

**THE FUTURE
IS POSSIBLE**

**2012
ANNUAL REPORT**



2012 CERES HIGHLIGHTS

SUSTAINABLE BUSINESS STRATEGIES

\$2T

Mobilized investors representing \$2 trillion to challenge Canadian oil sands producers to dramatically reduce the environmental and social impacts of their operations.

60%

Released the *Power Forward* report, with the World Wildlife Fund and Calvert, showing that 60 percent of the world's largest companies have renewable energy goals, greenhouse gas reduction goals or both.

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SUSTAINABLE BUSINESS STRATEGIES

SUSTAINABLE CAPITAL MARKETS

CLIMATE & CLEAN ENERGY

WATER

SUSTAINABLE CAPITAL MARKETS

INSURANCE RISK

Released *Stormy Future*, a prescient research paper on growing insurance industry risks from climate change that was issued just weeks before Superstorm Sandy devastated the East Coast.

\$20T

Investors from more than 20 countries gathered in June 2013 in Hong Kong to address the risks and opportunities arising from climate change. The meeting—supported by the Global Investor Coalition on Climate Change—involved investors representing more than \$20 trillion in assets.

CLIMATE & CLEAN ENERGY

500K JOBS

Leveraged INCR support to win approval of strong fuel economy standards that will dramatically reduce GHG pollution and create nearly 500,000 new jobs in 49 states. This is the biggest step the United States has ever taken to reduce carbon pollution.

GLOBAL PRESTIGE

Ceres won the *Zayed Future Energy Prize*, one of the world's most prestigious awards recognizing innovation, impact, leadership and long-term vision in renewable energy and sustainability.

WATER

WATER RISK

Released *Water Ripples: Expanding Risks for U.S. Water Providers*, which outlines why water utilities should be careful before embarking on major pipelines, reservoirs and other new infrastructure that could create long-term financial risks.

WATER STEWARDSHIP

Hundreds of multinational companies—from Ford Motor to Cummins to Coca-Cola—are using the *Ceres Aqua Gauge* to evaluate their water performance and develop new strategies to reduce their impacts on freshwater.

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CERES SUSTAINABILITY STATEMENT

LEADERSHIP BY
CERES
COMPANY
NETWORK



**SUPPLY
CHAINS**



GHGs



**RENEWABLE
POWER**



WATER

70 percent of Ceres network companies have formal supply chain codes aligned with social and environmental standards, compared to only 43 percent of the nation's 600 largest companies.

70%

80 percent of Ceres companies have set goals to reduce GHG emissions, and a third of them have targets that meet or exceed expectations in the *Ceres Roadmap for Sustainability*.

80%

74 percent of Ceres companies have renewable energy targets or renewable energy initiatives in place.

74%

Nearly 75 percent of Ceres companies have programs in place to manage their water-related impacts; 45 percent of them have water reduction targets.

75%

LETTER
**FROM THE
PRESIDENT**

**AT CERES, WE HELP SHAPE THE FUTURE.
WE SET OUT 24 YEARS AGO TO CREATE A WORLD
WHERE BUSINESSES AND CAPITAL MARKETS
WOULD IMPROVE THE WELL-BEING OF PEOPLE
AND PROTECT THE PLANET.**



Ceres was awarded the *Zayed Future Energy Prize*, one of the world's most prestigious awards recognizing innovation, impact, leadership, and long-term vision in renewable energy and sustainability. This year's award attracted 579 submissions from participants in 88 countries.

This has meant building and fostering relationships with investors, companies and NGO partners toward a shared vision of a sustainable global economy.

The fruits of our thought leadership are visible today. From launching the Global Reporting Initiative (GRI) as a framework for sustainability disclosure now used by more than 4,000 companies, to establishing the Investor Network on Climate Risk (INCR) to mobilize investors to seek low-carbon investment opportunities, to improving water management in vulnerable U.S. cities and across global supply chains, Ceres is demonstrating that a sustainable future is possible.

In stark contrast to our founding in 1989, when clean energy solutions seemed out of reach, we now see the price of solar power plummeting as companies and investors embrace renewable energy. Auto plants are more sustainable, both in their plant operations and in the gas-saving cars they make. In fact, I was watching television the other day, when I noticed a Ford truck commercial with a background dotted by wind farms. “Ford Tough,” a quintessential American brand, is connecting itself with a clean low-carbon future. That’s a powerful shift.

And the momentum is growing.

In unique ways, Ceres is changing the way businesses and investors think about the risks they face from climate change, water availability risks and other sustainability threats. We’re moving our Ceres network companies to reduce greenhouse gas emissions by ramping up energy efficiency and



“WE WILL USE THE PRIZE TO EXPAND INTERNATIONAL INVESTOR LEADERSHIP ON CLEAN ENERGY AND TO GROW OUR WORK WITH LEADING COMPANIES THAT ARE STRIVING TO INTEGRATE SUSTAINABILITY INTO THEIR OPERATIONS BY REDUCING GREENHOUSE GAS EMISSIONS, IMPROVING ENERGY EFFICIENCY AND SOURCING RENEWABLE ENERGY.”

sourcing more clean energy. We’re persuading investors to re-evaluate financial models that fail to integrate sustainability risks and opportunities. We’re providing cutting-edge research that challenges old assumptions about how American cities procure and

finance water in an era of shrinking supplies and rising competitive pressures. We’re exposing new risks to the insurance industry in an era of climate-driven extreme weather and rallying important business and investor voices to call for public policies—such as strong fuel economy standards—that will reduce climate-changing pollution.

Our profound impacts across the economy are the reason why Ceres, among hundreds of very worthy nominees, was awarded the *Zayed Future Energy Prize*, a prestigious international award that “celebrates achievements that reflect impact, innovation, long-term vision and leadership in renewable energy and sustainability.”

Despite all we have accomplished, we recognize we are climbing a very steep mountain—a task made clear by ever-increasing CO₂ emissions that recently eclipsed 400 parts per million in the atmosphere, a concentration not seen on Earth for millions of years.

That’s why there is so much urgency in our work. We see that a sustainable future is possible. But that future must be now.

Mindy S. Lubber

President of Ceres

September 2013

THE FUTURE OF SUSTAINABLE BUSINESS STRATEGIES



**LEVI STRAUSS & CO.
IS PIONEERING A NEW
APPROACH TO SUPPLY
CHAIN MANAGEMENT THAT
FOCUSES NOT JUST ON
FACTORY COMPLIANCE,
BUT ALSO ON BROADER
WORKER ISSUES.**



80%

OF A TYPICAL RETAILER'S CARBON FOOTPRINT IS FROM ITS SUPPLIERS

When a supplier link breaks down, the business ripples can be significant. Last year's prolonged drought in the U.S. was a key factor in a 19 cent-per-share earnings drop at agricultural company Archer Daniels Midland. An outbreak of worker rights problems at Apple's key Chinese supplier, Foxconn, shook the company's brand and prompted actions across the sector.

