

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2010, or tax year beginning 10/01, 2010, and ending 09/30, 20 11. For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

2010

Department of the Treasury Internal Revenue Service

See instructions on back.

Name of exempt organization

Employer identification number

ENVIRONMENTAL DEFENSE FUND, INC.

11-6107128

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a Form 990 check here [X] b Total revenue, if any (Form 990, Part VIII, column (A), line 12) . . . 1b 96358261.
2a Form 990-EZ check here [] b Total revenue, if any (Form 990-EZ, line 9) 2b
3a Form 1120-POL check here [] b Total tax (Form 1120-POL, line 22) 3b
4a Form 990-PF check here [] b Tax based on investment income (Form 990-PF, Part VI, line 5) 4b
5a Form 8868 check here [] b Balance due (Form 8868, line 3c) 5b

Part II Declaration of Officer

6 [] I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.
[] If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return, allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2010 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

Sign Here

[Handwritten Signature]

03/16/2012 Date

CHIEF FINANCIAL OFFICER Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only: ERO's signature: [Handwritten Signature] Date: 3/16/12 Check if also paid preparer [X] Check if self-employed [] ERO's SSN or PTIN: P00736879
Firm's name (or yours if self-employed), address, and ZIP code: EISNERAMPER LLP, 750 THIRD AVENUE, NEW YORK, NY 10017-2703 Phone no. 212 949-8700

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer's Use Only: Print/type preparer's name, Preparer's signature, Date, Check if self-employed [], PTIN, Firm's name, Firm's address, Firm's EIN, Phone no.

Form 990

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2010 calendar year, or tax year beginning 10/01, 2010, and ending 09/30, 2011

Form header section containing organization name (ENVIRONMENTAL DEFENSE FUND, INC.), EIN (11-6107128), address (257 PARK AVENUE SOUTH, NEW YORK, NY 10010), principal officer (FREDERIC D. KRUPP), and tax-exempt status (501(c)(3)).

Part I Summary

Summary table with columns for line number, description, and amounts for Prior Year and Current Year. Includes sections for Activities & Governance, Revenue, Expenses, and Net Assets or Fund Balances.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature block containing signatures of the officer (Peter Beckman) and preparer (Julie L. Floch CPA), along with firm name (EISNERAMPER LLP) and address (750 THIRD AVENUE NEW YORK, NY 10017-2703).

For Paperwork Reduction Act Notice, see the separate instructions. Form 990 (2010)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:
ENVIRONMENTAL DEFENSE FUND'S MISSION IS TO PRESERVE THE NATURAL
SYSTEMS ON WHICH ALL LIFE DEPENDS. GUIDED BY SCIENCE, WE DESIGN AND
TRANSFORM MARKETS TO BRING LASTING SOLUTIONS TO THE MOST SERIOUS
ENVIRONMENTAL PROBLEMS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 29,277,692. including grants of \$ 4,100,780.) (Revenue \$)
CLIMATE - SEE SCHEDULE O

4b (Code:) (Expenses \$ 19,923,155. including grants of \$ 3,044,717.) (Revenue \$)
OCEANS - SEE SCHEDULE O

4c (Code:) (Expenses \$ 12,263,074. including grants of \$ 699,759.) (Revenue \$)
RESTORING ECOSYSTEMS - SEE SCHEDULE O

4d Other program services. (Describe in Schedule O.)
(Expenses \$ 9,291,016. including grants of \$ 1,086,809.) (Revenue \$)

4e Total program service expenses ▶ 70,754,937.

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows 1-20b detailing various organizational requirements and their completion status.

Part IV Checklist of Required Schedules (continued)

Table with 4 columns: Question ID, Question Text, Yes, No. Rows include questions 21 through 38 regarding grants, compensation, bond issues, and organizational structure.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V.

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 1a through 14b regarding IRS filings and tax compliance.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Does the organization have members or stockholders?; 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?; 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body?; b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 2
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [X] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: PETER ACCINNO 257 PARK AVENUE SOUTH NEW YORK, NY 10010 212-616-1202

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII.

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and Title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) CARL FERENBACH CHAIR | 2.00 | X | | X | | | 0. | 0. | 0. | |
| (2) ARTHUR KERN VICE CHAIR | 2.00 | X | | X | | | 0. | 0. | 0. | |
| (3) ARTHUR P. COOLEY SECRETARY | 2.00 | X | | X | | | 0. | 0. | 0. | |
| (4) G. LEONARD BAKER, JR. TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (5) ROD BECKSTROM TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (6) JAMES W. B. BENKARD TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (7) SALLY G. BINGHAM, M.DIV. TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (8) SHELBY W. BONNIE TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (9) WILLIAM K. BOWES, JR. TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (10) RUTH DEFRIES, PH.D. TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (11) ANN DOERR TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (12) SUSAN FORD DORSEY TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (13) STANLEY DRUCKENMILLER TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (14) ROGER ENRICO TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (15) KIRSTEN J. FELDMAN TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |
| (16) JEANNE DONOVAN FISHER TRUSTEE | 2.00 | X | | | | | 0. | 0. | 0. | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (17) LYNN R. GOLDMAN, M.D., M.P.H. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (18) HANNELORE GRANTHAM TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (19) CHARLES J. HAMILTON, JR. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (20) MARK W. HEISING TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (21) THE HONORABLE THOMAS H. KEAN TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (22) RICARDO LAGOS TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (23) RICHARD J. LAZARUS TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (24) SARAH LIAO SAU-TUNG, PH.D. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (25) FRANK LOY TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (26) SUSAN MANDEL TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (27) KATHRYN MURDOCH TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| (28) N. J. NICHOLAS, JR. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 1b Sub-total | | | | | | | | 0. | 0. | 0. |
| c Total from continuation sheets to Part VII, Section A ATTACHMENT 3 | | | | | | | | 2,145,984. | 0. | 310,176. |
| d Total (add lines 1b and 1c) | | | | | | | | 2,145,984. | 0. | 310,176. |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **89**

