

Greenpeace, Inc.
Financial Statements
December 31, 2023, and 2022



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Greenpeace, Inc.
Financial Statements
December 31, 2023, and 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Greenpeace, Inc.
Washington, DC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Greenpeace, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greenpeace, Inc. as of December 31, 2023 and 2022, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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



CliftonLarsonAllen LLP

Arlington, Virginia
June 6, 2024

Greenpeace, Inc.

Statements of Financial Position December 31, 2023, and 2022

	2023	2022
Assets		
Cash and cash equivalents	\$ 2,589,756	\$ 1,708,596
Advances and other receivables	111,955	51,085
Investments	185,825	163,288
Due from Greenpeace Fund, Inc.	4,284,461	3,072,792
Due from Stichting Greenpeace Council	304,071	121,686
Due from other Greenpeace affiliates	388	-
Prepaid expenses and deposits	996,755	936,377
Property and equipment, net	6,284,561	3,347,176
Right of use assets - Operating Leases	6,134,960	6,830,716
Total assets	<u>\$ 20,892,732</u>	<u>\$ 16,231,716</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 4,278,350	\$ 4,335,808
Due to Greenpeace affiliates	58,700	20,000
Lease liabilities - Operating Leases	9,746,375	7,109,155
Loan Payable - Stichting Greenpeace Council	2,053,140	2,007,502
Total liabilities	<u>16,136,565</u>	<u>13,472,465</u>
Net Assets		
Without donor restrictions	4,002,008	574,956
With donor restrictions	754,159	2,184,295
Total net assets	<u>4,756,167</u>	<u>2,759,251</u>
Total liabilities and net assets	<u>\$ 20,892,732</u>	<u>\$ 16,231,716</u>

See accompanying notes.

Greenpeace, Inc.

Statement of Activities For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 23,146,521	\$ -	\$ 23,146,521
Grants - Greenpeace Fund, Inc.	-	13,115,000	13,115,000
Grants - Stichting Greenpeace Council	3,000,000	857,898	3,857,898
Grants from Other NROs	-	34,042	34,042
Net investment income	22,537	-	22,537
Other income	59,752	-	59,752
Net assets released from restrictions	15,437,076	(15,437,076)	-
Total revenue and support	41,665,886	(1,430,136)	40,235,750
Expenses			
Program services:			
Climate campaign	6,176,526	-	6,176,526
Forests campaign	930,238	-	930,238
Public information and education	6,155,548	-	6,155,548
Oceans campaign	6,430,096	-	6,430,096
Action resources	3,199,395	-	3,199,395
Outreach campaign	3,385,905	-	3,385,905
Total program services	26,277,708	-	26,277,708
Supporting services:			
Fundraising	6,977,426	-	6,977,426
Management and general	4,983,700	-	4,983,700
Total supporting services	11,961,126	-	11,961,126
Total expenses	38,238,834	-	38,238,834
Change in Net Assets	3,427,052	(1,430,136)	1,996,916
Net Assets, beginning of year	574,956	2,184,295	2,759,251
Net Assets, end of year	\$ 4,002,008	\$ 754,159	\$ 4,756,167

See accompanying notes.

Greenpeace, Inc.

Statement of Activities For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 24,437,314	\$ 86,600	\$ 24,523,914
Grants - Greenpeace Fund, Inc.	-	7,520,000	7,520,000
Grants - Stichting Greenpeace Council	-	258,744	258,744
Grants from Other NROs	-	93,094	93,094
Net investment loss	(561)	-	(561)
Other income	111,559	-	111,559
Net assets released from restrictions	5,841,442	(5,841,442)	-
Total revenue and support	30,389,754	2,116,996	32,506,750
Expenses			
Program services:			
Climate campaign	6,756,727	-	6,756,727
Forests campaign	1,975,260	-	1,975,260
Public information and education	5,553,748	-	5,553,748
Oceans campaign	6,052,895	-	6,052,895
Action resources	3,353,860	-	3,353,860
Outreach campaign	3,518,620	-	3,518,620
Total program services	27,211,110	-	27,211,110
Supporting services:			
Fundraising	7,328,803	-	7,328,803
Management and general	5,212,909	-	5,212,909
Total supporting services	12,541,712	-	12,541,712
Total expenses	39,752,822	-	39,752,822
Change in Net Assets	(9,363,068)	2,116,996	(7,246,072)
Net Assets, beginning of year	9,938,024	67,299	10,005,323
Net Assets, end of year	\$ 574,956	\$ 2,184,295	\$ 2,759,251

See accompanying notes.

