SIERRA CLUB FOUNDATION

Financial Statements

June 30, 2026

(With Independent Auditors' Report Thereon)

SIERRA CLUB FOUNDATION

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KPMG LLP
633 West 5th Street
Suite 4700
Los Angeles, CA 90071

Independent Auditors' Report

2101 Webster Street, Suite 1350
Oakland, California 94612
Sierra Club Foundation:

Opinion

We have audited the financial statements of Sierra Club Foundation (the Foundation), which comprise the balance sheet as of June 30, 2026, and the related statements of activities, functional expenses, and cash flows for the year ended June 30, 2026, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2026, and the results of its operations and its cash flows for the year ended June 30, 2026 in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

In performing an audit in accordance with GAAS, we:

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

KPMG LLP

Los Angeles, California
November 20, 2026

SIERRA CLUB FOUNDATION

Balance Sheet

June 30, 2026

Assets		
Cash and cash equivalents	$	16,174,311
Contributions receivable, pledges, and bequests, net		5,880,753
Contributions receivable, charitable trusts		9,558,276
Contributions receivable, other		3,591,681
Investments		127,866,325
Assets held under split-interest agreements		31,717,738
Other assets		7,101,257
Total assets	$	201,890,341
Liabilities and Net Assets		
Liabilities:		
Accounts payable	$	621,698
Grants payable		8,286,497
Liabilities under split-interest agreements		18,955,689
Lease liability		402,730
Loan guaranty liabilities		99,841
Total liabilities		28,366,455
Net assets:		
Without donor restrictions:		
Undesignated		29,948,853
Designated		43,140,516
Total without donor restrictions		73,089,369
With donor restrictions		100,434,517
Total net assets		173,523,886
Total liabilities and net assets	$	201,890,341

See accompanying notes to financial statements.

SIERRA CLUB FOUNDATION

Statement of Activities

Year ended June 30, 2026

	Without donor restrictions	With donor restrictions	Total
Revenues, gains, and other support:			
Contributions of cash and other financial assets	$ 29,899,260	48,671,293	78,570,553
Contributions of nonfinancial assets	614,864	—	614,864
Contributions related to split-interest agreements	1,045,963	33,336	1,079,299
Bequests	16,551,235	405,722	16,956,957
Total contributions	48,111,322	49,110,351	97,221,673
Net gains from investments	6,746,859	3,199,946	9,946,805
Interest and dividends	2,054,883	653,527	2,708,410
Net change in value of split-interest agreements	(469,336)	3,324,386	2,855,050
Other income	1,103,553	152	1,103,705
Net assets released from restrictions	50,892,169	(50,892,169)	—
Total revenues, gains, and other support	108,439,450	5,396,193	113,835,643
Expenses:			
Program services	85,968,068	—	85,968,068
Support services:			
Administrative	4,185,371	—	4,185,371
Fundraising	14,759,506	—	14,759,506
Total expenses	104,912,945	—	104,912,945
Change in net assets	3,526,505	5,396,193	8,922,698
Net assets, beginning of year	69,562,864	95,038,324	164,601,188
Net assets, end of year	$ 73,089,369	100,434,517	173,523,886

See accompanying notes to financial statements.

SIERRA CLUB FOUNDATION

Statement of Functional Expenses

Year ended June 30, 2026

	Program services	Support services			Total
		Administrative	Fundraising	Subtotal	
Grants	$ 85,583,795	—	—	—	85,583,795
Reimbursement for fundraising services	—	—	12,940,000	12,940,000	12,940,000
Fundraising – other	—	—	736,342	736,342	736,342
Salaries	175,487	1,939,127	5,315	1,944,442	2,119,929
Employee benefits and taxes	43,932	596,946	1,611	598,557	642,489
Professional services	14,881	1,093,460	—	1,093,460	1,108,341
Rent	11,487	114,672	196	114,868	126,355
Board of directors meetings	—	25,332	—	25,332	25,332
Office equipment and supplies	6,527	17,410	37	17,447	23,974
Software and hosting services	—	—	1,075,481	1,075,481	1,075,481
Depreciation	837	8,360	14	8,374	9,211
Travel	17,010	165,226	283	165,509	182,519
Insurance	10,314	102,969	176	103,145	113,459
Bank charges	—	30,499	—	30,499	30,499
Printing and copying	776	3,086	6	3,092	3,868
Regulatory compliance fees	—	17,582	—	17,582	17,582
Postage and shipping	78	777	1	778	855
Publications	27	44,620	—	44,620	44,647
Miscellaneous	102,917	25,304	44	25,348	128,265
	$ 85,968,068	4,185,371	14,759,506	18,944,877	104,912,945

See accompanying notes to financial statements.