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | X | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| ATTACHMENT 4 | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **5**

Part VIII Statement of Revenue

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 | |
|---|--|---|-----------------------|----------------------|--|---|---|--|
| Contributions, gifts, grants and other similar amounts | 1a | Federated campaigns | 1a 193,503. | | | | | |
| | b | Membership dues | 1b | | | | | |
| | c | Fundraising events | 1c | | | | | |
| | d | Related organizations | 1d | | | | | |
| | e | Government grants (contributions) | 1e 2,357,192. | | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f 91,525,983. | | | | | |
| | g | Noncash contributions included in lines 1a-1f: \$ | 2,621,432. | | | | | |
| | h | Total. Add lines 1a-1f | | 94,076,678. | | | | |
| Program Service Revenue | | | | Business Code | | | | |
| | 2a | | | | | | | |
| | b | | | | | | | |
| | c | | | | | | | |
| | d | | | | | | | |
| | e | | | | | | | |
| | f | All other program service revenue | | | | | | |
| g | Total. Add lines 2a-2f | | | 0. | | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) | | 1,031,816. | | -23,221. | 1,055,037. | |
| | 4 | Income from investment of tax-exempt bond proceeds | | 0. | | | | |
| | 5 | Royalties | | 0. | | | | |
| | 6a | | | (i) Real | | | | |
| | | | | (ii) Personal | | | | |
| | | Gross Rents | | | | | | |
| | | Less: rental expenses | | | | | | |
| | c | Rental income or (loss) | | | | | | |
| | d | Net rental income or (loss) | | 0. | | | | |
| | 7a | | | (i) Securities | | | | |
| | | | | (ii) Other | | | | |
| | | Gross amount from sales of assets other than inventory | | 29,208,448. | | | | |
| | | Less: cost or other basis and sales expenses | | 28,727,637. | | | | |
| | c | Gain or (loss) | | 480,811. | | | | |
| | d | Net gain or (loss) | | 480,811. | | | 480,811. | |
| 8a | Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | | a | | | | | |
| b | Less: direct expenses | | b | | | | | |
| c | Net income or (loss) from fundraising events | | | 0. | | | | |
| 9a | Gross income from gaming activities. See Part IV, line 19 | | a | | | | | |
| b | Less: direct expenses | | b | | | | | |
| c | Net income or (loss) from gaming activities | | | 0. | | | | |
| 10a | Gross sales of inventory, less returns and allowances | | a | | | | | |
| b | Less: cost of goods sold | | b | | | | | |
| c | Net income or (loss) from sales of inventory | | | 0. | | | | |
| Miscellaneous Revenue | | | Business Code | | | | | |
| 11a | ROYALTIES AND LIST RENTAL FEES | | | 213,573. | | | 213,573. | |
| b | OTHER REVENUE | | | 555,383. | | | 555,383. | |
| c | | | | | | | | |
| d | All other revenue | | | | | | | |
| e | Total. Add lines 11a-11d | | | 768,956. | | | | |
| 12 | Total revenue. See instructions | | | 96,358,261. | | -23,221. | 2,304,804. | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i> | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . . | 4,747,214. | 4,747,214. | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 114,311. | 114,311. | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | 3,964,585. | 3,964,585. | | |
| 4 Benefits paid to or for members | 0. | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 1,061,387. | 804,965. | 77,513. | 178,909. |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | 0. | | | |
| 7 Other salaries and wages | 32,009,242. | 24,276,100. | 2,337,620. | 5,395,522. |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions). | 1,469,980. | 1,114,846. | 107,352. | 247,782. |
| 9 Other employee benefits | 4,139,803. | 3,139,664. | 302,328. | 697,811. |
| 10 Payroll taxes | 2,447,691. | 1,856,351. | 178,754. | 412,586. |
| 11 Fees for services (non-employees): | | | | |
| a Management | 0. | | | |
| b Legal | 780,237. | 756,830. | 11,313. | 12,094. |
| c Accounting | 98,000. | | 98,000. | |
| d Lobbying | 921,528. | 921,528. | | |
| e Professional fundraising services. See Part IV, line 17 | 668,697. | | | 668,697. |
| f Investment management fees | 142,776. | | 142,776. | |
| g Other | 14,365,384. | 14,243,021. | | 122,363. |
| 12 Advertising and promotion | 5,260,146. | 4,870,893. | 1,961. | 387,292. |
| 13 Office expenses | 1,445,209. | 911,597. | 256,652. | 276,960. |
| 14 Information technology | 1,986,696. | 1,089,715. | 433,856. | 463,125. |
| 15 Royalties | 0. | | | |
| 16 Occupancy | 4,723,408. | 1,934,429. | 2,040,266. | 748,713. |
| 17 Travel | 4,101,481. | 3,441,956. | 98,934. | 560,591. |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | 0. | | | |
| 19 Conferences, conventions, and meetings | 2,094,090. | 1,748,145. | 44,547. | 301,398. |
| 20 Interest | 128,236. | | 128,236. | |
| 21 Payments to affiliates | 0. | | | |
| 22 Depreciation, depletion, and amortization | 1,486,278. | 438,313. | 584,729. | 463,236. |
| 23 Insurance | 116,762. | 113,260. | 1,693. | 1,809. |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.) | | | | |
| a MISCELLANEOUS | 267,214. | 267,214. | | |
| b ----- | | | | |
| c ----- | | | | |
| d ----- | | | | |
| e ----- | | | | |
| f All other expenses ----- | | | | |
| 25 Total functional expenses. Add lines 1 through 24f | 88,540,355. | 70,754,937. | 6,846,530. | 10,938,888. |
| 26 Joint Costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | 6,279,916. | 4,709,871. | 582,470. | 987,575. |