Greenpeace, Inc.

Statements of Cash Flows For the Years Ended December 31, 2023, and 2022

	2023	2022
Cash Flows from Operating Activities		
Change in net assets	\$ 1,996,916	\$ (7,246,072)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Net realized and unrealized investment (gains) losses	(20,829)	2,173
Depreciation and amortization	999,299	569,292
Noncash lease expense	917,776	1,308,781
Change in operating assets and liabilities:		
(Increase) decrease in:		
Advances and other receivables	(60,870)	(47,965)
Due from Greenpeace Fund, Inc.	(1,211,669)	436,988
Due from Stichting Greenpeace Council	(182,385)	932,362
Due from other Greenpeace affiliates	(388)	5,572
Prepaid expenses and deposits	(60,378)	187,822
Increase (decrease) in:		
Accounts payable and accrued expenses	(57,458)	(32,759)
Due to Stichting Greenpeace Council	45,638	7,502
Due to Greenpeace affiliates	38,700	20,000
Deferred rent	-	(202,157)
Lease liabilities - Operating Leases	(680,629)	(1,030,342)
Net cash provided (used) by operating activities	<u>1,723,723</u>	<u>(5,088,803)</u>
Cash Flows from Investing Activities		
Proceeds from maturities and sales of investments	-	33
Purchases of investments	(1,708)	(1,645)
Purchases of property and equipment	(840,855)	(905,524)
Net cash used by investing activities	<u>(842,563)</u>	<u>(907,136)</u>
Cash Flows from Financing Activity		
Proceeds from Loan Payable - Stichting Greenpeace Council	-	2,000,000
Net cash provided by financing activity	<u>-</u>	<u>2,000,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	881,160	(3,995,939)
Cash and Cash Equivalents, beginning of year	<u>1,708,596</u>	<u>5,704,535</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 2,589,756</u></u>	<u><u>\$ 1,708,596</u></u>
Supplemental Disclosure of Cash Flow Information		
Non-cash acquisition of property and equipment through tenant allowance	<u><u>\$ 3,095,829</u></u>	<u><u>\$ -</u></u>

See accompanying notes.

Greenpeace, Inc.

Statement of Functional Expenses For the Year Ended December 31, 2023

	Program Services							Supporting Services		
	Climate Campaign	Forests Campaign	Public Information and Education	Oceans Campaign	Action Resources	Outreach Campaign	Total Programs	Fundraising	Management and General	Total
Salaries, taxes, and employee benefits	\$ 2,643,305	\$ 79,766	\$ 3,460,183	\$ 2,413,663	\$ 1,746,950	\$ 1,175,069	\$ 11,518,936	\$ 1,628,227	\$ 2,325,272	\$ 15,472,435
Professional fees	1,950,475	513,011	1,383,141	2,025,453	251,507	1,121,260	7,244,847	2,256,486	872,083	10,373,416
Office expenses	367,231	131,697	232,066	421,217	169,531	289,556	1,611,298	596,047	85,350	2,292,695
Direct Mail-Printing	391,748	169,198	198,417	447,101	-	345,955	1,552,419	375,872	-	1,928,291
Information Technology	179,053	7,278	169,290	167,882	146,670	145,547	815,720	318,229	622,459	1,756,408
Occupancy	138,772	172	176,602	118,051	374,922	56,043	864,562	163,945	346,954	1,375,461
Advertising and Promotion	19,041	1,450	29,062	15,460	330	11,598	76,941	1,345,983	2,310	1,425,234
Travel	126,438	1,684	118,459	317,099	233,296	23,959	820,935	38,919	91,894	951,748
Depreciation and amortization	98,421	274	123,840	87,341	91,779	38,037	439,692	101,543	346,207	887,442
Conferences and meetings	90,575	827	98,610	260,008	69,972	23,973	543,965	39,434	117,618	701,017
Insurance	53,157	64	67,142	44,309	91,433	21,481	277,586	50,233	131,383	459,202
List rental expenses	54,498	23,538	27,603	62,198	-	48,128	215,965	52,289	-	268,254
Books and Publications	51,454	38	58,528	7,986	8,550	8,011	134,567	1,535	7,172	143,274
Grants	-	-	-	-	-	70,209	70,209	-	-	70,209
Interest	4,058	24	5,059	4,040	3,270	1,421	17,872	4,895	22,870	45,637
Ship operating expenses	4,612	-	4,517	18,626	10,507	2,859	41,121	103	435	41,659
Taxes/ permits/ fees	3,688	1,217	3,029	4,037	678	2,799	15,448	3,686	4,175	23,309
Miscellaneous	-	-	-	15,625	-	-	15,625	-	7,518	23,143
Total Expenses	\$ 6,176,526	\$ 930,238	\$ 6,155,548	\$ 6,430,096	\$ 3,199,395	\$ 3,385,905	\$ 26,277,708	\$ 6,977,426	\$ 4,983,700	\$ 38,238,834