SIERRA CLUB FOUNDATION

Statement of Cash Flows

Year ended June 30, 2026

Cash flows from operating activities:		
Change in net assets	$	8,922,698
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation		9,211
Contributions of investment securities and noncash gifts		(3,706,421)
Contributions restricted for long-term investment		(25,927)
Net gains from investments		(9,946,805)
Change in net value of split-interest agreements		1,203,689
Noncash loan guaranty expense, net		99,841
Changes in operating assets and liabilities:		
Contributions receivable, net		(1,639,888)
Other assets		1,196,941
Accounts payable		377,366
Grants payable		(859,986)
Change in operating lease liability		298,734
Net cash used in operating activities		(4,070,547)
Cash flows from investing activities:		
Proceeds from sale of investments		34,621,289
Purchase of investments		(27,673,062)
Net cash provided by investing activities		6,948,227
Cash flows from financing activities:		
Proceeds from contributions from split-interest agreements		71,215
Payments on split-interest agreements		(1,599,223)
Contributions restricted for long-term investment		25,927
Net cash used in financing activities		(1,502,081)
Net change in cash and cash equivalents		1,375,599
Cash and cash equivalents		14,798,712
Cash and cash equivalents	$	16,174,311
Supplemental Cash and Cash Equivalent Disclosure:		
Unrestricted cash and cash equivalents	$	14,827,051
Cash held in investment accounts pending investment		1,347,260
Total cash and cash equivalents	$	16,174,311

See accompanying notes to financial statements.

(1) Nature of Operations

The mission of Sierra Club Foundation (the Foundation) is to promote efforts to educate and empower people to protect and improve the natural and human environment. The Foundation primarily fulfills its mission through fiscal sponsorship of Sierra Club's charitable programs, including those of its state and local affiliates.

The Foundation retains variance power, as defined by accounting principles generally accepted in the United States of America (U.S. GAAP), over all charitable funds it receives and, as such, directs grants to Sierra Club and other organizations that will best fulfill the Foundation's charitable mission. For grants to Sierra Club, as fiscal sponsor, the Foundation exercises control and discretion over reimbursement of project expenditures as defined in Internal Revenue Service (IRS) regulations.

Grants are provided to organizations to support charitable, educational, scientific, and legal endeavors. The Foundation provides limited support for lobbying activities as permitted by Section 501(h) of the Internal Revenue Code. No support is provided for political activities.

(2) Basis of Presentation and Summary of Significant Accounting Policies

These financial statements, which are presented on the accrual basis of accounting in accordance with U.S. GAAP, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor imposed restrictions.

Net assets and changes therein are classified as follows:

Net assets without donor restrictions – Net assets not subject to donor imposed restrictions. It is the policy of the Foundation to designate donor gifts without restriction at the discretion of the board of directors. The board of directors has designated certain net assets without donor restrictions primarily for the following uses:

Designated for geographic and other program expenditures – Funds available for regional, local, and other programs throughout the United States

Designated for gift annuity payments – Funds available for beneficiary payments to meet the obligation under gift annuity contracts

Designated for endowment – Gifts without donor restrictions designated by the board of directors to provide long-term support for specific programs

Designated for donor-advised granting – Funds designated for donor-advised grants are available for distribution upon recommendation by the donor

Net assets with donor restrictions – Net assets subject to donor imposed stipulations that will be met by actions of the Foundation and/or the passage of time. When a donor-stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Net assets with donor restrictions also include endowments and other funds subject to donor-imposed stipulations requiring that they be maintained permanently by the Foundation. The income from these assets is available for either general operations or specific programs as specified by the donor.

(Continued)

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor imposed restrictions, if any, on the contributions.

Contributions of gifts in-kind, including investment securities, are recorded as revenue at their estimated fair value in the period received. Contributions are recorded as support without donor restrictions unless the donor has stipulated the period the asset is to be used, in which case, the contribution is recorded as support with donor restrictions.