Ceres views sustainable supply chains as critical to business success. We have been advocating for companies to strengthen their supply chains, through stronger policies by setting higher standards for environmental and social performance and increasing transparency amongst their many suppliers. More than two-thirds of the Ceres network companies have formal supply chain codes aligned with internationally recognized social and environmental standards, compared to only 43 percent of the largest 600 U.S. companies.

But we know that having a code of conduct is not enough to embed sustainable business practice in supply chains, so we

are also exploring new strategies aimed at raising the bar on supply chain best practices across the global economy. Our boldest collaboration is with apparel maker Levi Strauss & Co.

CERES VIEWS SUSTAINABLE SUPPLY CHAINS AS CRITICAL TO BUSINESS SUCCESS.

Levi Strauss & Co. is pioneering a new approach to supply chain management. It focuses not just on factory compliance, but also on broader worker issues like health care, economic empowerment and gender equality. And its success hinges on accessing workers' voices and providing them with a clear role in determining needs and priorities.

The project is now being piloted at five factories, located in Cambodia, Bangladesh, Egypt, Haiti and Pakistan. In each of the factories, workers were asked about their needs and working conditions, and for input on how their workplaces and their lives could be improved. The surveys were

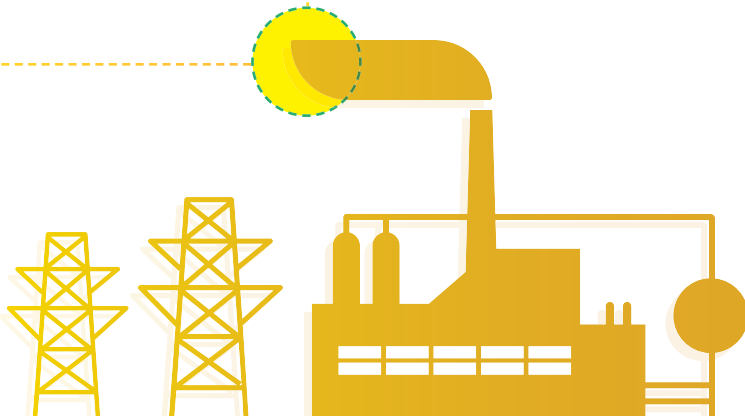
conducted by an independent third party and finalized through a consultative process that involved a variety of stakeholders. Surveys revealed many common concerns: wages, access to health care, harassment in the workplace, access to clean water and financial literacy.

During two days of brainstorming meetings that Ceres joined in Cambodia, it was clear that suppliers see their workers as their competitive edge. As one put it, "We want to be the employer of choice and the supplier of choice." These businesses recognize that worker satisfaction is essential to achieving those goals.

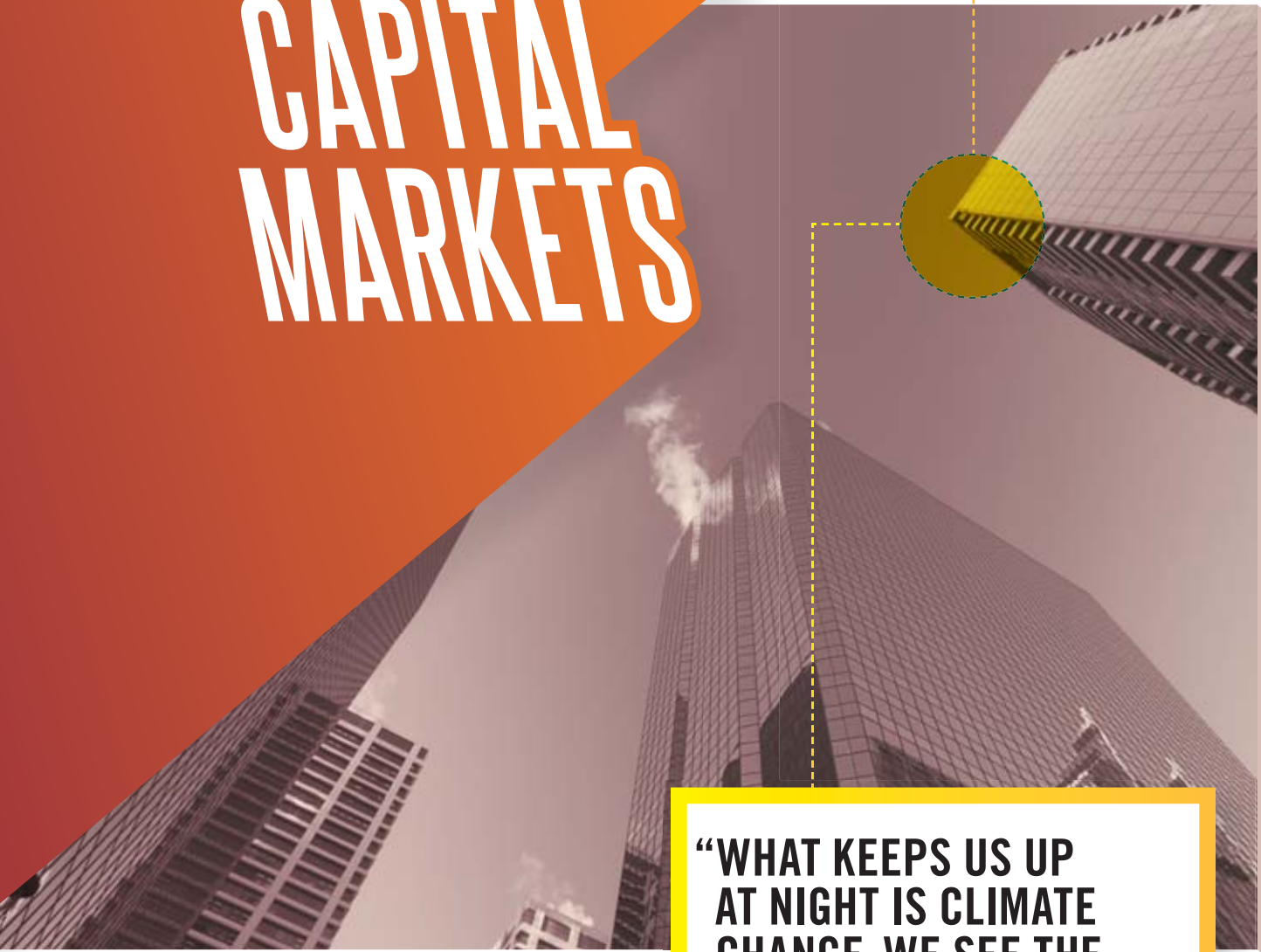
This early progress is encouraging. But achieving such sentiments and translating them into action among all suppliers, both within and outside the apparel sector, remains a huge challenge that Ceres is eager to take on in partnership with advocates, companies and investors.