See accompanying notes.

Greenpeace, Inc.

Statement of Functional Expenses For the Year Ended December 31, 2022

	Program Services							Supporting Services		
	Public								Management	
	Climate	Forests	Information	Oceans	Action	Outreach	Total			
	Campaign	Campaign	and Education	Campaign	Resources	Campaign	Programs	Fundraising	and General	Total
Salaries, taxes, and										
employee benefits	\$ 2,367,734	\$ 336,162	\$ 2,950,175	\$ 2,055,856	\$ 1,985,903	\$ 1,398,907	\$ 11,094,737	\$ 1,739,648	\$ 2,563,615	\$ 15,398,000
Professional fees	2,402,659	980,371	1,428,522	2,211,099	229,020	1,051,107	8,302,778	2,435,990	862,107	11,600,875
Office expenses	534,298	257,530	273,250	544,544	151,891	300,458	2,061,971	686,484	65,998	2,814,453
Direct mail-printing	431,510	264,638	214,133	500,624	-	232,256	1,643,161	438,947	-	2,082,108
Information technology	187,681	19,450	178,014	158,594	164,549	197,215	905,503	330,645	751,512	1,987,660
Occupancy	162,818	17,215	201,326	134,149	429,351	95,566	1,040,425	215,976	439,580	1,695,981
Advertising and promotion	245,040	5,580	19,615	18,226	2,689	6,265	297,415	1,183,982	17,689	1,499,086
Depreciation and amortization	51,742	4,397	56,301	38,797	69,907	26,798	247,942	56,357	238,450	542,749
Insurance	58,675	6,113	72,293	48,325	70,629	34,320	290,355	66,717	173,417	530,489
List rental expenses	97,969	60,083	48,616	113,660	-	52,731	373,059	99,657	-	472,716
Travel	102,238	12,509	27,196	114,897	141,373	23,417	421,630	22,978	23,474	468,082
Conferences and meetings	81,405	6,751	32,808	93,036	72,751	33,620	320,371	39,046	60,383	419,800
Books and Publications	24,340	641	44,819	6,682	7,561	10,695	94,738	671	2,989	98,398
Taxes/ permits/ fees	5,163	3,730	5,443	11,275	11,898	4,596	42,105	10,902	9,754	62,761
Grants	-	-	-	-	-	50,100	50,100	-	-	50,100
Ship operating expenses	1,575	6	517	1,007	14,382	38	17,525	41	108	17,674
Interest	708	53	720	505	583	343	2,912	762	3,833	7,507
Miscellaneous	1,172	31	-	1,619	1,373	188	4,383	-	-	4,383
Total Expenses	\$ 6,756,727	\$ 1,975,260	\$ 5,553,748	\$ 6,052,895	\$ 3,353,860	\$ 3,518,620	\$ 27,211,110	\$ 7,328,803	\$ 5,212,909	\$ 39,752,822

See accompanying notes.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

1. Nature of Operations

Greenpeace, Inc. (the Organization) was established in 1987 as a nonprofit corporation to promote the protection and preservation of the environment through lobbying, education, advocacy, and peaceful direct action. Its activities are carried out through various programs and campaigns in support of this mission. The Organization's primary sources of revenues are contributions from individuals, grants from the Greenpeace Fund, Inc. (the Fund), and grants from Stichting Greenpeace Council (the Council).

