



Green Climate Fund

Audited Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024



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APPROVAL OF THE FINANCIAL STATEMENTS

DECISION B.42/01

The Board, having considered document GCF/B.42/08/Rev.01 titled “Audited financial statements of the Green Climate Fund for the year ended 31 December 2024”:

Approves the audited financial statements of the Green Climate Fund for the year ended 31 December 2024 as contained in annex II to document GCF/B.42/08/Rev.01.

OVERVIEW OF FINANCIAL RESULTS

The Financial Statements for the Green Climate Fund (“GCF” or the “Fund”) have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The Financial Statements are presented in US dollars, which is GCF’s reporting and functional currency. Unless otherwise indicated, the figures are rounded to the nearest thousand.

FINANCIAL PERFORMANCE

Figure 1: Summary of Financial Performance for 2024

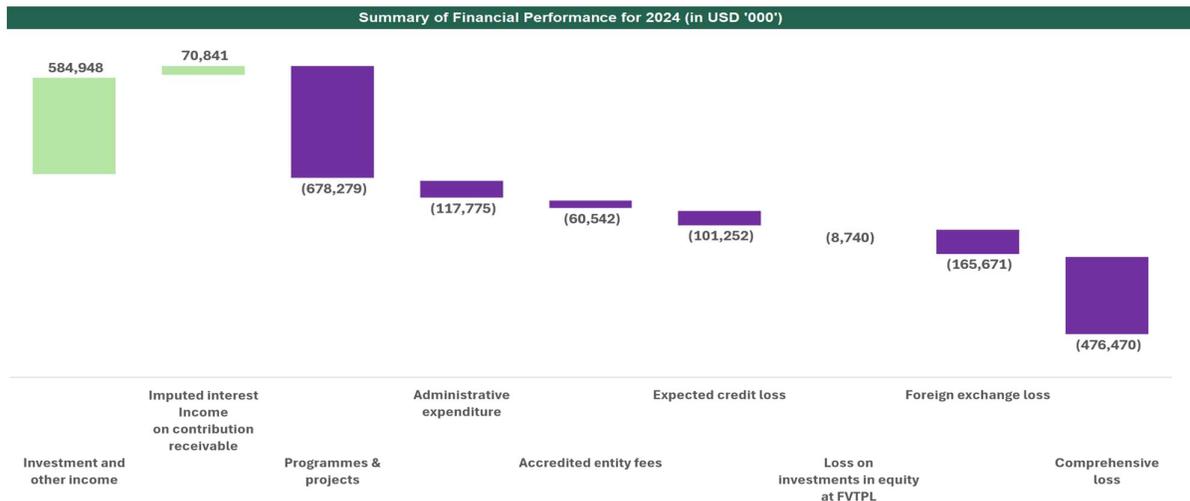


Table 1: Comparison of Financial Performance for 2024 and 2023

Comparison Financial Performance for 2024 and 2023 (in USD '000')

	2024	2023	Change	% change
Income	655,789	495,253	160,537	▲ 32%
Programmes & Projects	(678,279)	(627,174)	(51,105)	▲ 8%
Operational Expenses	(178,317)	(149,093)	(29,225)	▲ 20%
Other Expenses	(275,663)	212,111	(487,774)	▼ -230%
Comprehensive loss	(476,470)	(68,903)	(407,567)	▲ 592%

During the year, the Fund retrospectively applied a voluntary change in accounting policy with respect to the accounting and presentation of Contributions under IAS 32 Financial Instruments: Presentation.

As part of this change, GCF reclassified contributions, whether in the form of grants or capital, as equity rather than income, ensuring that the financial statements more accurately reflect the organization’s equity structure and funding sources, distinguishing them from income generated through operational activities.

This change presents cumulative contributions as ‘contributed resources’ in the statement of financial position and removes ‘income from contributors’ from the statement of profit or Loss and other comprehensive income.

OVERVIEW OF FINANCIAL RESULTS *(Continued)*

FINANCIAL PERFORMANCE *(Continued)*

Additionally, the Fund also adopted the approach to measure and recognize the contribution receivable under *IFRS 9 Financial Instruments*. Previously, contribution receivable was initially recognized at par value and subsequently measured at fair value, determined by discounting expected future cash flows using appropriate discount rates that reflect the duration and credit risk of the issuer, at the end of each reporting date. Accordingly, the Fund has retrospectively restated where contribution receivable is measured at amortized cost using the effective interest method at the end of each reporting period. This change also entails presenting 'other expenses' in the statement of profit or loss and other comprehensive income and 'contributed resources' and 'accumulated comprehensive loss' in the statement of financial position.

Income

Table 2: Summary of Income for 2024 and 2023

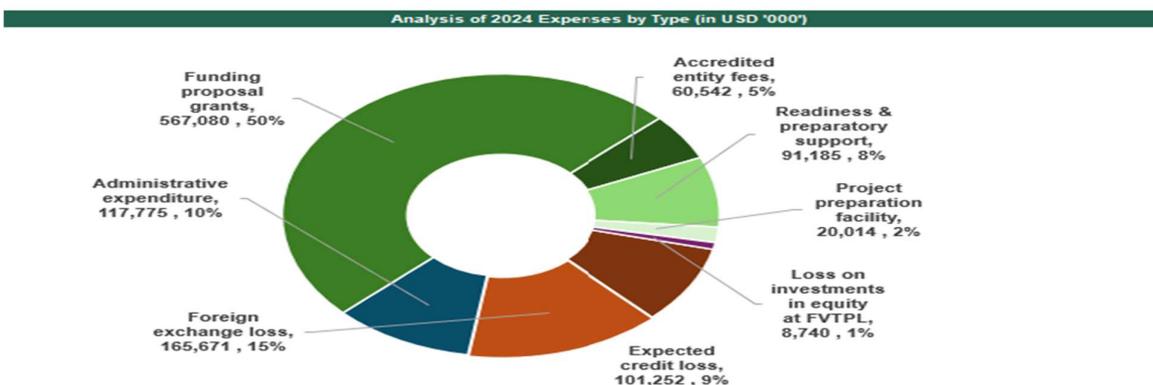
Comparison of GCF's 2024 and 2023 Income (in USD '000')				
	2024	2023	Change	% change
Investment income	554,332	431,488	122,844	▲ 28%
Loan interest	21,784	8,722	15,062	▲ 224%
Other income	8,832	22,866	(13,833)	▼ -81%
Imputed Interest Income on contribution receivable	70,841	34,379	36,462	▲ 106%
Total Income	655,789	495,253	160,536	▲ 32%

Expenses

Table 3: Summary of Expense for 2024 and 2023

Summary of GCF's Expenses in 2024 and 2023 (in USD '000')				
	2024	2023	Change	% change
Funding Proposal Grants	567,080	543,507	23,573	▲ 4%
Accredited Entity Fees	60,542	46,219	14,323	▲ 31%
Readiness & Preparatory Support	91,185	80,792	10,393	▲ 13%
Project Preparation Facility	20,014	2,875	17,139	▲ 598%
Administrative Expenditure	117,775	102,874	14,901	▲ 14%
Expected credit loss	101,252	2,661	98,591	▲ 3708%
Foreign exchange loss/(gain)	165,671	(232,174)	397,845	▼ -171%
Loss on investments in equity at FVTPL	8,740	17,402	(8,662)	▼ -50%
Total Expenses	1,132,259	564,156	568,103	▲ 101%

Figure 2: Analysis of 2024 Expenses by Type for 2024



OVERVIEW OF FINANCIAL RESULTS *(Continued)*

FINANCIAL POSITION

Figure 3: Summary of Financial Position as of 31 December 2024



Table 4: Summary of Financial Position as of 31 December 2024 and 31 December 2023

Summary of GCF's Financial Position in 2024 and 2023 (in USD '000')

	2024	2023	Change	% change
Total Assets	16,156,436	14,421,185	1,735,250	▲ 12%
Total Liabilities	(929,490)	(818,266)	(111,223)	▲ 14%
Total Equity	15,226,946	13,602,919	1,624,027	▲ 12%

As of 31 December 2024, the Trust Fund account has accumulated notional amounts of USD 19.6 billion since its inception. This includes USD 8.1 billion from the Initial Resource Mobilization period, USD 9.1 billion from the first replenishment period, and USD 2.4 billion from the second replenishment period.

The funds in cash grant and promissory note through the Trust Fund account for the year ended 31 December 2024 and 2023 are detailed below. These amounts have not been discounted to present value, consistent with the presentation format used in the Trustee Report, which is provided for informational purposes.

Table 5: Summary of Funds Received in 2024 and 2023

Summary of GCF's Cash Contributions Received in 2024 and 2023 (in USD '000')

	2024	2023	Change	% change
Notional amounts	2,133,172	3,007,444	-874,272	▼ -29%

OVERVIEW OF FINANCIAL RESULTS *(Continued)*

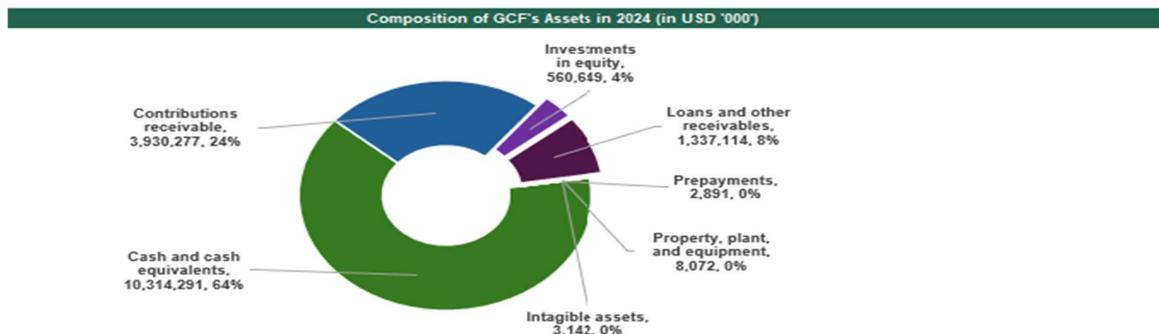
FINANCIAL POSITION *(Continued)*

Assets

Table 6: Changes in Assets over 2024

Summary of GCF's Assets in 2024 and 2023 (in USD '000')					
	2024	2023	Change		% change
Cash and due from banks	10,314,291	8,907,649	1,406,642	▲	16%
Contribution receivables	3,930,277	4,126,758	(196,482)	▼	-5%
Investments in equity	560,649	353,625	207,023	▲	59%
Loans and other receivables	1,337,114	1,025,910	311,204	▲	30%
Property, plant, and equipment	8,072	5,083	2,989	▲	59%
Intangible assets	3,142	343	2,799	▲	815%
Prepayments	2,891	1,817	1,075	▲	59%
Total Assets	16,156,436	14,421,185	1,735,251	▲	12%