70%

OF CERES NETWORK COMPANIES HAVE FORMAL SUPPLY CHAIN CODES

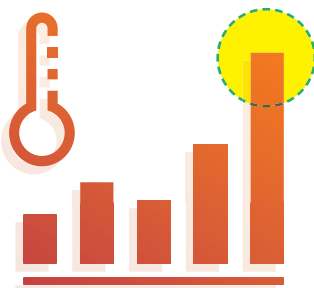


THE FUTURE OF SUSTAINABLE CAPITAL MARKETS



“WHAT KEEPS US UP AT NIGHT IS CLIMATE CHANGE. WE SEE THE LONG-TERM EFFECT OF CLIMATE CHANGE ON SOCIETY, AND IT REALLY FRIGHTENS US.”

Swiss Re Americas CEO J. Eric Smith, Time magazine





\$65B

IN INSURANCE LOSSES FROM EXTREME WEATHER EVENTS IN 2012

The insurance industry is in the business of measuring risk, but today's increasingly extreme weather is upsetting the risk models of the past. Stronger storms, wildfires, and crippling cycles of flood and drought are creating unprecedented insurance losses—roughly \$65 billion in 2012 alone.

CERES WAS KEY IN PERSUADING INSURANCE COMMISSIONERS TO REQUIRE INSURERS TO DISCLOSE THEIR STRATEGIES FOR MANAGING CLIMATE-RELATED RISKS.

The insurance sector is a key driver of the U.S. economy, stimulating trillions of dollars in private investment and influencing activity within a broad array of industries, from real estate to finance. Presently Ceres is focused on moving the nation's insurance industry to address the risks and opportunities of climate change and create more sustainable capital markets. By leveraging insurers' influence on this critical issue, we can strengthen our

economic resilience to climate-charged disasters like Hurricane Sandy.

In February 2012, Ceres played a key role in persuading insurance commissioners in California, New York and Washington State to require insurers to disclose their strategies for managing climate-related risks. Another important breakthrough was the inclusion of climate change as a risk factor in the *Financial Condition Examiners Handbook*, a key resource for state insurance regulators. These changes could go a long way in altering insurers' behavior. By investing more of their considerable capital in clean energy, engaging with lawmakers on carbon-reducing policies, and developing innovative products that incentivize low-carbon technologies, insurers can profoundly influence the shift to a sustainable economy.

Several weeks prior to Hurricane Sandy, Ceres issued *Stormy Future for U.S. Property/Casualty Insurers*, a report that offers key recommendations for insurers to grapple with the new realities of climate change, including evaluating risk exposure of insured properties, updating insurance

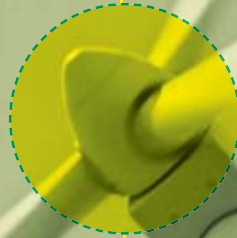
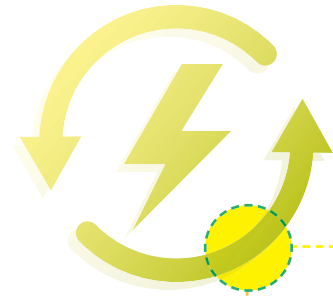
pricing and underwriting of risks and informing land-use planning, infrastructure design and building codes.

Ceres is also organizing a series of urban resiliency workshops designed to catalyze policymakers, insurers, city planners and property owners to better understand what they can and should be doing together to better protect cities from rising sea levels and other climate change impacts.

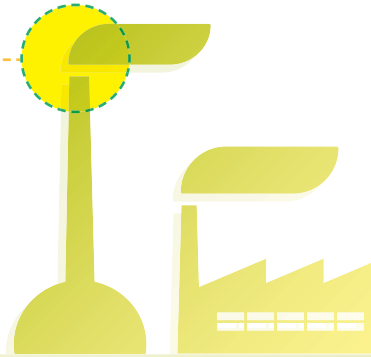
As the losses mount, the insurance industry is boosting its focus on climate change. "If you're not impressed with what the weather has been doing over the last few years," Travelers CEO Jay Fishman told reporters, "you're not keeping your eyes open."



THE FUTURE OF
**CLIMATE
& CLEAN
ENERGY**



**THREE-DOZEN INVESTORS
AND BICEP COMPANIES
CALLED ON CONGRESS
IN 2012 TO EXTEND THE
PRODUCTION TAX CREDIT
FOR RENEWABLE POWER.**



It's a plain and simple fact: We'll never achieve significant reductions in greenhouse gas emissions without strong demand for clean energy from the business community. That's why Ceres is encouraging corporations to reduce their carbon footprint and boost renewable energy use—and we're seeing progress.

Nearly three-quarters of the Ceres network companies have set goals to reduce greenhouse gas emissions, increase renewable energy sourcing or both. Ceres member company Baxter, for example, has already eclipsed its goal of securing 20 percent of its energy from renewables by 2015, while General Motors plans to double its solar power capacity and build up 125 megawatts of renewable energy capacity worldwide by 2020. Ceres member company Timberland is on pace for at least 30 percent renewable energy by 2015.

The trend is catching on. A report released by Ceres, World Wildlife Fund and Calvert, *Power Forward: Why the World's Largest Companies Are Investing in Renewable Energy*, found that a majority of the world's largest companies—nearly 60 percent of the combined Fortune 100

and Global 100—have a renewable energy goal, GHG reduction goal or both. Companies are turning to renewable energy not only because it's cost-effective and sustainable, but also because they understand that fossil fuel energy is increasingly risky and prone to volatile price swings. Natural gas may be cheap today, but that may not be the case in a few years.

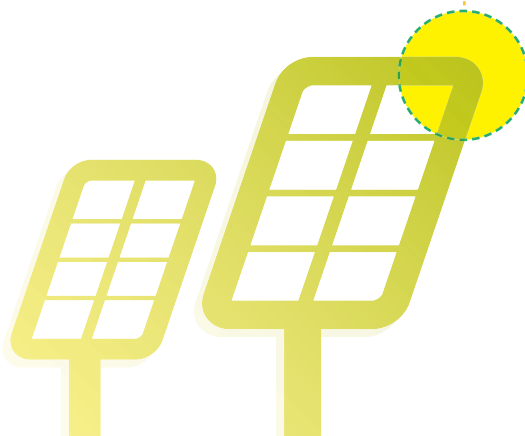
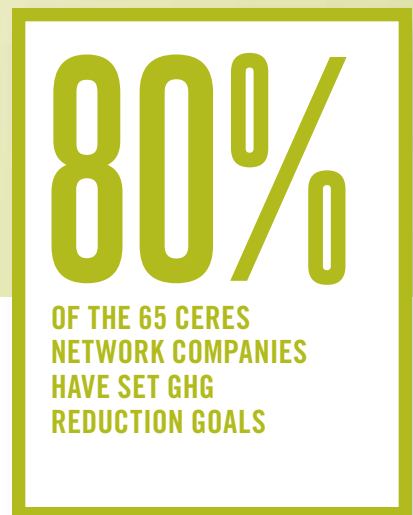
THE MESSAGE IS CLEAR: THE WORLD'S LARGEST COMPANIES WANT CLEAN ENERGY AND ARE TURNING OVER EVERY ROCK TO GET IT.