2. Summary of Significant Accounting Policies

Basis of Accounting

The Organization's financial statements are prepared on the accrual basis of accounting and are in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for nonprofit organizations. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization's operations.
- *Net assets with donor restrictions* represent funds that are subject to donor-imposed restrictions that are met through specific actions of the Organization or through the passage of time. Net assets with donor restrictions include funds subject to donor-imposed stipulations that they be maintained in perpetuity by the Organization. The Organization did not have any net assets under donor-imposed stipulations that they be maintained in perpetuity at December 31, 2023 and 2022.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents

The Organization considers as cash equivalents demand deposits and all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase. However, cash equivalents occasionally held in the Organization's investment portfolio are included as a component of investments.

Greenpeace, Inc.

Notes to Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (Continued)

Investments

Investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. All unrealized gains and losses, realized gains and losses, and interest and dividend income, net of investment management fees are included in investment income in the accompanying statements of activities.

Property and Equipment

Property and equipment with a cost in excess of \$3,000 and a projected useful life exceeding one year are capitalized and recorded at cost. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the lease term. Software development costs are recorded at cost. Once software projects are substantially complete and ready for intended use, the cost is amortized using the straight-line method over the estimated useful life of three to ten years.

Depreciation and amortization on all other property and equipment is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to five years. Repairs and maintenance costs are expensed as incurred. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts and any resulting gain or loss is included in revenues or expenses.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Greenpeace, Inc.

Notes to Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (Continued)

Leases

The Organization records a right-of-use asset and lease liability for its operating leases. The right-of-use asset is amortized over the shorter of the lease term or the economic life of the leased asset. The associated lease liability represents the net present value of the future amounts due under the lease, calculated using a risk-free rate of return selected based on the term of the lease. Non-lease components are separated from lease components for accounting purposes. The Organization does not apply the recognition requirements under ASC Topic 842 (Leases) to short-term leases.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized at fair value when received or pledged, whichever is earlier. All grants and contributions are considered to be available for without donor restriction use unless specifically restricted by the donor. The Organization reports grants and contributions as with donor restriction support if they are received with donor or grantor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other income consists of licensing, royalties, merchandise sales, and revenues from training sessions, and is recognized when earned.

Donated Services

The Organization utilizes volunteer services in several areas of operations. Volunteer services that require special skills and would otherwise need to be purchased are recorded as support and expense in the period provided. Nonprofessional volunteer hours are not recorded as revenue or expense in the accompanying financial statements.

Functional Allocation of Expenses

The costs of the Organization's programs and other activities have been summarized on a functional basis in the accompanying statements of activities and functional expenses. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include occupancy, the Executive Director's office, human resources, and information technology. Occupancy costs are allocated based on personnel salaries, the executive director's office is allocated based on estimates of time and effort, human resources are allocated based on FTEs, and information technology department is allocated based on estimates of time and costs of specific technology utilized.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (Continued)

Adoption of New Accounting Standard

On January 1, 2023, the Organization adopted Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses using the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Organization's financial statements. The allowance for credit losses as of December 31, 2023, was \$-0- and there was no transition adjustments needed to opening net assets as of January 1, 2023.

Reclassification

Certain items in the statements of cash flows for the year ended December 31, 2022, have been reclassified to conform to the December 31, 2023, cash flows presentation. There was no effect on previously reported net cash used or provided by operating, investing or financing activities.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 6, 2024, the date the financial statements were available to be issued.

3. Liquidity

The Organization has \$6,536,472 and \$2,769,864 of financial assets available within one year of the financial position date consisting of the following at December 31:

	2023	2022
Cash and cash equivalents	\$ 2,589,756	\$ 1,708,596
Due from Affiliates	4,588,920	3,194,478
Advances and other receivables	111,955	51,085
Less: Purpose restrictions	(754,159)	(2,184,295)
Financial assets available within one year	<u>\$ 6,536,472</u>	<u>\$ 2,769,864</u>

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

3. Liquidity (Continued)

The Organization has a goal to maintain financial assets, which consist of cash and balances due from affiliates, on hand to meet 90 days of normal operating expenses, which are, on average, approximately \$5,430,000 and \$7,970,000 for December 31, 2023, and 2022, respectively. As more fully described in Notes 7 and 13, the Organization also has committed lines of credit totaling \$5,500,000, which it could draw upon in the event of liquidity needs.

4. Concentrations

Revenue Risk

Approximately 33% and 23% of the Organization's support was provided by the Fund for the years ended December 31, 2023 and 2022, respectively. Any reduction in the level of support from the Fund could affect the Organization's program activities.

Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and investments. The Organization maintains cash deposit and transaction accounts, along with investments, with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Depository Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Organization has not experienced any credit losses on its cash and cash equivalents and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

Market Risk

The Organization invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of financial position and activities.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

5. Investments and Fair Value Measurements

A fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value is established by U.S. GAAP. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under U.S. GAAP are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2023 and 2022.

Equities: Valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction price before year-end.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

5. Investments and Fair Value Measurements (Continued)

The following table presents the Organization's fair value hierarchy for those investments measured on a recurring basis at December 31:

	2023			
	Level 1	Level 2	Level 3	Total
Equities:				
Domestic	\$ 105,816	\$ -	\$ -	\$ 105,816
International	4,956	-	-	4,956
Money market funds	75,053	-	-	75,053
Total investments	<u>\$ 185,825</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 185,825</u>
	2022			
	Level 1	Level 2	Level 3	Total
Equities:				
Domestic	\$ 83,850	\$ -	\$ -	\$ 83,850
International	28,704	-	-	28,704
Money market funds	50,734	-	-	50,734
Total investments	<u>\$ 163,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 163,288</u>

Investment income consists of the following for the years ended December 31:

	2023	2022
Net realized and unrealized gains (losses)	\$ 20,829	\$ (2,173)
Interest and dividends, net of investment fees of \$3 in 2023 and 2022	<u>1,708</u>	<u>1,612</u>
Total investment income (loss)	<u>\$ 22,537</u>	<u>\$ (561)</u>

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

6. Property and Equipment

Property and equipment consist of the following at December 31:

	2023	2022
Leasehold improvements	\$ 4,812,978	\$ 1,133,777
Action equipment	599,283	599,283
Office equipment	1,322,816	1,176,051
Vehicles	333,695	281,543
Software	3,711,993	3,660,428
Total property and equipment	10,780,765	6,851,082
Accumulated depreciation and amortization	(4,496,204)	(3,503,906)
Property and equipment, net	\$ 6,284,561	\$ 3,347,176

Depreciation and amortization expense for the years ended December 31, 2023 and 2022, was \$999,299 and \$569,292, respectively. Of the depreciation and amortization expense, \$111,857 and \$26,543 was allocated to the Fund for the years ended December 31, 2023 and 2022, respectively.

7. Related Party Transactions

The Organization has entered into various agreements and transactions with the Fund; the Council; and other Greenpeace affiliates as follows:

Stichting Greenpeace Council

Greenpeace is a global environmental organization, consisting of Greenpeace International (Stichting Greenpeace Council – the Council) in Amsterdam, and 26 independent national and regional offices across the world covering operations in more than 55 countries. These national/regional offices are independent in carrying out global campaign strategies within the local context they operate within, and in seeking the necessary financial support from donors to fund this work. Greenpeace International's main legal entity is "Stichting Greenpeace Council" (SGC). It is a Dutch Stichting - a foundation-type nonprofit entity - based in Amsterdam, the Netherlands. The Organization is a voting member of the Council. All Greenpeace entities are influenced by decisions of the Council; however, the Organization has ultimate responsibility for and control over its own activities and decisions.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

7. Related Party Transactions (Continued)

Stichting Greenpeace Council (Continued)

During 2023 and 2022, the Organization received contributions and grants from the Council of \$3,857,898 and \$260,293, respectively.

During 2022, the Council granted a loan of \$2 million to help support the Organization's Fundraising initiatives. Interest accrues at a rate of 2.25% per year, calculated monthly. At December 31, 2023 and 2022, the total outstanding loan balances, including interest, were \$2,053,140 and \$2,007,502, respectively.

Greenpeace Fund, Inc.

The Fund is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes except for taxes on unrelated business activities and receives management services from the Organization.

The Fund provides funding for various program activities performed by the Organization. Grants from the Fund totaled \$13,115,000 and \$7,520,000 for the years ended December 31, 2023 and 2022, respectively, and are included in the accompanying statements of activities.

In addition, the Organization has a \$2 million line of credit arrangement with the Fund to help support its operations at an interest rate of 7.25%. An amendment of the existing agreement was executed in March 2023, whereby the line of credit was increased to \$4 million. Interest expense was \$-0- for 2023 and 2022, respectively. The line of credit's balance was \$-0- at December 31, 2023 and 2022, respectively.