Program services expenses are primarily grants to Sierra Club as the Foundation fulfills its fiscal sponsorship of Sierra Club's charitable environmental programs. Grants are the means through which the Foundation achieves its mission to "protect and improve natural and human environment."

(a) Cash and Cash Equivalents

Cash and cash equivalents consist of funds in checking accounts and money market demand accounts with an original maturity of three months or less. These accounts are at financial institutions that are Federal Deposit Insurance Corporation insured up to $250,000. The balance in excess of insurance limits at June 30, 2026, is $14,970,625. The Foundation may draw on these deposits and funds at any time.

(b) Investments

Investments in marketable equity securities and all debt securities are reported at fair value. Investments in alternative investments, such as hedge funds, limited liability companies, and limited partnerships, are also reported at net asset value (NAV) as estimated by management based upon information provided by the general partner. The Foundation may temporarily hold cash and cash equivalents for investing purposes and treats these amounts as investments based on the Foundation's policy.

(c) Split-Interest Agreements

The Foundation enters into split-interest agreements in the form of gift annuities, trusts, and pooled income funds. The donated assets are held by the Foundation and invested. Payments are made to the donor or the donor's designee for a specified period of time or until the beneficiary's death, after which time the Foundation may use the remaining funds for operations or a restricted use specified by the donor. The donated trust asset investments are recorded at current fair value or at an estimated fair value based on the latest available information. The Foundation utilizes an IRS-approved annuity table to actuarially calculate the liability associated with the estimated donor payments under these

arrangements. The present value of the actuarially determined liability resulting from these gifts is recorded at the date of gift and adjusted annually thereafter. The resulting liability is reported in the balance sheet as “liabilities under split-interest agreements”, and the net change is reported in the statement of activities as “net change in value of split-interest agreements”.

(d) Grants

Grants are made by the Foundation for programs preapproved by the board of directors and are not recorded as expense until prescribed conditions are met.

(e) Functional Expense Allocation

The allocation between program and support expenses is based on the assignment of payroll, related personnel costs, occupancy, and other office expenses using estimates of time spent on program versus fundraising or administrative activities, as well as direct assignment of certain expenses to relevant activities.

(f) Use of Estimates

Management of the Foundation has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with U.S. GAAP. Actual results could differ from those estimates.

(g) Tax-Exempt Status

The Foundation has been recognized by the IRS as an organization that is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and has been recognized by the California Franchise Tax Board as an organization that is tax-exempt under Section 23701(d) of the Revenue and Taxation Code of the State of California and is not generally subject to state or federal taxes on income. In addition, the IRS has determined that the Foundation is a public charitable organization as defined in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code, and thus, the Foundation is exempt from the excise tax on investment income.

(h) Uncertainty in Income Taxes

The Foundation is subject to income taxes in the United States and California on unrelated business income. The Foundation has identified and evaluated its significant tax positions for which the statute of limitations remains open and determined there is no material unrecognized benefit or liability to be recorded. The Foundation’s federal returns are currently open under the statute of limitations for the year ended December 31, 2023, and subsequent years, and California returns are open for the year ended December 31, 2022, and subsequent years. The Foundation does not anticipate that there will be any material changes in the unrecognized tax positions over the next 12 months. There have been no related tax penalties or interest classified as a tax expense in the statement of activities.

(i) Guaranties

At the inception of a guaranty, the Foundation recognizes a liability for the fair value of its stand-ready obligation in accordance with ASC 460, Guarantees. For guaranties subject to ASC 326, Financial Instruments—Credit Losses, the Foundation separately recognizes a liability for expected credit losses associated with its off-balance-sheet credit exposure. The stand-ready obligation is subsequently

reduced as the Foundation is released from risk, while expected credit losses are reassessed at each reporting date.

(3) Contributions Receivable, Pledges, and Bequests, Net

Contributions receivable, pledges, and bequests, net consist of the following as of June 30, 2026:

Receivable due in less than one year	$	4,820,325
Receivable due in one to five years		1,272,127
Total contributions receivable		6,092,452
Less:		
Amount representing discount (6.75% - 7.50% in 2026)		(211,699)
Contributions receivable, pledges, and bequests, net	$	5,880,753

Contributions receivable expected to be collected beyond one year are discounted to their present value using discount rates established at the time the unconditional promises to give are initially recognized. The discount rates applied to outstanding contributions receivable as of June 30, 2026, ranged from 6.75% to 7.50%, depending on the year in which the pledges were initially recognized**.**

Management evaluates the collectability of unconditional promises to give based on historical collection experience, donor-specific facts and circumstances, payment history, current economic conditions, and other relevant factors. Based on this evaluation, management determined that no allowance for uncollectible contributions was necessary as of June 30, 2026.

