of individuals working on behalf of the foundation across several employment channels. These include charges in respect of employees and contractors seconded from Shell Group companies; staff engaged in market locations engaged through an employer of record; contractors engaged directly by Shell Foundation; and staff directly employed by the Foundation. The employee expenditure in 2025 was:

	2025 $000	2024 $000
Wages and salaries	6,676	4,997
Social security	550	409
Other pension costs	577	507
Share-based compensation	201	311
	8,004	**6,224**

Staff seconded by Shell Group Companies work exclusively in pursuit of the Foundation's 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 and their contribution to its charitable mission.

The Foundation's Chief Executive Officer is employed directly by the Foundation, with their remuneration is delegated to, overseen, reviewed periodically and approved by Shell Foundation Remuneration Committee in relation to performance. He was the highest paid employee in 2025 and his total remuneration for the year was $496k (2024: $448k) comprising Base salary $307k (2024: $302k), Social security $37k (2024: $37), Performance Bonus $99k (2024: $59k), Pension costs $52k (2024: $51k).

The monthly average number of staff working for the Foundation during the year was 42.3 (2024: 35.7). The monthly average split of employees between direct and support activities was direct 30.1 (2024: 23.1) and support 14.6 (2024: 12.6).

Share-based compensation plans

Certain Shell secondees are eligible for the share-based compensation applied under The Shell Group Global Pay Policy (the Performance Share Plan, or PSP). Under this plan Awards of Shell plc shares under the PSP have been granted based on performance, on a three-year 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 ($0.2) million at the year-end for PSPs granted between 2023-2025 that will vest in future periods.

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 latterly the Chief Financial and Operating officer), the Chief Programme Officer, and the Chief Impact offer were as follows:

	2025 $000	2024 $000
Wages and salaries	(820)	(787)
Social security	(127)	(104)
Other pension costs	(114)	(128)
	(1,061)	**(1,019)**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

The number Shell Foundation staff whose emoluments were above $60,000 is as follows.

USD $000	**2025**	2024
60 – 70	3	-
70 – 80	1	1
80 – 90	1	1
90 – 100	1	-
100 – 110	2	-
110 – 120	1	-
120 – 130	2	7
130 – 140	5	4
140 – 150	2	2
150 – 160	1	2
160 – 170	2	2
170 – 180	6	4
180 – 190	4	1
190 – 200	-	-
200 – 210	3	2
210 – 220	2	1
220 – 230	-	-
230 – 240	2	-
240 – 250	-	1
250 – 260	-	-
260 – 270	1	1
270 – 280	-	1
280 – 290	1	-
290 – 300	-	1
300 – 310	1	-
320 – 330	1	-
330 – 340	1	-
440 – 450	-	1
	43	**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 $0.36 million (2024: $0.51 million in relation to 22 employees).

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.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

10. Endowment

	2025 $000	2024 $000
Market value at 1 January	**607,455**	**570,712**
Purchase of investments	522,427	89,503
Sale of investments	(575,724)	(90,472)
Acquisition of derivatives	5,133	-
Realised and unrealised gains	104,638	32,353
Movement of investment cash	32,024	5,359
Market value at 31 December	**695,953**	**607,455**

The year end value is analysed as:	**2025 $000**	2024 $000
Equities	500,840	397,969
Fixed income	14,099	87,265
Hedge funds	64,930	62,090
Real Estate	48,884	51,845
Other assets including derivatives	28,026	1,136
Investment cash	39,174	7,150
Market value at 31 December	**695,953**	**607,455**

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.

Derivative instruments (including listed futures and options) are used to support efficient portfolio management and risk mitigation, with foreign currency exposures hedged where appropriate—specifically 100% of non US dollar bonds and hedge fund investments, although no such hedges were in place at the year end.

Derivatives are measured at fair value with movements recognised in net gains on investments; at year end, derivative assets of $3.9 million and liabilities of £0.2 million were recorded. These instruments are predominantly exchange traded, limiting counterparty credit risk, though they expose the Foundation to market risks including equity price and interest rate movements, which are overseen by the Trustees through the investment manager's risk framework.

Investment management transferred to Goldman Sachs Asset Management on 1 October 2025, with the portfolio currently being rebalanced to align with the Investment Committee's return objectives and ESG considerations (see pages 20–21 for performance).