Expenses Shared with Greenpeace Fund, Inc., and Stichting Greenpeace Council; Support from Other Greenpeace Affiliates

The Organization shares certain management and general costs with the Fund and the Council. All shared costs are charged to the appropriate entity based upon specific identification or are allocated based on time incurred. The Organization's share of such costs is then allocated to the various programs and supporting services included in the accompanying statements of activities. Total costs allocated to Fund were \$497,403 and \$435,225 for 2023 and 2022, respectively. Total costs allocated to the Council were \$-0- and \$232,605 for 2023 and 2022, respectively. During 2023 and 2022, the Organization received \$34,042 and \$ 93,094, respectively, from Greenpeace UK and Greenpeace Switzerland, in support of the Global Plastics project.

Greenpeace, Inc.

Notes to Financial Statements
December 31, 2023 and 2022

7. Related Party Transactions (Continued)

Expenses Shared with Greenpeace Fund, Inc., and Stichting Greenpeace Council; Support from Other Greenpeace Affiliates (Continued)

The Organization pays certain expenses on behalf of the Fund, the Council, and other Greenpeace affiliates. The Organization also has certain expenses paid on its behalf by the Fund, the Council, and other Greenpeace affiliates. A summary of the net result of these transactions as well as contribution balances due from or to the Fund, the Council, and other Greenpeace affiliates, are as follows at December 31:

	2023	2022
Due from Greenpeace Fund, Inc.:		
Expense sharing	\$ 1,184,461	\$ 1,072,792
Grants Receivable	3,100,000	2,000,000
	<u>4,284,461</u>	<u>3,072,792</u>
Due from Greenpeace Fund, Inc.	<u>\$ 4,284,461</u>	<u>\$ 3,072,792</u>
Due from Stichting Greenpeace Council:		
Expense sharing - billed	\$ 194,797	\$ 34,754
Expense sharing - unbilled	109,274	86,932
	<u>304,071</u>	<u>121,686</u>
Due from Stichting Greenpeace Council	<u>\$ 304,071</u>	<u>\$ 121,686</u>
Due from other Greenpeace affiliates	\$ 388	-
Due to other Greenpeace affiliates	<u>(58,700)</u>	<u>(20,000)</u>
Net receivable due from other Greenpeace affiliates	<u>\$ (58,312)</u>	<u>\$ (20,000)</u>

8. Net Assets with Donor Restrictions

At December 31, 2023, the Organization carried \$754,159 in net assets with donor restrictions, restricted to supporting the Bitcoin Climate campaign. At December 31, 2022, the Organization carried \$2,184,295 in net assets with donor restrictions, restricted to supporting the Bitcoin Climate campaign and global plastics project. Releases of with donor restriction net assets represent satisfaction of purpose restrictions and totaled \$15,437,076 and \$5,841,442 for the years ended December 31, 2023 and 2022, respectively.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

9. Allocation of Joint Costs

The Organization achieves some of its programmatic goals by direct mail, telemarketing, canvassing, and similar campaigns that include requests for donations. The cost of conducting those campaigns was allocated as follows for the years ended December 31:

	2023	2022
Program expenses	\$ 8,463,126	\$ 10,298,323
Fundraising	5,775,557	6,122,714
Total joint costs	<u>\$ 14,238,683</u>	<u>\$ 16,421,037</u>

10. Leases

The Organization leases office facilities, warehouse space, and equipment under various operating leases with restrictive cancellation clauses. Certain leases require the Organization to pay its proportionate share of real estate taxes and other operating expenses.

On June 30, 2009, the Organization renegotiated the terms of its existing office lease in Washington DC and entered two new lease agreements through June 30, 2020, for the original and additional office space located in Chinatown. During 2017, the Organization executed a single First Amendment to both leases, whereby the termination date for the additional office space was accelerated to September 30, 2017, and the term for the original space was extended to December 31, 2022. On June 23, 2021, a Second Amendment was executed whereby a portion of the original space (4th floor) was vacated early as of July 1, 2021, and the expiration date for the remaining space was accelerated to September 30, 2022.