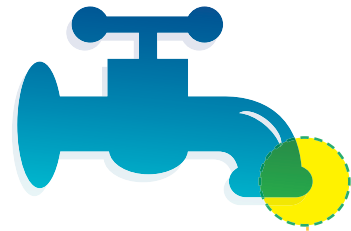
Even with these pockets of progress, companies must do more, and strong policies are among the best catalysts for change. Through groups like Ceres' own Business for Innovative Climate & Energy Policy (BICEP), corporations are bringing their clean energy concerns to Washington. In early 2012, 19 companies, most of them BICEP members, called on Congress to support the Production Tax Credit (PTC), a

key provision for the wind power industry that was ultimately extended through 2013. With more companies setting ambitious renewable energy goals, policies like these are essential for ensuring that there's enough clean energy on the grid to help them reach their targets.

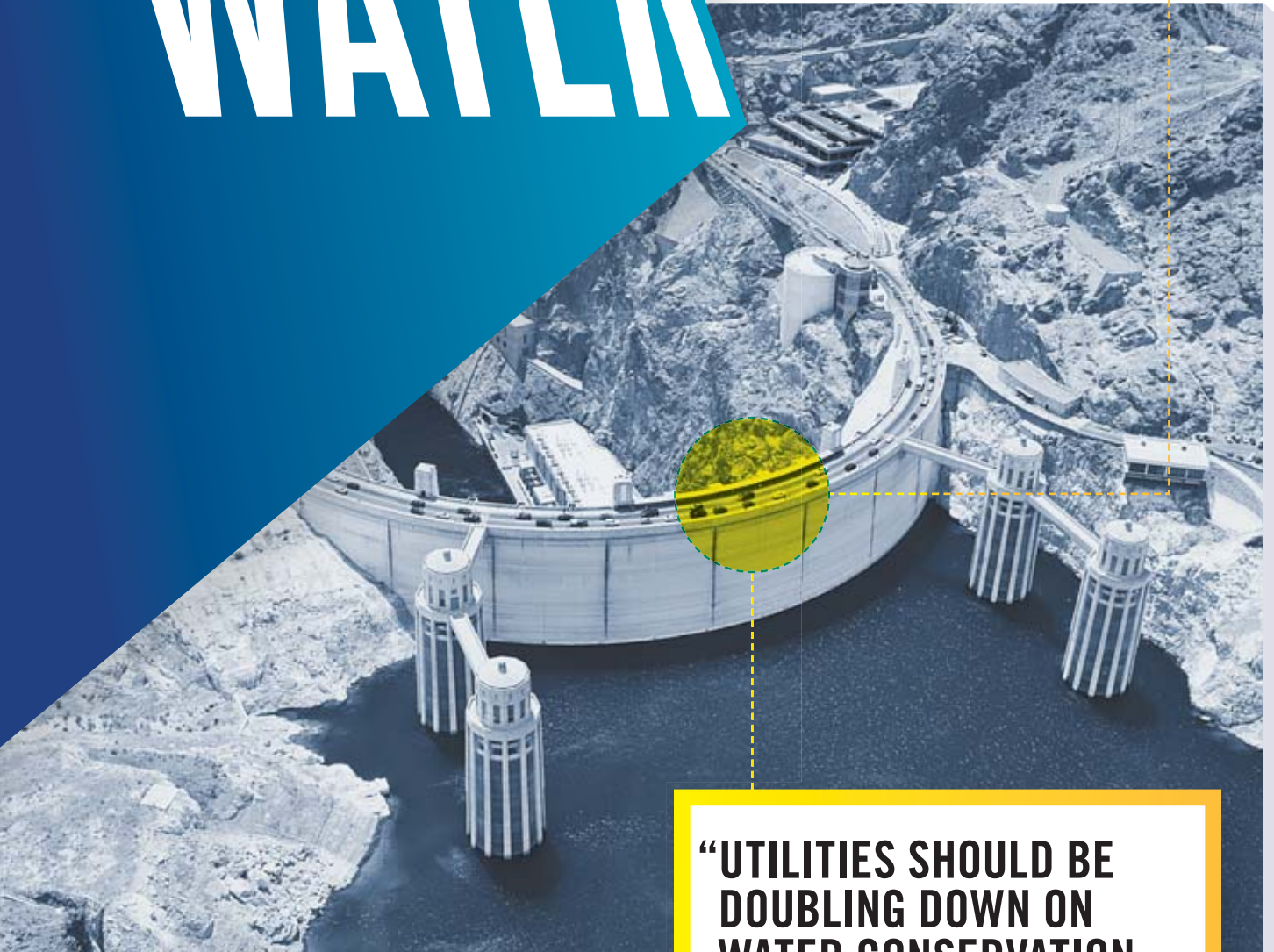
BICEP members are also working with state lawmakers to support clean energy development. When eBay Inc. wanted to use clean solar energy to power a data center facility in Utah, it required a change in state law. Together with other technology firms and a Republican state senator, they crafted legislation to make renewable energy available to large energy users and thus create a real alternative to coal-fired generation. That legislation is now law.

The message is clear: The world's largest companies want clean energy and are turning over every rock to get it.





THE FUTURE OF WATER



“UTILITIES SHOULD BE DOUBLING DOWN ON WATER CONSERVATION EFFORTS THAT WILL HELP THEM DEFER INVESTMENTS IN NEW SUPPLY PROJECTS.”

Ceres' water expert, Sharlene Leurig





70%
**OF WATER IN THE
AMERICAN WEST IS USED
FOR AGRICULTURE**

In many parts of the United States, public water providers are facing stark fiscal realities that will require bold new solutions.

Aging infrastructure, rising demand pressures (especially in the West and Southwest, where populations are growing), and a dearth of federal money to pay for new projects have turned water utility business models upside down. Two more factors: climate change and rising water rates that are already straining the wallets of vulnerable populations.

Quite simply, utilities need to be smarter about how they spend their money to provide this essential resource. Ceres has been a unique and powerful voice in helping to find the answers.

Ceres has authored two groundbreaking reports on the unique financial challenges water utilities are facing and why they should think carefully before embarking on expensive new projects that will be financially burdensome for local consumers.

“Utilities should be doubling down on water conservation efforts that will help them defer investments in new supply projects,” concludes Ceres water financing expert Sharlene Leurig, who authored *Water Ripples: Expanding Risks for U.S. Water Providers*.

Ceres’ thought leadership is being heard.

**AGING INFRASTRUCTURE,
RISING DEMAND PRESSURES
AND A DEARTH OF FEDERAL
MONEY HAVE TURNED WATER
UTILITY BUSINESS MODELS
UPSIDE DOWN.**

The reports have been featured in key media outlets such as the *New York Times*, the *Bond Buyer* and the *Las Vegas Sun*, which have been reporting on a controversial \$7 billion proposed pipeline to move groundwater from Utah to southern Nevada.

Credit rating agencies are paying closer attention to water scarcity risks and the potential ripples for investors holding the bonds that pay for new water projects. Once

viewed as ultra-safe, low-risk investments, more water systems are seeing their credit ratings downgraded than ever before.