Figure 4: Assets Composition as of 31 December 2024

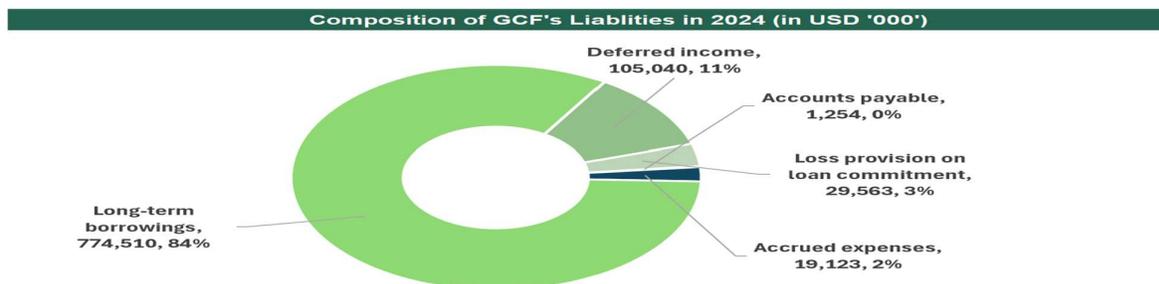


Liabilities

Table 7: Change in Liabilities over 2024

Summary of GCFs Liabilities in 2024 and 2023 (in USD '000')					
	2024	2023	Change		% change
Accounts payable	1,254	775	479	▲	62%
Accrued expenses	19,123	16,822	2,300	▲	14%
Loss provision on loan commitment	29,563		29,563	▲	100%
Long-term borrowings	774,510	685,468	89,042	▲	13%
Deferred income	105,040	115,201	(10,161)	▼	-9%
Total Liabilities	929,490	818,266	111,223	▲	14%

Figure 5: Liabilities Composition as of 31 December 2024



OVERVIEW OF FINANCIAL RESULTS *(Continued)*

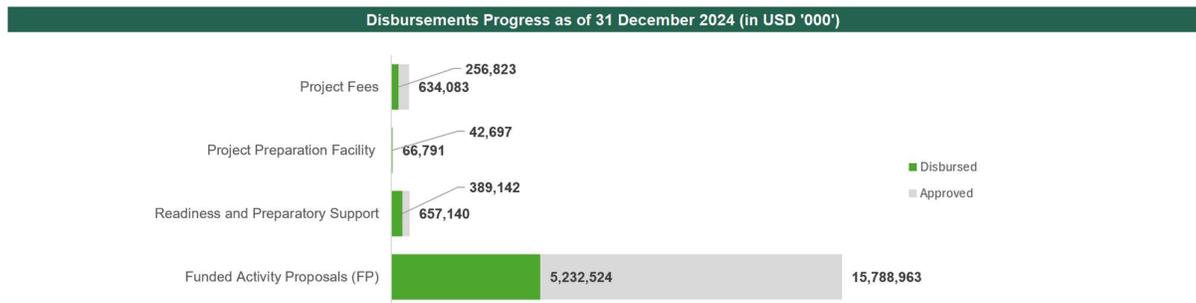
FINANCIAL POSITION *(Continued)*

Liabilities *(Continued)*

Table 8: Summary of Committed Funds as of 31 December 2024

Summary of Committed Funds as of 31 December 2024 (in USD '000')			
	Approved	Disbursed	Committed
Funded Activity Proposals (FP)	16,788,963	6,232,624	10,556,439
Readiness & Preparatory Support	657,140	389,142	267,998
Project Preparation Facility	66,791	42,697	24,094
Project Fees	634,083	256,823	377,260
Total	17,146,977	5,921,186	11,225,791

Figure 6: Progress of Disbursements for Approved Projects as of 31 December 2024



CASHFLOWS

Figure 7: Changes in Cashflow Position in 2024

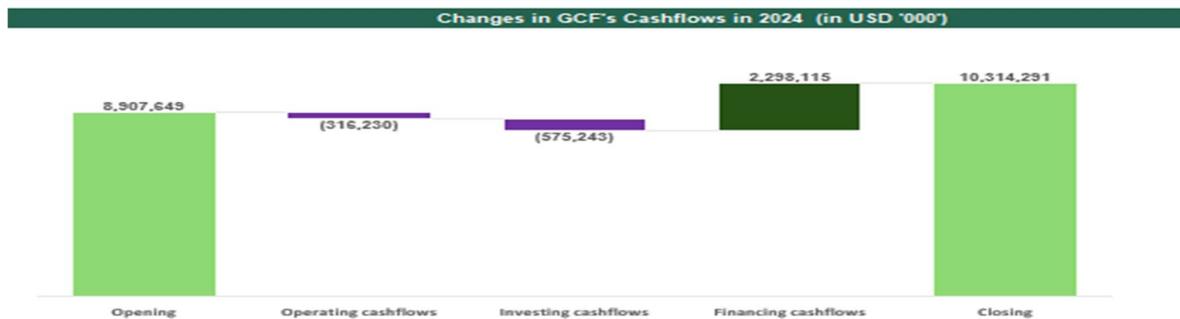


Table 9: Comparison of Cashflow Position in 2024 and 2023

Summary of the Fund's Cashflow in 2024 and 2023 (in USD '000')				
	2024	2023	Change	% change
Net cash used in operating activities	(316,230)	(300,967)	(15,263)	5%
Net cash used in investing activities	(575,243)	(384,110)	(191,133)	50%
Net cash provided by financing activities	2,298,115	2,483,447	(185,332)	-7%
Beginning cash and cash equivalents	8,907,649	7,109,279	1,798,370	25%
Closing cash and cash equivalents	10,314,291	8,907,649	1,406,642	16%



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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GREEN CLIMATE FUND

Opinion

We have audited the financial statements of the Green Climate Fund (the "Fund"), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 12 to 56.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 Fund in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Fund for the year ended December 31, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on August 14, 2024.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Overview of Financial Results set out on pages 4 to 8, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, 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.



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GREEN CLIMATE FUND

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines 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, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF
GREEN CLIMATE FUND**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Deloitte & Touche CP".

Public Accountants and
Chartered Accountants
Singapore

June 9, 2025

STATEMENT OF FINANCIAL POSITION

<i>(in '000 USD)</i>	<u>Note</u>	31 DECEMBER 2024	31 DECEMBER 2023 RESTATED	1 JANUARY 2023 RESTATED
ASSETS				
CASH AND BANK BALANCES	6	10,314,291	8,907,649	7,109,279
CONTRIBUTION RECEIVABLE	7	1,137,288	850,739	891,198
PREPAYMENTS		2,891	1,817	3,671
ACCRUED INTEREST INCOME		19,422	-	-
LOANS RECEIVABLE	9	19,500	-	-
OTHER RECEIVABLE		68	58	24
TOTAL CURRENT ASSETS		11,493,460	9,760,263	8,004,172
CONTRIBUTION RECEIVABLE	7	2,792,989	3,276,019	2,655,459
INVESTMENTS IN EQUITY	8	560,649	353,625	226,826
LOANS RECEIVABLE	9	1,298,124	1,025,852	783,677
PROPERTY, PLANT, AND EQUIPMENT	10	8,072	5,083	4,081
INTANGIBLE ASSETS	11	3,142	343	217
TOTAL NON-CURRENT ASSETS		4,662,976	4,660,922	3,670,260
TOTAL ASSETS		16,156,436	14,421,185	11,674,432
LIABILITIES AND EQUITY				
ACCOUNTS PAYABLE		1,254	775	806
ACCRUED EXPENSES		19,123	16,822	12,553
LOSS PROVISION ON LOAN COMMITMENT	9	29,563	-	-
LONG-TERM BORROWINGS	12	18,958	15,785	15,671
TOTAL CURRENT LIABILITIES		68,898	33,382	29,030
LONG-TERM BORROWING	12	755,552	669,683	655,996
DEFERRED INCOME	12	105,040	115,201	124,042
TOTAL NON-CURRENT LIABILITIES		860,592	784,884	780,038
TOTAL LIABILITIES		929,490	818,266	809,068
CONTRIBUTED RESOURCES	13	18,553,424	16,452,927	13,646,469
ACCUMULATED COMPREHENSIVE LOSS		(3,326,478)	(2,850,008)	(2,781,105)
TOTAL EQUITY	13	15,226,946	13,602,919	10,865,364
TOTAL LIABILITIES AND EQUITY		16,156,436	14,421,185	11,674,432

See accompanying notes to the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December

(in '000 USD)

	Note	2024	2023 RESTATED
<u>INCOME & EXPENSES</u>			
INVESTMENT INCOME	14	554,332	431,486
OTHER INCOME*	14	30,616	29,388
IMPUTED INTEREST INCOME ON CONTRIBUTIONS RECEIVABLE	7	70,841	34,379
INCOME TOTAL		655,789	495,253
PROGRAMMES AND PROJECTS	16	(678,279)	(627,174)
OPERATIONAL EXPENSES			
ADMINISTRATIVE EXPENSES	15	(117,775)	(102,874)
ACCREDITED ENTITY FEES		(60,542)	(46,219)
OPERATIONAL EXPENSES TOTAL		(178,317)	(149,093)
OTHER EXPENSES			
FOREIGN EXCHANGE (LOSS)/ GAIN*		(165,671)	232,174
LOSS ON INVESTMENTS IN EQUITY AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)	8	(8,740)	(17,402)
EXPECTED CREDIT LOSS	9	(101,252)	(2,661)
OTHER EXPENSES TOTAL		(275,663)	212,111
NET LOSS FOR THE YEAR, REPRESENTING TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(476,470)	(68,903)

See accompanying notes to the financial statements.

* Certain reclassifications have been made to conform to current year's presentation. Refer to Note 14 for details.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December

<i>(in '000 USD)</i>	Note	CONTRIBUTED RESOURCES	ACCUMULATED COMPREHENSIVE LOSS	TOTAL
AS OF 1 JANUARY 2023, (RESTATED)	13	13,646,469	(2,781,105)	10,865,364
CONTRIBUTED RESOURCES		2,806,458	-	2,806,458
NET LOSS FOR THE YEAR		-	(68,903)	(68,903)
OTHER COMPREHENSIVE INCOME		-	-	-
AS OF 31 DECEMBER 2023, (RESTATED)	13	16,452,927	(2,850,008)	13,602,919
CONTRIBUTED RESOURCES		2,100,497	-	2,100,497
NET LOSS FOR THE YEAR		-	(476,470)	(476,470)
OTHER COMPREHENSIVE INCOME		-	-	-
AS OF 31 DECEMBER 2024,	13	18,553,424	(3,326,478)	15,226,946

See accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

for the years ended 31 December

(in '000 USD)

CASH FLOWS FROM OPERATING ACTIVITIES

	2024	2023 RESTATED
INVESTMENT INCOME	542,189	431,486
OTHER INCOME	6,562	35,324
CASH PAID TO SUPPLIERS & PERSONNEL	(126,160)	(99,231)
PROGRAM PAYMENTS	(738,821)	(673,392)
REALIZED FOREIGN CURRENCY (LOSS) / GAIN	-	4,846

NET CASH USED IN OPERATING ACTIVITIES

	(316,230)	(300,967)
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CASH FLOWS FROM INVESTING ACTIVITIES

INTEREST INCOME ON GCF FUNDED LOAN PROJECTS	16,773	6,722
ACQUISITION OF PROPERTY, PLANT, AND EQUIPMENT AND INTANGIBLE ASSETS	(7,631)	(1,795)
RETURN FROM GCF FUNDED EQUITY PROJECTS	5,413	1,952
DISBURSEMENT TO GCF FUNDED EQUITY PROJECTS	(221,176)	(146,154)
REPAYMENT FROM GCF FUNDED LOAN PROJECTS	78,633	34,599
DISBURSEMENT TO GCF FUNDED LOAN PROJECTS	(447,255)	(279,434)

NET CASH USED IN INVESTING ACTIVITIES

	(575,243)	(384,110)
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CASH FLOWS FROM FINANCING ACTIVITIES

CASH RECEIPTS FROM CONTRIBUTORS	2,183,805	2,499,232
LONG-TERM BORROWINGS	133,268	-
REPAYMENT OF BORROWINGS	(18,958)	(15,785)

NET CASH PROVIDED BY FINANCING ACTIVITIES

	2,298,115	2,483,447
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NET INCREASE IN CASH AND BANK BALANCES

	1,406,642	1,798,370
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CASH AND BANK BALANCES AS OF 1 JANUARY

	8,907,649	7,109,279
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CASH AND BANK BALANCES AS OF 31 DECEMBER

	10,314,291	8,907,649
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See accompanying notes to the financial statements.

