Registered number: 14960097
Charity number: 1205768

SCIENCE BASED TARGETS INITIATIVE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

SCIENCE BASED TARGETS INITIATIVE
(A company limited by guarantee)

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SCIENCE BASED TARGETS INITIATIVE

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2025

Trustees	Francesco Starace, Chair[1] Ester Baiget (resigned 25 September 2025) Aniruddha Dasgupta[1] Ivan Duque Marquez Maria Mendiluce Villanueva[2] Stacey Mitchell[1] Manuel Pulgar-Vidal[2] Gonzalo Munoz Abogabir (appointed 1 May 2025) Arun Kumar Nanda (appointed 1 May 2025) Anna Elizabeth Turrell (appointed 1 May 2025) Lila Karbassi, Permanent Observer [1] Finance, Risk, Audit and Governance Committee [2] Nominations Committee
Company registered number	14960097
Charity registered number	1205768
Registered office	66 Lincoln's Inn Fields London WC2A 3LH
Chief Executive Officer	Sue Jenny Ehr (Interim) - to 31 March 2025 David Kennedy CBE - from 31 March 2025
Executive Leadership Team	Alberto Carrillo Pineda - Chief Technical Officer Alex Buss - Chief Operating and Finance Officer Luisa Pastore - Director of Communications Tracy Wyman - Chief Impact Officer Will Grazebrook - Head of Legal
Company Secretary	Sue Jenny Ehr
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees, who are also the directors of Science Based Targets initiative ("SBTi", the "Charity"), present their report and the consolidated financial statements for the charity and its subsidiaries (the Group) for the accounting period ended 31st of December 2025. The Trustees Report is also the Directors Report as required by section 415 of the Companies Act 2006.

The Trustees' report incorporates the "Strategic Report" required by section 414A of the Companies Act 2006. The consolidated financial statements comply with the requirements of the Companies Act 2006, the Charities Act 2011, the charitable company's Memorandum and Articles of Association and "Accounting and Reporting by Charities: Statement of Recommended Practice" (SORP 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS 102) the financial reporting standard applicable in the UK and Republic of Ireland.

1.1 Role and Objectives

The SBTi continued to evolve in its second full year as an independent entity, supporting the organisation's objective of enabling companies and financial institutions worldwide to play their part in combating the climate crisis including:

- Defining and promoting best practice in emissions reductions and net-zero targets in line with climate science.
- Developing standards, tools and guidance to enable companies and financial institutions to set science-based targets in line with science.
- Assessing and validating companies' and financial institutions' targets through its wholly-owned subsidiary, SBTi Services.

The SBTi Group mobilises the private sector to take the lead on urgent climate action and enables companies and financial institutions to understand how much, and how quickly, they must decarbonise to prevent the worst impacts of climate change.

Action is needed in key sectors, many of which require tailored approaches to setting emission-reduction targets. The SBTi provides clarity and guidance on these journeys, including for the heavy emitting sectors such as buildings, steel, cement, and finance.

The SBTi exists to further the charitable purposes of:

1. Promoting for the public benefit the conservation, protection and improvement of the physical and natural environment.

2. Advancing education for the public benefit in the subject of climate change including by undertaking and promoting research in this subject and making the useful results of such research available to the public; in particular, but not exclusively, by developing standards, guidance, tools and resources to enable the assessment of businesses' and institutions' targets to reduce greenhouse gas emissions and the performance of products, entities, and financial portfolios against greenhouse gas emission limits informed by science.

1.2 Strategic Report

2025 marked a year of significant momentum for the SBTi under the guidance of our new CEO. We established a clear roadmap for the future by updating our Theory of Change and developing a strategic plan for 2026-2030. Key milestones included advancing our flagship Corporate Net-Zero Standard Version 2 (CNZS v2) through two public consultations and the landmark publication of our first Financial Institutions Net-Zero Standard. To better support our stakeholders, we launched the SBTi Academy and modernised our Validation Portal, ending the year with 9,718 companies holding validated targets. Furthermore, we strengthened our organisational foundation by attaining ISEAL community membership and aligning our governance with charitable best practices.

Key achievements are outlined below:

Theory of Change and Strategy: In April 2025, under the leadership of CEO David Kennedy, the SBTi initiated a comprehensive review of our Theory of Change and the development of the 2026 - 2030 Group Strategy. Encompassing both SBTi Charity and SBTi Services, this strategy is currently being finalised with the Board for publication in 2026. It marks a pivotal shift from ambition to tangible implementation, focusing on maximising global impact through deepened partnerships and a broader corporate network.

Corporate Net Zero version 2 Standard (CNZS v2): In 2025 work continued on the development of CNZS v2. The process to update the Standard aims to make climate science more accessible and actionable, empowering more companies to set ambitious, science-based targets and deliver measurable progress. It maintains focus on direct decarbonisation, while improving clarity and usability, so that businesses can turn ambition into credible action.

We conducted two comprehensive public consultations, achieving record engagement with each consultation receiving over 900 responses from stakeholders across 60 countries. Insights from feedback, pilot testing and expert working groups have been integrated to ensure the Standard is both ambitious and implementable.

The Standard has undergone a rigorous review by the Technical Council to ensure it aligns with the latest climate science and the SBTi's Standard Operating Procedures. The final Standard is scheduled for publication in June 2026 following formal adoption by the Board of Trustees.

Financial Institutions Standard (additionally supported with Climate Arc funding): In July 2025, the SBTi released its first Financial Institutions Net-Zero Standard (FINZ). This Standard builds on the success of and learnings from the Near-Term Criteria (published in 2020), with over 180 financial institutions in over 30 countries having validated near-term targets to date. FINZ introduces a number of innovations, including alignment targets, allowing the use of third-party resources, phaseout requirements on new fossil fuel financial activities, and coverage of insurance underwriting and capital market activities. The FINZ standard and related materials have been translated into seven languages.