Utilities are considering new approaches for financing and operating public water systems, including greater use of green infrastructure, new revenue structures that distinguish between indoor and outdoor water use, and the use of full-cost accounting for water services.

Local environmental groups are using Ceres’ arguments to push utilities to embrace water conservation and demand management measures, such as lawn watering limits and stronger conservation pricing.

And this is just one facet of Ceres’ wide-ranging water stewardship work with companies, investors and other key capital market players. Hundreds of companies — from Ford Motor to Coca-Cola — are using the Ceres Aqua Gauge to evaluate their water performance and reduce their water use.





The Ceres Coalition is a group of more than 130 institutional and socially responsible investors, environmental and social advocacy groups, and other public interest organizations. The Coalition works to promote sustainability by pushing companies, policymakers and other market players to incorporate environmental and social challenges into their decision-making and improve corporate sustainability practices. Coalition members engage directly with Ceres network companies on key environmental and social challenges through the stakeholder dialogues that we organize and lead.

A

- AFL-CIO
- American Council on Renewable Energy
- American Federation of State, County and Municipal Employees
- American Rivers
- Arca Foundation
- Arctic ICCE Project: Indigenous Climate Change Ethnographies
- As You Sow

B

- Basel Action Network
- Boston Common Asset Management, LLC

C

- California Public Employees' Retirement System
- California State Controller's Office
- California State Teachers' Retirement System
- California State Treasurer's Office
- Calvert Asset Management Company, Inc.
- Carbonfund.org
- Center for a New American Dream
- Center for Political Accountability
- Center for Resource Solutions
- Christian Brothers Investment Services, Inc.
- Clean Air-Cool Planet
- Climate Action Reserve

C

- Climate Solutions
- Coastal Enterprises of Maine
- Communities for a Better Environment
- Connecticut Office of the State Treasurer
- Conservation International
- Container Recycling Institute
- CWA/ITU Negotiated Pension Plan

D

- Dogwood Alliance
- Domestic and Foreign Missionary Society
- Domini Social Investments LLC

E

- Earth Day Network
- Earth Island Institute
- Environmental Defense Fund
- Environmental League of Massachusetts
- Episcopal Ecological Network
- Equilibrium Capital Group LLC
- Ethical Investment Research Services
- Evangelical Lutheran Church in America

F

- F&C Investments
- Fair Trade Foundation
- First Affirmative Financial Network, LLC
- Florida State Board of Administration
- Focus the Nation
- Forest Footprint Disclosure
- Friends of the Earth

G

- Global Green USA
- Green America
- Green Century Capital Management
- Green Roundtable
- Green Seal
- Green@Work Magazine
- GreenBlue Institute

H

- Harrington Investments, Inc.
- Humane Society of the United States

I

- Illinois State Board of Investment
- Interfaith Center on Corporate Responsibility
- International Dark-Sky Association
- IW Financial

J

- Jessie Smith Noyes Foundation

L

- Labor Network for Sustainability
- Leonardo Academy

M

Maryland State Retirement and Pension System
 Maryland Treasurer's Office
 Mass Energy Consumers Alliance
 Mercy Investment Services, Inc.
 Miller/Howard Investments, Inc.
 Model Forest Policy Program
 Mountain Association for Community Economic Development

N

National Recycling Coalition
 National Wildlife Federation
 Natural Resources Defense Council
 New Alternatives Fund
 New York City Office of the Comptroller
 New York State Comptroller
 New York State Teachers' Retirement System
 North American Bluebird Society
 North Carolina Department of State Treasurer

O

Oxfam America

P

Parnassus Investments
 Pax World Management Corp.
 Pennsylvania Resources Council
 PLANETWORK
 Portfolio 21 Investments
 Praxis Mutual Funds
 Presbyterian Church (USA)
 Progressive Asset Management

R

Rainforest Action Network
 Rainforest Alliance
 Resource Renewal Institute
 River Network
 RobecoSAM USA, Inc.
 Rockefeller & Co.
 Rocky Mountain Institute
 Rose Foundation for Communities and the Environment

S

Sentinel Investments
 Service Employees International Union
 Sheet Metal Workers' National Pension Fund
 Shelburne Farms
 Sierra Club
 SJF Ventures
 Social Accountability International
 Social Responsibility Investment Group
 Solar Electric Light Fund
 Solidago Foundation, Inc.
 Southern Alliance for Clean Energy
 SRI World Group, Inc.
 StartingBloc
 Surfrider Foundation
 Sustainable Business Alliance of Berkeley
 Sustainable Travel International
 SustainableBusiness.com
 Sustainalytics

T

The Bullitt Foundation
 The Climate Registry
 The Climate Trust
 The Cloud Institute for Sustainability Education
 The Natural Step
 The Sustainability Group at Loring, Wolcott and Coolidge
 Tri-State Coalition for Responsible Investment
 Trillium Asset Management
 Trucost

U

U.S. Green Building Council
 Union of Concerned Scientists
 Unitarian Universalist Association of Congregations
 UNITE HERE
 United Methodist Church General Board of Pension and Health Benefits
 US SIF

V

Vermont Office of the State Treasurer

W

Walden Asset Management
 Winslow Management Company
 World Wildlife Fund





There are approximately 65 Ceres network companies representing a range of industries, including technology, footwear and apparel, food and beverage, oil and gas, electric utilities, and financial services. More than one-third of the company members are in the Fortune 500. Companies in the Ceres network realize that environmental and social sustainability issues pose potential risks for their businesses and are determined to manage those risks, to develop solutions and achieve competitive advantage by integrating sustainability considerations into the DNA of the company.

- A**
- Advanced Micro Devices, Inc.
- Allstate Corporation
- APS
- Aspen Skiing Company
- Aveda
- B**
- Bank of America Corporation
- Baxter International
- Ben & Jerry's
- Best Buy Co. Inc.
- Bloomberg
- Brighter Planet
- Brown-Forman Corporation
- C**
- CA Technologies
- Citi
- Clif Bar & Company
- Coca-Cola Company
- Concept A
- Cone Communications
- Consolidated Edison Inc.
- CRedit360
- D**
- Deckers Outdoor
- Dell Inc.
- Dignity Health
- Dunkin' Brands
- E**
- EarthColor
- eBay Inc.
- Eileen Fisher
- EMC Corporation
- Energy Management, Inc.
- Exelon Corporation
- F**
- Ford Motor Co.
- G**
- Gap Inc.
- General Mills, Inc.
- General Motors Company
- Green Mountain Coffee Roasters Inc.
- Green Mountain Energy Company
- H**
- Haley & Aldrich
- I**
- Intuit Inc.
- ITT Corporation
- J**
- Jones Lang LaSalle
- L**
- Legg Mason Inc.
- Levi Strauss & Co.
- N**
- National Grid PLC
- NativeEnergy
- Nike Inc.
- Northeast Utilities
- P**
- PepsiCo, Inc.
- PG&E Corporation
- Prudential Financial, Inc.
- R**
- Recycled Paper Printing
- S**
- Saunders Hotel Group
- Seventh Generation
- Sodexo
- Sprint Nextel Corp.
- State Street Corporation
- Suncor Energy
- T**
- The Co-operators Group
- The North Face
- Timberland
- Time Warner Inc.
- V**
- Vancity Savings Credit Union
- Virgin America
- W**
- Walt Disney Co.
- William McDonough + Partners