Part X Balance Sheet

| | | (A) Beginning of year | | (B) End of year | | |
|------------------------------------|---|---|-------------|--------------------|-------------|------------|
| Assets | 1 | Cash - non-interest-bearing | 4,692,041. | 1 | 2,169,567. | |
| | 2 | Savings and temporary cash investments | 9,673,228. | 2 | 3,535,914. | |
| | 3 | Pledges and grants receivable, net | 77,812,505. | 3 | 88,753,479. | |
| | 4 | Accounts receivable, net | 228,475. | 4 | 0. | |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | | |
| | 6 | Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) | | 6 | | |
| | 7 | Notes and loans receivable, net | | 7 | | |
| | 8 | Inventories for sale or use | 126,586. | 8 | 100,703. | |
| | 9 | Prepaid expenses and deferred charges | 764,734. | 9 | 1,060,157. | |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a | 12,069,965. | | |
| | b | Less: accumulated depreciation | 10b | 7,551,286. | 10c | 4,518,679. |
| | 11 | Investments - publicly traded securities | 28,946,310. | 11 | 31,789,427. | |
| | 12 | Investments - other securities. See Part IV, line 11 | 20,619,049. | 12 | 18,390,316. | |
| | 13 | Investments - program-related. See Part IV, line 11 | | 13 | | |
| | 14 | Intangible assets | | 14 | | |
| | 15 | Other assets. See Part IV, line 11 | 4,539,713. | 15 | 3,646,750. | |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 151,858,743. | 16 | 153,964,992. | | |
| Liabilities | 17 | Accounts payable and accrued expenses | 5,273,892. | 17 | 4,351,631. | |
| | 18 | Grants payable | | 18 | | |
| | 19 | Deferred revenue | 37,651. | 19 | 30,397. | |
| | 20 | Tax-exempt bond liabilities | | 20 | | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | | |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | 2,023,847. | 23 | 1,489,853. | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | | |
| | 25 | Other liabilities. Complete Part X of Schedule D | 12,325,688. | 25 | 11,058,939. | |
| | 26 | Total liabilities. Add lines 17 through 25 | 19,661,078. | 26 | 16,930,820. | |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | | |
| | 27 | Unrestricted net assets | 41,070,733. | 27 | 39,235,319. | |
| | 28 | Temporarily restricted net assets | 87,390,434. | 28 | 94,062,355. | |
| | 29 | Permanently restricted net assets | 3,736,498. | 29 | 3,736,498. | |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34. | | | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 | | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 | | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | | |
| 33 | Total net assets or fund balances | 132,197,665. | 33 | 137,034,172. | | |
| 34 | Total liabilities and net assets/fund balances | 151,858,743. | 34 | 153,964,992. | | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI. X

| | | | |
|---|--|---|--------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 96,358,261. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 88,540,355. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 7,817,906. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 132,197,665. |
| 5 | Other changes in net assets or fund balances (explain in Schedule O) | 5 | -2,981,399. |
| 6 | Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)) | 6 | 137,034,172. |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

| | | Yes | No |
|----|---|-----|----|
| 1 | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | | X |
| 2b | Were the organization's financial statements audited by an independent accountant? | X | |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | X | |
| d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | X | |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits. | X | |

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: ENVIRONMENTAL DEFENSE FUND, INC. Employer identification number: 11-6107128

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.

- a Type I b Type II c Type III - Functionally integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

| | Yes | No |
|--|-----|----|
| (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 11g(i) | | |
| (ii) A family member of a person described in (i) above? 11g(ii) | | |
| (iii) A 35% controlled entity of a person described in (i) or (ii) above? 11g(iii) | | |

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in col. (i) listed in your governing document? | | (v) Did you notify the organization in col. (i) of your support? | | (vi) Is the organization in col. (i) organized in the U.S.? | | (vii) Amount of support |
|------------------------------------|----------|---|---|----|--|----|---|----|-------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| (A) | | | | | | | | | |
| (B) | | | | | | | | | |
| (C) | | | | | | | | | |
| (D) | | | | | | | | | |
| (E) | | | | | | | | | |
| Total | | | | | | | | | |

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2010

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|--|-------------|--------------|--------------|-------------|-------------|--------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 83,827,034. | 122,134,631. | 126,116,250. | 52,480,737. | 94,076,678. | 478,635,330. |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3. | 83,827,034. | 122,134,631. | 126,116,250. | 52,480,737. | 94,076,678. | 478,635,330. |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). | | | | | | 118,025,015. |
| 6 Public support. Subtract line 5 from line 4. | | | | | | 360,610,315. |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|---|-------------|--------------|--------------|-------------|-------------|--------------------------|
| 7 Amounts from line 4 | 83,827,034. | 122,134,631. | 126,116,250. | 52,480,737. | 94,076,678. | 478,635,330. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 919,929. | 1,090,838. | 686,847. | 744,107. | 1,031,816. | 4,473,537. |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | 158,495. | 153,239. | 1,163,670. | 693,483. | 403,352. | 2,572,239. |
| 11 Total support. Add lines 7 through 10 | | | | | | 485,681,106. |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | 12 | | 1,458,252. |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here | | | | | | <input type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | |
|---|----|-------------------------------------|
| 14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) | 14 | 74.25% |
| 15 Public support percentage from 2009 Schedule A, Part II, line 14 | 15 | 74.73% |
| 16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | | <input checked="" type="checkbox"/> |
| b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| 17a 10%-facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| b 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions | | <input type="checkbox"/> |