Sector Approaches: Work progressed well on sector approaches with major milestones being reached on all projects. Highlights include:

- **Chemicals**: The chemicals project was concluded with the release of the SBTi Chemical Sector Pathways and Implementation Criteria in December.
- **Power and Automotive**: First public consultation launched for the Power Sector Standard and the Automotive Sector Standard and preparations underway now for second consultations and pilot testing in 2026.
- **Buildings**: Uptake of the Buildings Sector Criteria (released in 2024) by companies continued, while further technical work on the buildings sector (funded by Laudes Foundation) was adjusted to deliver useful research on new concepts introduced by CNZS v2, such as alignment targets and commodity credits.
- **FLAG**: The project to revise the Timber & Wood Fibre pathway in the existing FLAG Guidance was kicked off, and a draft for Technical Council approval and public consultation was finalised at the end of 2025. Also under FLAG, an urgent revision to the 'No Deforestation' commitment was initiated and completed in 2025 in order to keep FLAG workable, as the previous requirement had a commitment date of end 2025. A public consultation, expert group and Technical Council approval were completed and the revisions are due to be published in early 2026.
- **Oil and Gas**: The project to develop an Oil & Gas Standard was paused in 2025, in order to ensure sufficient capacity to deliver CNZS v2. A research paper, based on material developed in the early phases of this project, was finalised by the end of 2025 with a view to publication in early 2026.

Validation Portal: In June 2025, we reached a significant milestone with the launch of the upgraded SBTi Services Validation Portal. This enhancement represents a fundamental shift in our ability to scale science-based targets with greater speed and clarity. By transitioning to a digital-first submission model, we have created a more intuitive experience for businesses while simultaneously increasing internal operational efficiency. Key enhancements include:

- Replacing manual, spreadsheet-based submissions with an intuitive, step-by-step digital interface;
- Introducing real-time technical validation that flags issues instantly, effectively eliminating the manual technical screening stage; and
- Providing companies with greater control to manage their account details and submission data.

Validations Update: Validations have remained strong through 2025. SBTi ended 2025 with 9,718 total companies with validated targets, with 3,143 validated in 2025. Demand for 2026 and 2027 was reinforced with almost 1,200 commitments set in 2025. December 2025 was the highest demand month ever for corporate validations, with 314 validation submissions. There were 310 more corporate validations published in 2025 than 2024 (10.9% higher) and we closed 2025 with 9,718 companies with validated targets. The mandatory 5-year review form was published and is now accepting submissions. Further, customer support and feedback has been strong with a Customer Satisfaction Score (CSAT) of 88.8% (excellent) for professionalism and customer service, and a CSAT of 83% (good) for validation services.

SBTi Academy: In September 2025, the SBTi launched its training and certification platform, SBTi Academy (the “Academy”), making progress on development of multiple training modules to upskill stakeholders including corporate sustainability teams and their advisors. The Academy is open to all stakeholders and is designed to develop skills amongst sustainability professionals, empowering them to guide organisations and clients in their decarbonisation journeys. It aims to equip individuals and companies with the tools and knowledge to set science-based targets effectively, rallying the change needed across organisations to drive mass decarbonisation. The Academy has been a success thus far with over 5,500 registered users across regions and sectors.

Governance: Year on year, the SBTi has taken concrete steps to reinforce its governance in line with best practice for a charity and ISEAL community member.

Key highlights:

- Appointed David Kennedy, CBE as CEO in January 2025. He joined as CEO on 31 March 2025.
- Appointed an independent board of directors to SBTi Services, to oversee the strategy of the target validation business.
- Appointed three new Trustees (Gonzalo Munoz, Arun Nanda, and Anna Turrell) to the Board of Trustees following a rigorous recruitment process.
- Started a recruitment process for a Managing Director of SBTi Services, to be appointed by SBTi Services’ board.
- Engaged one of the top UK charity law firms to provide training to the boards of SBTi and SBTi Services on best practice governance for a charity and trading subsidiary relationship.
- Took steps to update conflict of interest and complaints management processes in line with best practice for a UK charity and standard-setter.
- Engaged an external reporting hotline for Whistleblowing (via Safecall) and will implement the updated Whistleblowing Policy to include contact information once the hotline is set up for employees in 2026.
- Continued to strengthen key policies and processes in line with the Charity Governance Code and guidelines and the ISEAL code, and to build internal resources to support its governance framework.

These milestones demonstrate the SBTi's commitment to building and maintaining a credible, transparent and impartial standard-setting system, as the global landscape for corporate climate action evolves and expectations continue to rise. By strengthening its governance, the SBTi aims to safeguard trust in science-based targets and ensure long-term effectiveness.

1.3 Structure, Governance and Management

The SBTi was formed as an initiative in 2015 between five founding organisations: CDP, the United Nations Global Compact, the We Mean Business Coalition, the World Resources Institute and the World Wide Fund for Nature.

The SBTi incorporated as a UK company limited by guarantee without share capital in June 2023, and subsequently gained recognition by the Charity Commission for England and Wales in November 2023. The objects and powers of the SBTi are set out in its Memorandum of Association dated 23 June 2023. Rules regarding the appointment, retirement, removal and disqualification of Trustees are set out in the Articles of Association filed at Companies House on 26 June 2023, as amended by Special Resolution on 15 November 2023. The successful transfer of the SBTi's activities, assets and employees from its founding partners to the new SBTi entities was completed in December 2024.

SBTi's formal governance and operational model includes a Board of Trustees ("The Board") composed of three representatives of the founding partners (serving in their individual capacities) and six independent Trustees as well as a permanent observer from the United Nations. We confirm that our Trustees have given due consideration to the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011.

Recruitment and training of Trustees

Trustees are recruited globally from persons with the requisite skills and experience to successfully deliver the SBTi's objectives. They may be recruited from finance, industry, public bodies and the non-profit sector. The appointment of Trustees proposed by the founding members is subject to approval by the Board of Trustees. Otherwise, SBTi's Nominations Committee has the primary purpose of identifying individuals for appointment as Trustees and making recommendations to the Board of Trustees for their consideration. The Board of Trustees takes the formal decision to appoint.

Training is provided to Trustees enabling them to comply with their regulatory duties. They are supported by the SBTi's Company Secretary, Legal, Compliance and Executive Leadership Teams, including by way of specialist external counsel. In the year, the Board has also received external training from a top UK law firm to ensure compliance and adherence to best practice.

Changes to Trustees since incorporation

Ms Ester Baiget stepped down as a Trustee on 25 September 2025 at the close of the Board meeting. Ms Sherry Anne Madera, who stepped down temporarily on 10 September 2024, decided to not return to the board. The SBTi is grateful for their contributions.

