ClientEarth USA, Inc.

Financial Statement and Report

December 31, 2025

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FARBER HASS HURLEY LLP
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

The Board of Directors of

ClientEarth USA, Inc.

Report on the Audit of the Financial Statements

We have audited the financial statements of ClientEarth USA, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2025, and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025, and the results of its changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

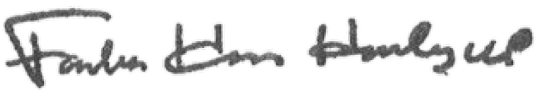
Auditor's Responsibilities for the Audit of the Financial Statements

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.



Farber Hass Hurley LLP
Chatsworth, California

September 22, 2026

ClientEarth USA, Inc.

Statement of Financial Position

As of December 31, 2025

	2025
Balance Sheet or Statement of Financial Position	
Assets	
Current Assets	
Cash and cash equivalents	$ 7,507,822
Pledges and grants receivable, net - current portion	2,158,562
Prepaid expenses	111,536
Total Current Assets	9,777,920
Noncurrent Assets	
Property, plant, and equipment, net	98,515
Right-of-use assets, operating leases	780,275
Other noncurrent assets	17,952
Pledges and grants receivable, net of current portion	823,366
Total Noncurrent Assets	1,720,108
Total Assets	11,498,028
Liabilities & Net assets	
Liabilities	
Current liabilities	
Accounts payable and accrued expenses	
Accounts payable	226,176
Accrued payroll and related benefits	122,963
Grants payable - current portion	538,000
Total Accounts payable and accrued expenses	887,139
Operating lease liabilities - current portion	46,711
Total Current liabilities	933,850
Noncurrent liabilities	
Operating lease liabilities, noncurrent	750,018
Grants payable, net of current portion	449,219
Total Noncurrent liabilities	1,199,237
Total Liabilities	2,133,087
Net assets	
Net assets with donor restrictions	3,435,545
Net assets without donor restrictions	5,929,396
Total Net assets	9,364,941
Total Liabilities & Net assets	$ 11,498,028

See accompanying notes to the financial statements

ClientEarth USA, Inc.

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2025

	Without Donor Restriction 2025	With Donor Restriction 2025	2025
Support and revenues			
Gifts and grants			
Contributions and grants			
Contribution Revenues	$ 5,372,595	$ 5,419,044	$ 10,791,639
Investment income, interest and dividend	106,104	-	106,104
Gifts in Kind	89,480	-	89,480
Total Gifts and grants	5,568,179	5,419,044	10,987,223
Net assets released from restriction	5,306,014	(5,306,014)	-
Total Support and revenues	10,874,193	113,030	10,987,223
Expenses			
Program expenses	7,229,353	-	7,229,353
Fundraising	743,600	-	743,600
Management and General	692,243	-	692,243
Total Expenses	8,665,196	-	8,665,196
Changes in Net Assets Before Provision (Benefit) for Income Taxes	2,208,997	113,030	2,322,027
Changes in Net Assets	2,208,997	113,030	2,322,027
Net assets at beginning of year	3,720,399	3,322,515	7,042,914
Net Assets at End of Year	$ 5,929,396	$ 3,435,545	$ 9,364,941

See accompanying notes to the financial statements

ClientEarth USA, Inc.

Statement of Functional Expenses

For the year ended December 31, 2025

	2025			
	Program Services	**Fundraising**	**General and Administration**	**Total**
Expenses				
Salaries and wages	$ 1,893,035	$ 339,292	$ 188,308	$ 2,420,635
Employee benefits	377,979	70,846	50,197	499,022
Advertising and promotion	-	185,457	-	185,457
Communications and information technology	-	-	14,388	14,388
Depreciation	-	-	33,285	33,285
Grant	3,511,219	-	-	3,511,219
Insurance	-	-	87,530	87,530
Professional consulting and counsel	1,263,228	97,934	31,666	1,392,828
Memberships and licenses	77,996	9,850	19,873	107,719
Office Supplies	-	1,492	67,380	68,872
Rent	-	-	187,383	187,383
Training	265	-	2,643	2,908
Travel, meals, and entertainment	105,631	38,729	9,590	153,950
Total Expenses	$ 7,229,353	$ 743,600	$ 692,243	$ 8,665,196

See accompanying notes to the financial statements

ClientEarth USA, Inc.