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 Total. Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b. | | | | | | |
| 8 Public support (Subtract line 7c from line 6.) | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6. | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 Total support. (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

| | | |
|--|----|---|
| 15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)). | 15 | % |
| 16 Public support percentage from 2009 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|--|----|---|
| 17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2009 Schedule A, Part III, line 17 | 18 | % |

19a **33 1/3% support tests - 2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ►

b **33 1/3% support tests - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ►

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization is described below.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

| | |
|---|---|
| Name of organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|---|---|

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV.
- 2 Political expenditures ▶ \$ _____
- 3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . . ▶ \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

| (a) Name | (b) Address | (c) EIN | (d) Amount paid from filing organization's funds. If none, enter -0-. | (e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-. |
|----------|-------------|---------|---|--|
| (1) | ----- | | | |
| (2) | ----- | | | |
| (3) | ----- | | | |
| (4) | ----- | | | |
| (5) | ----- | | | |
| (6) | ----- | | | |

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2010

JSA
0E1264 0.040

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check if the filing organization belongs to an affiliated group.
B Check if the filing organization checked box A and "limited control" provisions apply.

| Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) | | (a) Filing organization's totals | (b) Affiliated group totals |
|--|---|--|--|
| 1 a | Total lobbying expenditures to influence public opinion (grass roots lobbying) | 240,143. | |
| b | Total lobbying expenditures to influence a legislative body (direct lobbying) | 681,386. | |
| c | Total lobbying expenditures (add lines 1a and 1b) | 921,529. | |
| d | Other exempt purpose expenditures | 87,618,827. | |
| e | Total exempt purpose expenditures (add lines 1c and 1d) | 88,540,356. | |
| f | Lobbying nontaxable amount. Enter the amount from the following table in both columns. | 1,000,000. | |
| If the amount on line 1e, column (a) or (b) is: | | The lobbying nontaxable amount is: | |
| Not over \$500,000 | | 20% of the amount on line 1e. | |
| Over \$500,000 but not over \$1,000,000 | | \$100,000 plus 15% of the excess over \$500,000. | |
| Over \$1,000,000 but not over \$1,500,000 | | \$175,000 plus 10% of the excess over \$1,000,000. | |
| Over \$1,500,000 but not over \$17,000,000 | | \$225,000 plus 5% of the excess over \$1,500,000. | |
| Over \$17,000,000 | | \$1,000,000. | |
| g | Grassroots nontaxable amount (enter 25% of line 1f) | 250,000. | |
| h | Subtract line 1g from line 1a. If zero or less, enter -0- | | |
| i | Subtract line 1f from line 1c. If zero or less, enter -0- | | |
| j | If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

| Lobbying Expenditures During 4-Year Averaging Period | | | | | |
|--|------------|------------|------------|------------|------------|
| Calendar year (or fiscal year beginning in) | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) Total |
| 2 a Lobbying nontaxable amount | 1,000,000. | 1,000,000. | 1,000,000. | 1,000,000. | 4,000,000. |
| b Lobbying ceiling amount (150% of line 2a, column (e)) | | | | | 6,000,000. |
| c Total lobbying expenditures | 922,617. | 889,883. | 896,377. | 921,529. | 3,630,406. |
| d Grassroots nontaxable amount | 250,000. | 250,000. | 250,000. | 250,000. | 1,000,000. |
| e Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | 1,500,000. |
| f Grassroots lobbying expenditures | 231,578. | 222,471. | 250,000. | 240,143. | 944,192. |

Schedule C (Form 990 or 990-EZ) 2010

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; 2 a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; b If "Yes," enter the amount of any tax incurred under section 4912; c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members?; 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?; 3 Did the organization agree to carryover lobbying and political expenditures from the prior year?

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."

Table with 2 columns: Question, Amount. Rows include: 1 Dues, assessments and similar amounts from members; 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid); a Current year; b Carryover from last year; c Total; 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues; 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?; 5 Taxable amount of lobbying and political expenditures (see instructions)

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

Part IV Supplemental Information *(continued)*

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions.**

| | |
|---|---|
| Name of the organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|---|---|

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|------------------------------|
| 1 Total number at end of year | 2. | |
| 2 Aggregate contributions to (during year) | 437,066. | |
| 3 Aggregate grants from (during year) | 203,005. | |
| 4 Aggregate value at end of year | 1,251,209. | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

| | |
|--|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of a certified historic structure |
| <input type="checkbox"/> Preservation of open space | |

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

| | Amount |
|---------------------------------|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 4,533,102. | 4,533,102. | 4,533,102. | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | 212,740. | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | 253,787. | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | 4,492,055. | 4,533,102. | 4,533,102. | | |

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment %
- b Permanent endowment 83.0800 %
- c Term endowment 16.8200 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

| | Yes | No |
|--------|-----|----|
| 3a(i) | | X |
| 3a(ii) | | X |
| 3b | | |

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | | | |
| b Buildings | | 393,319. | | 393,319. |
| c Leasehold improvements | | 4,635,275. | 3,325,234. | 1,310,041. |
| d Equipment | | 3,193,954. | 1,814,841. | 1,379,113. |
| e Other | | 3,847,417. | 2,411,211. | 1,436,206. |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 4,518,679. |