Mr Gonzalo Munoz Abogabir, Ms Anna Elizabeth Turrell and Mr Arun Kumar Nanda were appointed as Trustees during the Board of Trustees Meeting on 27 March 2025.

Ms Sue Jenny Ehr was appointed as Company Secretary on 28 September 2023. She served as Interim CEO of SBTi until 31 March 2025.

Executive Leadership Team

The Executive Leadership Team (ELT) is led by the Chief Executive Officer (CEO). David Kennedy CBE became the permanent CEO on 31 March 2025, taking over from interim CEO Sue Jenny Ehr.

The Board of Trustees sets the direction and delegates the day-to-day management of SBTi to the CEO in accordance with the Scheme of Delegation. The ELT comprises senior employees across the SBTi's departments. They report to the CEO, who in turn reports to the Trustees. The CEO delegates certain financial duties to the Chief Operating and Financing Officer (COO), and certain duties to designated ELT members. The CEO is responsible for the approval and setting of staff salaries.

Finance, Risk, Audit and Governance Committee

The Board of Trustees has a Finance, Risk, Audit and Governance Committee (FRAG) to advise the Trustees on compliance with Charity Governance Code and guidelines, other applicable governance requirements (including managing conflicts of interest) and financial matters. The FRAG Committee is responsible for monitoring and reviewing the effectiveness of the SBTi's risk management, particularly regarding financial risk, including financial systems, controls and policies.

Technical Council

The SBTi Technical Council is an independent deliberation and technical decision-making body, appointed and overseen by the SBTi's Board of Trustees. The Council has delegated authority to review and approve SBTi standards and other normative documentation. The members sit for renewable terms and include a Chair/Vice Chair who act as liaison between the Council and the Board. This group operates exclusively in the public interest.

The scope of the Technical Council covers all normative documentation, including SBTi principles, standards, mitigation pathways and methods that inform emission and non-emission benchmarks used across SBTi standards, and other normative documents that supplement SBTi standards (including annexes, guidelines, position papers, technical policies, etc.). The Technical Council reviews, approves, and recommends that the Board adopt normative elements of the SBTi framework.

Nominations Committee

The primary purpose of the Nominations Committee is to identify individuals for appointment as Trustees and make recommendations for consideration by the Board, which will take the formal decision to appoint. The Nominations Committee will also identify individuals for appointment to roles on the Technical Council (in accordance with the Technical Council's Terms of Reference) and may be involved in appointments to other Board committees of SBTi at the discretion of the Board. Additionally, the Nominations Committee is responsible for the selection of the CEO. In each case the formal decision to appoint will be taken by the Board.

SBTi Services Validation Council

The SBTi Services Validation Council is an independent body tasked with overseeing the governance of target validation work and approving the standard operating procedures for conformity assessments. It ensures impartiality, fairness, and quality in conformity assessments, and addresses issues related to data protection and regulatory compliance. Members of the Validation Council are appointed by the SBTi Services' Board of Directors for a term of three years, with a two-term limit.

Group structure

The SBTi has a wholly owned UK trading subsidiary, SBTi Services Limited, whose primary purpose is the validation of corporate, SME, and financial institution emissions reductions targets in line with SBTi Standards and guidance. The funds generated help to support SBTi's charitable purposes and activities.

The SBTi also has a wholly owned subsidiary in Germany which employs German-based staff of the SBTi and SBTi Services Limited. In certain jurisdictions, where it is not financially or administratively prudent for the SBTi to incorporate entities to employ staff directly, SBTi uses an Employer of Record to employ certain staff.

Statement of compliance with section 172(1) of the Companies Act 2006

The SBTi's Board of Trustees must act in the way they consider, in good faith, would be most likely to promote SBTi's success to achieve its charitable objectives. In carrying out their duties, the Trustees have regard to (without limitation) the following matters:

a) The likely consequences of any decision in the long term
The Trustees consider the financial and operational sustainability of the organisation in all their decision-making. The Trustees are mindful of the long-term results of the organisation's work and align their decisions to the long-term strategic aims of SBTi.

b) The interests of the SBTi's employees
The Trustees recognise that attracting, developing and maintaining a highly-skilled workforce is critical to the success of SBTi's strategic aims. The Trustees therefore, through regular consultation and collaboration with senior staff, strive to promote a positive working culture, and to encourage professional development of SBTi staff. The Trustees are committed to ensuring a fair and safe working environment, as well as diversity, inclusion and equity in the workplace.

c) The need to foster the SBTi's business relationships with suppliers, partners, and others
The Trustees acknowledge that a key factor to delivering SBTi's charitable purposes and strategic aims is to build strong and lasting relationships with suppliers, partners and other stakeholders. The Trustees foster excellent working relationships between the SBTi and the industry and are supported by senior management in applying risk management strategy and compliance with regulatory requirements of conduct in their business partnerships and interactions.

d) The impact of the SBTi's operations on the community and the environment
The Trustees ensure that the SBTi is strongly committed to the safeguarding of communities and the environment. This is at the heart of the SBTi's charitable objectives. Trustees consider the effects of SBTi's operations and procedures on communities and individuals it works with and also the environmental impact. Staff help to ensure that internal safeguarding policy is upheld across the organisation.

The organisation continues to develop its own report on its environmental impact with the aim of setting targets via its own process for small and medium-sized enterprises, while undertaking a comprehensive assessment of its own carbon footprint for the longer-term purpose of establishing reduction targets and revising its environmental policies and processes. This ongoing work is central to our efforts to strengthen internal environmental policies and will be reflected in our maturing governance reporting.

e) The desirability of the SBTi maintaining a reputation for high standards
The SBTi's core values are reflected throughout its policies, procedures, and risk management strategy. The Trustees ensure that the SBTi maintains a strong reputation for its high standards in all aspects of its operations, from internal employee resources to external publications. The SBTi's position in the industry is reliant on the quality of its work, transparency, integrity and accountability. The SBTi maintains compliance with regulatory standards and has complaints procedures covering all aspects of the organisation.

The Trustees' regard for the above matters is factored into all of their decision-making, policies, procedures and through the SBTi's mission, values, culture, and governance, as well as its stakeholder engagement practices.