There were no conditional contributions received for the year ended June 30, 2026.

(4) Contributions Receivable, Charitable Trusts

Contributions receivable, charitable trusts, consist of the following as of June 30, 2026:

Receivable due in greater than five years	$	9,558,276
Contributions receivable, charitable trusts	$	9,558,276

Management evaluates the collectability of contributions receivable from charitable trusts based on the terms of the trust agreements, the financial condition of the underlying trusts, expected distributions, and other relevant factors. Based on this evaluation, management determined that no allowance for uncollectible contributions was necessary as of June 30, 2026.

For the year ended June 30, 2026, the change in beneficial interest in charitable trusts held by third parties classified as Level 3 fair value measurements is as follows:

Beginning balance	$	8,740,793
Change in value of beneficial interest		1,194,310
Payouts/distributions received		(376,827)
Ending balance	$	9,558,276

The Foundation values trusts using a discounted cash flows technique. The following table summarizes the significant unobservable inputs the Foundation used to value trusts categorized as Level 3 assets as of June 30, 2026:

Trust name		Fair value of beneficial interest	Unobservable inputs	Quantitative data
Remainder Trust A	$	9,146,943	Discount rate	7 %
			Life expectancy	17.20 years
			Payout rate	5 %
All other trusts		411,333	Discount rate	7 %
			Life expectancy	6.2–48.4 years
			Payout rate	4.5%–9%
	$	9,558,276		

(5) Contributions Receivable, Other

Contributions receivable, other consist of the following as of June 30, 2026:

Receivable due in less than one year	$	3,591,681
Contributions receivable, other	$	3,591,681

Contributions receivable, other consist of contributions from various donors, including individuals, corporations, and foundations, that were recognized as revenue during the year ended June 30, 2026, but had not been collected as of year-end. These contributions were subsequently collected after June 30, 2026.

(6) Investments

Accounting Standards Codification Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1

measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 – Inputs are quoted prices in active markets for identical investments that the Foundation has the ability to access at the measurement date.
- Level 2 – Inputs are inputs other than quoted prices within Level 1 that are observable for the investment, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 – Unobservable inputs for the investment, including estimates by partnership managers based on the best information available.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety.

For the valuation of mutual funds, domestic fixed income investments, domestic and international equity investments, the Foundation used quoted prices in principal active markets for identical assets as of the valuation date.

For the valuation of municipal bonds, U.S. government/agency securities, international equity, and certain limited partnership and limited liability company investments, the Foundation used significant other observable inputs, particularly dealer or quoted market prices for comparable investments as of the valuation date. For the valuation of hedge funds, certain limited partnerships, certain limited liability companies, and real estate investments, the Foundation used NAV as a practical expedient to estimate the fair value.

Investments in partnerships and limited liability companies that do not have readily available market values are stated at estimated fair value. These investments include a diverse range of vehicles, including private equity, long-short equity funds, absolute return funds, and real estate. The valuation of these investments is based on the most recent NAV provided by the general partner, usually as of June 30th. However, the recorded value may differ from the market value had a readily available market existed for such investments, and those differences could be material.

Investment transactions are recorded on trade date, which may result in both investment receivables and payables on unsettled investment trades; however, there were no such transactions as of June 30, 2026. Gains and losses on investments resulting from market fluctuations are recorded in the statement of activities in the period that such fluctuations occur. Realized and unrealized gains or losses on sales of investments are calculated on an adjusted cost basis and included within net gains from investments on the statement of activities.

One of the Foundation’s private equity holdings, Greenbacker, entered into acquisition discussions with MN8 early in 2026. These negotiations led to Greenbacker suspending valuing at NAV effective May 1, 2026, and stating that no updated NAV per-share value would be made available after the suspension. Because an updated June 30 NAV was unavailable, management evaluated other available market-participant evidence in determining fair value under ASC 820.