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|--------------------|--|
| (1) Financial derivatives | | |
| (2) Closely-held equity interests | | |
| (3) Other | | |
| (A) SPLIT INTEREST AGREEMENTS | 6,955,790. | FMV |
| (B) FUND OF FUNDS | 10,903,830. | FMV |
| (C) PRIVATE EQUITIES | 54,432. | FMV |
| (D) VENTURE CAPITAL | 476,264. | FMV |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| (I) | | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) | 18,390,316. | |

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

| (a) Description of investment type | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) | | |

Part IX Other Assets. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) | |

Part X Other Liabilities. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Amount |
|---|--------------------|
| (1) Federal income taxes | |
| (2) OTHER DEPOSITS | 2,333. |
| (3) DEFERRED RENT | 47,742. |
| (4) ANNUITIES PAYABLE | 4,384,880. |
| (5) SPLIT INT AGREEMENT LIABILITY | 245,542. |
| (6) RETIREMENT PLAN LIABILITY | 1,346,957. |
| (7) ACTION FUND | 4,948,007. |
| (8) OTHER PROGRAM RELATED LIABILIT | 83,478. |
| (9) | |
| (10) | |
| (11) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) | 11,058,939. |

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

| | | | |
|----|--|----|-------------|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 | 96,358,261. |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 88,540,355. |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 | 7,817,906. |
| 4 | Net unrealized gains (losses) on investments | 4 | -2,981,399. |
| 5 | Donated services and use of facilities | 5 | |
| 6 | Investment expenses | 6 | |
| 7 | Prior period adjustments | 7 | |
| 8 | Other (Describe in Part XIV.) | 8 | |
| 9 | Total adjustments (net). Add lines 4 through 8 | 9 | -2,981,399. |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 | 4,836,507. |

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

| | | | |
|---|---|----|-------------|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 | 93,376,862. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a | Net unrealized gains on investments | 2a | -2,981,399. |
| b | Donated services and use of facilities | 2b | |
| c | Recoveries of prior year grants | 2c | |
| d | Other (Describe in Part XIV.) | 2d | |
| e | Add lines 2a through 2d | 2e | -2,981,399. |
| 3 | Subtract line 2e from line 1 | 3 | 96,358,261. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIV.) | 4b | |
| c | Add lines 4a and 4b | 4c | |
| 5 | Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) | 5 | 96,358,261. |

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

| | | | |
|---|--|----|-------------|
| 1 | Total expenses and losses per audited financial statements | 1 | 88,540,355. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a | Donated services and use of facilities | 2a | |
| b | Prior year adjustments | 2b | |
| c | Other losses | 2c | |
| d | Other (Describe in Part XIV.) | 2d | |
| e | Add lines 2a through 2d | 2e | |
| 3 | Subtract line 2e from line 1 | 3 | 88,540,355. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIV.) | 4b | |
| c | Add lines 4a and 4b | 4c | |
| 5 | Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) | 5 | 88,540,355. |

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

ENDOWMENT FUNDS

SCHEDULE D, PART V, LINE 4

THE ORGANIZATION'S ENDOWMENT CONSISTS OF NINETEEN INDIVIDUAL FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES AND CONSISTING ENTIRELY OF DONOR-RESTRICTED FUNDS. THE ORGANIZATION HAS ADOPTED INVESTMENT AND SPENDING POLICIES FOR ENDOWMENT ASSETS THAT ATTEMPT TO PROVIDE A PREDICTABLE STREAM OF FUNDING FOR PROGRAMS SUPPORTED BY ITS ENDOWMENT WHILE SEEKING TO MAINTAIN THE PURCHASING POWER OF THE ENDOWMENT ASSETS. UNDER THIS POLICY, AS APPROVED BY THE BOARD OF TRUSTEES, THE ENDOWMENT ASSETS ARE INVESTED WITH A FOCUS ON EARNING MARKET RETURNS OR BETTER WHILE ASSUMING A MODERATE LEVEL OF INVESTMENT RISK.

INCOME TAX DISCLOSURE

PART X LINE 2

THE ORGANIZATION IS SUBJECT TO THE PROVISIONS OF ASC 740-10-05, RELATING TO ACCOUNTING AND REPORTING FOR UNCERTAINTY IN INCOME TAXES. BECAUSE OF THE ORGANIZATION'S GENERAL TAX-EXEMPT STATUS, ASC 740-10-05 HAS NOT HAD, AND IS NOT EXPECTED TO HAVE, A MATERIAL IMPACT ON THE ORGANIZATION'S CONSOLIDATED AND CONSOLIDATING FINANCIAL STATEMENTS.