* Certain reclassifications have been made to conform to current year's presentation.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. GENERAL INFORMATION

The Green Climate Fund (“GCF” or the “Fund”) has been established by 194 Parties to the United Nations Framework Convention on Climate Change (“UNFCCC” or “Convention”). The Fund was established by a decision of the Conference of the Parties (COP) to the UNFCCC on 11 December 2011. The Fund is headquartered in Songdo, the Republic of Korea, and the principal place of business is G-Tower 175, Art Center-daero Yeonsu-gu, Incheon 22004.

The Fund seeks to contribute to the achievement of the ultimate objective of the Convention. In the context of sustainable development, the Fund is guided by the principles and provisions of the Convention and promotes the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, considering the needs of those developing countries particularly vulnerable to the adverse effects of climate change.

The Fund is instrumental in directing new and reliable financial resources to developing countries. It aims to stimulate climate finance from both public and private sectors, across national, regional, and international levels. The Fund is designed to operate on a larger scale than other similar and comparable funds, fostering a shift towards low-emission and climate-resilient development pathways.

The Fund is governed and supervised by a Board that holds full responsibility for funding decisions, guided by the Conference of the Parties. The Board oversees the operations of all relevant components of the Fund, including the approval of specific operational policies and guidelines, as well as funding for projects and programmes. The Board comprises twenty-four (24) members and twenty-four (24) alternate members, with equal representation from developing and developed country Parties. In accordance with GCF’s Governing Instrument, the World Bank currently provides Trustee services to the Fund.

The Fund partners with Accredited Entities (AEs) to implement projects. Guided by the Fund investment framework and the priorities of developing country governments, AEs work alongside countries to come up with project ideas and submit funding proposals for the Fund’s Board to approve. AEs can be private or public, non-governmental, sub-national, national, regional or international, as long as they meet the standards of the Fund.

The financial statements for the year ended 31 December 2024 were authorized for issuance by the Fund’s Board on 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

1. GENERAL INFORMATION *(Continued)*

1.1. Basis of Preparation

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with International Financial Reporting Standards (“IFRS”). Where the IFRS are silent or do not give guidance on how to treat transactions specific to the non-profit sector, accounting policies have been derived from general IFRS principles and other relevant accounting standards, as detailed in the IASB Framework for the Preparation and Presentation of Financial Statements.

1.2. Adoption of New and Revised IFRS

In the current year, the Fund has applied all the new and revised IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Its adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-current

Classification is unaffected by the likelihood that an entity will exercise the right to defer settlement of the liability or the expectations of management. If a liability meets the criteria for being classified as a non-current liability, it is classified as a non-current liability even if management intends or expects to settle the liability within 12 months after the reporting period or even if the liability is settled between the end of the reporting period and the date of authorization for issue. Also, the settlement of liability includes the transfer of the entity’s own equity instruments, however, it would be excluded if an option to settle them by the entity’s own equity instruments if compound financial instruments is met the definition of equity instruments and recognized separately from the liability.

Amendments to IAS 1 - Presentation of Financial Statements – Disclosure of Non-current liabilities with covenants

The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements.

Amendments to IAS 16 – Leases

The amendments add requirements for the subsequent measurement of sale-and-leaseback transactions that are accounted for as sales in accordance with IFRS 15, Revenue from Contracts with Customers. The amendments require the seller lessee to calculate the ‘lease payments’ or ‘revised lease payments’ in a way that does not result in the seller-lessee recognizing any gain or loss for the rights of use that the seller-lessee continues to retain after the lease commences.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

1. GENERAL INFORMATION *(Continued)*

1.3 New and Revised IFRS Accounting Standards in Issue but Not Yet Effective

At the date of authorization of these financial statements, the Fund has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The amendments state that a currency is exchangeable into another currency when a company is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

When a currency is not exchangeable into another currency at a measurement date, a company is required to estimate the spot exchange rate at that date. A company's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

If a company is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable in the other currency.

The amendments do not specify how a company estimates the spot exchange rate to meet that objective. When a company estimates a spot exchange rate because a currency is not exchangeable into another currency, the company is required to disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

IFRS 18 Presentation and Disclosure in Financial Statement

A company is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when a company applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

1. GENERAL INFORMATION *(Continued)*

1.3 New and Revised IFRS Accounting Standards in Issue but Not Yet Effective

(Continued)

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation

The Fund is in the process of assessing how the adoption of the standards listed above will impact its reporting. The Fund does not expect the adoption of the standards listed above to have a material impact on the financial statements of the Fund in future periods.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied by the Fund all periods presented.

2.1. Functional and Presentation Currency

The financial statements of the Fund are measured and presented in United States Dollars (USD), which is the currency of the primary economic environment in which the Fund operates (its functional currency). All financial information has been rounded to the nearest thousand, unless otherwise indicated.

2.2. Cash and Bank Balances

Cash and bank balances comprise cash on hand, deposits held on call with banks, and other short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

2.3. Foreign Currency Transactions and Translations

Transactions denominated in foreign currencies other than the Fund's functional currency are translated into United States Dollars (USD) at the rates of exchange prevailing at the transaction dates. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.4. Property, Plant, and Equipment

Property, plant, and equipment are initially measured at cost. Following initial recognition, they are carried at cost less any accumulated depreciation and impairment losses.

The cost of property, plant, and equipment comprise the purchase price and all incidental expenses incurred to bring the asset to its working condition for its intended use. Subsequent costs are added to the carrying amount of property, plant, and equipment at cost or, if appropriate, as separate items, provided it is probable that future benefits associated with the item will flow to the Fund and the cost of can be measured reliably. Day-to-day operational costs are recognized as expenses.

Property, plant, and equipment are depreciated on a straight-line basis over their estimated useful lives. The estimated useful lives for the current period are detailed below.

ITEM OF PROPERTY, PLANT, AND EQUIPMENT	USEFUL LIFE
COMPUTER EQUIPMENT, SOFTWARE* AND IT INFRASTRUCTURE	3 Years
LEASEHOLD IMPROVEMENTS	10 Years
OFFICE EQUIPMENT AND FURNITURE	3 Years
MOTOR VEHICLES	3 Years

** The software categorized here is considered an essential component of the computer equipment.*

Depreciation methods, useful lives, and residual values are reviewed at the end of each reporting date and adjusted as necessary. Depreciation is applied from the year the asset is placed in operation and continues until the asset is either fully depreciated or no longer in use.

2.4.1. Intangible Assets - Software

Intangible assets are identifiable non-monetary assets without physical substance. According to the relevant financial reporting standards, intangible assets are identifiable when they are separable (i.e., they can be sold, transferred, or licensed) or when they arise from contractual or other legal rights. For the Fund, aside from financial assets, the primary intangible asset is software used for various functions, which may be acquired externally.

Capitalization limit: Intangible assets are capitalized if their acquisition cost or the estimated cost of internal development exceeds USD 20,000.

Recognition, Measurement, and Derecognition: Only costs related to the application development and implementation are eligible for capitalization. Costs incurred during preliminary assessment and post-implementation stages are expensed. Training, data conversion, and general administrative costs are also expensed.

If it is determined that software whose costs had been capitalized cannot be used for its intended purpose, any unamortized portion is immediately expensed.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.4. Property, Plant, and Equipment *(Continued)*

2.4.1. Intangible Assets – Software *(Continued)*

Amortization: Both externally acquired and internally developed intangible assets are amortized monthly on a straight-line basis over 3 Years, unless a longer useful life can be justified.

2.5. Contributions

2.5.1. Recognition

Contributions, including unconditional or conditional promises to support specified projects or activities mutually agreed upon by the Fund and the contributor, are fully recognized as equity at the earlier of when there is reasonable assurance that the contributions will be received or when the contributions are actually received.

2.5.2. Contribution Receivable

The Fund recognizes contribution receivable when there is reasonable assurance that the contributions will be received, even if the cash has not been received. Contribution receivables are stated at their amortized cost, net of an allowance for uncollectible contributions.

Contribution receivable consists of promissory notes which are measured initially at fair value by discounting the future cash flows using appropriate discount rates that reflect the duration and credit risk of the issuer. In subsequent financial periods, they are presented at amortized cost using the effective rate method at each reporting date.

At the end of each reporting period, the Fund assesses whether there is any objective evidence that the promissory notes are impaired. If any such evidence exists, the Fund determines the amount of any impairment loss.

2.6. Investments in Equity

The Fund makes equity-type investments through various structures, including limited partnerships, investment funds, and direct equity shareholdings governed by shareholders' agreements. These investments aim to mobilize third-party capital, catalyze private sector participation, and support long-term development outcomes. The Fund does not seek to obtain control or significant influence over investees.

All investments in equity are classified as financial assets at fair value through profit or loss (FVTPL) in accordance with IFRS 9.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.6. Investments in Equity *(Continued)*

These instruments represent residual interest in the net assets of investees and do not include any obligation for repayment or fixed return.

Changes in fair value are recognized in profit or loss. Dividend income, where applicable, is recognized when the right to receive payment is established. The Fund does not consolidate or equity account any of the investees.

2.7. Accounting for Grants

The accounting for grants follows the principles of *IAS 37: Provisions, Contingent Liabilities, and Contingent Assets (IAS 37)*, along with the "general framework" document to determine when the grants should be recognized as contingent liabilities, grant payables, and subsequently recorded in the statement of profit or loss.

2.7.1. Contingent Liability

The initial recognition of grants occurs at the point of Board approval, where the maximum liability of the grant is established and agreed upon with the Accredited Entity (AE). At this stage, the grant is recognized as a contingent liability due to the uncertainty regarding the grant amount and the Fund's ability to de-commit funds if conditions are not met or funding is unavailable. Therefore, Board approval does not constitute a constructive obligation as defined under *IAS 37*.

Following Board approval, grants are governed by a written agreement that includes substantive performance-based conditions. There is no constructive obligation for the total value of the grant at the signing date of the agreement. An obligation arises only once all criteria have been addressed or otherwise resolved.

2.7.2. Recognition of Grants Payable and Expense

Grants payable is recognized when the conditions are met, and the Accredited Entity (AE) submits the disbursement request. At this point, the Fund has a constructive obligation to the AE. Consequently, the requested disbursement amounts are recognized as a grant payable and recorded as programme expenses within the statement of profit or loss.

2.7.3. Recoverable from Grants

During the implementation period, a portion of the funds disbursed for grants may be deemed recoverable from the Accredited Entity (AE) based on the audits and investigations. Grants recoverable are recognized at fair value upon notification to the AE and are subject to the same valuation policy, risk assessment, and asset impairment as contributions recoverable from a contributor.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.8. Fair Value Measurement

The Fund classifies fair value measurements in accordance with the fair value hierarchy, reflecting the significance of the inputs used. The levels of the fair value hierarchy are detailed below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of financial instruments traded in active markets is based on quoted market prices at the dates of the separate statements of financial position. A market is considered active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arms-length basis. The quoted market price used for financial assets held by the Fund is the current bid price. These instruments are included in Level 1, primarily comprised listed investments in equity classified as trading securities or available-for-sales.

The fair value of financial instruments not traded in an active market (e.g., over-the-counter derivatives) is determined using valuation techniques. These techniques maximize the use of observable market data where available and rely minimally on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is classified as Level 3.

Valuation provided by fund managers may be relied upon, provided they are audited in accordance with IFRS. If the Fund believes the value provided by the fund managers is misleading, it may apply discounted cash flow to undertake independent valuations.

