

Consolidated Financial Statements and
Report of Independent Certified Public
Accountants

**Global Energy Alliance for People and
Planet, LLC**

December 31, 2022 and 2021

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Global Energy Alliance for People and Planet, LLC:

Opinion

We have audited the consolidated financial statements of Global Energy Alliance for People and Planet, LLC (“GEAPP”), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities and cash flows for the year ended December 31, 2022 and for the period October 6, 2021 to December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of GEAPP as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the year December 31, 2022 and for the period October 6, 2021 to December 31, 2021, respectively, in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 GEAPP and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 US 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 GEAPP'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about GEAPP'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.

Grant Thornton LLP

New York, New York
July 5, 2023

Global Energy Alliance for People and Planet, LLC

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash	\$ 154,527,788	\$ 199,795,280
Vehicle and equipment	116,255	-
Prepaid expenses and security deposit	<u>262,513</u>	<u>-</u>
Total assets	<u><u>\$ 154,906,556</u></u>	<u><u>\$ 199,795,280</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,900,707	\$ -
Grants payable, net	<u>77,681,974</u>	<u>-</u>
Total liabilities	<u>79,582,681</u>	<u>-</u>
Net assets		
Without donor restrictions	25,262,679	199,795,280
With donor restrictions	<u>50,061,196</u>	<u>-</u>
Total net assets	<u>75,323,875</u>	<u>199,795,280</u>
Total liabilities and net assets	<u><u>\$ 154,906,556</u></u>	<u><u>\$ 199,795,280</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

Global Energy Alliance for People and Planet, LLC

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and support			
Contributions	\$ -	\$ 49,869,389	\$ 49,869,389
Net investment and other income	189,805	191,807	381,612
	<u>189,805</u>	<u>50,061,196</u>	<u>50,251,001</u>
Expenses			
Grants	154,988,463	-	154,988,463
Operations and governance	10,110,340	-	10,110,340
Program services	9,623,603	-	9,623,603
	<u>174,722,406</u>	<u>-</u>	<u>174,722,406</u>
CHANGES IN NET ASSETS	(174,532,601)	50,061,196	(124,471,405)
Net assets			
Beginning of year	<u>199,795,280</u>	<u>-</u>	<u>199,795,280</u>
End of year	<u>\$ 25,262,679</u>	<u>\$ 50,061,196</u>	<u>\$ 75,323,875</u>

The accompanying notes are an integral part of this consolidated financial statement.

Global Energy Alliance for People and Planet, LLC

CONSOLIDATED STATEMENT OF ACTIVITIES

For the period October 6, 2021 to December 31, 2021

	<u>Total</u>
Revenues	
Contributions	<u>\$ 200,000,000</u>
Total revenues	<u>200,000,000</u>
Expenses	
Program services	<u>204,720</u>
Total expenses	<u>204,720</u>
CHANGE IN NET ASSETS	199,795,280
Net assets - without donor restrictions	
Beginning of period	<u>-</u>
End of period	<u><u>\$ 199,795,280</u></u>

The accompanying notes are an integral part of this consolidated financial statement.

Global Energy Alliance for People and Planet, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended December 31, 2022 and the period October 6, 2021 to December 31, 2021

	<u>2022</u>	<u>October 6, 2021 - December 31, 2021</u>
Cash flows from operating activities		
Changes in net assets	\$ (124,471,405)	\$ 199,795,280
Adjustments to reconcile (decrease) increase in net assets to net cash		
Changes in operating assets and liabilities:		
Prepaid expenses and security deposit	(262,513)	-
Accounts payable and accrued expenses	1,900,707	-
Grants payable, net	77,681,974	-
Net cash (used in) provided by operating activities	<u>(45,151,237)</u>	<u>199,795,280</u>
Cash flows from investing activities		
Purchase of vehicle and equipment	<u>(116,255)</u>	-
Net cash used in investing activities	<u>(116,255)</u>	-
Net (decrease) increase in cash	<u>(45,267,492)</u>	<u>199,795,280</u>
Cash		
Cash, beginning of year	<u>199,795,280</u>	-
Cash, end of year	<u><u>\$ 154,527,788</u></u>	<u><u>\$ 199,795,280</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

Global Energy Alliance for People and Planet, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - ORGANIZATION

Global Energy Alliance for People and Planet, LLC (“GEAPP” or the “Company”) a Delaware limited liability company, was organized on October 6, 2021. The Company commenced operations on November 1, 2021 at the UN Climate Change Conference - COP26 Summit.