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

11-6107128

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

| (a) Region | (b) Number of offices in the region | (c) Number of employees, agents, and independent contractors in region | (d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region) | (e) If activity listed in (d) is a program service, describe specific type of service(s) in region | (f) Total expenditures for and investments in region |
|---|-------------------------------------|--|---|--|--|
| (1) NORTH AMERICA | 1. | 8. | GRANTMAKING | | 194,468. |
| (2) SOUTH AMERICA | | | GRANTMAKING | | 1,070,672. |
| (3) RUSSIA/INDEPENDENT STATES | | | GRANTMAKING | | 109,500. |
| (4) EUROPE | | | GRANTMAKING | | 130,000. |
| (5) SOUTH ASIA | | | GRANTMAKING | | 186,320. |
| (6) EAST ASIA AND THE PACIFIC | 1. | 15. | GRANTMAKING | | 2,273,625. |
| (7) | | | | | |
| (8) | | | | | |
| (9) | | | | | |
| (10) | | | | | |
| (11) | | | | | |
| (12) | | | | | |
| (13) | | | | | |
| (14) | | | | | |
| (15) | | | | | |
| (16) | | | | | |
| (17) | | | | | |
| 3a Sub-total | 2. | 23. | | | 3,964,585. |
| b Total from continuation sheets to Part I | | | | | |
| c Totals (add lines 3a and 3b) | 2. | 23. | | | 3,964,585. |

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2010

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000.

| 1 | (a) Name of organization | (b) IRS code section and EIN (if applicable) | (c) Region | (d) Purpose of grant | (e) Amount of cash grant | (f) Manner of cash disbursement | (g) Amount of non-cash assistance | (h) Description of non-cash assistance | (i) Method of valuation (book, FMV, appraisal, other) |
|------|--------------------------|--|--------------------------|-------------------------|--------------------------|---------------------------------|-----------------------------------|--|---|
| (1) | | | NORTH AMERICA | GENERAL SUPPORT | 146,968. | | | | |
| (2) | | | SOUTH AMERICA | SUSTAINABLE FISHERIES | 37,400. | | | | |
| (3) | | | RUSSIA | METH STUDY | 22,000. | | | | |
| (4) | | | NORTH AMERICA | MEXICO FOR REDD | 24,550. | | | | |
| (5) | | | EUROPE/ICELAND/GREENLAND | NZ EU LAND-OWNERS STUDY | 100,000. | | | | |
| (6) | | | SOUTH AMERICA | BRAZIL EMISS REDUCTIONS | 60,000. | | | | |
| (7) | | | SOUTH AMERICA | BRAZIL EMISS REDUCTIONS | 91,800. | | | | |
| (8) | | | SOUTH AMERICA | BRAZIL EMISS REDUCTIONS | 294,072. | | | | |
| (9) | | | SOUTH AMERICA | EMISSION REDUCTIONS | 30,000. | | | | |
| (10) | | | RUSSIA | METHANE MATERIALS | 7,500. | | | | |
| (11) | | | SOUTH AMERICA | LULUCF STRATEGIES | 15,000. | | | | |
| (12) | | | SOUTH ASIA | INDIA LOW CARBON | 10,000. | | | | |
| (13) | | | NORTH AMERICA | GENERAL SUPPORT | 12,950. | | | | |
| (14) | | | SOUTH ASIA | WATER RESOUR MGT | 160,000. | | | | |
| (15) | | | SOUTH AMERICA | BRAZIL GEN SUPPORT | 118,000. | | | | |
| (16) | | | EAST ASIA/PACIFIC | CHINA GEN SUPPORT | 2,273,625. | | | | |

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter.

3 Enter total number of other organizations or entities.

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000 Part II can be duplicated if additional space is needed.

| 1 | (a) Name of organization | (b) IRS code section and EIN (if applicable) | (c) Region | (d) Purpose of grant | (e) Amount of cash grant | (f) Manner of cash disbursement | (g) Amount of non-cash assistance | (h) Description of non-cash assistance | (i) Method of valuation (book, FMV, appraisal, other) |
|------|--------------------------|--|--------------------------|----------------------|--------------------------|---------------------------------|-----------------------------------|--|---|
| (1) | | | SOUTH AMERICA | BOLIVIA INDIGENOUS | 40,500. | | | | |
| (2) | | | EUROPE/ICELAND/GREENLAND | INDIA PARL. SUPPORT | 30,000. | | | | |
| (3) | | | RUSSIA | RUSSIA GEN SUPPORT | 80,000. | | | | |
| (4) | | | SOUTH AMERICA | BRAZIL GEN SUPPORT | 50,000. | | | | |
| (5) | | | SOUTH AMERICA | BRAZIL GEN SUPPORT | 333,900. | | | | |
| (6) | | | NORTH AMERICA | CO DELTA WATER TRUST | 10,000. | | | | |
| (7) | | | SOUTH ASIA | INDIA GEN SUPPORT | 16,320. | | | | |
| (8) | | | | | | | | | |
| (9) | | | | | | | | | |
| (10) | | | | | | | | | |
| (11) | | | | | | | | | |
| (12) | | | | | | | | | |
| (13) | | | | | | | | | |
| (14) | | | | | | | | | |
| (15) | | | | | | | | | |
| (16) | | | | | | | | | |

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter 17.

3 Enter total number of other organizations or entities 6.

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
 Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Region | (c) Number of recipients | (d) Amount of cash grant | (e) Manner of cash disbursement | (f) Amount of non-cash assistance | (g) Description of non-cash assistance | (h) Method of valuation (book, FMV, appraisal, other) |
|---------------------------------|------------|--------------------------|--------------------------|---------------------------------|-----------------------------------|--|---|
| (1) | | | | | | | |
| (2) | | | | | | | |
| (3) | | | | | | | |
| (4) | | | | | | | |
| (5) | | | | | | | |
| (6) | | | | | | | |
| (7) | | | | | | | |
| (8) | | | | | | | |
| (9) | | | | | | | |
| (10) | | | | | | | |
| (11) | | | | | | | |
| (12) | | | | | | | |
| (13) | | | | | | | |
| (14) | | | | | | | |
| (15) | | | | | | | |
| (16) | | | | | | | |
| (17) | | | | | | | |
| (18) | | | | | | | |