Statement of Cash Flows

For the year ended December 31, 2025

	2025
Cash Flows From Operating Activities	
Increase (Decrease) in Net Assets	$ 2,322,027
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used in) Operating Activities	
Depreciation and amortization	33,285
Contributions restricted for long-term purposes	(1,000,000)
(Increase) decrease in operating assets, net of effects of businesses acquired	
Pledges and grants receivable	(1,798,946)
Prepaid expenses	(28,815)
Increase (decrease) in operating liabilities, net of effects of businesses acquired	
Accounts payable and accrued payroll	131,072
Grant payable	537,219
Net Cash Provided by (Used in) Operating Activities	195,842
Cash Flows from Financing Activities	
Proceeds from contributions restricted for long-term purposes	1,000,000
Net Cash Provided by (Used in) Financing Activities	1,000,000
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	1,195,842
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year	6,311,980
Cash, Cash Equivalents, and Restricted Cash at End of Year	$ 7,507,822

Supplemental Cash Flow Information

Noncash Investing and Financing Activities

Right-of-use assets acquired in exchange for new operating lease liabilities	$ 801,236

See accompanying notes to the financial statements

1. Nature of the Organization

ClientEarth USA, Inc. (the "Organization") was established in November 2015 under the not-for-profit corporation law in the State of Delaware. ClientEarth USA, Inc. is affiliated with ClientEarth, a private company limited by guarantee incorporated in England and Wales ("ClientEarth UK"), and its subsidiaries (e.g., ClientEarth Belgium, ClientEarth Germany, ClientEarth Poland, ClientEarth Global) and its representative offices in China and Spain. The Organization's mission is to use the power of law to bring about systemic change that protects the earth for-and-with-its inhabitants. Their vision is a world protected by robust laws where people and nature thrive together.

a. Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

b. Net Asset Classifications

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restriction - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific purposes from time to time.

Net assets with donor restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specific by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

c. Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one (1) year are not amortized.

1. Nature of the Organization (continued)

d. Basic Financial Liabilities

Basic financial liabilities, including creditors are initially recognized at transaction price unless the arrangement constitutes financing transactions, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one (1) year are not amortized.

2. Summary of significant accounting policies

a. Cash and cash equivalents

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value. At times during the year, the Organization maintains cash balances at financial institutions which exceed the Federal Deposit Insurance Corporation ("FDIC") limits. Management does not believe that the Organization is subject to any unusual financial risk beyond the normal risk associated with commercial banking relationships. The Organization has not experienced any losses on its cash or cash equivalents.

b. Program Services

The Organization and its affiliates around the globe deliver strategies to fight climate change. The Organization uses the law to drive positive and lasting change. As part of this ambition, the Organization provides grants to its affiliates that are recorded as grant expenses in their Statement of Functional Expenses. The Organization's program activities in the United States include striving to establish accountability for corporations contributing to climate change and nature loss. These activities include litigation, comments to government rulemaking process, and communications about these activities.

c. Estimates and Assumptions

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future.

d. Promises to Give

The Organization records unconditional promises to give that are expected to be collected within one (1) year at net realizable value. When such promises are expected to be received in more than one (1) year, they are stated at net present value of estimated future cash flows. The Organization determines the allowance for uncollectible promises to give based on prior years' experience and management's analysis of specific promises made. Promises to give are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted.

2. Summary of significant accounting policies (continued)

e. Fair Value of Financial Instruments

The Organization's carrying value of financial instruments approximates their fair values. The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value because of the short-term maturity of these instruments.

f. Measure of Operations

The Statement of Activities reports all changes in net assets, including changes in net assets from operating and non-operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

g. Contributions

i. Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the activities and changes in net assets as net assets released from restrictions.

ii. Gifts in Kind

ClientEarth USA, Inc. received donated legal services of $89,480 for the year ended December 31, 2025. Such amounts, which are based upon information provided by third-party service providers, are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and supporting services on the accompanying statement of activities and changes in net assets and statement of functional expenses. Several volunteers have made significant contributions of their time. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

h. Functional expense allocation

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. Summary of significant accounting policies (continued)

h. Functional expense allocation (continued)

The financial statements report certain categories of expenses that are attributed to more than one (1) program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll and payroll taxes, office expenses, and travel, which are allocated on the basis of estimates of time and effort. Grant expenses are fully allocated under program services as it directly relates to the Organization's program activities.

i. Leases

The Organization records a right-of-use asset and an offsetting lease liability on the statement of financial position equal to the present value of lease payments for leases with an original term of twelve (12) months or longer. The Organization does not record an asset or liability for leases with an original term of twelve (12) months or less. The Organization's lease assets are reflected within noncurrent assets, and the current and noncurrent portions of lease liabilities are reflected within current liabilities, and noncurrent liabilities, respectively, on the statement of financial position. For leases with escalations over the life of the lease, the Organization recognizes expense on a straight-line basis. The Organization utilizes the implicit rate in the lease, or if not readily available, the Organization uses a risk-free rate based on U.S. Treasury notes or bond rates for a similar term. See Note 9 for further discussion on lease assets and liabilities.