2.9. Taxation

Under the agreement between the Republic of Korea and the Green Climate Fund regarding the Fund's headquarters, signed on 10 June 2013, the Fund is exempt from all direct taxes, except those which are merely charges for public utility services. It is also exempt from all indirect taxes, including any value-added or similar taxes, and excise duties levied on imported goods and services for official purposes.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

3. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized in the Fund's statement of financial position when the Fund becomes a party to the contractual provisions of the underlying instruments.

3.1. Financial Assets

Regular way purchases and sales of financial assets are recognized or derecognized on the trade-date, the date on which the Fund commits to purchase or sell the asset.

Financial assets are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of financial assets (other than those at fair value through profit or loss). Transaction costs directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognized immediately in profit or loss.

3.1.1. Classification of Financial Assets

The Fund classifies its financial assets based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of- principal and interest on the principal amount outstanding.

All other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(i) Amortized cost and effective interest method

An effective interest method involves calculating the amortized cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate discounts estimated future cash flows (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

3. FINANCIAL INSTRUMENTS *(Continued)*

3.1. Financial Assets *(Continued)*

3.1.1. Classification of Financial Assets *(Continued)*

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see are measured at FVTPL. Specifically:

- investments in equity instruments are classified as FVTPL
- debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. Fair value is determined in the manner described in note 5.

3.1.2. Impairment of Financial Assets

In accordance with *IFRS 9* guidance, the Fund recognizes a loss allowance for expected credit losses (ECL) on its loans receivables that are measured at amortized cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

The expected credit losses on these financial assets are estimated using a provision matrix based on the Fund's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

For all other financial instruments (comprising loans receivable), the Fund recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Fund measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant Increase in Credit Risk (SICR)

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Fund compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Fund considers both quantitative and qualitative

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

3. FINANCIAL INSTRUMENTS *(Continued)*

3.1. Financial Assets *(Continued)*

3.1.2. Impairment of Financial Assets *(Continued)*

information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Qualitative indicators may include, but are not limited to;

- transfer of the loan to a Watchlist,
- deterioration in the borrower's operating results or liquidity position,
- adverse developments in business, financial or macroeconomic conditions relevant to the borrower,
- anticipated financial restructuring or forbearance arrangements.

Quantitative indicators include instances where contractual payments are more than 30 days past due or where there has been a significant downgrade in the internal or external credit rating.

Despite the foregoing, the Fund assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. The Fund considers a financial asset to have low credit risk when the asset has an external credit rating of 'investment grade' in accordance with the globally understood definition.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as a probability-weighted estimation of the difference between all contractual cash flows that are due to the Fund in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at the original effective interest rate.

The Fund recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account,

Stage 1: All loans are initially classified as Stage 1. If at the end of the year, it is assessed that there are no changes in the credit quality of the loan since inception, the loans remain in this stage. A loss allowance equal to 12-month expected credit losses is measured for the gross carrying amount at this stage.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

3. FINANCIAL INSTRUMENTS *(Continued)*

3.1. Financial Assets *(Continued)*

3.1.2. Impairment of Financial Assets *(Continued)*

Stage 2: If the credit risk on a loan instrument has significantly increased since initial recognition, but the financial instrument is not assessed as credit-impaired, the loan is classified in Stage 2.

Indicators of credit risk deterioration include changes in the credit risk of the loan recipient or the country where the loan-funded project/programme is being implemented, as well as significant delays in the implementation of project/programme. There is a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless there is reasonable and supportable information demonstrates otherwise. A loss allowance equal to lifetime expected credit losses is measured for loans in this Stage 2.

Stage 3: Loans deemed to be credit-impaired are classified in Stage 3. For these instruments, cumulative changes in lifetime expected credit losses are recognized. Sovereign-backed loans are considered credit-impaired if they are in arrears for more than 120 days. For non-sovereign backed loans, evidence of impairment includes;

- Breach of loan covenants or conditions.
- Initiation of bankruptcy proceedings or other financial reorganization by the borrower.
- Significant financial difficulty for the borrower
- Principal or interest payments are in arrears for 90 days.

Where an exposure is considered in default, more than 90 days past due or formally classified as defaulted, lifetime ECLs are recognized, and the probability of default is deemed to be 100%.

An exposure may return to Stage 1 if all the following conditions are met.

- No amounts are past due
- The SICR criteria are no longer triggered
- The asset is no longer classified as high risk
- There is observable evidence of improved creditworthiness and sustained capacity to meet future obligations

In such case, the loss allowance reverts to a 12-month ECL.

Expected Credit Losses (ECL) are measured in a manner that reflects:

- a) An unbiased and probability-weighted amount determined by evaluating a range of possible outcomes.
- b) The time value of money, with measured credit losses discounted to the reporting date using the effective interest rate determined or approximated at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

3. FINANCIAL INSTRUMENTS *(Continued)*

3.1. Financial Assets *(Continued)*

3.1.2. Impairment of Financial Assets *(Continued)*

- c) Reasonable and supportable information available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

3.1.3. Derecognition of Financial Assets

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred, and the Fund has substantially transferred all the risks and rewards of ownership to another entity. When a transfer does not meet the criteria for derecognition because the Fund retains substantially risks and rewards, the Fund continues to recognize the transferred assets in full and also recognizes a financial liability for the consideration received.

3.2. Financial Liabilities and Equity

3.2.1 Classification as Debt or Equity

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.2.2 Financial Liabilities at Amortized Cost

Financial liabilities at amortized cost include account payables, accruals, and long-term borrowings. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

3.2.3 Derecognition of Financial Liabilities

The company derecognizes financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.3. Offsetting of Financial Instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position, where there is a legally enforceable right to offset the recognized amounts, and an intention to settle on a net basis or realize the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the ordinary course of business, as well as in the event of default, insolvency, or bankruptcy of the Fund or the counterparty.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In applying the Fund's accounting policies, which are described in note 5, the Fund's management is required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Fair Value Measurements and Valuation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Fund uses its judgment to select various methods and make assumptions based on market conditions existing at the end of each reporting period.

Calculation of Loss Allowance

When measuring ECL the Fund utilizes reasonable and supportable forward-looking information, based on assumptions regarding the future movement of various economic drivers and their interrelationships.

Probability of Default (PD) is critical input in measuring ECL. It estimates the likelihood of default over a given time horizon, such as 12 months or the lifetime of the exposure, depending on the staging, incorporating historical data, assumptions, and expectations of future conditions.

The Fund estimates PD using four plausible macroeconomic scenarios: baseline, upside, downside, and severe downside. Each scenario is assigned a probability weight reflecting the Fund management's view of likely outcomes at the reporting date.

Loss Given Default (LGD) represents the proportion of the exposure not expected to be recovered in the event of default. The Fund estimates this based on recovery expectations for individual loan exposures and relies on AEs for recovery actions in the event of default.

Exposure at Default (EAD) is the expected outstanding amount at the point of default, including principal, accrued interest, and any anticipated future drawdowns of undisbursed commitments.

The Fund estimates both the scheduled repayments up to the point of default and the management's expectation regarding the utilization of undrawn commitments where no contractual drawdown schedule exists.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

5.1 Categories of Financial Instruments

The categories of financial instruments as of the end of the reporting period are detailed below.

(i) Financial Asset

<i>(In '000 USD)</i>	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL ASSETS MEASURED AT FVTPL	TOTAL AMOUNT
CASH AND BANK BALANCES	10,314,291	-	10,314,291
CONTRIBUTION RECEIVABLE	3,930,277	-	3,930,277
LOANS RECEIVABLE	1,218,124	99,500	1,317,624
INVESTMENTS IN EQUITY	-	560,649	560,649
ACCRUED INTEREST INCOME	19,422	-	19,422
OTHER RECEIVABLE	68	-	68
TOTAL AS OF 31 DECEMBER 2024	15,482,182	660,149	16,142,331

<i>(In '000 USD)</i>	FINANCIAL ASSETS MEASURED AT AMORTIZED COST (RESTATED)	FINANCIAL ASSETS MEASURED AT FVTPL (RESTATED)	TOTAL AMOUNT
CASH AND BANK BALANCES	8,907,649	-	8,907,649
CONTRIBUTION RECEIVABLE	4,126,758	-	4,126,758
LOANS RECEIVABLE	1,006,352	19,500	1,025,852
INVESTMENTS IN EQUITY	-	353,625	353,625
OTHER RECEIVABLE	58	-	58
TOTAL AS OF 31 DECEMBER 2023	14,040,817	373,125	14,413,942

<i>(In '000 USD)</i>	FINANCIAL ASSETS MEASURED AT AMORTIZED COST (RESTATED)	FINANCIAL ASSETS MEASURED AT FVTPL (RESTATED)	TOTAL AMOUNT
CASH AND BANK BALANCES	7,109,279	-	7,109,279
CONTRIBUTION RECEIVABLE	3,546,657	-	3,546,657
LOANS RECEIVABLE	764,177	19,500	783,677
INVESTMENTS IN EQUITY	-	226,826	226,826
OTHER RECEIVABLE	24	-	24
TOTAL AS OF 1 JANUARY 2023	11,420,137	246,326	11,666,463

During the current reporting period, the Fund revised its classification of certain financial instruments following an adoption of the approach under *IFRS 9 Finance Instrument*. Previously, certain investments in equity were classified as measured at Fair Value through Other Comprehensive Income (FVTOCI).

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.1 Categories of Financial Instruments *(Continued)*

To align with the Fund's approach to managing these assets, these investments were retrospectively reclassified to Fair Value through Profit or Loss (FVTPL).

In addition, certain loans receivable that did not meet the Solely Payments of Principal and Interest (SPPI) criterion were also retrospectively reclassified from amortized cost to FVTPL.

As a result, all gains and losses related to these investments in equity and loans receivable are recognized in profit or loss. The reclassification had no significant impact on the financial position of the Fund as of 31 December 2023 and 1 January 2023.

Statement of Financial Position

Previously reported:

<i>(In '000 USD)</i>	31 DECEMBER 2023			1 JANUARY 2023		
	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL ASSETS MEASURED AT FVTOCI	FINANCIAL ASSETS MEASURED AT FVTPL	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL ASSETS MEASURED AT FVTOCI	FINANCIAL ASSETS MEASURED AT FVTPL
INVESTMENTS IN EQUITY	-	187,558	166,068	-	181,149	45,677
LOANS RECEIVABLE	1,025,852	-	-	783,677	-	-
TOTAL AS OF	1,025,852	187,558	166,068	783,677	181,149	45,677

After accounting measurement change:

<i>(In '000 USD)</i>	31 DECEMBER 2023 (RESTATED)			1 JANUARY 2023 (RESTATED)		
	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL ASSETS MEASURED AT FVTOCI	FINANCIAL ASSETS MEASURED AT FVTPL	FINANCIAL ASSETS MEASURED AT AMORTIZED COST	FINANCIAL ASSETS MEASURED AT FVTOCI	FINANCIAL ASSETS MEASURED AT FVTPL
INVESTMENTS IN EQUITY	-	-	353,625	-	-	226,826
LOANS RECEIVABLE	1,006,352	-	19,500	764,177	-	19,500
TOTAL AS OF	1,006,352	-	373,125	764,177	-	246,326

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.1 Categories of Financial Instruments *(Continued)*

Statement of Profit or Loss and Other Comprehensive Income

<i>In '000 USD</i>	Previously reported 31 DECEMBER 2023	After accounting measurement change 31 DECEMBER 2023 (RESTATED)
GAIN (LOSS) ON INVESTMENTS IN EQUITY AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)	-	(15,581)
GAIN (LOSS) ON EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)	(15,581)	-
TOTAL AS OF 31 DECEMBER	(15,581)	(15,581)

(ii) Financial Liabilities

<i>(In '000 USD)</i>	2024 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST	2023 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST
ACCOUNT PAYABLES	1,254	775
ACCRUALS	19,123	16,822
LONG-TERM BORROWINGS	774,510	685,468
TOTAL AS OF 31 DECEMBER	794,887	703,065

5.2 Fair Value of Financial Assets and Financial Liabilities

The fair value of the Fund's financial instruments that are measured at fair value on a recurring basis is detailed below.