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

11. Social investments

	Cost less impairment 2024 $000	Movement from non-current to current $000	Drawn $000	Repaid $000	Unrealised gain/(loss) $000	Impairment $000	Cost less impairment 2025 $000
FOUNDATION							
Programme Related Investments							
Current							
Social investment funds	157	625	-	(29)	-	(111)	642
Concessionary loans	1,143	3,395	685	(370)	79	171	5,103
Total Current	**1,300**	**4,020**	685	**(399)**	79	60	**5,745**
Non-Current							
Social investment funds	11,446	(625)	8,909	-	-	(3,484)	16,246
Concessionary loans	25,793	(3,395)	7,623	(301)	(315)	(6,076)	23,329
Total Non-Current	**37,239**	**(4,020)**	**16,532**	**(301)**	**(315)**	**(9,560)**	**39,575**
Total Programme Related Investments	**38,539**	**-**	**17,217**	**(700)**	**(236)**	**(9,500)**	**45,320**
Mixed motive Investments							
Non-Current							
Equity investments	11,604	-	-	-	1,195	(242)	12,557
Quasi-equity investments	-	-	-	-	-	-	-
Social investment funds	8,149	-	1,161	-	-	(512)	8,798
Total Mixed motive Investments	**19,753**	**-**	**1,161**	**-**	**1,195**	**(754)**	**21,355**
Total Foundation Social Investments	**58,292**	**-**	**18,378**	**(700)**	**959**	**(10,254)**	**66,675**
SUBSIDIARY UNDERTAKINGS							
Non-Current							
Social investment funds	8,403	-	-	-	-	(1,124)	7,280
Total Subsidiary Social Investments	**8,403**	**-**	-	**-**	-	(1,124)	**7,280**
Total GROUP Social Investments	**66,695**	**-**	**18,378**	**(700)**	**959**	**(11,378)**	**73,955**

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 considering factors such as instrument and tenor. In 2025, SF increased its provision by $4.4 million, which is included in the $5.9 million concessionary loans impairment above.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

Social investments drawn in the year

FOUNDATION
Programme related investments

Social investments	Invested 2025 $000	Total Commitment $000	Description
Energy Entrepreneurs Growth Fund Investment	8,909		EEGF uses multiple investment instruments across multiple development stages.
Subtotal	**8,909**		

Concessionary loans	$000	Term (years)	Description
Offgrid Finance Ltd	685	1	Funding to unlock and scale an inventory financing facility for cleantech SMEs across Sub-Saharan Africa
Buen Manejo del Campo S.A	600	7	Funding for a retroactive biodigester safety plan
Unmarkets Holdings Africa Ltd	1,000	7	Funding to finance joint ventures in Africa which will focus on real economy, industrial-scale businesses that target new markets and leverage the assets and capabilities of their partners
Bycyshare Tech Private Limited	980	11	Funding of innovative market linked Electric Vehicle Pay Go models for transporters in India
Advik Technologies Ltd	879	13	Funding to enable an ecosystem for 2nd life batteries
Fan Milk Plc	953	8	Funding solar cold storage units in Africa
Advik Energy Pvt Ltd	3,211	12	Funding to enable an ecosystem for 2nd life batteries
Subtotal	**8,308**		
Total programme related investments	**17,217**		

The EEGF investment of $4.6 million was committed as at 31 December 2025 and was invested in January 2026.

Mixed motive investments

Social investment funds	Invested 2025 $000	Total Commitment $000	Description
Echo VC Eco Pilot Fund I LP	175	2,500	The Fund provides capital to early-stage, African owned/managed businesses in SF target sectors.
Equator Africa Fund LP	216	5,000	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.	770	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	**1,161**		
Total Foundation Social Investments drawn in the year	**18,378**		

Concessionary Loans

Concessionary loans are provided to partners at below-market rates of interest. Most 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.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

Capital commitments

SF has commitments to funds in which it is currently invested but for which drawdowns have not completed, totalling $9.3 million as at 31 December 2025 ($19.0 million as at 31 December 2024). This figure includes the $4.6 million EEGF investment made in January 2026.

12. Subsidiary undertaking

The related undertaking contributing to the consolidated financial statements is:

Name	**Country of Incorporation**	**Nature of business**	**Interest**
SF Investment Management Limited	United Kingdom	Investment management	100% ordinary shares

		Foundation 2025 $000	Foundation 2024 $000
Cost less impairment brought forward as at 1 January	-	8,473	11,733
Purchases	-	-	-
Impairment (including operating expenses)	-	(1,071)	(3,260)
Cost carried forward as at 31 December 2024	**-**	**7,402**	**8,473**

SF Investment Management was incorporated in 2015 to partner with USAID to co-invest with GroFin in the NOMOU Iraq Fund (NIF) and Northern Iraq Investments Limited (NIIL). The total fund capital committed was $18.2 million, with business support for these funds 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 concluded in September 2023. The current impairment is driven by the underlying net assets of the underlying funds, further detail of which is detailed in the SF Investment Management financial statements.