Although the merger agreement was not executed or publicly announced until July 2026, the subsequently filed Form S-4 documents that significant valuation information existed at June 30. Management considered this information, together with the transaction process already underway, in assessing the relevance of the transaction-based indication to the investment's June 30 fair value. Based on this information, management concluded that the transaction-based value of $1.71 per Class P-I share represented the most relevant available evidence of fair value as of June 30, 2026. Applying the $1.71 per-share value to the Foundation's 414,857.387 Class P-I shares resulted in a fair value of approximately $709,406, which is classified within Level 2 of the fair value hierarchy.

The following tables present investments that are measured at fair value on a recurring basis:

		Fair value measurements at June 30, 2026		
Description	**Total fair value as of June 30, 2026**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant other unobservable inputs (Level 3)**
Mutual funds:				
Domestic equity	$ 14,057,665	$ 14,057,665	—	—
International equity	16,493,956	16,493,956	—	—
Bonds	6,383,158	6,383,158	—	—
U.S. government and government agency securities	8,420,130	—	8,420,130	—
Municipal bonds	485,918	—	485,918	—
Domestic fixed income	11,217,585	—	11,217,585	—
Domestic equity	34,475,803	34,475,803	—	—
International equity	12,403,176	—	12,403,176	—
Sustainable energy business equity	709,406	—	709,406	—
Subtotal investments at fair value	104,646,797	$ 71,410,582	33,236,215	—
Alternative investments valued at NAV	23,219,528			
Total	$ 127,866,325			

(Continued)

The following tables present the Foundation's investments measured at net asset value as of June 30, 2026:

Description	Balance as of June 30, 2026	Unfunded commitments	Redemption frequency	Redemption notice period
Limited liability company (i)	$ 12,674,467	—	Quarterly	30 days
Limited partnership (ii)	48,163	251,420	Nonredeemable	—
Limited partnership (iii)	488,624	—	Quarterly	90 days
Limited partnership (iv)	4,124,782	178,755	Nonredeemable	—
Limited liability company (v)	1,115,251	762,688	Nonredeemable	—
Limited liability company (vi)	598,418	629,750	Nonredeemable	—
Limited partnership(vii)	2,376,887	—	Quarterly	30 days
Limited liability company (viii)	1,416,258	101,358	Nonredeemable	—
Limited partnership (ix)	376,678	96,429	Nonredeemable	—
Total	$ 23,219,528	2,020,400		

(i) Limited liability company includes a long-term only investment management strategy to generate excess returns with integration of sustainability research within a rigorous fundamental equity analysis framework.

(ii) Limited partnerships in this category are long-term, multimanager investment partnerships employing globally diversified private investment strategies, including buyout, growth capital, and secondary market interests. Some partnerships will terminate after all holdings are liquidated, but no later than 15 years after the start of the partnerships.

(iii) Limited partnership that invests in start-up companies with the potential to reduce GHG emissions by 1 gigaton (CO_2 equivalents) per year.

(iv) This hedge fund invests in long/short equity with a focus on renewable energy solutions.

(v) Limited liability company that is invested in healthcare, energy, and the financial services sectors.

(vi) Limited liability company that invests at the intersection of alpha + inclusion + sustainability.

(vii) Limited partnership energy company that acquires and manages income-generating energy efficiency projects, and other energy-related businesses, as well as finances the construction and/or operation of these and sustainable businesses. The Foundation accounted for the investment under the equity method of accounting, which approximates the investments' net asset value.

(viii) Limited liability company that uses project finance to accelerate the growth of sustainable companies in food, water, waste, energy and transportation.

(ix) Limited partnership that invests in technology-based manufacturing companies to increase their international sales (exports), creating clean, quality jobs of the future in the US.

(Continued)

Investment management fees and performance allocations of $495,175 for the year ended June 30, 2026, have been included as a reduction of interest and dividends revenue in the statement of activities or, in the case of a hedge fund performance allocation, as a reduction in net gains from investments.