In December 2021, the Organization entered a new lease in Washington DC to rent office space in Franklin Square. The new lease commences October 1, 2022, for a term of 144 months ending September 2034. The lease includes two consecutive 5-year renewal options, which the Organization does not consider reasonably certain to be exercised. The lease calls for a period of rent abatement, a tenant improvement allowance, and a fixed base rent with annual increases of approximately 2.5%. In lieu of a security deposit, the Organization provided a letter of credit in the amount of \$444,023 in January 2022.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

10. Leases (Continued)

In May 2019, the Organization entered a lease agreement to rent office and storage space in Oakland, California. The lease commenced on September 1, 2019, and terminates on November 30, 2024. There is one option to extend the term for one 5-year period, which the Organization does not consider reasonably certain to be exercised. The lease calls for a 2-month rent abatement and a fixed base rent with annual increases of 3%.

In 2000, the Organization entered a lease agreement to rent warehouse space in Landover, Maryland. The original lease term was 5 years ending May 31, 2005, which has been extended several times. The most recent modification to this lease was the fifth amendment executed in December 2023, whereby the lease term was extended for the 5-year period from June 1, 2027 through May 31, 2032. There is one option to extend the term for one 5-year period, which the Organization does not consider reasonably certain to be exercised. The lease calls for a fixed base rent with annual increases defined in the amendment and building improvements to be provided at the sole cost and expense of the landlord.

In 2013, the Organization entered a lease agreement to rent warehouse space in Oakland, California. The original term of this lease ended on September 30, 2019. The lease had one option to renew for one additional period of five years, which was exercised on May 30, 2019. The lease calls for fixed based rent with annual increases defined in the agreement.

Operating lease costs totaled \$1,375,461 and \$1,695,981 for the years ended December 31, 2023, and 2022, respectively, and are reflected as occupancy costs in the statements of functional expenses. Supplemental information related to the Organization's operating leases are as follows for the years ended December 31:

	2023	2022
Cash paid for amounts included in the measurement of lease liabilities - operating cash flows	\$ 921,743	\$ 1,118,469
Non-cash acquisition of PPE through tenant improvement allowance/lease liability	\$ 3,095,829	\$ -
Right-of-use assets obtained in exchange for lease obligations	\$ -	\$ 8,008,051
Weighted Avg. Remaining lease term (in years)	10.1	10.2
Weighted Avg. Discount Rate	3.11%	2.01%

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

10. Leases (Continued)

As of December 31, 2023, future minimum lease payments on all operating leases are as follows for the years ending December 31:

2024	\$ 604,886
2025	1,014,169
2026	1,038,124
2027	1,064,306
2028	1,092,329
Thereafter	<u>6,575,854</u>
Future minimum lease payments	\$ 11,389,668
Less: Interest	<u>(1,643,293)</u>
Present value of lease liabilities	<u><u>\$ 9,746,375</u></u>

11. General Contingencies

From time to time, the Organization may be a party to lawsuits or have claims pending against it. In the opinion of management, the ultimate liabilities, if any, resulting from such lawsuits and claims will not materially affect the financial position of the Organization.

12. Retirement Plan

The Organization maintains a 401(k) plan open to all employees after three months of full-time employment. Employees contribute by payroll deductions on a pre-tax basis up to the amount allowable by Federal law. Employee deferrals are immediately 100% vested. The Organization contributes to the 401(k) plan under a Safe Harbor matching provision, which requires the Organization to match 100% of employee contributions up to the first 6% of the eligible employee's salary. Employer contributions totaled \$781,889 and \$742,827 for the years ended December 31, 2023 and 2022, respectively.

Greenpeace, Inc.

Notes to Financial Statements December 31, 2023 and 2022

13. Line of Credit

During 2014, the Organization entered into an \$800,000 revolving line-of-credit in the event there is a need to manage temporary shortfalls in working capital. The line is unsecured, and the terms include an interest rate of LIBOR plus 1.67% for all outstanding balances. Accrued interest is payable on the 1st day of each month beginning on December 1, 2014. This line-of-credit is indefinite, on-demand, auto-renewable credit facility. In January 2023, the Organization amended its revolving line-of-credit raising its limit to \$1,500,000 and replacing LIBOR with SOFR as the interest rate index of reference. At December 31, 2023 and 2022, the amount due on the line-of-credit was \$-0-.

14. Income Taxes

The Organization is recognized as a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is reflected in the accompanying financial statements for the years ended December 31, 2023 and 2022, as there were no significant unrelated business activities. Management evaluated the Organization's tax positions and concluded that the Organization has taken no uncertain tax positions that qualify for either recognition or disclosure in the accompanying financial statements.