Following the year end, the Foundation incorporated a further wholly owned subsidiary, SFOK Limited. As this was a non-adjusting event, it has not been reflected in the 2025 primary statements or the related notes.

13. Debtors

	Group 2025 $000	Group 2024 $000	**Foundation 2025 $000**	Foundation 2024 $000
Amounts falling due within one year are:				
Restricted donation – Non-Government related				
Gates Foundation	324	-	324	-
Restricted donation - Government related				
Foreign, Commonwealth and Development Office	2,410	6,594	2,410	6,594
Escrow Accounts	8,128	-	8,128	-
Prepayments & Income receivables	93	-	93	-
Total debtors	**10,955**	**6,594**	**10,955**	**6,594**

Amounts in escrow accounts at year represent future commitments to partners for which the conditions for payment have not been satisfied by the reporting date. At 31st December this represented two separate amounts Following the year end, £4 million was disbursed to Lendable Inc and £4 million to Sistema.bio, with any residual interest earned repatriated to the Foundation's cash accounts on completion of the accounts.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

14. Cash at bank and in hand

	Group 2025 $000	Group 2024 $000	**Foundation 2025 $000**	Foundation 2024 $000
Cash at Bank	14,500	16,362	14,079	15,958
Short term deposits	5,000	-	5,000	-
Total cash at bank and in hand	**19,500**	**16,362**	**19,079**	**15,958**

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.

15. Creditors: amounts falling due within one year

	Group 2025 $000	Group 2024 $000	**Foundation 2025 $000**	Foundation 2024 $000
Grants Payable	22,982	9,146	22,982	9,146
Trade Creditors – Shell International Limited	5,169	7,796	5,169	7,796
Other Creditors and Accruals	5,932	5,386	5,932	5,333
	34,083	**22,328**	**34,083**	**22,275**

Grants payable represents amounts committed to partners through 'Letters of Commitments' for which payment is dependent on evidence of milestones as documented in contract documentation.

Certain programme support expenses and Foundation management expenses are initially incurred and settled through Shell International Limited. These costs are subsequently recharged to the Foundation at cost through regular invoicing.

Other creditors and accruals include amounts relating to invoices expected from third parties for contract staff costs, legal expenses, programme-related consultancy costs, and payroll taxes relating to 2025

16. Provisions

Shell Foundation holds provisions for grants and loans where economic outflow is probable, but timing is uncertain.

	Group 2025 $000	Group 2024 $000	**Foundation 2025 $000**	Foundation 2024 $000
Brought forward at 1 January	**2,000**	**300**	**2,000**	**300**
Provision	-	2,000	-	2000
Release of provision	-	(300)	-	(300)
Carry forward at 31 December 2025	**2,000**	**2,000**	**2,000**	**2,000**

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: 2026-2029. The grant has been recognised in the statement of financial activities.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

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

	Group 2025 $000	Group 2024 $000	**Foundation 2025 $000**	Foundation 2024 $000
Total grants payable	28,229	9,558	28,260	9,590
Less amounts falling due within one year (note 15)	(22,982)	(9,146)	(22,982)	(9,146)
Grants payable falling due after more than one year	**5,247**	**412**	**5,278**	**444**
Accrual for employee benefit	330	212	330	212
Total payables falling due after more than one year	**5,577**	**624**	**5,608**	**656**
Represented by:				
Grants payable in greater than one year but less than two years	5,246	412	4,427	444
Grants payable in greater than two years but less than three years	-	-	850	-
Accrual for employee benefit	330	212	330	212
	5,576	**624**	**5,607**	**656**

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	607,455	10,860	-	(27,000)	104,638	695,953
Unrestricted Funds	32,671	8,608	(46,487)	27,000	1,396	23,188
Restricted Funds	32,028	21,358	(13,823)	-	-	39,563
	672,154	**40,826**	**(60,310)**	**-**	**106,034**	**758,704**