GEAPP aims to harness the full potential of green energy to create a more sustainable and equitable world. Its primary goal is ambitious but achievable: to bring reliable electricity, powered by modern renewable technologies, to a billion people by decade’s end and in doing so reduce one billion tons of greenhouse gas emissions. GEAPP’s success will empower people in developing and emerging economies with the opportunity to thrive in the 21st-century economy, and to combat our existential climate crisis.

Effective October 25, 2021, The Rockefeller Foundation (“RF”), a not-for-profit organization established under the laws of the State of New York, and Stichting IKEA Foundation (“IF”), a charitable foundation established under the laws of The Netherlands, entered into an agreement where the parties seek to catalyze a new model for green and inclusive growth and an equitable energy transition in developing and emerging economies through the creation of Global Energy Alliance for People and Planet, LLC. The Parties agreed on the proposed structure and objectives of GEAPP, which shall be incubated as a single member LLC under RF’s related public charity, RF Catalytic Capital, Inc., and managed and operated initially by RF until it is fully operationalized.

RF Catalytic Capital, Inc. (“RFCC”) is a public charity incorporated under the laws of the state of Delaware, serves as sole member of GEAPP and is affiliated through common management. RFCC’s central office is located in New York City.

GEAPP currently operates as a subsidiary of RFCC, a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization that is not a private foundation.

During 2022, GEAPP formed GEAPP UK Limited (“GEAPP Ltd.”) a service company, incorporated under the Companies Act 2006 as a private company, that is limited by shares, and with its registered offices located in England and Wales.

During 2022, GEAPP Ltd. also formed service companies: GEAPP S’Pore Pte. Limited in Singapore, GEAPP Service Co (KE) Limited in Kenya, GEAPP SA (PTY) Limited in South Africa and Hallemead (Service Company) Private Limited in India.

The accompanying consolidated financial statements include the accounts of GEAPP and its subsidiaries, including GEAPP Ltd., GEAPP S’Pore Pte. Limited, GEAPP Service Co (KE) Limited, GEAPP SA (PTY) Limited and Hallemead (Service Company) Private Limited, collectively referred to hereinafter as GEAPP.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Use of Estimates

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, (“US GAAP”) which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Global Energy Alliance for People and Planet, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

Basis of Consolidation

The accompanying consolidated financial statements include the financial statements of GEAPP which includes its subsidiaries, as described in Note 1. All significant intercompany transactions and balances have been eliminated in preparing the consolidated financial statements.

Net Asset Presentation

GEAPP reports information regarding its financial position and activities according to two classes of net assets: without and with donor restrictions.

Without donor restrictions - Consist of resources available for the general support of GEAPP operations. Net assets without donor restrictions may be used at the discretion of GEAPP's management and Board of Directors.

With donor restrictions - Consist of resources restricted by donors to be used for specific activities or at some future date, or which require GEAPP to maintain in perpetuity, including funds that are subject to restrictions or gift instruments requiring that the principal be invested in perpetuity and the income be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions.

Cash

Cash consists of cash on deposit at financial institutions.

Accounting for Uncertainty in Income Taxes

GEAPP follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

GEAPP is exempt from federal income taxation under §501(c)(3) of the Internal Revenue Code; although, GEAPP is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. GEAPP has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Management has determined that GEAPP had no uncertain tax positions that would require financial recognition or disclosure. GEAPP is subject to examinations by the applicable taxing jurisdictions for periods since its inception.

Contributions

GEAPP has adopted Financial Accounting Standards Board Accounting Standard Update (ASU) No. 2018-08, *Not for Profit Entities: Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The implementation of the provisions of the ASU for contributions received did not have a significant impact on GEAPP's consolidated financial statements. The guidance for contributions made is required to be adopted for the periods being reported.