<i>(In '000 USD)</i>	LEVEL1	LEVEL2	LEVEL3
FINANCIAL ASSETS			
INVESTMENTS IN EQUITY			560,649
LOANS RECEIVABLE			99,500
TOTAL AS OF 31 DECEMBER 2024			660,149

<i>(In '000 USD)</i>	LEVEL1	LEVEL2	LEVEL3
FINANCIAL ASSETS			(RESTATED)*
INVESTMENTS IN EQUITY			353,625
LOANS RECEIVABLE			19,500
TOTAL AS OF 31 DECEMBER 2023			373,125

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.2 Fair Value of Financial Assets and Financial Liabilities *(Continued)*

(In '000 USD)

	LEVEL1	LEVEL2	LEVEL3 (RESTATED)*
FINANCIAL ASSETS			
INVESTMENTS IN EQUITY			226,826
LOANS RECEIVABLE			19,500
TOTAL AS OF 1 JANUARY 2023			246,326

* Certain loans receivable that did not meet the SPPI criteria were retrospectively reclassified from amortized cost to FVTPL. These loans are classified in Level 3 of the fair value hierarchy. Refer to Note 5.1 for the details of the restatement.

The fair value of investments in equity is measured on a recurring basis, primarily using the most recent proportionate net asset values (NAVs) reported by fund managers. Where appropriate, adjustments are made to reflect observable events or known valuation developments between the NAV reporting date and the Fund's reporting date. The higher the NAV, the higher the fair value of investments in equity. A 5% movement in NAV, with all other variables held constant, would result in a change of approximately USD 28 million (2023: USD 18 million), which would be recognized directly in profit or loss.

Investments in equity that are acquired during the reporting period are estimated by taking the recent transaction price, without adjustment.

The fair value of loans receivable approximates their carrying amount, based on the considerations outlined in Note 5.2.2.

No transfers between levels of the fair value hierarchy occurred during the current or prior year.

5.2.1. Reconciliation of Level 3 Fair Value Measurements of Financial Instruments

	2024	2023 (RESTATED)*
BALANCE AS OF 1 JANUARY	373,125	246,326
TOTAL GAINS OR (LOSSES) IN PROFIT OR LOSS	(8,740)	(17,402)
DISBURSEMENTS	301,177	146,153
RETURN OF CAPITAL FOR EQUITY INVESTMENTS	(5,413)	(1,952)
BALANCE AS OF 31 DECEMBER	660,149	373,125

* Certain loans receivable that did not meet the SPPI criterion were retrospectively reclassified from amortized cost to FVTPL. These loans are classified in Level 3 of the fair value hierarchy. Refer to Note 5.1 for the details of the restatement.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.2 Fair Value of Financial Assets and Financial Liabilities *(Continued)*

5.2.2. Fair value of Financial Instruments That are Not Measured at Fair Value

The Fund has not disclosed the fair values for certain financial instruments such as other receivables, accrued interest income, accounts payable and accrued expenses, as their carrying amounts are a reasonable approximation of fair value. This is due to their short-term nature where the impact of discounting is insignificant.

Similarly, the Fund has not disclosed the fair values for loans receivable as their carrying amounts are a reasonable approximation of fair value based on the following considerations:

- **Absence of comparable market instruments:** The Fund's loan portfolio comprises both sovereign and non-sovereign loans extended on concessional terms in alignment with the Fund's climate mandate. These loans for future typically feature long maturities, grace periods, and highly subsidized or interest-free terms, particularly for sovereign borrowers. Due to the tailored nature and policy-driven objectives of these instruments, there are no observable market prices or comparable instruments in commercial markets that would allow for a reliable fair value benchmark.
- **Consistency in internal loan pricing:** The Fund's internal loan pricing methodology is based on consistent parameters over time, with the concessionality of terms determined through structured internal assessment processes. A historical review of loan agreements indicates relatively stable pricing for similar borrower types and credit profiles across reporting periods. This consistency further supports the assessment that changes in fair value over time would not be significant.

The carrying amount of the long-term borrowings is also considered a reasonable approximation of fair value. The Fund's borrowings are issued at fixed interest rates that have remained stable over time and under consistent terms and conditions, reflecting a stable credit risk profile. Furthermore, given their concessional or low-cost nature, their fair value aligns closely with the carrying amount, particularly when not subject to early repayment risk or market repricing.

The Fund measures the fair value of the contribution receivable using a valuation technique, such as a discounted cash flow analysis. This approach incorporates the estimated future cash flow and applies to a discount rate that reflects current market conditions, including the time value of money and relevant credit risk factors. At the reporting date, the fair value of the contribution receivable is USD 3,824 million (2023: USD 4,024 million).

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.3. Financial Risk Management Policies and Objectives

Risk Appetite

As per the GCF Governing Instrument, the Fund aims to promote a paradigm shift towards low-emission and climate-resilient development pathways by supporting developing countries in limiting or reducing their greenhouse gas emissions and adapting to the impacts of climate change¹.

To achieve a paradigm shift, the Fund must finance innovative and unconventional projects and programmes, as well as scale up conventional technologies that are new to specific locations. These projects, programmes, and technologies are typically not financed in the market due to perceived or actual risk or a lack of economic and financial viability stemming from their cost or insufficient revenue. By their nature, these activities and technologies may involve a higher level of risk than conventional investments. Therefore, the Fund must balance taking excessive risk and insufficient risk. Excessive risk could lead to non-viable projects that threaten the Fund's long-term viability and sustainability, while insufficient risk would prevent the Fund from fulfilling its purpose as outlined in the Governing Instrument.

Risk Exposure and Mitigation Measures

As detailed in the Fund's risk register, the nature of the Fund's operations exposes it to various risks, including but not limited to compliance risk, legal risk, reputational risk, operational risk and IT risk, project/programme failure risk, market risk, foreign exchange risk, credit risk, liquidity risk, asset-liability mismatch risk, counterparty risk. To support the Fund's risk management efforts, the Fund Board has adopted the Risk Management Framework (RMF), which is meant to provide:

- a) Greater clarity on the risks inherent in individual decisions and the day-to-day functioning of the Fund, enabling the Board to make appropriate trade-offs.
- b) Greater consistency in decisions across the organization, guided by the Board's expressed views on key risks, acceptable risk levels, and risk management strategies.
- c) A more assured path towards achieving the Fund's mandate, with well-understood likelihood and impact of risks; and
- d) Faster decision-making enabled by clarity and consistency, providing AEs and the Secretariat with clear guidelines on what funding proposals should include.

In addition to the risk management framework, the Board also adopted the Financial Risk Management Framework, which aims to:

¹ <https://www.greenclimate.fund/document/governing-instrument> paragraph 2

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.3. Financial Risk Management Policies and Objectives

5.3.1. Financial risk management

- a) Establish the overall level of financial risk the Board is willing to assume for the Fund in pursuit of its objectives (the Fund's risk appetite or risk limit) over time. This is reflected in the Fund's investment framework, which sets out the criteria for approving funded projects and programs, as well as in the Fund's financial policies relating to resource mobilization.
- b) Ensure that the risks assumed by the Fund remain within the Board-approved risk appetite at any given time, by monitoring, assessing, and reporting the actual level of financial risk.
- c) Provide an analytical framework for reviewing and managing the Fund's portfolio based on the Board-determined risk appetite and the actual level of risk assumed by the Fund; and
- d) Define the roles and responsibilities of the various actors involved in the Fund's financial risk management, and the procedures for managing the financial risk.

5.3.2. Financial risk monitoring and reporting

The Fund's Chief Finance and Risk Officer (CFRO) is responsible for quantifying and measuring financial risk exposure, while the Risk Management Committee at the Board oversees the overall management of financial risk. To support financial risk monitoring and reporting, the Fund utilizes the following tools:

- a) **Risk management dashboard** – The dashboard reports against any limits and buffers where appropriate approved by the Board.
- b) **Annual portfolio review** – Based on periodic submissions from AEs as outlined in the Funded Activity Agreements (FAA), the portfolio review identifies indicators of financial risk within the portfolio, allowing the Fund to respond proactively.
- c) **COSO and RCSA** - The Fund has adopted the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework for internal controls. It evaluates the effectiveness of operational risk controls through the Risk and Control Self-Assessment (RCSA) process and continuously monitors its performance.

5.3.3. Financial risk governance

The responsibility for effectively identifying, assessing, managing, and communicating financial risks is shared among various parties as follows.

- a) **Board's Risk Management Committee:** Provides overall oversight of the Fund's risk management. It recommends risk limits to the Board, reviews compliance with these ceilings, oversees the risk monitoring system and reports.
- b) **Secretariat:** Reviews the Fund's level of financial risk in comparison to risk limit and buffer by the Board.
- c) **Chief of Finance and Risk Officer (CFRO):** Maintains the financial and risk reporting systems, manages asset-liability processes, and liaises with the Trustee for accurate and timely reporting to ensure proactive management monitoring and reporting of financial risks.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.3. Financial Risk Management Policies and Objectives *(Continued)*

5.3.4. Credit risk

Credit risk refers to the potential that a recipient of the Fund loan financing may become unwilling or unable to fulfill the terms of their financial obligation to the Fund, or that the value of a loan asset may decline due to a deterioration in the issuer's creditworthiness. The Fund is prepared to take risks that other investors may avoid, aiming to leverage its investments to attract additional debt and enhance the creditworthiness of projects. This includes engaging in relatively high-risk transactions, such as taking junior positions in credit structures or acting as the sole investor.

To mitigate credit risk, concept notes and funding proposals undergo rigorous screening, and these evaluations significantly influence decision-making processes.

GCF monitors credit quality of its loans by assigning a risk rating to each loan on an internal scale from 1 to 17 with 1 denoting the lowest expectation of credit risk and 17 denoting that the borrower has defaulted. The rating scale corresponds to the rating scales used by international rating agencies. The risk ratings are used to monitor the credit quality in the portfolio.

The Fund relies on the AEs in assessing the financial strength and likelihood that a borrower will honour its commitments in full when they fall due or the external credit rating of a borrower assigned by a reputable credit rating agency. If neither the AE's internal rating, nor the borrower's external rating is available, the Fund applies the fallback approach of assigning the rating based on its internally developed methodology linking an obligor's credit rating to a sovereign credit rating.

The table below details the credit quality of the Fund's loan receivables, as well as its maximum exposure to credit risk by credit risk rating grades as of 31 December 2024:

INTERNAL RISK RATING CATEGORY	EXTERNAL RATING EQUIVALENT	CREDIT RISK EXPOSURE <i>('000 in USD)</i>	% OF CREDIT RISK EXPOSURE
VERY STRONG (1)	AA+ AND ABOVE	60,000	4.0
STRONG (2-4)	A+ TO A-	100,000	6.6
ADEQUATE (5-7)	BBB+ TO BBB-	57,500	3.8
MODERATE (8-10)	BB+ TO BB-	364,659	24.0
WEAK (11-13)	B+ TO B-	380,321	25.1
VERY WEAK (14-17)	CCC+ AND BELOW	554,217	36.5
TOTAL		1,516,697	100

During the current reporting period, the Fund adopted and enhanced its loan loss allowance methodology to strengthen its management of credit loss allowance. As these changes were effective from 1 January 2024, no comparative information is presented.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.3. Financial Risk Management Policies and Objectives *(Continued)*

5.3.5. Foreign Exchange Risk

The Fund is exposed to foreign exchange risk due to receiving contributions in currencies that do not align with the currency in which programme and administrative commitments are denominated. Contributions are received in United States Dollars (USD), Euros (EUR), Japanese Yen (JPY), Pound Sterling (GBP), Swedish Krona (SEK) and Korean Won (KRW), while investment commitments are denominated in USD and EUR.