(7) Assets Held under Split-Interest Agreements

The fair values of assets held under split-interest agreements consist of the following as of June 30, 2026:

Description	Total	Fair value measurements at June 30, 2026: In active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
Cash and cash equivalents	$ 1,027,104	1,027,104	—	—
Mutual funds:				
Domestic equity	10,692,905	10,692,905	—	—
International equity	7,191,084	7,191,084	—	—
Real estate	3,711,818	3,711,818	—	—
Domestic bonds	7,163,312	7,163,312	—	—
International bonds	818,612	818,612	—	—
U.S. government and government agency securities	—	—	—	—
Interest in perpetual trusts	1,082,604	—	—	1,082,604
Cash surrender value of life insurance policies	30,299	—	30,299	—
Total	$ 31,717,738	30,604,835	30,299	1,082,604

For the valuation of mutual funds, the Foundation used quoted prices in principal active markets for identical assets as of the valuation date.

For the valuation of cash surrender value of life insurance policies, the Foundation used significant other observable inputs, including dealer market prices for comparable investments and life insurance company surrender value estimates as of the valuation date.

For the valuation of interests in perpetual trusts, the Foundation used significant other unobservable inputs, primarily trustee valuations.

(Continued)

The following table presents the Foundation's activities for assets held under split-interest agreements measured at fair value on a recurring basis, all of which are valued using significant unobservable inputs (Level 3) for the year ended June 30, 2026:

	Fair value measurements (Level 3)
Beginning balance	$ 1,028,353
Total net gains included in changes in net assets	54,251
	$ 1,082,604

(8) Liabilities under Split-Interest Agreements

The Foundation has liabilities associated with a variety of gift agreements including pooled income funds, annuities, and charitable remainder trusts. The Foundation has recorded its estimated remainder interest in the value of the split-interest agreements, discounted at various rates, as contribution revenue in the year of the gift. The difference between the fair value of trust assets and the contribution revenue is recorded as a liability under split-interest agreements and is updated annually based on life expectancies and quoted market prices, discounted at risk-adjusted rates. For charitable gift annuities payable, a liability, which is a general obligation of the Foundation, is recorded for the present value of estimated annuity payments, discounted at various rates ranging from 2% to 7%, and is updated annually.

As of June 30, 2026, $678,299 is recorded within liabilities under split-interest agreements related to charitable gift annuities held in the state of Washington.

(9) Net Assets without Donor Restrictions

Net assets without donor restrictions are designated by the board of directors for the following purposes as of June 30, 2026:

Geographic and other program expenditures	$ 26,098,840
Gift annuity payments	14,905,212
Board-designated endowment	1,940,965
Donor-advised granting	195,499
Total designated net assets without donor restrictions	$ 43,140,516

The Foundation's undesignated net assets without donor restrictions were $29,948,853 as of June 30, 2026.

(10) Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2026:

Time restrictions:		
Trusts	$	26,821,013
Life insurance policies		46,279
Pledges contribution receivable		2,911,270
Other contribution receivable		1,253,783
Total time restrictions		31,032,345
Program restrictions:		
National climate, clean energy, and lands protection		8,738,370
Outings and outdoor environment education		1,358,844
Environmental law		7,819,698
Geographic and other		7,587,937
Total program restrictions		25,504,849
Endowments:		
Endowments to be held in perpetuity		27,773,934
Endowments income and appreciation		12,390,911
Term and other		815,947
Total endowments		40,980,792
Charitable trusts and gift annuities to be held in perpetuity		2,916,531
Total net assets with donor restrictions	$	100,434,517

Net assets with donor restrictions were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donor.

Purpose restrictions fulfilled	$	48,818,219
Time restrictions expired:		
Endowment spending allocation		2,050,167
Terminated trusts		23,783
		2,073,950
	$	50,892,169

(Continued)

(11) Liquidity and Availability of Financial Assets

The Foundation's financial assets available for general expenditure within one year of the balance sheet date are as follows:

Cash and cash equivalents	$	16,174,311
Contributions receivable		19,030,710
Investments		127,866,325
Total financial assets		163,071,346
Less:		
Restricted by donors for programs		(25,504,849)
Donor-restricted endowments		(40,980,792)
Donor-restricted charitable gift annuities and perpetual trusts		(1,104,278)
Designated net assets		(43,140,516)
Illiquid portion of investments		(7,679,550)
Restricted receivables and unrestricted contributions due in greater than one year		(16,018,833)
Financial assets available to meet cash needs for general expenditures within one year	$	28,642,528

The Foundation's liquidity management includes a policy of structuring its financial assets to be available to meet its grant-making and general expenditures, liabilities, and other obligations as they come due. Cash and cash equivalents, as reported on the balance sheet at June 30, 2026, are the primary liquid resources used by the Foundation to meet these obligations. Financial assets invested in long-term investments can be liquidated within one year with the exception of $7,679,550, or 6%, held in illiquid investments, as of June 30, 2026 (Note 6). The Foundation's board-designated net assets include donor-advised funds and funds designated for specific programs or geographic regions that, while the board of directors does not intend to spend for purposes other than those identified, could be spent for operations, if necessary.