Global Energy Alliance for People and Planet, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

ASU No. 2018-08 assists an entity evaluate whether it should account for a grant (or similar transaction) as a contribution or as an exchange transaction. The ASU also clarifies and expands the criteria for determining whether a contribution is conditional, which may delay recognition of contribution revenue (recipient) or expense (resource provider).

GEAPP has adopted the provisions of ASU 2018-08, which requires GEAPP to determine whether a transfer of assets is conditional based on whether an agreement includes a barrier(s) that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Foreign Currency

Transactions in other currencies are translated into U.S. dollars at the exchange rates in effect at the date of the transactions. Monetary assets and liabilities denominated in non-U.S. currencies are reported at the exchange rates in effect at the reporting date. Any gain or loss arising from a change in exchange rates as of the date of the transaction is included in the statement of activities. For the year ended December 31, 2022, the realized and unrealized (loss) gain, resulting from foreign exchange translations totaled \$189,805, and is included in the Net Investment and Other Income on the 2022 consolidated statement of activities.

Vehicle and Equipment

Vehicle and equipment are stated at cost at the date of acquisition. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful of the assets are five years.

Functional Allocation of Expenses

GEAPP allocates expenses on a functional basis among its various program and supporting services (captioned Operations and Governance on the statement of activities). Expenditures that are attributed to a specific program or supporting service are reported accordingly.

Program activities consist of GEAPP's work in supporting commitments in expanding sustainable energy access, creation of green jobs and to avert carbon emissions. This includes grants, direct charitable activities and program services. Supporting services consist of the CEO's office, Operations and Governance divisions.

Grants

Committed grant expenditures are considered incurred at the time of approval by GEAPP provided the grant has no specified conditions (barriers) to be met in a future period by the respective grantee. For conditional grants, the grant expenditure and liability are recognized and recorded in the accounting period when GEAPP determines that the specified conditions (barriers) have been met by the grantee. Such grant commitments are often made to a recipient over multiple fiscal years and, therefore, are recognized and measured at the present value of the expected amounts to be paid. The present value discount is determined when the grant is initially recognized utilizing an appropriate discount rate which is not subsequently revised. GEAPP amortizes grant discounts, which are recorded as additional grant expense, over the payment period of the respective grant using the straight-line method. Rescinded and refunded grants are recorded as a reduction to grant expense.

Global Energy Alliance for People and Planet, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

GEAPP maintains cash accounts at a major financial institution within the United States of America and also with a financial institution abroad. Generally, deposits are in excess of federally insured limits. Management of GEAPP monitor its cash levels, and has not experienced, nor does it anticipate, any losses with respect to its deposits.

NOTE 4 - RELATED ENTITY TRANSACTIONS

RFCC serves as the sole member of GEAPP. In addition, three employees and trustees of RF, a related foundation of both RFCC and GEAPP, also serve as officers or board members of GEAPP.

NOTE 5 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure that is, without donor or other restrictions, limiting their use, within one year of the statement of financial position date consist of:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash	\$ 154,527,788	\$ 199,795,280
Less: donor restrictions related to time or purpose	<u>(50,061,196)</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 104,466,592</u>	<u>\$ 199,795,280</u>

As part of GEAPP's liquidity management strategy, GEAPP structures its financial assets to be available as it grants payments and other general liabilities come due.

NOTE 6 - GRANTS PAYABLE, NET

GEAPP has entered into grant commitments with certain organizations. The following summarizes the changes in grants payable for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Balance, January 1	\$ -	\$ -
Grants approved	156,602,937	-
Grant payments	(77,306,489)	-
Present value discount (at rates ranging from 0.73% to 4.73%)	<u>(1,614,474)</u>	<u>-</u>
Balance, December 31	<u>\$ 77,681,974</u>	<u>\$ -</u>

At December 31, 2022, GEAPP has approximately \$48.5 million of grants awarded that have been classified as conditional grants. Certain milestones and other performance obligations stated in these awards have not yet been satisfied by the respective grantees. Accordingly, these amounts are not recognized as grants payable on the consolidated statement of financial position.