To mitigate foreign exchange risk, the Fund maintains deposits in both EUR and USD. Disbursements for EUR commitments are made from EUR deposits, while disbursements for USD commitments are made from USD deposits. The Fund also monitors the currency mismatch between received funding and investment commitments and sets aside a risk buffer to address this mismatch. Foreign exchange risks arise with the uncertainty about the potential future movement of the exchange rates between these currencies, on the one hand, and between the exchange rate of the presentation currency, USD.

The carrying amounts of material monetary assets and monetary liabilities denominated in currencies other than the Fund's functional currency are as follows:

<i>{'000 in USD}</i>	ASSETS		LIABILITIES	
	31 DECEMBER 2024	31 DECEMBER 2023	31 DECEMBER 2024	31 DECEMBER 2023
EUR	1,267,895	1,183,137	582,313	635,404
GBP	2,302,579	2,346,666	-	-
JPY	313,987	444,682	-	-
SEK	256,088	430,724	-	-
TOTAL	4,140,549	4,405,209	582,313	635,404

Foreign currency sensitivity analysis

10% deviation is utilized when reporting foreign currency risk to key management personnel. This deviation reflects management's assessment of the reasonably possible changes in foreign exchange rates. The sensitivity analysis includes only material outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

If the EUR, GBP, JPY and SEK changes by +/-10% against the USD, with the Fund's functional currency and all other variables held constant, profit for the year will increase/ decrease by USD 356 million (2023: increase/ decrease by USD 377 million). Based on the same analysis in relation to KRW, any impact on profit or loss is not material.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(Continued)*

5.3. Financial Risk Management Policies and Objectives *(Continued)*

5.3.6. Liquidity Risk

Liquidity risk arises when the Fund faces a shortage of cash to meet its payment obligations, such as disbursements for the projects and programmes, and repayments to loan contributors. To address this risk, the Fund also maintains a sufficient liquidity reserve to cover its net funding requirements for at least one year. Net funding requirements are defined as planned contribution encashment over a specific period less planned programme and administrative disbursements over the same period.

To mitigate this risk, the Fund commits to making funding commitments only against available cash and promissory note deposits. The Fund also monitors contributions pledged but not received on schedule, as well as the concentration of the funding from contributors.

The Fund is primarily financed through contributions, which are recognized as equity. These contributions will only be returned to the contributors as part of the residual assets upon the termination of the Fund. As a result, the Fund's exposure to liquidity risk is considered minimal.

5.3.7. Interest Rate Risk

The Fund's financial instruments mainly consist of fixed-rate instruments, including loans receivable and long-term borrowings, which limit the Fund's exposure to interest rate fluctuations.

Contributions receivable is non-interest bearing and, hence, does not expose the Fund to interest rate risk.

Furthermore, no sensitivity analysis has been presented as the Fund's interest-bearing financial instruments are carried at amortized cost and the Fund does not anticipate any material impact on profit or loss from reasonably possible changes in interest rates at the end of the reporting period.

6. CASH AND BANK BALANCES

The balances of cash and bank balances as of 31 December 2024 and 2023 are detailed below.

<i>(in '000 USD)</i>	2024	2023
BALANCE HELD IN THE GCF TRUST FUND (AT THE WORLD BANK)	10,274,218	8,868,812
BALANCES HELD IN LOCAL COMMERCIAL BANKS	40,073	38,837
TOTAL	10,314,291	8,907,649

The World Bank serves as the Trustee of GCF, administering contributions received in the GCF Trust Fund in accordance with the Amended and Restated Agreement on the Terms and Conditions

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

6. CASH AND BANK BALANCES *(Continued)*

for the Administration of the Green Climate Fund Trust Fund, dated 22 April 2015, between GCF and the Trustee (the 'GCF Trust Fund Agreement'), including all annexes and attachments, which constitutes an integral part thereof. GCF signed a revised agreement with the World Bank on 7 February 2023.

7. CONTRIBUTION RECEIVABLE

In accordance with signed arrangements and agreements, contributions can be made in the form of grants, loans, and capital. These contributions may be funded in cash or via promissory notes. As the Trustee of the Fund, the World Bank holds these promissory notes on behalf of the Fund. These are non-interest-bearing and payable at par value. Promissory notes that are encashable within one year from the end of the reporting period are classified as current assets - contribution receivable. Promissory notes that are encashable after more than one year from the end of the reporting period are classified as non-current assets - contribution receivable.

During the year, the Fund adopted the approach to measure and recognize the contribution receivable under *IFRS 9 Financial Instruments*. Previously, contribution receivable was initially recognized at par value and subsequently measured at fair value, determined by discounting expected future cash flows using appropriate discount rates that reflect the duration and credit risk of the issuer, at the end of each reporting date. Accordingly, the Fund has retrospectively restated where contribution receivable is measured at amortized cost using the effective interest method at the end of each reporting period.

This change on 'Contribution receivable', 'Contributed resources' and 'Accumulated comprehensive loss' in the Statement of Financial Position and 'Foreign exchange (loss)/ gain' and 'Imputed interest income on contribution receivable' in the Statement of Profit or Loss is presented below.

Statement of Financial Position

Previously reported:

<i>(In '000 USD)</i>	31 DECEMBER 2023	1 JANUARY 2023
CONTRIBUTION RECEIVABLE (CURRENT)	799,057	1,386,409
CONTRIBUTION RECEIVABLE (NON-CURRENT)	3,224,477	2,199,132
TOTAL	4,023,534	3,585,541

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

7. CONTRIBUTION RECEIVABLE *(Continued)*

After change:

<i>(In '000 USD)</i>	31 DECEMBER 2023 (RESTATED)	1 JANUARY 2023 (RESTATED)
CONTRIBUTION RECEIVABLE (CURRENT)	850,739	891,198
CONTRIBUTION RECEIVABLE (NON-CURRENT)	3,276,019	2,655,459
TOTAL	4,126,758	3,546,657
IMPACT TO CONTRIBUTED RESOURCES	(392,420)	(191,434)
IMPACT TO ACCUMULATED COMPREHENSIVE LOSS	495,644	152,550
TOTAL IMPACT TO EQUITY (NOTE 13)	103,224	(38,884)

Statement of Profit or Loss and Other Comprehensive Income

<i>(In '000 USD)</i>	Previously reported 31 DECEMBER 2023	After change 1 JANUARY 2023 (RESTATED)
IMPUTED INTEREST INCOME ON CONTRIBUTION RECEIVABLE	(249,219)	34,379
FOREIGN EXCHANGE GAIN	160,018	219,516

The carrying amounts of promissory notes by year of encashment as of 31 December 2024 are detailed below:

<i>(In '000 USD)</i>	AMOUNT
IN 2025	1,137,288
IN 2026	1,023,106
IN 2027	603,681
IN 2028	485,303
IN 2029	265,064
IN 2030	236,025
IN 2031	179,810
CARRYING AMOUNT OF PROMISSORY NOTES AS OF 31 DECEMBER 2024	3,930,277

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

8. INVESTMENTS IN EQUITY

The Fund's investments in equity include interests in unconsolidated structured entities, such as limited partnerships managed by independent general partners, and non-controlling shareholdings in operating entities. These are measured at fair value and are subject to the risk of loss up to the full committed amount. The Fund does not provide support beyond its contractual obligations.

Some amounts disbursed to AEs are held temporarily before being transferred to the investees. These amounts are legally committed and non-recallable and are included in the fair value of the related equity instruments as part of the Fund's total exposure.

i) Investments in equity as of 31 December 2024 and 2023 are detailed below.

(In '000 USD)

AE	INVESTEES	2024			2023 (RESTATED)		
		CUMULATIVE NET AMOUNTS DISBURSED	CARRYING AMOUNT (FVTPL)	CUMULATIVE FAIR VALUE CHANGES	CUMULATIVE NET AMOUNTS DISBURSED	CARRYING AMOUNT (FVTPL)	CUMULATIVE FAIR VALUE CHANGES
ACUMEN	KAWISAFI VENTURES	18,485	18,713	228	17,959	18,179	220
ACUMEN	RESILIENT AGRICULTURE FUND	19,523	17,774	(1,749)	16,959	15,333	(1,626)
MUFG BANK	ENERGIA DE TARAPACA	4,395	-	(4,395)	4,573	-	(4,573)
MUFG BANK	ARBARO FUND	22,407	15,780	(6,627)	22,407	13,047	(9,360)
ACUMEN	ENERGY ACCESS RELIEF C.V.	24,107	18,526	(5,581)	29,343	29,343	-
PCA	GLOBAL SUBNATIONAL CLIMATE FUND	50,000	33,073	(16,927)	50,000	36,451	(13,549)
FMO	GREEN GROWTH EQUITY FUND	83,333	99,189	15,856	83,333	75,205	(8,128)

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

8. INVESTMENTS IN EQUITY

i) Investments in equity as of 31 December 2024 and 2023 are detailed below *(continued)*.

(In '000 USD)

AE	INVESTEES	2024			2023		
		CUMULATIVE NET AMOUNTS DISBURSED	CARRYING AMOUNT (FVTPL)	CUMULATIVE FAIR VALUE CHANGES	CUMULATIVE NET AMOUNTS DISBURSED	CARRYING AMOUNT (FVTPL)	CUMULATIVE FAIR VALUE CHANGES
PCA	GLOBAL FUND CORAL REEFS INVESTMENT FUND SCSp	50,000	33,933	(16,067)	50,000	50,677	677
PCA	GCF CRAFT HOLDING	44,200	39,786	(4,414)	27,212	25,390	(1,822)
DEUTSCHE BANK	UNIVERSAL GREEN ENERGY ACCESS PROGRAMME SCSp RAIF	40,000	36,011	(3,989)	40,000	40,000	-
MAAML	MIEP SG LP	50,000	46,764	(3,236)	50,000	50,000	-
MUFG	GREEN GUARANTEE COMPANY LTD	40,500	40,500	-	-	-	-
AFC	INFRASTRUCTURE CLIMATE RESILIENT FUND LP	136,000	136,000	-	-	-	-
CAMCO	CAMCO REPP 2 SCSp	24,600	24,600	-	-	-	-
TOTAL AS OF 31 DECEMBER		607,550	560,649	(46,901)	391,786	353,625	(38,161)

9. LOANS RECEIVABLE

Loans receivable relate to loans disbursed to AEs for the implementation of activities as per various funding proposals approved by the GCF board. These loans are measured at amortized cost or FVTPL in accordance with "IFRS 9 Financial Instruments", as they are held solely for the collection of principal and interest.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

9. LOANS RECEIVABLE *(Continued)*

(In '000 USD)

	2024		2023	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
GROSS CARRYING AMOUNT	19,500	1,407,550	-	1,047,167
UNREALIZED FX GAIN (LOSS)	-	(11,160)	-	5,262
ECL ALLOWANCE	-	(98,266)	-	(26,577)
NET CARRYING AMOUNT AS OF 31 DECEMBER	19,500	1,298,124	-	1,025,852

The ECL as of year-end by class of asset/exposure is detailed below.

(In '000 USD)

	2024	2023
LOANS RECEIVABLE	(98,266)	(26,577)
LOAN COMMITMENTS	(29,563)	-
TOTAL AS OF 31 DECEMBER	(127,829)	(26,577)

The movement in ECL that has been recognized for loans receivable is detailed below.