(12) Endowments

The board of directors of the Foundation has interpreted the California Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The Foundation has a policy of appropriating for distribution each year 5% of its endowment funds' average fair value over the prior three years (excluding those funds with deficiencies due to unfavorable market fluctuations and subject to adjustment under specific circumstances). In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at a rate exceeding expected inflation. This is consistent with the organization's objective to maintain the purchasing power of

the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds.

Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to provide investment growth in excess of annual payments. Actual returns in any given year may vary from this goal. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Foundation's endowment consists of approximately 58 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and endowment funds without donor restrictions, and funds designated by its board of directors to function as endowments. Net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment net asset composition by type of fund as of June 30, 2026, is as follows:

		Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds	$	—	40,980,792	40,980,792
Board-designated endowment funds		1,940,965	—	1,940,965
Total endowment funds	$	1,940,965	40,980,792	42,921,757

(Continued)

Changes in endowment net assets for the year ended June 30, 2026, is as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, beginning of period	$ 1,850,885	39,110,656	40,961,541
Investment return:			
Investment income	31,843	653,523	685,366
Net appreciation	153,396	3,145,694	3,299,090
Total investment return	185,239	3,799,217	3,984,456
Contributions	—	25,927	25,927
Appropriation of endowment assets for expenditure	(95,159)	(1,955,008)	(2,050,167)
Endowment net assets, end of period	$ 1,940,965	40,980,792	42,921,757

Description of amounts classified as net assets with donor restrictions (endowment only) as of June 30, 2026, is as follows:

The portion of endowment funds that is required to be retained in perpetuity either by explicit donor restriction or by UPMIFA	$ 27,773,934
The portion of endowment funds that is subject to purpose or time restrictions	13,206,858
Total endowment funds with donor restrictions	$ 40,980,792

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no retention deficiencies as of June 30, 2026.

(13) Lease Obligations

The Foundation has a sublease, classified as an operating lease, with Sierra Club in Oakland, California, effective May 1, 2016. The lease liability is measured at the present value of the unpaid lease payments upon inception. The lease liability is subsequently measured at amortized cost using the effective-interest method.

The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received. The ROU asset is subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The components of lease expense for the year ended June 30, 2026:

Operating lease expense	$	131,801

Amounts reported on the balance sheet as of June 30, 2026, were as follows:

Operating lease ROU asset	$	397,213
Operating lease liabilities		402,730

The ROU asset is classified under other assets in the balance sheet as of June 30, 2026.

Supplemental cash flow information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Cash used in operations for operating leases	$	127,566
Weighted average remaining lease term:		
Operating leases		3.083 years
Weighted average discount rate:		
Operating leases		3.43%

The future minimum lease payments under operating leases having remaining terms in excess of one year are as follows as of June 30, 2026:

Fiscal year:		
2027	$	133,703
2028		137,614
2029		142,109
2030		11,874
Total undiscounted lease payments		425,300
Less: Imputed interest		(22,570)
Present value of operating lease liabilities	$	402,730

(14) Transactions with Related Parties

The Foundation considers members of the board of directors, corporate officers, key employees, and their immediate family members to be related parties. For the year ended June 30, 2026, contributions from related parties included in revenue totaled $270,966. There were no contributions receivable from related parties as of June 30, 2026.