Global Energy Alliance for People and Planet, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

GEAPP's grants payable balance of \$77,681,974 for unconditional grants authorized but unpaid as of December 31, 2022 are expected to be paid as follows:

Year Ending December 31,	Total
2023	\$ 46,783,882
2024	32,512,566
Total	79,296,448
Less: present value discount	(1,614,474)
	\$ 77,681,974

NOTE 7 - PROGRAM AND OPERATING SUPPORT

Both RF and IF entered into a Memorandum of Understanding (MOU) and an operating agreement to each provide a \$500 million conditional grant for the benefit of GEAPP in achieving its objectives. To date, RF and IF have each contributed \$100 million in grant funding to RFCC for GEAPP's operations pursuant to the MOU.

As discussed above, both RF and IF have conditionally committed \$500 million to fund GEAPP's costs of launching and operationalizing its efforts to harness the full potential of green energy to create a more sustainable and equitable world, referred to as GEAPP's Power work. Pursuant to the terms of RF's commitment, amounts RF expends which are adjacent to GEAPP's Power work will serve to reduce its grant commitment to GEAPP. Accordingly, the remaining conditional grant amount to be paid to GEAPP has been reduced by RF's own grants to support the Power work, as well as administrative costs for personnel working on GEAPP's Power work. Such costs during 2022 and 2021 totaled \$17,707,430 and \$78,255,369, respectively. Accordingly, RF's remaining conditional commitment under the grant and MOU to GEAPP totals \$304,037,201 as of December 31, 2022.

In 2022 and 2021, GEAPP recognized \$0 and \$100 million, respectively, in contributions without donor restrictions from IF. During 2022 and 2021, in support of its program activities, GEAPP expended a total of \$76,336,880 and \$204,720, respectively, of the funds it received from IF. Of such expended amounts, no grants were awarded to "for-profit" organizations.

In 2022, the Bezos Earth Fund contributed \$50,000,000 in grant funding to RFCC for GEAPP's Accelerating Africa's Energy Transition Projects.

Global Energy Alliance for People and Planet, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
December 31, 2022 and 2021

NOTE 8 - EXPENSES

For the year ended December 31, 2022, GEAPP incurred expenses consisting of the following:

	Program Services			Supporting Services	2022 Total
	Grants	Program Costs	Subtotal	Operations and Governance	
Grants	\$ 154,988,463	\$ -	\$ 154,988,463	\$ -	\$ 154,988,463
Salaries and benefits	-	768,273	768,273	1,986,794	2,755,067
Legal fees	-	-	-	3,662,960	3,662,960
Accounting fees	-	-	-	104,738	104,738
Professional fees	-	8,617,287	8,617,287	3,402,532	12,019,819
Occupancy	-	-	-	203,069	203,069
Travel, conferences, and meetings	-	238,043	238,043	750,247	988,290
	<u>\$ 154,988,463</u>	<u>\$ 9,623,603</u>	<u>\$ 164,612,066</u>	<u>\$ 10,110,340</u>	<u>\$ 174,722,406</u>

For the period from October 6, 2021 to December 31, 2021, GEAPP incurred expenses consisting of the following:

	Program Costs	Operations and Governance	Total
Professional fees	<u>\$ 204,720</u>	<u>\$ -</u>	<u>\$ 204,720</u>

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

GEAPP's net assets with donor restrictions are available for the following program as of December 31, 2022:

	2022
Accelerating Africa's Energy Transition Projects	<u>\$ 50,061,196</u>

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events for disclosure and/or recognition in the accompanying consolidated financial statements through the date that the consolidated financial statements were available to be issued, which date is July 5, 2023. No additional events have occurred that would require recognition or disclosure in the accompanying consolidated financial statements other than what is disclosed in the following paragraph.

In 2022, RFCC, the sole member of GEAPP, entered into an investment management agreement with a fund manager. In February 2023, \$95,000,000 of funding related to the amounts held for GEAPP, was transferred to a money market type account to earn a market rate of return.