(In '000 USD)

	STAGE1 12-MONTH ECL	STAGE2 LIFETIME ECL	STAGE3 LIFETIME ECL	TOTAL
BALANCE AS OF 1 JANUARY 2023	23,740	176	-	23,916
CHANGE IN LOSS ALLOWANCE ARISING DURING THE YEAR:				
DRAWDOWNS	2,661	-	-	2,661
TRANSFER TO STAGE 1	176	(176)	-	-
BALANCE AS OF 31 DECEMBER 2023	26,577	-	-	26,577
CHANGE IN LOSS ALLOWANCE ARISING DURING THE YEAR:				
DRAWDOWNS	35,110	8,923	-	44,033
INCREASE IN CREDIT RISK	-	8,154	1,496	9,650
CHANGE IN MODEL ASSUMPTIONS:				
- INCREASE IN LOSS ALLOWANCE	47,569	-	-	47,569
- TRANSFER TO STAGE 2	(36,481)	36,481	-	-
- TRANSFER TO STAGE 3	(2,697)	-	2,697	-
TOTAL AS OF 31 DECEMBER 2024	70,078	53,558	4,193*	127,829

* The ECL provision for loans classified in Stage 3 exceeds the carrying amount due to the exposure includes accrued interest income, which is not fully recoverable given the impairment.

The Fund enhanced its loan loss allowance methodology effective 1 January 2024 to strengthen its management of credit loss allowance.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

9. LOANS RECEIVABLE *(Continued)*

In addition, the increase in loss allowance is associated with a significant increase in the credit risk associated with loans that were previously classified under Stage 1 and transferred to Stage 2. This reclassification was prompted by a reassessment of the end borrower's financial condition, who is the ultimate beneficiary of the loan-funded project/ programme, The deterioration in credit quality was driven by factors including declining revenue, higher debt levels, and adverse changes in economic or industry conditions in the country where the project is implemented.

More information about the significant changes in the gross carrying amount of loans receivable during the period that contributed to changes in the loss allowance, is provided at the table below.

(In '000 USD)

LOANS RECEIVABLE ⁽¹⁾	STAGE1 12-MONTH ECL	STAGE2 LIFETIME ECL	STAGE3 LIFETIME ECL	TOTAL
GROSS CARRYING AMOUNTS AS OF 1 JANUARY 2024 (RESTATED)⁽²⁾	1,032,929	-	-	1,032,929
DRAWDOWNS	367,004	6,250	-	373,254
REPAYMENTS	(75,300)	(3,333)	-	(78,633)
FX MOVEMENT	(11,160)	-	-	(11,160)
TRANSFER BETWEEN STAGES	(123,500)	120,000	3,500	-
TOTAL AS OF 31 DECEMBER 2024	1,189,973	122,917	3,500	1,316,390

(1) Included in loans receivable are amounts with AEs which have been committed but not disbursed. The loss allowance on such amounts is recognized in loss provision on loan commitment in the statement of financial position.

(2) Certain loans receivable that did not meet the SPPI criteria were retrospectively reclassified from amortized cost to FVTPL. Refer to Note 5.1 for the details of the restatement.

(In '000 USD)

LOANS RECEIVABLE	STAGE1 12-MONTH ECL	STAGE2 LIFETIME ECL	STAGE3 LIFETIME ECL	TOTAL
GROSS CARRYING AMOUNTS AS OF 1 JANUARY 2023 (RESTATED)⁽²⁾	490,660	297,433	-	788,093
DRAWDOWNS	274,173	-	-	274,173
REPAYMENTS	(34,599)	-	-	(34,599)
FX MOVEMENT	5,262	-	-	5,262
TRANSFER BETWEEN STAGES	297,433	(297,433)	-	-
TOTAL AS OF 31 DECEMBER 2023 (RESTATED)⁽²⁾	1,032,929	-	-	1,032,929

(2) Certain loans receivable that did not meet the SPPI criteria were retrospectively reclassified from amortized cost to FVTPL. Refer to Note 5.1 for the details of the restatement.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

10. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment as of 31 December 2024 and 2023 are detailed below.

<i>(In '000 USD)</i>	COMPUTER/ IT EQUIPMENT	LEASEHOLD IMPROVEM ENTS	OFFICE FURNITURE & EQUIPMENT	MOTOR VEHICLES	TOTAL
COST					
AS OF 1 JANUARY 2023	3,760	4,515	1,400	80	9,755
ADDITIONS	427	955	82	-	1,464
DISPOSALS	-	-	-	-	-
AS OF 31 DECEMBER 2023	4,187	5,470	1,482	80	11,219
ADDITIONS	416	2,495	1,242	-	4,153
DISPOSALS	-	-	-	-	-
AS OF 31 DECEMBER 2024	4,603	7,965	2,724	80	15,372

<i>(In '000 USD)</i>	COMPUTER/ IT EQUIPMENT	LEASEHOLD IMPROVEM ENTS	OFFICE FURNITURE & EQUIPMENT	MOTOR VEHICLES	TOTAL
ACCUMULATED DEPRECIATION					
AS OF 1 JANUARY 2023	(3,698)	(561)	(1,337)	(78)	(5,674)
CHARGE FOR THE YEAR	41	(488)	(13)	(2)	(462)
ELIMINATED ON DISPOSAL	-	-	-	-	-
AS OF 31 DECEMBER 2023	(3,657)	(1,049)	(1,350)	(80)	(6,136)
CHARGE FOR THE YEAR	(295)	(622)	(247)	-	(1,164)
ELIMINATED ON DISPOSAL	-	-	-	-	-
AS OF 31 DECEMBER 2024	(3,952)	(1,671)	(1,597)	(80)	(7,300)

<i>(In '000 USD)</i>	COMPUTER/ IT EQUIPMENT	LEASEHOLD IMPROVEM ENTS	OFFICE FURNITURE & EQUIPMENT	MOTOR VEHICLES	TOTAL
CARRYING AMOUNT					
AS OF 31 DECEMBER 2023	530	4,421	132	-	5,083
AS OF 31 DECEMBER 2024	651	6,294	1,127	-	8,072

11. INTANGIBLE ASSETS

Intangible assets as of 31 December 2024 and 2023 are detailed below.

COST <i>(In '000 USD)</i>	SOFTWARE
AS OF 1 JANUARY 2023	367
ADDITIONS FROM SEPARATE ACQUISITIONS	331
AS OF 31 DECEMBER 2023	698
ADDITIONS FROM SEPARATE ACQUISITIONS	3,478
AS OF 31 DECEMBER 2024	4,176

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

11. INTANGIBLE ASSETS *(Continued)*

ACCUMULATED AMORTIZATION <i>(In '000 USD)</i>	SOFTWARE
AS OF 1 JANUARY 2023	(150)
CHARGE FOR THE YEAR	(205)
AS OF 31 DECEMBER 2023	(355)
CHARGE FOR THE YEAR	(679)
AS OF 31 DECEMBER 2024	(1,034)

CARRYING AMOUNT <i>(In '000 USD)</i>	SOFTWARE
AS OF 31 DECEMBER 2023	343
AS OF 31 DECEMBER 2024	3,142

12. LONG-TERM BORROWINGS

i) Long-Term Borrowings as of 31 December 2024 are detailed below.

LENDER	LOCAL CURRENCY	AMOUNT IN LC (in '000)	MATURITY DATE	INTEREST RATE P.A.	INTEREST PAYMENT START DATE	PRINCIPAL REPAYMENT START DATE	AMOUNT IN USD <i>(In '000 USD)</i>	NO OF INSTALLMENT
FRANCE	EUR	249,375	JUNE 15, 2042	0%	N/A	DECEMBER 15, 2022	259,600	40
FRANCE	EUR	310,000	DECEMBER 15, 2046	0%	N/A	JUNE 15, 2027	322,712	40
CANADA	USD	78,355	DECEMBER 15, 2043	1%	JUNE 15, 2024	JUNE 15, 2024	78,355	40
CANADA	USD	85,615	DECEMBER 15, 2046	1%	JUNE 15, 2027	JUNE 15, 2027	85,615	40
CANADA	USD	133,268	DECEMBER 15, 2048	1%	JUNE 15, 2029	JUNE 15, 2029	133,268	40
DEFERRED INCOME*							(105,040)	
TOTAL LONG-TERM BORROWINGS AS OF 31 DECEMBER 2024							774,510	
CURRENT LONG-TERM BORROWINGS							18,958	
NON-CURRENT LONG-TERM BORROWINGS							755,552	

* Deferred income of USD 105 million refers to the interest implicit in the long-term borrowings and will be realized across the maturity period

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

12. LONG-TERM BORROWINGS *(Continued)*

LENDER	LOCAL CURRENCY	AMOUNT IN LC (in '000)	MATURITY DATE	INTEREST RATE P.A.	INTEREST PAYMENT START DATE	PRINCIPAL REPAYMENT START DATE	AMOUNT IN USD (In '000 USD)	NO OF INSTALLMENT
FRANCE	EUR	587,875	JUNE 15, 2042	0%	N/A	DECEMBER 15, 2022	635,404	40
CANADA	USD	168,094	DECEMBER 15, 2043	1%	JUNE 15, 2024	JUNE 15, 2024	168,094	40
DEFERRED INCOME*							(118,030)	
TOTAL LONG-TERM BORROWINGS AS OF 31 DECEMBER 2023							685,468	
CURRENT LONG-TERM BORROWINGS							15,785	
NON-CURRENT LONG-TERM BORROWINGS							669,683	

* Deferred income of USD 118 million refers to the interest implicit in the long-term borrowings and will be realized across the maturity period

ii) Changes in the value of the borrowings in 2024 and 2023 are detailed below.

<i>(In '000 USD)</i>	2024	2023
BALANCE AS OF 1 JANUARY	685,468	671,667
DRAWDOWN	133,268	-
REPAYMENTS	(18,958)	(15,785)
FOREIGN EXCHANGE (GAIN) LOSS	(38,258)	23,405
DECREASE IN PRESENT VALUE DISCOUNT	12,990	6,181
BALANCE AS OF 31 DECEMBER	774,510	685,468

13. CONTRIBUTED RESOURCES

As detailed in Note 7, contributions are received through the GCF's Trust Fund account at the World Bank, administrated by the World Bank, Trustee. The change in the carrying value of the resources in the GCF Trust Fund is attributable to contributions, investment returns on the GCF Trust Fund balances, foreign currency transactions, and present value atomization on promissory notes.

The realized foreign exchange gain (loss) primarily arises from exchange rate fluctuations at the time of encashment of promissory notes.

Contributions dominated in foreign currency are converted into United States Dollars (USD), the reporting currency, using the exchange rate provided by the Trustee.

During the year, the Fund retrospectively applied a voluntary change in accounting policy with respect to the accounting and presentation of Contributions *under IAS 32 Financial Instruments: Presentation*.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

13. CONTRIBUTED RESOURCES *(Continued)*

The Fund had revised its accounting for contributions, whether in the form of grants or capital, as equity rather than income. The impact of this change presents cumulative contributions as 'Contributed resources' in the Statement of Financial Position and removes 'Income from contributors' from the Statement of Profit or Loss and Other Comprehensive Income.

The new presentation reconciles the Fund's net assets amounts on a total entity basis, there is no financial impact on the financial position of the Fund as of 31 December 2023 and 1 January 2023.