1.4 Principal Risks and Uncertainties

The Board of Trustees has overall responsibility for ensuring SBTi has a sound system of internal control and its funds are used only in furtherance of SBTi's objectives. This includes ensuring that there are reasonable procedures in place for the identification and management of major operational risks, including fraud and other irregularities. The Executive Leadership Team reviews and updates the Risk Register on a regular basis to ensure accurate prioritisation and mitigation progress. The FRAG Committee is the governance body from the Board responsible for the oversight of the organisations' Risk Register.

The principal risks facing the SBTi at the time of writing were assessed to be:

Risk title	Risk description	Actions in process
1. Strategy and planning	Challenges of continuing to maximise impact against a backdrop of geopolitical volatility and economic instability	Continue to enhance relationships and collaboration with key organisations and other standard-setters and work towards interoperability for ease of adoption. Enact a comprehensive engagement programme with specific industry sectors to identify and mitigate barriers to entry, including systemic barriers. Regularly audit and update SBTi Standards to address critical gaps, issues and needs. Implement a task force that assesses, prioritises, and resolves issues that cause companies difficulty adopting SBTi standards, particularly in the current climate.
	Foundational science is updated	The SBTi's Research Team tracks new developments in climate science and SBTi standards are reviewed on a regular basis

Risk title	Risk description	Actions in process
2. Reputation and legal	Risk of companies with science-based targets not decarbonising in line with validated targets	Include Renewals and Progress against Targets in the Corporate Net Zero Standard and interim documentation.
	Any decisions or changes to SBTi's standards which could be perceived as having an impact on the SBTi's credibility	Independent Technical Council oversight plus robust standard development procedure ensure SBTi maintains the highest level of scientific rigour in all standards, tools and guidance.
	Negative stakeholder sentiment resulting from perceived lack of response from the SBTi to external events	Ongoing proactive approach to communications and engagement, including building relationships with key stakeholders, extensive consultation processes, and support of external consultancies.
	Perceived governance concerns in relation to SBTi or SBTi Services	Board governance training for SBTi and SBTi Services. Reinforcing conflict of interest management framework across the organisation. Ongoing work to strengthen complaints and grievance mechanisms at different levels of the organisation, including whistleblowing framework. Establishment of Standards Oversight Committee in respect of the standard development process. Updates to the Finance Operating Policy & Procedure (FOPP) with training to be rolled out in early 2026.
	Risk of legal claims or investigations against SBTi, including in the context of anti-ESG positions held in the US	Ongoing support from external legal counsel to mitigate legal and regulatory risks.
3. Data and technology	Substandard service provision to customers. Implementation risks in moving to a new system	Additional capacity and capability in the data and technology team. Streamlining project management to align product owners and technology teams to improve delivery.
	Data accuracy, security and cyber risks	Complete data migration of legacy and new data Perform follow up audit to validate progress towards achieving ISO/IEC 27001 certification.

Risk title	Risk description	Actions in process
4. Funding	Funding dependencies on philanthropic donors and Gift Aid from SBTi Services	Expand and diversify sources of funding and build a reputation for delivery of agreed KPIs. Transform commitments into validation, and proactively market SBTi to secure new commitments in underdeveloped markets. Develop additional sources of commercial income.
5. People	Culture alignment and development Staff retention	Design and implement the SBTi People Plan (strengthening HR operations and employee offering, well being, staff inclusion etc) to ensure staff have a voice & are valued as we operate as one Global SBTi in line with our values

1.5 Financial Review

The SBTi concluded 2025 in a robust financial position. Total income rose by 16% *($4.5m)* to $33.1m *(2024: $28.6m)*, providing the foundation for a significant expansion of our impact. To meet the increasing global demand for science-based targets, we strategically scaled our operations, resulting in an expenditure of $27.3m *(2024: $13.0m)*. This planned increase was primarily driven by a rise in headcount, ensuring we have the professional expertise and internal capacity required to deliver our mission at scale.

The results are not directly comparable year on year because 2024 covers an 18 month period.

Where our income comes from

Our income primarily comes from three main sources:

Validation service fees (via our subsidiary, SBTi Services) to recover the cost of operating and continuing to enhance our target validation service and company experience: $24.7m *(2024: $7.0m)*
Core philanthropic funding for broader organisational development and capacity-building: $7.8m *(2024: $20.8m)*
Project-specific funding for specific time-limited projects to develop new sector guidance or update specific standards: $0.6m *(2024: $0.8m)*

Fundraising
The SBTi achieved its fundraising goal for the accounting period with a combination of project specific and core funding grants. Funders support the SBTi's mission. Fundraising is managed by the Fundraising Team, in line with compliance policies and procedures.

Current SBTi philanthropic funders:
- IKEA Foundation: Core funding
- Laudes Foundation: Project-specific
- Climate Arc - Project-specific

In addition in 2025, the SBTi received a non-recurring grant from a partner organisation in settlement of past operations, categorised as core funding.

Income we receive from companies and institutions, whether as funding or validation fees, has no influence on decisions surrounding their targets.

Reserves
The Trustees have agreed a reserves policy which aims to hold a minimum level of total funds equivalent to six months' charitable expenditure and to protect the organisation against income volatility and legal and financial risk. At 31 December 2025 the group held unrestricted reserves of $21.2m USD and is in compliance with its policy.

To help with calculating the required reserves, the SBTi evaluates how to protect the continuity of our work, how to engage unexpected opportunities, as well as covering unforeseen expenditure or unanticipated liabilities.

With unrestricted funds totalling $21.2m and fixed assets of $1.8m, SBTi has free reserves of $19.3m *(2024: $14.4m)*.

Further financial disclosures
The SBTi has no investments other than its subsidiaries. At the year end there is a pension liability totalling $50,526. The SBTi makes small grants to not-for-profits in furtherance of its charitable objectives.

The SBTi makes no use of volunteers and undertakes no social investment. No assets were held as custodian Trustee during the reporting period.

Going concern
Based on a strong cash position at the end of 2025, and detailed operational and cashflow projections, including reasonable forecasts of income and enhanced cost controls, the Trustees consider that the SBTi has adequate resources to continue in operational existence for at least 12 months following approval of these financial statements.