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* Yes No

Schedule F (Form 990) 2010

Part V Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

GRANTS AND OTHER ASSISTANCE OUTSIDE THE UNITED STATES

PART I, LINE 2

THE ORGANIZATION HAS A NUMBER OF GRANTS AND OTHER ASSISTANCE IT PROVIDES TO OTHER ENTITIES. THE MAJORITY OF THESE GRANTS ARE TO OTHER ENVIRONMENTAL AND LIKE MINDED ENTITIES THAT PERFORM WORK ALONGSIDE OF EDF IN THE ACCOMPLISHMENT OF ITS MISSION. EDF MONITORS THE PERFORMANCE OF THE GRANT RECIPIENTS BY WRITTEN REPORTS, SITE VISITS, VERBAL COMMUNICATION AND REVIEW. PARTIAL PAYMENTS ARE TYPICALLY MADE ON A SUB-GRANT UNTIL A PATTERN OF PROVEN ACHIEVEMENTS ON OBJECTIVES IS DEMONSTRATED. IN THE END EDF TYPICALLY PREPARES A REPORT TO FUNDING ENTITIES ON THE USE OF GRANT FUNDS -BOTH BY ITSELF AND BY ANY SUB-GRANT RECIPIENTS.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

**Open To Public
Inspection**

Name of the organization: ENVIRONMENTAL DEFENSE FUND, INC. Employer identification number: 11-6107128

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations
- b Internet and email solicitations
- c Phone solicitations
- d In-person solicitations
- e Solicitation of non-government grants
- f Solicitation of government grants
- g Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

| (i) Name and address of individual or entity (fundraiser) | (ii) Activity | (iii) Did fundraiser have custody or control of contributions? | | (iv) Gross receipts from activity | (v) Amount paid to (or retained by) fundraiser listed in col. (i) | (vi) Amount paid to (or retained by) organization |
|---|-----------------------|--|----|-----------------------------------|---|---|
| | | Yes | No | | | |
| 1 INTEGRAL RESOURCES INC | DIRECT FUNDRAISING | | X | 452,631. | 355,659. | 96,972. |
| 2 PUBLIC INTEREST COMMUNICATIO | DIRECT FUNDRAISING | | X | 356,354. | 128,601. | 227,753. |
| 3 COMNET MARKETING GROUP, INC | TELEPHONE FUNDRAISING | | X | 81,845. | 79,437. | 2,408. |
| 4 INTEGRATED DIRECT MARKETING | FUNDRAISING COUNSEL | | X | 0. | 50,000. | 0. |
| 5 SEA CHANGE DIRECT MARKETING | FUNDRAISING COUNSEL | | X | 0. | 55,000. | 0. |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| Total | | | | 890,830. | 668,697. | 327,133. |

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

AL, AK, AZ, AR, CA, CO, CT, FL, GA, HI, IL,
KS, KY, LA, ME, MD, MA, MI, MN, MS, NV, NH, NJ, NM, NY, NC, ND, OH,
OK, OR, PA, RI, SC, TN, UT, VA, WA, WV, WI,

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

| | | (a) Event #1 | (b) Event #2 | (c) Other Events | (d) Total events | |
|-----------------|----|---|--------------|------------------|---------------------------------|-----|
| | | (event type) | (event type) | (total number) | (add col. (a) through col. (c)) | |
| Revenue | 1 | Gross receipts | | | | |
| | 2 | Less: Charitable contributions | | | | |
| | 3 | Gross income (line 1 minus line 2) | | | | |
| Direct Expenses | 4 | Cash prizes | | | | |
| | 5 | Noncash prizes | | | | |
| | 6 | Rent/facility costs | | | | |
| | 7 | Food and beverages | | | | |
| | 8 | Entertainment | | | | |
| | 9 | Other direct expenses | | | | |
| | 10 | Direct expense summary. Add lines 4 through 9 in column (d) ▶ | | | | () |
| | 11 | Net income summary. Combine line 3, column (d), and line 10 ▶ | | | | |

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

| | | (a) Bingo | (b) Pull tabs/instant bingo/progressive bingo | (c) Other gaming | (d) Total gaming (add col. (a) through col. (c)) | |
|-----------------|---|---|---|---------------------------|--|--|
| | | | | | | |
| Revenue | 1 | Gross revenue | | | | |
| Direct Expenses | 2 | Cash prizes | | | | |
| | 3 | Noncash prizes | | | | |
| | 4 | Rent/facility costs | | | | |
| | 5 | Other direct expenses | | | | |
| | 6 | Volunteer labor | Yes _____ % No _____ % | Yes _____ % No _____ % | Yes _____ % No _____ % | |
| | | 7 | Direct expense summary. Add lines 2 through 5 in column (d) ▶ | | | |
| | 8 | Net gaming income summary. Combine line 1, column d, and line 7 ▶ | | | | |

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

| | | |
|-------------------------------|------------|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Employer identification number