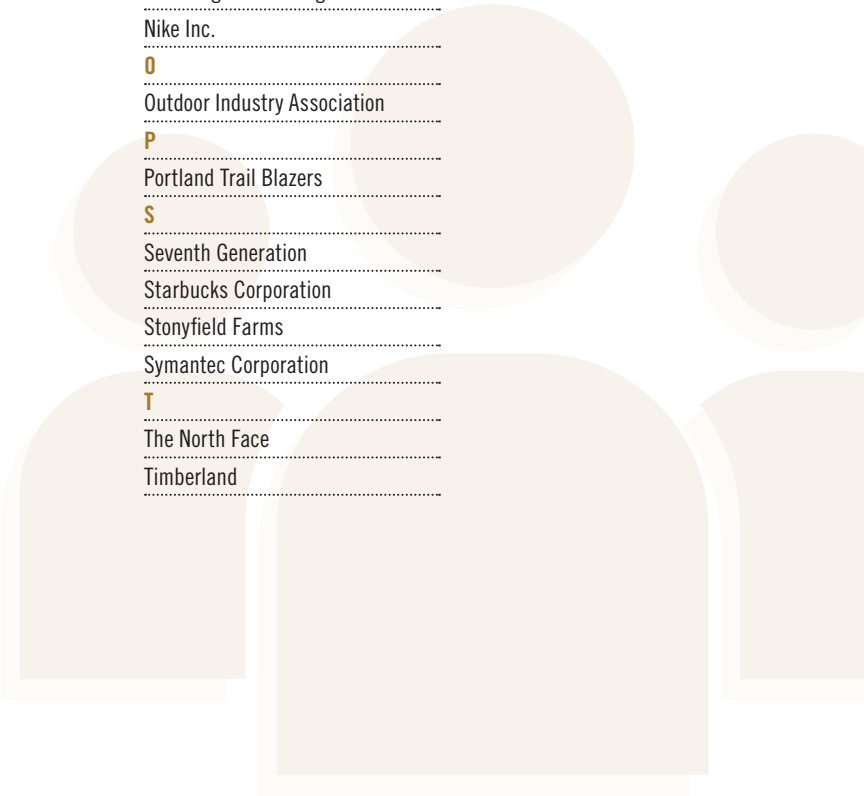
BICEP

BUSINESS for INNOVATIVE
CLIMATE & ENERGY POLICY

a project of Ceres

BICEP is an advocacy coalition of businesses committed to working with policy makers to pass meaningful energy and climate legislation enabling a rapid transition to a low-carbon, 21st century economy—an economy that will create new jobs and stimulate economic growth while stabilizing our planet’s fragile climate. BICEP members are leading consumer brand companies that have demonstrated a commitment to sustainable practices within their own operations and are willing to be advocates for systemic change.

- A**
-
- Annie’s, Inc.
-
- Aspen Skiing Company
-
- Avon Products Inc.
-
- B**
-
- Ben & Jerry’s
-
- C**
-
- Clif Bar & Company
-
- E**
-
- Ebay Inc.
-
- Eileen Fisher
-
- G**
-
- Gap Inc.
-
- J**
-
- Jones Lang LaSalle
-
- K**
-
- KB Home
-
- L**
-
- Levi Strauss & Co.
-
- Limited Brands, Inc.
-
- N**
-
- New Belgium Brewing
-
- Nike Inc.
-
- O**
-
- Outdoor Industry Association
-
- P**
-
- Portland Trail Blazers
-
- S**
-
- Seventh Generation
-
- Starbucks Corporation
-
- Stonyfield Farms
-
- Symantec Corporation
-
- T**
-
- The North Face
-
- Timberland
-





The Investor Network on Climate Risk (INCR) is a Ceres-led network of more than 100 institutional investors with more than \$11 trillion in collective assets that focuses on the financial risks and opportunities of climate change.

- A**
- AFL-CIO
- Amalgamated Bank LongView Funds
- American Federation of State, County and Municipal Employees
- As You Sow
- AWJ Capital Partners, LLC
- B**
- BlackRock, Inc.
- Boston Common Asset Management, LLC
- Breckinridge Capital Advisors
- British Columbia Investment Management Corporation
- Brown University
- C**
- California Public Employees' Retirement System
- California State Controller's Office
- California State Teachers' Retirement System
- California State Treasurer's Office
- Calvert Asset Management Company, Inc.
- Christian Brothers Investment Services, Inc.
- ClearBridge Advisors
- Climate Change Capital
- Connecticut Office of the State Treasurer
- CtW Investment Group
- CWA/ITU Negotiated Pension Plan
- D**
- Deutsche Asset Management
- Domini Social Investments LLC
- Doris Duke Charitable Foundation
- E**
- Equilibrium Capital Group LLC
- F**
- F&C Investments
- Florida Chief Financial Officer
- Florida State Board of Administration
- Fred Alger Management, Inc.
- Friends Fiduciary Corporation
- G**
- Generation Investment Management LLP (US)
- Green Century Capital Management
- I**
- Illinois State Board of Investment
- Illinois State Treasurer
- Impax Asset Management
- International Brotherhood of Teamsters, Pension Fund
- J**
- Jonathan Rose Companies
- K**
- KKR & Co. L.P.
- Kleiner Perkins Caufield & Byers
- Kriss Investment Group LLC
- L**
- Laborers' International Union of North America
- Laird Norton Family Foundation
- Legg Mason Inc.
- Local Authority Pension Fund Forum
- M**
- Macquarie Infrastructure and Real Assets
- Maryland State Retirement and Pension System
- Maryland Treasurer's Office
- Massachusetts Office of the State Treasurer
- Mercy Investment Services, Inc.
- Miller/Howard Investments, Inc.
- MissionPoint Capital Partners
- N**
- National Union of Public and General Employees
- New Mexico State Treasurer's Office
- New York City Employees' Retirement System
- New York City Office of the Comptroller
- New York State Comptroller

New York State Teachers' Retirement System

North Carolina Department of State Treasurer

O

Ohio Treasurer of State

Oregon Office of the State Treasurer

P

Parnassus Investments

Pax World Management Corp.

Pennsylvania Treasury Department

Portfolio 21 Investments

Portico Benefits Services

Presbyterian Church (USA)

Prudential Investment Management

R

Rhode Island Office of the General Treasurer

Rockefeller Brothers Fund

Rockefeller Financial Asset Management

S

Savitr Capital, LLC

SEB Investment Management

Service Employees International Union

Sheet Metal Workers' National Pension Fund

Sisters of St. Dominic (Caldwell, NJ)

Smith Breeden Associates, Inc.

State Street Global Advisors

Sustainable Asset Management USA, Inc.