Plans for future periods
The SBTi continues to focus on its objectives and charitable impact. It will continue to develop standards and enhance its operating model, with the launch of the new strategy and CNZS v2. The SBTi remains focused on building and maintaining a strong financial position to deliver against its objectives and new strategy going forward through increasing commercial income and maintaining cost discipline.

Public benefit statement
The Trustees have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Auditors
Under section 487 (2) of the Companies Act 2006, Crowe U.K. LLP will be deemed to have been reappointed 28 days after these Financial Statements were sent to Members or 28 days after the latest date prescribed for filing the accounts with the Registrars whichever is earlier.

Trustees' responsibilities
The Trustees, who are also the Directors of the SBTi for the purposes of Company Law, are responsible for preparing the Trustees Annual Report and the Financial Statements in accordance with applicable laws and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees prepare Financial Statements for each financial year.

Under Company Law the Trustees must not approve the Financial Statements unless
they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the

incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company, and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors
In so far as the Trustees are aware

- There is no relevant information of which the charitable company's auditors are unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Approved by order of the members of the board of Trustees and signed on their behalf by:

Francesco Starace
Chair
Date: 9/17/2026

Stacey Mitchell
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCIENCE BASED TARGETS INITIATIVE

Opinion

We have audited the financial statements of Science Based Targets Initiative (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2025 and of the Group's 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. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCIENCE BASED TARGETS INITIATIVE (CONTINUED)

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 within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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, 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the Charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity and Group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (UK GDPR).

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

In accordance with International Auditing Standards, we planned our audit so that we have a reasonable expectation of detecting material misstatement in the financial statements or accounting records including any material misstatement resulting from fraud, error or non-compliance with law or regulations.

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

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

Use of our report

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

Helen Blundell

Helen Blundell LLB FCA FCIE DChA (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 25 September 2026

SCIENCE BASED TARGETS INITIATIVE

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted funds 12 month period ended 31 December 2025 $	Restricted funds 12 month period ended 31 December 2025 $	Total funds 12 month period ended 31 December 2025 $	*As restated Total funds 18 month period ended 31 December 2024 $*
Income from:					
Charitable activities	4	**7,761,633**	**601,612**	**8,363,245**	*21,508,660*
Other trading activities	5	**24,693,290**	**-**	**24,693,290**	*7,010,831*
Investments	6	**51,828**	**-**	**51,828**	*67,402*
Total income		**32,506,751**	**601,612**	**33,108,363**	*28,586,893*
Expenditure on:					
Raising funds	7	**6,901,059**	**-**	**6,901,059**	*2,615,091*
Charitable activities	8	**19,710,561**	**735,301**	**20,445,862**	*10,340,627*
Total expenditure		**26,611,620**	**735,301**	**27,346,921**	*12,955,718*
Net income/(expenditure)		**5,895,131**	**(133,689)**	**5,761,442**	*15,631,175*
Net movement in funds		**5,895,131**	**(133,689)**	**5,761,442**	*15,631,175*
Reconciliation of funds:					
Total funds brought forward as previously stated		**15,442,416**	**346,902**	**15,789,318**	-
Prior year adjustment		**(158,143)**	**-**	**(158,143)**	-
Total funds brought forward as restated	19	**15,284,273**	**346,902**	**15,631,175**	-
Net movement in funds		**5,895,131**	**(133,689)**	**5,761,442**	*15,631,175*
Total funds carried forward	19	**21,179,404**	**213,213**	**21,392,617**	*15,631,175*

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

The notes on pages 21 to 41 form part of these financial statements.

SCIENCE BASED TARGETS INITIATIVE

(A company limited by guarantee)
REGISTERED NUMBER: 14960097

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 $		*As restated 2024 $*
Fixed assets					
Intangible assets	14		**1,843,904**		*789,272*
Current assets					
Debtors	16	**9,987,104**		*6,246,661*	
Cash at bank and in hand	22	**17,866,047**		*10,164,035*	
		27,853,151		*16,410,696*	
Current liabilities					
Creditors: amounts falling due within one year	17	**(8,304,438)**		*(1,568,793)*	
Net current assets			**19,548,713**		*14,841,903*
Total net assets			**21,392,617**		*15,631,175*
Charity funds					
Restricted funds	19		**213,213**		*346,902*
Unrestricted funds	19		**21,179,404**		*15,284,273*
Total funds			**21,392,617**		*15,631,175*

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Francesco Starace
Chair
Date: 9/17/2026

Stacey Mitchell
Trustee

The notes on pages 21 to 41 form part of these financial statements.

SCIENCE BASED TARGETS INITIATIVE

(A company limited by guarantee)
REGISTERED NUMBER: 14960097

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 $		As restated 2024 $
Fixed assets					
Investments	15		**13,616**		*13,616*
Current assets					
Debtors	16	**8,564,106**		*5,833,314*	
Cash at bank and in hand		**1,708,192**		*6,796,636*	
		10,272,298		*12,629,950*	
Current liabilities					
Creditors: amounts falling due within one year	17	**(1,122,516)**		*(980,791)*	
Net current assets			**9,149,782**		*11,649,159*
Total net assets			**9,163,398**		*11,662,775*
Charity funds					
Restricted funds	19		**213,213**		*346,902*
Unrestricted funds	19		**8,950,185**		*11,315,873*
Total funds			**9,163,398**		*11,662,775*

The Charity's net movement in funds for the year was a deficit *$*2,499,377 *(2024 - surplus of $11,662,775)*.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Francesco Starace
Chair
Date: 9/17/2026

Stacey Mitchell
Trustee

The notes on pages 21 to 41 form part of these financial statements.

SCIENCE BASED TARGETS INITIATIVE

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

		12 month period ended 31 December 2025 $	*As restated 18 months period ended 31 December 2024 $*
Cash flows from operating activities			
Net cash used provided by operating activities	21	**9,087,048**	*10,932,333*
Cash flows from investing activities			
Purchase of intangible fixed assets	14	**(1,505,301)**	*(835,700)*
Interest received		**68,437**	-
Dividends, interests and rents from investments	6	**51,828**	*67,402*
Net cash used in investing activities		**(1,385,036)**	**(768,298)**
Change in cash and cash equivalents in the year		**7,702,012**	**10,164,035**
Cash and cash equivalents at the beginning of the year		**10,164,035**	-
Cash and cash equivalents at the end of the year		**17,866,047**	*10,164,035*

The notes on pages 21 to 41 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. General information

Science Based Targets Initiative is a company limited by guarantee (the liability of each member is limited to £1), which is incorporated and registered in England and Wales (registered number 14960097). It is a registered charity in England and Wales (Charity number 1205768). The address of the registered office is 66 Lincoln's Inn Fields, London, WC2A 3LH.