Foundation	**Balance B/fwd $000**	**Incoming Resources $000**	**Resources Expended $000**	**Transfers $000**	**Investment Gain/(losses) $000**	**Balance C/fwd $000**
Endowment Funds	607,455	10,860	-	(27,000)	104,638	695,953
Unrestricted Funds	32,671	8,608	(46,487)	27,000	1,396	23,188
Restricted Funds	31,715	21,341	(13,823)	-	-	39,233
	671,841	**40,809**	**(60,310)**	**-**	**106,034**	**758,374**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

19. Analysis of net assets between funds

Group	Note	Unrestricted Funds 2025 $000	Restricted Funds 2025 $000	Endowment Funds 2025 $000	Total 2025 $000	Total 2024 $000
Fixed Assets						
Endowment investment (at fair value)	10	-	-	695,953	**695,953**	607,455
Investments (at costs less impairment)	11	39,439	28,771	-	**68,210**	65,396
		39,439	**28,771**	**695,953**	**764,163**	**672,851**
Current Assets						
Debtors:						
amounts falling due within one year	13	8,221	2,734	-	**10,955**	6,594
amounts falling due after one year	13	-	-	-	**-**	-
		8,221	**2,734**	-	**10,955**	**6,594**
Cash at bank and in hand	14	11,445	8,055	-	**19,500**	16,362
Investments (at cost less impairment)	11	3,677	2,068	-	**5,745**	1,299
Creditors: amounts falling due within one year	15	(27,575)	(6,508)	-	**(34,083)**	(22,328)
Provisions	16	(2,000)	-	-	**(2,000)**	(2,000)
Net Current Assets		**(6,232)**	**6,349**	**-**	**117**	**(73)**
Total Assets less Current Liabilities		**33,207**	**35,120**	**695,953**	**764,280**	**672,778**
Creditors: amounts falling due after more than one year	17	(5,408)	(168)	-	**(5,576)**	(624)
Net Assets		**27,799**	**34,952**	**695,953**	**758,704**	**672,154**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

19. Analysis of net assets between funds (continued)

Foundation	Note	Unrestricted Funds 2025 $000	Restricted Funds 2025 $000	Endowment Funds 2025 $000	Total 2025 $000	Total 2024 $000
Fixed Assets						
Endowment investment (at fair value)	10	-	-	695,953	**695,953**	607,455
Investments (at cost less impairment)	11	39,439	21,491	-	**60,930**	56,993
Subsidiary undertakings	12	-	7,402	-	**7,402**	8,473
		39,439	**28,893**	**695,953**	**764,285**	**672,921**
Current Assets						
Debtors: amounts falling due within one year	13	8,221	2,734	-	**10,955**	6,594
		8,221	2,734	-	**10,955**	6,594
Cash at bank and in hand	14	11,445	7,634	-	**19,079**	15,958
Investments (at cost less impairment)	11	3,677	2,068	-	**5,745**	1,299
Creditors: amounts falling due within one year	15	(27,575)	(6,508)	-	**(34,083)**	(22,275)
Provisions	16	(2,000)	-	-	**(2,000)**	(2,000)
Net Current Assets		**(6,232)**	**5,928**	**-**	**(304)**	**(424)**
Total Assets less Current Liabilities		**33,207**	**34,821**	**695,953**	**763,981**	**672,497**
Creditors: amounts falling due after more than one year	17	(5,407)	(200)	-	**(5,607)**	(656)
Net Assets		**27,800**	**34,621**	**695,953**	**758,374**	**671,841**

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

	2025 Group $000	2025 Foundation $000	2024 Group $000	2024 Foundation $000
Net movement in unrestricted and restricted funds	(1,949)	(1,966)	(8,725)	(8,746)
Deduct back transfer from endowment fund	(27,000)	(27,000)	(5,000)	(5,000)
Deduct back investment income	(1,167)	(1,149)	(1,123)	(1,102)
Add back impairments	10,418	10,366	19,339	19,379
Increase in net debtors – unrestricted & restricted funds	(4,361)	(4,361)	(2,256)	(2,256)
Increase in net creditors – unrestricted & restricted funds	16,707	16,759	3,719	3,717
Net cash used in operating activities	**(7,352)**	**(7,351)**	**5,954**	**5,992**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