(15) Transactions with the Sierra Club and its Chapters

The Foundation had the following transactions with the Sierra Club and its chapters (Sierra Club):

- In accordance with a contract between the Foundation and the Sierra Club, the Foundation incurred $12,940,000 to reimburse Sierra Club for fundraising expenses for the year ended June 30, 2026.
- In accordance with the terms of the fiscal sponsorship relationship and an agreement between the Foundation and Sierra Club regarding the use of software hosting services, the two organizations share the use of the software hosting services, and Sierra Club reimburses the Foundation for the portion of the use that is not for qualified charitable expenditures. During the year ended June 30, 2026, Sierra Club paid $1,075,481 for the software services.
- The Foundation receives certain gifts and makes grants on an advisory basis to the Sierra Club and its chapters and groups. The Foundation made grants to the Sierra Club National Programs of $52,095,553 for the year ended June 30, 2026, and to the Sierra Club chapters of $18,201,466 for the year ended June 30, 2026.
- Accounts receivable from the Sierra Club are $71,127 as of June 30, 2026, related to certain contributions the Sierra Club has processed on the Foundation's behalf included in other assets in the balance sheet.
- Grants payable to the Sierra Club were $8,286,497 as of June 30, 2026, which are all due within one year from the respective year-end.
- Foundation employees who started prior to April 1, 2013 participate in Sierra Club's Employee Benefit Plan, a contributory defined-benefit plan that covers substantially all of its employees. The benefits are based on years of service and the employee's compensation history. Employees are eligible to participate and become vested after two years of service. Employee benefit plan expense was $65,969 for the year ended June 30, 2026.
- Substantially all the Foundation's employees are eligible to participate in Sierra Club's health, dental, and vision benefits plans. The Foundation paid $350,500 for the year ended June 30, 2026, for these benefits on behalf of its employees.

(16) Gift Annuities

The Foundation maintains a separate account as a reserve fund adequate to meet the future payments under all outstanding gift annuity agreements. The funds, recorded in investments on the balance sheet, are held by a broker custodian and are managed by professional investment managers. Investments are made in securities with readily determinable fair values and debt securities (all Level 1), all of which are measured at fair value.

(17) 403(b) Defined-Contribution Plan

The Foundation has a 403(b) defined-contribution plan, which covers substantially all employees who meet certain minimum requirements. The Foundation matches 100% of employee contributions up to 5% of eligible compensation and provides a non-elective contribution for employees hired after April 1, 2013. Foundation contributions to the plan for matching non-elective contributions totaled $81,688 for the year ended June 30, 2026.

(Continued)

(18) Contributed Nonfinancial Assets

For the year ended June 30, 2026, the contributed nonfinancial assets recognized within the statement of activities included:

Software licensing discounted price	$	614,864

The software licensing discount is calculated by deducting the nonprofit listing price from the fair market value. This value is estimated using the vendor's standard discount percentages. The licensing discount did not have donor-imposed restrictions. The nonprofit software discount was for the Foundation's donor database and grants management system.

(19) Commitments and Contingencies

On September 29, 2025, the Foundation entered into a limited guaranty in favor of Invest Appalachia Fund, LLC in connection with a $2,000,000 loan to Solar Holler Holdings, PBC. The Foundation's maximum potential obligation under the guaranty is $525,000. The guaranty has a six-year term. Invest Appalachia is required to exhaust its rights and remedies against Solar Holler and the collateral securing the loan before seeking payment from the Foundation. Solar Holler has pledged the entirety of its Accounts Receivable, Inventory, and Solar Renewable Energy Credits as collateral. This level of collateral significantly reduces the Foundation's risk of its guaranty being called upon. The Foundation maintains sufficient liquidity to satisfy the maximum guaranty obligation.

At June 30, 2026, the Foundation had recognized an ASC 460 stand-ready guaranty liability of approximately $51,000 and an ASC 326 liability for expected credit losses of approximately $49,000. The stand-ready guaranty liability was derived using a previous standby letter of credit for another investment as a baseline cost. A discount rate of 7% was used as the standard investment rate guideline under federal OMB Circular A-94 for business impact analyses. The expected credit loss estimate reflects management's assessment of Solar Holler's credit condition, payment history, outstanding loan balance, borrower collateral, expected recoveries, remaining guaranty term, and relevant economic conditions. The model utilized a probability weighted outcome considering liquidity, forecasts, financial condition, remaining exposure period, and economic and industry considerations. Solar Holler has not missed any interest payments on the underlying loan since inception through June 30, 2026, and there have been no claims on the Foundation's guaranty over this period.

(20) Subsequent Events

The Foundation has evaluated subsequent events from the balance sheet date through November 20, 2026, the date at which the financial statements were available to be issued.