Right-of-use assets are assessed for impairment in accordance with the Organization's long-lived asset policy. The Organization reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified, and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

j. Related parties

The Organization engages in related party transactions with board members and affiliated organizations resulting from related party support through contributions, as well as grant expenses contributed overseas to affiliated organizations. Certain contributions received by the Organization may be granted to an affiliated organization to carry out program objectives. During the year ended December 31, 2025, the Organization received $510,000 of contributions from their board members. At times, the Organization grants contributions received from donors to their affiliates to carry out certain projects. During the year ended December 31, 2025, the Organization recognized approximately $2,974,000 of grant expenses to ClientEarth UK. As of December 31, 2025, the Organization has $1,038,000 due to its affiliates excluding discounts of net present value.

2. Summary of significant accounting policies (continued)

k. Contributions receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

l. Measure of operations

The Statement of Activities reports all changes in net assets, including changes in net assets from operating and non-operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

m. Subsequent events

The Organization has evaluated subsequent events and transactions for potential recognition or disclosure through September 22, 2026, which is the date these financial statements were available to be issued.

3. Net assets

a. Net assets with donor restrictions

Net assets with donor restrictions as of December 31, 2025 consist of the following:

	2025
Subject to expenditure for specified purpose:	
Purpose restricted	$ 887,179
Time restricted	2,548,366
Total purpose restrictions	3,435,545
Total net assets with donor restrictions	$ 3,435,545

3. Net assets (continued)

a. Net assets with donor restrictions (continued)

The sources of net assets released from restrictions are as follows for the year ended December 31, 2025 :

	2025
Purpose restricted	$ (5,000,310)
Time restricted	(305,704)
Total	$ (5,306,014)

4. Leases in financial statements of lessee

a. Nature of leases

The Organization leases its office space under an operating lease that with noncancelable lease terms for five (5) years at a discount rate of 5.5% terminating in June 2031.

The Organization made significant assumptions and judgments in applying the requirements of Topic 842. In particular, the Organization:

- Evaluated whether a contract contains a lease, by considering factors such as whether the Organization obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights;
- Determined whether contracts contain embedded leases;
- Evaluated leases with similar commencement dates, lengths of term, renewal options or other contract terms, which therefore meet the definition of a portfolio of leases, whether to apply the portfolio approach to such leases;
- Determined the discount rate used to measure the lease liability.

The Organization does not have any material leasing transactions with related parties.

b. Operating leases

The following table summarizes the operating lease right-of-use assets and operating lease liabilities as of December 31, 2025:

Description	
Operating lease right-of-use assets	$ 780,275
Operating lease liabilities:	
Current	46,711
Noncurrent	750,018
Total operating lease liabilities	$ 796,729

4. Leases in financial statements of lessee (continued)

b. Operating leases (continued)

Total operating lease expenses for the year ended December 31, 2025, was $156,355, variable lease costs were approximately $14,107. The Organization's Scheduled future minimum lease payments are as follows:

Description		
2026	$	46,711
2027		148,172
2028		162,245
2029		177,282
2030+		262,319
Total	$	796,729

5. Liquidity and availability of resources

The following reflects the organization's financial assets as of December 31, 2025, reduced by amounts not available for general use within one year of December 31, 2025 due to contractual or donor-imposed restrictions:

		2025
Financial assets at end of year:		
Cash and cash equivalents	$	7,507,822
Restricted contributions (unused)		(887,179)
Contribution receivable (unrestricted)		125,000
Total financial assets at end of year:		6,745,643
Less amounts not available to be used within one year:		
Accounts payable and accrued expenses		870,658
Financial assets available to meet general expenditures over the next twelve months	$	5,874,985

ClientEarth USA, Inc.'s goal is generally to maintain financial assets to meet 365 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

6. Contributions receivable

Maturities of contributions receivable at December 31, 2025 are as follows:

Description	2025
Less than one year	$ 2,158,562
One to five years	1,000,000
Contributions receivable	3,158,562
Less unamortized discount	(176,634)
Net contributions receivable	$ 2,981,928

Approximately 79 percent of contributions receivable were from one foundation at December 31, 2025, respectively.

7. Income taxes - section 501

The organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on trade or business profits generated by activities related to the organization's exempt function. The organization may be subject to federal and state income taxes for profits generated from trade or business activities unrelated to the organization's exempt function. As of December 31, 2025, management believes that the organization has not generated any unrelated business taxable income.

8. Retirement Plan

The Organization adopted a Section 403(b) retirement plan whereby the employees may fund their retirement and pay for medical and childcare costs with pre-tax dollars. All employees are eligible in the plan upon the first day of employment. The plan allows for employee contributions via paycheck deductions to individual 403(b) accounts and the Organization matches up to 4% of their contributions. For the year ended December 31, 2025, the Organization contributed $64,169.

9. Contingencies

The Organization, during its normal course of business, may be subject from time to time to disputes and to legal proceedings against it. Both counsel and management do not expect that the ultimate outcome of any current claims will have a material effect on the Organization's financial statements.