21. Analysis of changes in Net debt

Group	Note	Balance as at 1 January 2025 $000	Cash flows 000	Grants $000	Net Investments $000	Endowment Drawdown $000	Third party payables $000	Foreign exchange movements $000	Balance 31 December 2025 $000
Cash at Bank and in hand	14	16,362	11,085	(21,954)	(14,196)	27,000	-	1,203	19,500
Creditors: Amounts falling due within one year	15	(22,328)	-	(13,879)	(4,602)	-	7,374	(648)	(34,083)
Creditors: Amounts falling due after more than one year	17	(624)	-	(4,834)	-	-	(118)	-	(5,576)
Total		**(6,590)**	**11,085**	**(40,667)**	**(18,798)**	**27,000**	**7,256**	**555**	**(20,159)**

Foundation	Note	Balance as at 1 January 2025 $000	Cash flows 000	Grants $000	Net Investments $000	Endowment Drawdown $000	Third party payables $000	Foreign exchange movements $000	Balance 31 December 2025 $000
Cash at Bank and in hand	14	15,958	11,068	(21,954)	(14,196)	27,000	-	1,203	19,079
Creditors: Amounts falling due within one year	15	(22,275)	-	(13,879)	(4,602)	-	7,321	(648)	(34,083)
Creditors: Amounts falling due after more than one year	17	(656)	-	(4,834)	-	-	(117)	-	(5,607)
Total		**(6,973)**	**11,068**	**(40,667)**	**(18,798)**	**27,000**	**7,204**	**555**	**(20,611)**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

22. Financial Instruments

The Foundation's financial instruments comprise the endowment investments, social investments, receivables and cash. These instruments are held to support the Foundation's long-term charitable mission and are managed in accordance with the Investment Policy set by Investment Committee.

Endowment Investments

The endowment is invested across a diversified range of asset classes. During 2025, the Foundation transitioned from Shell Asset Management Company (SAMCo) to Goldman Sachs Asset Management (GSAM) as Outsourced CIO, resulting in certain changes to the underlying asset allocation, and therefore the required valuation methodologies. Endowment assets continue to be measured at fair value in accordance with IFRS 13/ FRS 102 Section 2A:

- Listed equities are valued using the last available market closing price in the relevant local currency (Level 1).
- Fixed income securities, where exchange listed, are valued using quoted bid prices (Level 1).
- Funds and alternative investments- including real estate funds, hedge funds and certain private market vehicles, are valued using manager or administrator statements, typically monthly or quarterly (Level 3).

	Note	**Group 2025 $000**	Group 2024 $00	**Foundation 2025 $000**	Foundation 2024 $000
Financial assets at fair value through the SOFA					
Endowment	10	695,953	607,455	695,953	607,455
Cash at bank and in hand	14	19,500	16,362	19,079	15,958
Total		**715,453**	**623,817**	**715,032**	**623,413**
Financial assets that are debt instrument measured at amortised costs					
Debtors	13	10,955	6,594	10,955	6,594
Total		**10,955**	**6,594**	**10,955**	**6,594**
Financial assets that are debt instrument measured at costs less impairment Programme related investments					
Concessionary loans	11	28,432	26,936	28,432	26,936
Total		**28,432**	**26,936**	**28,432**	**26,936**
Financial assets that are equity instrument measured at cost less impairment					
Programme related investments	11	24,168	20,005	16,888	14,602
Mixed motive investments	11	21,355	19,754	21,355	19,754
Total		**45,523**	**39,759**	**38,243**	**31,356**
Financial liabilities at fair value through the SOFA		-	-	-	-
Total		**-**	**-**	**-**	**-**
Financial liabilities measured at amortised cost					
Creditors, provisions and accruals	15,16,17	(41,660)	(24,952)	(41,690)	(24,931)
Total		**(41,660)**	**(24,952)**	**(41,690)**	**(24,931)**

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

23. Capital commitments

The Foundation had capital commitments of $4.6 million at 31 December 2025 (2024: nil) in respect of the EEGF investment; this commitment was subsequently drawn in January 2026.

24. 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.

25. 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. Until 1 October 2025, the Foundation's investment manager was Shell Asset Management Company (SAMCo), which is also a subsidiary of Shell plc.

During the year, the Foundation paid $1,055,540 (2024: $787,267) in respect of investment management costs, on normal business terms with SAMCo.