Statement of Financial Position

Previously reported:

<i>(In '000 USD)</i>	31 DECEMBER 2023	1 JANUARY 2023
TEMPORARILY RESTRICTED FUNDS	5,711,881	4,328,061
UNRESTRICTED FUNDS	7,787,814	6,576,187
TOTAL FUNDS	13,499,695	10,904,248

After accounting policy change:

<i>(In '000 USD)</i>	31 DECEMBER 2023 (RESTATED)	1 JANUARY 2023 (RESTATED)
CONTRIBUTED RESOURCES	16,845,347	13,837,903
ACCUMULATED COMPREHENSIVE LOSS	(3,345,652)	(2,933,655)
TOTAL EQUITY	13,499,695	10,904,248
IMPACT ON TOTAL EQUITY DUE TO OTHER CHANGES (NOTE 7)	103,224	(38,884)
TOTAL EQUITY	13,602,919	10,865,364

Statement of Profit or Loss and Other Comprehensive Income

<i>(In '000 USD)</i>	Previously reported 31 DECEMBER 2023	After accounting policy change 31 DECEMBER 2023 (RESTATED)
INCOME FROM CONTRIBUTIONS	3,007,444	-

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

13. CONTRIBUTED RESOURCES *(Continued)*

The cumulative notional amounts of contributed resources as of 31 December 2024 and 2023 are detailed below. These amounts have not been discounted to present value, consistent with the presentation in the Trustee Report, which is provided for informational purposes.

<i>(In '000 USD)</i>	31 DECEMBER 2024	31 DECEMBER 2023
AUSTRALIA	152,318	152,318
AUSTRIA	217,941	174,645
BELGIUM	216,535	175,702
BELGIUM-FLANDERS	16,076	16,076
BELGIUM-WALLOON REGION	11,712	11,267
BULGARIA	303	195
CANADA	342,643	292,819
CHILE	300	300
COLOMBIA	787	787
CYPRUS	415	415
CZECH REPUBLIC	5,857	4,857
DENMARK	233,993	187,290
ESTONIA	2,212	1,123
FINLAND	205,176	167,333
FRANCE	2,496,477	2,153,055
GERMANY	3,003,286	2,523,172
HUNGARY	4,176	4,176
INDONESIA	750	750
ICELAND	4,200	3,400
IRELAND	48,432	32,226
ISRAEL	96	-
ITALY	445,746	370,616
JAPAN	2,832,798	2,613,724
KOREA	313,439	290,547
LATVIA	417	417
LIECHTENSTEIN	447	211
LITHUANIA	113	113
LUXEMBOURG	91,073	77,944
MALTA	1,814	1,381
MEXICO	10,000	10,000
MONACO	6,990	6,100
MONGOLIA	150	50
NETHERLANDS	299,989	246,289

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

13. CONTRIBUTED RESOURCES *(Continued)*

<i>(In '000 USD)</i>	31 DECEMBER 2024	31 DECEMBER 2023
NEW ZEALAND	27,103	12,269
NORWAY	655,135	577,272
PANAMA	1,000	1,000
POLAND	3,103	3,103
PORTUGAL	4,450	3,379
ROMANIA	113	113
RUSSIA	10,000	10,000
RUSSIA FEDERATION	3,000	3,000
SLOVAKIA REPUBLIC	4,711	4,113
SLOVENIA	2,147	1,106
SPAIN	455,066	302,805
SWEDEN	1,225,480	1,262,988
SWITZERLAND	289,561	250,562
UNITED KINGDOM	3,007,145	2,757,380
UNITED STATES	2,000,000	2,000,000
VIETNAM	1,000	1,000
TOTAL AS OF 31 DECEMBER (PER TRUSTEE REPORT)	18,655,675	16,709,388
INITIAL FAIR VALUE ADJUSTMENT AND FOREIGN EXCHANGE MOVEMENTS	(102,250)	(256,461)
TOTAL CONTRIBUTED RESOURCES	18,553,424	16,452,927

All contributions received where the use is limited by contributor-imposed purpose or time restrictions are classified as temporarily restricted. All other funds are recognized as unrestricted.

Time restriction represents the funds to be collected in future years (i.e., promissory notes) that were recorded at the present value of future collections at the end of the reporting period. This type of fund will be reclassified into unrestricted funds in the year of receipt.

Contributor-imposed restriction represents the funds whose use is limited by the contributor. Contributor-imposed restrictions relate to contributions for which the contributor has outlined specific uses for which the contributions may be applied and capital contributions, which can only be disbursed as financial instruments that generate reflows. They may, therefore, not be used to finance grants and administrative expenditure unless the terms of the contribution state so.

Loan cushions represent funds that loan contributors have designated to be used to cushion the fund against any loan defaults.

Changes in the nominal value of temporarily restricted funds by type of restriction for the years ended 31 December 2024 and 2023 are detailed below.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

13. CONTRIBUTED RESOURCES *(Continued)*

<i>(In '000 USD)</i>	1	RELEASED	RECEIVED	RECLASSIFIC	UNREALIZED	31
RESTRICTED	JANUARY		WITH	ATION TO	EXCHANGE	DECEMBER
FUND	2024		RESTRICTION	RESTRICTED	GAIN/(LOSS)	2024
TIME ONLY	3,722,981	(1,085,984)	1,086,962	-	(143,973)	3,579,986
TIME AND CONTRIBUTOR IMPOSED	677,259	(84,927)	-	-	(9,596)	582,736
CONTRIBUTOR IMPOSED ONLY- LOAN CUSHIONS	162,779	-	26,572	-	-	189,351
CONTRIBUTOR IMPOSED ONLY	1,148,863	-	-	-	-	1,148,863
TOTAL	5,711,882	(1,170,911)	1,113,534	-	(153,569)	5,500,936

<i>(In '000 USD)</i>	1	RELEASED	RECEIVED	RECLASSIFCA	UNREALIZED	31
RESTRICTED	JANUARY		WITH	TION TO	EXCHANGE	DECEMBER
FUND	2023		RESTRICTION	RESTRICTED	GAIN/(LOSS)	2023
TIME ONLY	2,884,753	(845,150)	1,405,351	142,655	135,373	3,722,982
TIME AND CONTRIBUTOR IMPOSED	767,456	(48,473)	-	(81,835)	40,111	677,259
CONTRIBUTOR IMPOSED ONLY- LOAN CUSHIONS	162,779	-	-	-	-	162,779
CONTRIBUTOR IMPOSED ONLY	513,073	-	553,932	81,857	-	1,148,862
TOTAL	4,328,061	(893,623)	1,959,283	142,677	175,484	5,711,882

14. INVESTMENT & OTHER INCOME

Investment and other income comprise the following:

<i>(In '000 USD)</i>	2024	2023 <i>(RESTATED)</i>
INVESTMENT INCOME	554,332	431,486
LOAN INTEREST INCOME	21,784	6,722
OTHER INCOME*	8,832	22,666
TOTAL	584,948	460,874

* Gains arising from FX movements was reported as other income prior to 2024 (2023: USD 12.6 million). This was reclassified to other expenses to conform to current year's presentation.

Investment income refers to the returns generated from the (i) balances of the GCF Trust Fund, which were invested in accordance with the investment strategy established for all trust funds administered by the World Bank, serving as the Trustee of GCF and (ii) undisbursed balances of the

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

14. INVESTMENT & OTHER INCOME *(Continued)*

GCF Trust Fund with the respective AEs. Investment income is recognized when the right to receive payment is established.

Loan interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Other income comprises non-interest reflows from loans with AEs, including commitment fees, service fees, guarantee fees, and interest earned from local bank deposits.

15. ADMINISTRATIVE EXPENSES

Administrative expenses for the years ended 31 December 2024 and 2023 are detailed below.

<i>(In '000 USD)</i>	2024	2023
STAFF COSTS a)	73,960	65,784
CONSULTANTS FEES	6,980	5,021
CONTRACTUAL SERVICES	8,140	12,028
SUPPLIES AND SERVICES	21,418	14,229
TRAVEL	5,433	5,145
DEPRECIATION AND AMORTIZATION	1,844	667
TOTAL	117,775	102,874

a) Staff Costs: The Fund had 349 full-time staff² as of 31 December 2024 (325 as of 31 December 2023). Staff costs are detailed below.

<i>(In '000 USD)</i>	2024	2023
SHORT-TERM EMPLOYEE BENEFITS	63,464	56,186
DEFINED CONTRIBUTION PLANS	8,008	6,813
OTHER COSTS	2,488	2,785
TOTAL	73,960	65,784

16. PROGRAMMES & PROJECTS

Expenditures of programmes & projects for adaptation and mitigation for the years ended 31 December 2024 and 2023 are detailed below.

<i>(In '000 USD)</i>	2024	2023
FUNDING PROPOSAL GRANTS	567,080	543,507
READINESS & PREPARATORY SUPPORT PROGRAMME	91,185	80,792
PROJECT PREPARATION FACILITY	20,014	2,875
TOTAL	678,279	627,174

² Includes both Secretariat and Independent units' staff.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

17. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities for Readiness & Preparatory Support Programme, Project Preparation Facility (PPF), approved Project Funding Proposals, and Accredited Entity (AE) fees as of 31 December 2024 and 2023 are detailed below.

a) Readiness & Preparatory Support Programme

<i>(In '000 USD)</i>	2024	2023
CUMULATIVE APPROVED FUNDS	657,140	565,207
DISBURSED	(389,142)	(357,756)
TOTAL COMMITMENT	267,998	207,451

b) Project Preparation Facility (PPF)

<i>(In '000 USD)</i>	2024	2023
CUMULATIVE APPROVED FUNDS	66,791	55,514
DISBURSED	(42,697)	(31,338)
TOTAL COMMITMENT	24,094	24,176

c) Project Funding Decisions

The total cumulative value of Projects approved by the GCF Board but pending disbursements as of 31 December is detailed below.

<i>(In '000 USD)</i>	2024	2023
CUMULATIVE APPROVED FUNDING PROPOSALS	15,788,963	13,465,143
DISBURSED	(5,232,524)	(4,021,364)
TOTAL COMMITMENT	10,556,439	9,443,779

d) Project Fees

The total cumulative value of AE fees approved by the GCF Board but pending disbursements as of 31 December is detailed below.

<i>(In '000 USD)</i>	2024	2023
CUMULATIVE APPROVED AE FEES	634,083	553,063
DISBURSED	(256,823)	(197,924)
TOTAL COMMITMENT	377,260	355,139

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

18. LEASE

Under the agreement signed on October 8, 2013, between the Ministry of Strategy and Finance of the Republic of Korea, the Incheon Metropolitan City, and the Green Climate Fund, Incheon City provides the Fund with rent-free premises for the entire duration of its operation in Songdo. The estimated fair value of this free rental since inception is detailed below.

<i>(In '000 USD)</i>	2024	2023	2013-2022*
FAIR VALUE LEASE RENTAL	1,190	966	5,354

* The figures for 2022 and prior years have been updated to reflect the foreign exchange rate at the time of reporting.

** Effective April 2024, new rent-free premises were allocated on the 15th floor of G-Tower and at the IBS office.

19. RELATED PARTIES

Related parties include board members, board committees, senior management, and their close family members. As of 31 December 2024, and 2023, there was no outstanding loan to or from related parties. The Fund does not remunerate its Board members. All transactions with the Board are conducted on terms equivalent to an arm's length transaction within the Secretariat's operational framework.

Key management remuneration for 2024 and 2023 is detailed below.

<i>(In '000 USD)</i>	2024	2023
SALARIES	3,949	4,360
RETIREMENT PLAN	710	785
OTHER BENEFITS	1,636	692
TERMINATION BENEFITS	581	306
TOTAL	6,876	6,143

*Definition of key management in 2023 was from IS7 to IS10 while in 2024 it is from IS8 to IS10 to reflect the personnel directly involved in Executive Leadership Team only.

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