The functional and presentational currency is US dollars ($).

The Company was incorporated on 26 June 2023 and commenced activity on 1 December 2023. The prior year was the first set of financial statements the Group and Charity produced. As a result these financial statements are drawn up for the 12 month period to 31 December 2025, whilst the comparative amounts are for the 18 month period to 31 December 2024. As a result the comparative amounts presented in the financial statements are not directly comparable.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The financial statements have been prepared on the assumption that the group is able to continue as a going concern, which the Trustees consider appropriate having regard to the current level of unrestricted reserves and the expected level of income and expenditure for 12 months from authorising these financial statements. There are no material uncertainties about the group's ability to continue as a going concern.

2. Accounting policies (continued)

2.3 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received and the amount can be measured reliably.

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. Income from grants is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Investment income is included in the Statement of Financial Activities in the period in which it is receivable. Interest receivable is included when receivable and the amount can be measured reliably, normally upon notification of interest paid by the bank.

Income for other trading activities includes services provided by subsidiary companies, net of VAT.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

Governance costs are included in support costs and include the costs of the annual statutory audit.

Support costs which cannot be directly attributed to particular headings have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated statement of financial activities.

2. Accounting policies (continued)

2.7 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	-	3 years

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.11 Taxation status

As a registered charity, the charity is exempt from Corporation Tax in respect of its investment and charitable income and in respect of capital gains as any surplus income and gains are applied for charitable purposes. The charity's trading subsidiary company pays available taxable profits to the Charity as gift aid donations by a deed of covenant. Their charge to corporation tax in the period is $Nil.

2.12 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Main areas of estimates and judgement are considered to be timing and recognition of grant income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

4. Income from charitable activities

	Unrestricted funds 12 month period ended 31 December 2025 $	Restricted funds 12 month period ended 31 December 2025 $	Total funds 12 month period ended 31 December 2025 $
Grants received	7,761,633	601,612	**8,363,245**

	Unrestricted funds 18 month period ended 31 December 2024 $	*Restricted funds 18 month period ended 31 December 2024 $*	*Total funds 18 month period ended 31 December 2024 $*
Grants received	*20,754,475*	*754,185*	*21,508,660*

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 12 month period ended 31 December 2025 $	Total funds 12 month period ended 31 December 2025 $	*Total funds 18 month period ended 31 December 2024 $*
Services - trading subsidiary	24,693,290	**24,693,290**	*7,010,831*

6. Investment income

	Unrestricted funds 12 month period ended 31 December 2025 $	Total funds 12 month period ended 31 December 2025 $	*Total funds 18 month period ended 31 December 2024 $*
Bank interest	49,763	**49,763**	*66,584*
Other interest received	2,065	**2,065**	*818*
	51,828	**51,828**	*67,402*

7. Expenditure on raising funds

Trading expenses

	Unrestricted funds 12 month period ended 31 December 2025 $	Total funds 12 month period ended 31 December 2025 $	*Total funds 18 month period ended 31 December 2024 $*
Trading expenses	2,116,050	**2,116,050**	*1,061,849*
Trading account staff costs	4,334,340	**4,334,340**	*1,506,814*
Trading account amortisation	450,669	**450,669**	*46,428*
	6,901,059	**6,901,059**	*2,615,091*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 12 month period ended 31 December 2025 $	Restricted funds 12 month period ended 31 December 2025 $	Total 12 month period ended 31 December 2025 $
Operation of Charity	19,710,561	735,301	**20,445,862**

	As restated Unrestricted funds 18 month period ended 31 December 2024 $	*Restricted funds 18 month period ended 31 December 2024 $*	*Total 18 month period ended 31 December 2024 $*
Operation of Charity	*9,933,344*	*407,283*	*10,340,627*

9. Analysis of expenditure by activities

	Activities undertaken directly 12 month period ended 31 December 2025 $	Support costs 12 month period ended 31 December 2025 $	Total funds 12 month period ended 31 December 2025 $
Operation of Charity	20,400,362	45,500	**20,445,862**

9. Analysis of expenditure by activities (continued)

	As restated Activities undertaken directly 18 month period ended 31 December 2024 $	*Support costs 18 month period ended 31 December 2024 $*	*Total funds 18 month period ended 31 December 2024 $*
Operation of Charity	*10,234,466*	*106,161*	*10,340,627*

Analysis of direct costs

	Total funds 12 month period ended 31 December 2025 $	*Total funds 18 month period ended 31 December 2024 $*
Staff costs	**13,843,304**	*3,906,021*
Grants to institutions	**502,557**	*458,230*
Staff welfare	**1,557,103**	*1,977,322*
Professional, legal, consultancy and recruitment fees	**1,496,518**	*2,399,306*
Contractors	**153,586**	*161,536*
Insurance	**50,556**	*28,187*
Advertising	**440,647**	*3,537*
Travel expenses	**412,931**	*263,460*
Subscriptions	**207,989**	*192,945*
Computer running costs	**573,342**	*335,649*
Meeting costs	**207,523**	*167,404*
Bank charges	**6,410**	*8,905*
Rent, office costs	**473,636**	*149,084*
Technical Council members' fees	**296,085**	*186,043*
Foreign exchange loss/(gain)	**178,175**	*(3,163)*
	20,400,362	*10,234,466*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 12 month period ended 31 December 2025 $	*Total funds 18 month period ended 31 December 2024 $*
Governance costs	**45,500**	*106,161*

10. Grants payable

	2025 $	*2024 $*
WWF-UK	**37,317**	*22,500*
We Mean Business Coalition	**99,418**	*90,520*
SFC Smart Freight Centre	**209,731**	*44,933*
World Resources Institute	**123,051**	*268,438*
Climate Action Associates	**33,040**	*31,839*
	502,557	*458,230*

The value of grants committed at the balance sheet date, but not yet paid, is $Nil *(2024 - $Nil)*.