Swarthmore College

T

TerraVerde Capital Management LLC

The Bullitt Foundation

The Christopher Reynolds Foundation

The Lemelson Foundation

The Needmor Fund

TIAA-CREF

The Vermont Community Foundation

Trillium Asset Management Corporation

U

UAW Retiree Medical Benefits Trust

Unitarian Universalist Association of Congregations

United Church of Christ - Pension Boards

United Methodist Church General Board of Pension and Health Benefits

V

VantagePoint Capital Partners

Veris Wealth Partners

Vermont Office of the State Treasurer

W

Walden Asset Management

Washington State Investment Board

Washington State Treasurer

Water Asset Management



2012
CERES
DONORS

Ceres wishes to thank the many generous supporters who have made it possible for us to advance our efforts to build a more sustainable global economy. As a nonprofit 501(c)(3) organization, Ceres relies on the philanthropic contributions of foundations, individuals and others for the majority of our annual revenue.

In 2012, Ceres changed its fiscal year-end to October 31, and our Financial Highlights reflect this abbreviated fiscal year. For the convenience of our donors, however, we have included all calendar year 2012 contributions in this annual report. Going forward, we will acknowledge contributions in our annual report according to our new fiscal year, November 1–October 31.

FOUNDATION & ORGANIZATION GRANTS

11th Hour Project
Anonymous
Bank of America Foundation
Bernard F. & Alva Grimbel Foundation
Blue Moon Fund
The Bullitt Foundation
California Water Foundation
Compton Foundation
Energy Foundation
Fresh Sound Foundation
The Freshwater Society
Generation Foundation
The Grantham Foundation for the Protection of the Environment
Green Mountain Coffee Roasters
Kresge Foundation
The Libra Foundation
Margaret A. Cargill Foundation
The Marisla Foundation
The McKnight Foundation
The Needmor Fund
New Venture Fund
The Oak Foundation
Park Foundation
Presbyterian Church (U.S.A.)
Rockefeller Brothers Fund
Samuel H. Kress Foundation
Scherman Foundation
S.D. Bechtel, Jr. Foundation

The Skoll Foundation
Surdna Foundation
Turner Foundation
United Nations Foundation
Wallace Genetic Foundation, Inc.
The Walton Family Foundation
WestWind Foundation

CORPORATE CONTRIBUTIONS, SPONSORSHIP AND MATCHING GIFTS

The Capital Group Companies Charitable Foundation
Eastern Bank Charitable Organization
Fidelity Charitable Gift Fund
IBM
Impact Infrastructure, LLC
Merck Partnership for Giving
Miller Howard Investment
RealNetworks Foundation
State Street Bank & Trust
Target Rock Advisors, LLC
United Technologies Corporation
VantagePoint Management
Vital Systems

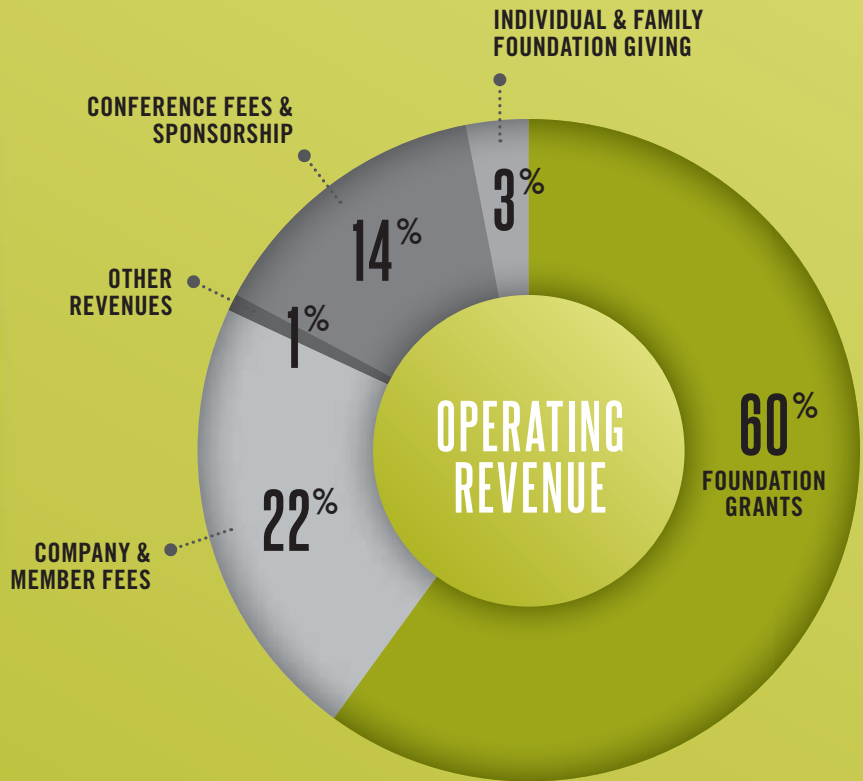
INDIVIDUAL & FAMILY FOUNDATION GIVING

Pamela & Bob Adams
Marselle Alexander-Ozinskas
Jean Allen & Harold Settler

Philip Angelides
Anonymous (4)
Judith Aronstein
Julie Asfahl
Susan & Stuart Auchincloss
Shirli Axelrod & Michael Seamans
David Backen
Ken Bader
Dan Bakal & Michelle Acker
Deborah & John Baldwin
Judy & Bob Banks
Jack Barbash
Gavin Barber
Marcia & Doug Bateson
Martin Bauman
Janet & Robert Beer
Donald Berwick
The Betsy and Jesse Fink Foundation
William Blackburn
Charles Boardman
Michael Bradley
Timothy & Nancy Brennan
Rick Brown
Vidette Bullock Mixon
John Byrd
Javier Caban
Jeanne Cadoret
Allan Checkoway
Elizabeth Cheney
Tara Churchill
Tyler Clevenger
Cathleen & David Elliot Cohen
Jill Ker Conway & Bernadette Fossa
Kyle Costello
Stephen Crawford
Jane Cremisi & Dan Lewis