Of the Foundation's current or former Trustees listed on page 13, the following individuals are or were directors or officers of certain Shell Group companies: Ms Sinead Lynch, Mr Grzegorz Gut, Mr Cederic Cremers, Mr Tom Baird 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	**2025 $000**	2024 $000
BG Group Ltd	1	6,285
Shell plc	802	2,101
Shell Trading International Limited	6,000	6,000

As part its commitment engaged donor, Shell Foundation actively participates in the governance of strategic partners by placing staff members on their Boards to strengthen leadership and maintain robust governance practices. These roles are undertaken solely to advance the Foundation's charitable objectives, and no remuneration is provided to Shell Foundation employees for serving in these capacities.

Details of Board positions help by key management personnel during 2025 and 2024 are presented in the table below. These partners are not classified as related party transactions for 2025.

Shell Foundation Key Management Personnel	**Organisation's Name**	**Position**	**Grant 2025 $000**	Grant 2024 $000	**Outstanding Liability 2025 $000**	Outstanding Liability 2024 $000
Jonathan Berman	Factor(e) Ventures PBC	Board Member	-	-	50	50

Positions of influence of key management personnel, during 2025 were:

Jonathan Berman – Chief Executive Officer,

Richard Gomes – Chief Programme Officer,

Rachel Singh Davies – Chief Financial Officer,

Nicholas Voges – Interim Chief Financial Officer, and latterly Chief Financial and Operations Officer, and

Juliette Keeley- Chief Impact Officer.

Notes to the financial statements for the year ended 31 December 2025 (continued)

Company Registered Number: 4007273

26. Guarantees and contingent liabilities

In 2021, Shell Foundation entered a ten-year financial guarantee with Calvert Impact Capital Inc. (CIC), committing up to $1.4 million as a capped loss facility. This guarantee covers 20% of CIC's $7 million investment in the Lendable Emerging Market Fintech Fund (LMFCF). LMFCF, which closed at $110 million, provides on and off-balance sheet debt financing to fintech companies serving micro, small and medium enterprises (MSMEs) and the digital business ecosystem across Africa and South-East Asia. The Foundation's exposure is limited to the capped amount, and no calls on the guarantee had been made as at 31 December 2025.

Between 2016 and 2023, USAID provided donations totalling $24.5 million to Shell Foundation under the Iraq MENA II agreement. These funds were used to capitalise SF Investment Management Limited, a wholly owned subsidiary established to deliver programme activities under the agreement. At programme conclusion, Shell Foundation is required to liquidate SF Investment Management, together with all remaining investments, and return any residual funds to USAID. Given that the programme runs until 2036 and future outcomes will depend on a wide range of operational and market variables, the Foundation considers the value of any eventual settlement to not be reliably measurable at this time. As at 31 December 2025, the net assets of SF Investment Management were $7.7 million (2024: $8.8 million).

27. Post balance date events

Middle East Conflict

Since the reporting date, global financial markets have experienced heightened volatility, driven by geopolitical developments in the Middle East and associated energy market disruption. Equity markets have remained relatively resilient overall, supported by strong corporate earnings, although performance has become more uneven in recent weeks. In contrast, government bond yields have remained elevated and volatile, reflecting persistent inflationary pressures linked to higher energy prices and revised expectations for interest rates. Foreign exchange markets have continued to exhibit risk off dynamics, with the US dollar strengthening amid geopolitical uncertainty and expectations of sustained higher policy rates.

Major central banks have largely maintained policy rates; however, the outlook remains uncertain, with policy stances becoming increasingly data dependent and influenced by energy driven inflation risks. While some easing had previously been anticipated, recent developments have reduced expectations of near term rate cuts, with markets instead pricing a prolonged period of restrictive monetary conditions.

The Foundation's endowment portfolio is invested across a diversified range of asset classes and geographies. While market movements since the reporting date may result in short term volatility in investment valuations, the Trustees, based on advice received from the Foundation's investment managers, do not consider that these developments indicate a fundamental change in the long term investment strategy or the underlying resilience of the endowment. Investment managers continue to monitor developments closely and have not made material changes to portfolio positioning.

These conditions did not exist at the reporting date and are therefore considered non-adjusting events for the purposes of these financial statements.

Incorporation of Kenyan subsidiary

Subsequent to 31 December 2025, the Foundation incorporated a wholly owned subsidiary in Kenya ("SFOK Limited"). The entity was established to manage permanent establishment risk associated with the Foundation's activities in Kenya and is expected to be operationally light. The subsidiary will operate on a cost recovery basis, recharging relevant costs to the Foundation. This event is considered a non adjusting post balance sheet event. The Trustees do not expect the incorporation to have a material impact on the Group's financial statements; accordingly, no adjustment has been made.