11. Auditor's remuneration

	12 month period ended 31 December 2025 $	*18 month period ended 31 December 2024 $*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**33,221**	*30,708*
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**9,391**	*75,453*

12. Staff costs

	Group 12 month period ended 31 December 2025 $	*Group 18 month period ended 31 December 2024 $*	Charity 12 month period ended 31 December 2025 $	*Charity 18 month period ended 31 December 2024 $*
Wages and salaries	**15,190,943**	*3,461,322*	**8,411,982**	*2,172,557*
Social security costs	**2,409,523**	*1,738,221*	**1,987,917**	*1,212,356*
Contribution to defined contribution pension schemes	**577,178**	*213,292*	**387,007**	*142,943*
	18,177,644	*5,412,835*	**10,786,906**	*3,527,856*

The staff costs of the Charity and the charitable subsidiary, included in Charitable Activities, totalled $13,843,304 *(2024 - $3,906,021)* for the period. The staff costs of the trading subsidiary, included within Raising Funds, totalled $4,334,340 *(2024 - $1,506,814)* in the period.

12. Staff costs (continued)

The average number of persons employed by the Group and the Charity during the year was as follows:

	Group 12 month period ended 31 December 2025 No.	*Group 18 month period ended 31 December 2024 No.*
Science Based Targets Initiative	**92**	*23*
SBTi Services Limited	**48**	*13*
Science Based Targets Initiative(SBTi) gGmbH	**31**	*2*
	171	*38*

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded $75,000 was:

	Group 12 month period ended 31 December 2025 No.	*Group 18 month period ended 31 December 2024 No.*
In the band $75,000 - $84,999	**12**	*6*
In the band $85,000 - $94,999	**10**	*2*
In the band $95,000 - $104,999	**15**	*6*
In the band $105,000 - $114,999	**11**	*2*
In the band $115,000 - $124,999	**6**	*3*
In the band $125,000 - $134,999	**5**	*1*
In the band $135,000 - $144,999	**2**	*1*
In the band $145,000 - $154,999	**4**	*1*
In the band $155,000 - $164,999	**3**	*2*
In the band $165,000 - $174,999	**3**	*3*
In the band $175,000 - $184,999	**2**	*2*
In the band $185,000 - $194,999	**3**	-
In the band $195,000 - $204,999	**3**	*2*
In the band $205,000 - $214,999	**1**	-
In the band $225,000 - $234,999	**1**	-
In the band $235,000 - $244,999	**1**	-
In the band $255,000 - $264,999	**1**	-
In the band $275,000 - $284,999	**-**	*1*
In the band $345,000 - $354,999	**-**	*1*
In the band $485,000 - $494,999	**1**	-

The key management personnel of the Charity comprise the Chief Executive Officer, Chief Technical Officer, Deputy to the Chief Technical Officer, Chief Operating and Finance Officer, Director of Communications, Chief Impact Officer, Head of Legal and Compliance Director. The total employee benefits to key management personnel was $2,230,780 *(2024 - $627,400)*.

13. Trustees' remuneration and expenses

During the year ended 31 December 2025, expenses totalling $2,201 were reimbursed or paid directly to 3 Trustees *(2024 - $2,209 to 2 Trustees)* to attend board meetings and other official events.

No trustees received remuneration during the year (2024: none)..

14. Intangible assets

Group

	Computer software $
Cost	
At 1 January 2025	**835,700**
Additions	**1,505,301**
At 31 December 2025	**2,341,001**
Amortisation	
At 1 January 2025	**46,428**
Charge for the year	**450,669**
At 31 December 2025	**497,097**
Net book value	
At 31 December 2025	**1,843,904**
At 31 December 2024	*789,272*

15. Fixed asset investments

Charity	Investments in subsidiary companies $
Cost or valuation	
At 1 January 2025	**13,616**
At 31 December 2025	**13,616**
Net book value	
At 31 December 2025	**13,616**
At 31 December 2024	*13,616*

Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
SBTi Services Limited	15181058	66 Lincoln's Inn Fields, London, WC2A 3LH	Ordinary	100%	Yes
Science Based Targets Initiative (SBTi) gGmbH	HRB 267031	Kemperplatz 1, 10785, Berlin, Germany	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income $	Expenditure $	Profit for the period $	Net assets $
SBTi Services Limited	**25,254,292**	**(13,242,374)**	**12,011,918**	**12,011,919**
Science Based Targets Initiative (SBTi) gGmbH	**4,036,068**	**(3,392,492)**	**643,576**	**230,911**

16. Debtors

	Group 2025 $	*Group 2024 $*	Charity 2025 $	*Charity 2024 $*
Due after more than one year				
Prepayments and accrued income	**1,500,000**	*750,000*	**1,500,000**	*750,000*
Due within one year				
Trade debtors	**6,659,406**	*1,782,492*	**-**	*-*
Amounts owed by group undertakings	**-**	*-*	**5,346,609**	*1,700,397*
Other debtors	**866,775**	*1,263,794*	**756,574**	*1,132,917*
Prepayments and accrued income	**960,923**	*2,450,375*	**960,923**	*2,250,000*
	9,987,104	*6,246,661*	**8,564,106**	*5,833,314*

Prepayments and accrued income due after more than one year relate to the fixed retention receivable from CDP Worldwide.

17. Creditors: Amounts falling due within one year

	Group 2025 $	*Group As restated 2024 $*	Charity 2025 $	*Charity As restated 2024 $*
Trade creditors	**903,244**	*726,920*	**372,320**	*703,914*
Amounts owed to group undertakings	**-**	*-*	**230,916**	*-*
Other taxation and social security	**122,559**	*-*	**-**	*-*
Other creditors	**53,015**	*3,493*	**53,015**	*3,493*
Accruals and deferred income	**7,225,620**	*838,380*	**466,265**	*273,384*
	8,304,438	*1,568,793*	**1,122,516**	*980,791*

	Group 2025 $	*Group 2024 $*
Deferred income at 1 January 2025	**402,263**	*-*
Resources deferred during the year	**5,726,337**	*402,263*
	6,128,600	*402,263*

Deferred income relates to validation income where invoices have been raised but deliverables not yet completed.