Jonathan Crowley	Hilary Forbes	Scott Kleiman	Charles McNeill	Theodore Roosevelt IV	Timothy Smith
Marian Dalton	Chris & Laura Fox	Nils Klinkenberg	Sr. Susan Mika	Herman Rose	Bob Smith
William Davis	Richard Fox	Peter Knight & Gail Britton	John J.B. Miller	Linda & Leonard Rosen	William Somplatsky-Jarman
Chris & Carol Davis	Kaitlin Garabedian	Stuart & Kathy Koman	Joseph Miller	David Rosenblatt	Nancy Soulette
Joseph Delfino	Michel Gelobter	Cary Krosinsky	Cheryl Millett	Peter & Peggy Rosenblum	Judith & Jonathan Souweine
Mary & Michelle Demerle	Linda Giuliano	Peter Krull	Andrea Moffat	Mathias Rosenfeld	Anne Stausboll & John Adkisson
Alison Dempsey	Gabriela Goff	Joseph Kwasnik	Richard Morrison	Clare Rosenfield	Timothy Stout
John Dernbach	Joel Golden	Michael Landon-Murray	Jenny Morrison & Richard Marks	Susan & Steven Rothstein	Kurt Strasser
Les Dethlefsen	Neva Goodwin	Jennifer Lavan & Sean Lynch	Judith & Charles Mullins	Daniel Ruben	Ruth Susnick & Peter Safirstein
Mary Dewart	Alisa Gravitz & Joe Garman	Stephanie & David Lawrence	Robert Murray	David & Abby Rumsey	Jeff Talmadge
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David Douglas & Pamela Gannon	Jessica Halverson	R. Dale Long	Gladstone Nicholson	Brian Sant	Rolland Vasin
Laurie Doyle	Pamela Harvey	Victoria Lowell	John O'Connell	Tedd Saunders	Pamela Venus
Meera & M.R. Dwarakanath	Kathryn & Frank Hertz	Mindy Lubber & Norman Stein	Nick Pappas	Andrew Savitz	Louise Warner
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Sharon & Anthony Fernandes	JoAnn Kahn & Thomas Lyon	Elizabeth & William McGeeran	Putnam Foundation	Peggy & Henry Sharpe	
Robert Fernandez	Uri Katz	Gregor McGregor	Robert Quirk	Brian Shillinglaw	
Deborah Fine	Anne Kelly	Dermot McGuigan	Janet & Kumar Ranganathan	Herb & Sylvia Siegel	
Fish Family Foundation	Lori Kenschaft & Randall Smith	Hugh McLean	Rezwan Razani	Sofia Bird Siegel	
Nancy Fleming	Peter Kinder		Howard Rifkin	Steven Siegel & Lily Carey	
Peyton Fleming	Elizabeth King		Marc Robert	Adele Simmons	
Courtney Flynn	Patrice & Donald Kirshbaum		Susan Roberts	Jill Smilow & Howard Brick	
Abbot Foote	Margaret Kitchell		Gary Roberts		
Ingely Forbes			Susan Roe & Joshua Glenn		

FISCAL YEAR 2012
**FINANCIAL
 HIGHLIGHTS**



Effective January 1, 2012, Ceres changed its fiscal year-end to October 31. This affects the comparison of fiscal year 2012 (a 10-month period with revenues of \$7.02 million) to the calendar year ending 2011 (a 12-month period with revenues of \$8.32 million). In FY 2012, Ceres received 60% of its revenues from foundation grants, which cover most of the expenses within the climate and clean energy, water, and sustainable capital markets impact areas. Member fees provide 22% of revenues, and cover costs for the sustainable business strategies initiative as well as a portion of costs within the other impact areas. Overall, 81% of Ceres' FY 2012 operating expenses directly supported program initiatives. Total net assets declined due to the release of temporarily restricted net assets connected to multiyear grants. However, unrestricted net assets were essentially unchanged at \$2.3 million, providing Ceres with an important buffer against unexpected future fluctuations in revenues.



OPERATING REVENUE	2011	FY 2012*
Company & Member Fees	\$ 1,843,052	\$ 1,533,592
Foundation Grants	5,233,360	4,226,359
Individual & Family Foundation Giving	305,472	206,015
Conference Fees and Sponsorship	570,620	965,605
Other Revenues	364,132	83,705
TOTAL	\$ 8,316,636	\$ 7,015,276

OPERATING EXPENSES

Program Initiatives	\$ 6,487,577	\$ 5,721,236
<i>Sustainable Business Strategies</i>	<i>1,672,605</i>	<i>1,538,161</i>
<i>Sustainable Capital Markets</i>	<i>1,224,304</i>	<i>1,432,655</i>
<i>Climate & Clean Energy</i>	<i>2,659,464</i>	<i>2,017,990</i>
<i>Water</i>	<i>931,204</i>	<i>732,430</i>
Management and Operations	698,140	695,341
Development	806,333	606,800
TOTAL	\$ 7,992,050	\$ 7,023,377

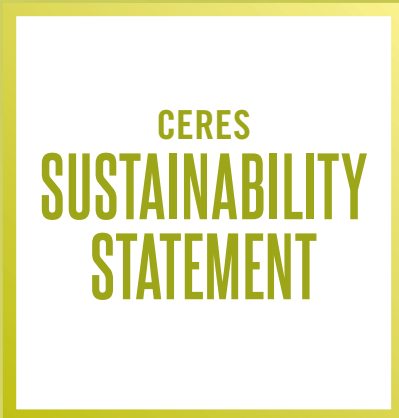
NET OPERATING MARGIN

Net Operating Margin	\$ 324,586	\$ (8,101)
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NET ASSETS

Total Net Assets at Beginning of Year	\$ 6,918,131	\$ 6,472,627
Operating Margin	324,586	(8,101)
Change in Temporarily Restricted Net Assets	(770,090)	(1,042,669)
Total Net Assets at Year-End	\$ 6,472,627	\$ 5,421,857

*On July 14, 2011, the Board of Directors voted to change Ceres' fiscal year-end to October 31. The numbers for 2012 refer to the time period between January 1, 2012 and October 31, 2012.



ENERGY USE*

2010	2011	2012
61,906 KWH	61,603 KWH	54,645 KWH

* 2012 number reflects energy use from January to October.

GHG EMISSIONS* (CO₂)

2010	2011	2012
150 MT	195 MT	147 MT

* 2012 number reflects energy use from January to October.

DIRECT RENEWABLE-ENERGY PURCHASES*

2010	2011	2012
43.5%	43.0%	42.4%

* Percent of total electricity purchased.

GENDER DIVERSITY*

2010	2011	2012
32% MALE	40% MALE	31% MALE
68% FEMALE	60% FEMALE	69% FEMALE

* In 2011, we began tracking EEO-1 data and intend to disclose more robust diversity data in our 2012/2013 Sustainability Report.

The core of Ceres' mission is to move companies and investors toward a more sustainable economy—and it is important that we measure our own environmental footprint and operational diversity. The figures above reflect the time spanning January 1, 2012 to October 31, 2012. For more information on our sustainability performance, please see our latest report at www.ceres.org/sustainability.

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Ceres President
Director of Investor Network on
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Lance Pierce

Executive Director, Chief Operating Officer

Gordon MacFarland

Chief Financial Officer

Susan Sayers

Chief Development Officer

Dan Bakal

Director, Electric Power Program

Brooke Barton

Director, Water Program

Chris Davis

Director, Investor Program

Peyton Fleming

Director, Strategic Communications

Hilary Forbes

Director, Human Resources & Operations

Chris Fox

Co-Director, Policy Program

Anne Kelly

Co-Director, Policy and BICEP Programs

Andrew Logan

Director, Oil & Gas and Insurance Programs

Cynthia McHale

Director, Insurance Program

Andrea Moffat

Vice President, Corporate Program

David Ziv-Kreger

Director, Foundation Development

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AFL-CIO

Adele Smith Simmons

Senior Executive, Metropolis Strategies

Bill Somplatsky-Jarman

Associate for MRTI and Environmental
Ministries, Presbyterian Church (USA)

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