18. Prior year adjustments

A prior year adjustment has been recorded in the financial statements in respect of consultancy costs for work done in the prior period, but where no accrual had been recognised.

The comparatives have been restated to increase expenditure and accruals by $158,143.

19. Statement of funds

Statement of funds - current year

	As restated Balance at 1 January 2025 $	Income $	Expenditure $	Balance at 31 December 2025 $
Unrestricted funds				
General Funds - all funds	**15,284,273**	**32,506,751**	**(26,611,620)**	**21,179,404**
Restricted funds				
Climate Arc	**221,071**	**227,608**	**(288,535)**	**160,144**
Laudes Equity	**23,349**	**24,004**	**(48,959)**	**(1,606)**
Laudes Building	**102,482**	**350,000**	**(397,807)**	**54,675**
	346,902	**601,612**	**(735,301)**	**213,213**
Total of funds	**15,631,175**	**33,108,363**	**(27,346,921)**	**21,392,617**

Climate Arc - To validate insurance underwriting climate targets, providing a broad framework for net-zero.

Laudes Equity - To identify ways in which corporations can incorporate equity and fairness considerations in their journey to Net Zero (the Initiative).This fund is in deficit at year end and represented expenditure incurred in advance.

Laudes Building - To develop science-based targets that address equity concerns for the full built environment value chain, including industry and investors (the Initiative).

19. Statement of funds (continued)

Statement of funds - prior year

	Income *$*	*As restated Expenditure* *$*	*As restated Balance at 31 December 2024* *$*
Unrestricted funds			
General Funds - all funds	*27,832,708*	*(12,548,435)*	*15,284,273*
Restricted funds			
Climate Arc	*315,884*	*(94,813)*	*221,071*
Laudes Equity	*88,051*	*(64,702)*	*23,349*
Laudes Building	*350,250*	*(247,768)*	*102,482*
	754,185	*(407,283)*	*346,902*
Total of funds	*28,586,893*	*(12,955,718)*	*15,631,175*

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 $	**Restricted funds 2025 $**	**Total funds 2025 $**
Intangible fixed assets	1,843,904	-	**1,843,904**
Debtors due after more than one year	1,500,000	-	**1,500,000**
Current assets	26,139,938	213,213	**26,353,151**
Creditors due within one year	(8,304,438)	-	**(8,304,438)**
Total	21,179,404	213,213	**21,392,617**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	As restated Unrestricted funds 2024 $	*Restricted funds 2024 $*	*As restated Total funds 2024 $*
Intangible fixed assets	*789,272*	*-*	*789,272*
Debtors due after more than one year	*750,000*	*-*	*750,000*
Current assets	*15,313,794*	*346,902*	*15,660,696*
Creditors due within one year	*(1,568,793)*	*-*	*(1,568,793)*
Total As restated	*15,284,273*	*346,902*	*15,631,175*

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

	Group 12 month period ended 2025 $	*Group As restated 18 month period ended 2024 $*
Net income for the year (as per Statement of Financial Activities)	**5,761,442**	*15,631,175*
Adjustments for:		
Amortisation charges	**450,669**	*46,428*
Interest received	**(68,437)**	*-*
Dividends, interests and rents from investments	**(51,828)**	*(67,402)*
Increase in debtors	**(3,740,443)**	*(6,246,661)*
Increase in creditors	**6,735,645**	*1,568,793*
Net cash provided by operating activities	**9,087,048**	*10,932,333*

22. Analysis of cash and cash equivalents

	Group 2025 $	*Group 2024 $*
Cash at bank and in hand	**17,866,047**	*10,164,035*

23. Analysis of changes in net debt

	At 1 January 2025 $	Cash flows $	At 31 December 2025 $
Cash at bank and in hand	**10,164,035**	**7,702,012**	**17,866,047**
	10,164,035	**7,702,012**	**17,866,047**

24. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to $577,178 *(2024 - $213,292)* with $50,526 *(2024 - $Nil)* payable at the year end.

25. Operating lease commitments

At 31 December 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 $	*Group 2024 $*	Charity 2025 $	*Charity 2024 $*
Not later than 1 year	**496,555**	*44,531*	**403,704**	*-*

25. Operating lease commitments (continued)

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2025 $	*Group 2024 $*	**Charity 2025 $**	*Charity 2024 $*
Operating lease rentals	**400,792**	*147,384*	**234,924**	*-*

26. Related party transactions

During the year, the Charity carried out the following transactions with its trading subsidiaries:

During the year, the Charity paid $5,729,756 *(2024 - $1,984,382)* on behalf of SBTi Services Limited (for staff & contractor costs and other consultancy), at the year end SBTi Services Limited owed $5,346,609 *(2024 - $1,273,058)* to the Charity.

The Charity paid for all costs totalling $3,391,433 *(2024 - $427,339)* on behalf of SBTi gGmbH. SBTi gGmbH also recharged payroll costs onto both the Charity and SBTi Services during the year as follows:

Charity $2,541,981 (2024 - $Nil)
SBTi Services Limited $1,494,087 (2024 - $Nil)

At the year end the Charity owed SBTi gGmbH $230,916 *(2024 - SBTi gGmbH owed the Charity $427,339)*.

During the period the Charity entered into transactions with some of its founding members, as set out below:

	2025 $	*2024 $*
Grants Received from Related Party Organisations		
CDP Financial Settlement	**2,503,992**	*10,254,475*
Sub - Grants Paid to Related Party Organisations		
WWF UK	**37,317**	*22,500*
We Mean Business Coalition, Inc.	**99,418**	*90,519*
World Resources Institute	**123,051**	*268,438*
Costs recharged to the Charity		
WWF China	**-**	*66,962*
World Resources Institute	**-**	*91,071*

27. Transfer agreement

Science Based Targets Initiative (SBTi) de-merged from its partner organisations, previously a collaborative initiative between CDP, We Mean Business Coalition, World Resources Institute (WRI), World Wide Fund for Nature (WWF) and the UN Global Compact. SBTi is now an independent organisation alongside its partners. During the prior period the Charity received a transfer of funding from CDP totalling $7.2m, and a further $3m to be received in quarterly tranches of $187.5k until October 2028.

During 2025, the Charity has received a further $1,754k representing the transfer of funding due to the Charity and collected on its behalf.