11-6107128

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

| (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|---|------------|-------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| (1) CALIFORNIA LEAGUE OF CONSERVATION VOTERS 350 FRANK H. OGAWA PLAZA, OAKLAND, CA 94612 | 94-3169564 | 501(C)(3) | 15,000. | | | | GENERAL OPERATING PURPOSES |
| (2) DEFENDERS OF WILDLIFE 1130 17TH ST. NW WASHINGTON, DC 20036 | 53-0183181 | 501(C)(3) | 139,464. | | | | CO RIVER BASIN STUDY |
| (3) LONGLEAF ALLIANCE INC. (THE) 13693 PINE FOREST RD ADALUSIA, AL 36420 | 75-3263645 | 501(C)(3) | 20,000. | | | | LONGLEAF MGT RESTORATION |
| (4) NORTHERN CALIFORNIA WATER ASSOCIATION 455 CAPITOL MALL SACRAMENTO, CA 95814 | 68-0273555 | 501(C)(3) | 20,000. | | | | CA WATER RIGHTS POLICY |
| (5) USDA, AGRICULTURAL RESEARCH SERVICE 1815 N. UNIVERSITY STREET PEORIA, IL 61604 | 72-0564834 | 501(C)(3) | 30,000. | | | | GEOSPATIAL FRAMEWORK |
| (6) WESTERN RESOURCE ADVOCATES 2260 BASELINE ROAD DOULDER, CO 80302 | 84-1113831 | 501(C)(3) | 30,000. | | | | CO CLEAN AIR, CLIMATE ADVOCACY |
| (7) HEIDELBERG UNIVERSITY 310 EAST MARKET STREET TIFFIN, OH 44883 | 34-4428219 | 501(C)(3) | 69,500. | | | | MAUMEE WATERSHED |
| (8) ECO ANALYTICS 545 VEREDA DEL CIERVO GOLETA, CA 93117 | 26-2479585 | | 80,000. | | | | FISHERIES MANAGEMENT |
| (9) GULF FISHERMEN'S ASSOCIATION, INC PO BOX 14894 BRADENTON, FL 34280 | 55-0869235 | 501(C)(3) | 160,050. | | | | FISHERIES MGT REFORM |
| (10) HUMANE SOCIETY INTERNATIONAL 2100 L STREET WASHINGTON, DC 20037 | 52-1769464 | 501(C)(3) | 64,700. | | | | CORAL CONSERVATION |
| (11) OREGON STATE UNIVERSITY 104 NASH HALL, CORVALLIS, OR 97331 | 48-1278540 | | 7,000. | | | | WEST COAST FISH WORK SHOP |
| (12) SNOOK FOUNDATION INC. DBA SNOOK AND GAMEFIS 5224 WEST STATE ROAD 46 #102 | 65-0839514 | 501(C)(3) | 25,000. | | | | VOLUNTARY DATA PROGRAM |

- 2 Enter total number of section 501(c)(3) and government organizations
- 3 Enter total number of other organizations

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

11-6107128

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

| 1 | (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|------|--|------------|-------------------------------|--------------------------|-----------------------------------|---|--|-------------------------------------|
| (1) | SOCIETY FOR ORGANIZATIONAL LEARNING, INC. 1 BROADWAY CAMBRIDGE, MA 02142-0001 | 52-2013044 | 501(C)(3) | 85,835. | | | | MEXICO FISHERIES |
| (2) | THE SPORT FISHING CONSERVANCY 200 NIETO AVENUE LONG BEACH, CA 90803 | 20-8948522 | 501(C)(3) | 20,000. | | | | CONSERVATION-ORIENTED FISHING |
| (3) | TURNER FOUNDATION, INC. 133 LUCKIE STREET ATLANTA, GA 30303 | 58-1924590 | 501(C)(3) | 30,000. | | | | VOLUNTARY DATA PROGRAM |
| (4) | UNIVERSITY OF ALABAMA AT BIRMINGHAM 1665 UNIVERSITY BLVD, BIRMINGHAM, AL 35294 | 63-6005396 | 501(C)(3) | 8,300. | | | | GULF SEAFOOD SAFETY SPATIAL MGT |
| (5) | UNIVERSITY OF MASSACHUSETTS 285 OLD WESPORT RD, N DARTMOUTH, MA 02747 | 04-3167352 | | 50,000. | | | | STRATEGIES |
| (6) | UNIVERSITY OF WASHINGTON 4333 BROOKLYN AVENUE NE SEATTLE, WA 98195 | 91-6001537 | | 99,119. | | | | FISHERIES RESEARCH |
| (7) | CLIMATE ACTION RESERVE 523 W 6TH STREET LOS ANGELES, CA 90014 | 68-0477330 | 501(C)(3) | 6,000. | | | | GLOBAL CLIMATE CHANGE SUMMIT |
| (8) | CUB CONSUMER EDUCATION AND RESEARCH FUND 309 W. WASHINGTON STREET CHICAGO, IL 60606 | 20-4904719 | 501(C)(3) | 115,200. | | | | ILL SMART GRID INITIATIVES |
| (9) | MASSACHUSETTS INSTITUTE OF TECHNOLOGY 77 MASSACHUSETTS AVE., CAMBRIDGE, MA 02139 | 04-2103594 | 501(C)(3) | 50,000. | | | | CARBON-EFFICIENT LOGISTICS STRATEGY |
| (10) | SUN STATE INTERNATIONAL TRUCKS, LLC 6020 ADAMO DRIVE TAMPA, FL 33619 | 59-3750718 | | 81,177. | | | | DERA HYBRID TRUCKS |
| (11) | TRACY ROAD EQUIPMENT, INC. 6803 MANLIUS CTR RD, E. SYRACUSE, NY 13057 | 16-1058204 | | 40,000. | | | | DERA HYBRID TRUCKS CROWD-SOURCING |
| (12) | INNOCENTIVE, INC. 610 LINCOLN STREET WALTHAM, MA 02451-0000 | 20-3437526 | | 32,500. | | | | INNOCENTIVE PLATFORM |

- 2 Enter total number of section 501(c)(3) and government organizations
- 3 Enter total number of other organizations

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

11-6107128

Part I General information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

| 1 | (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|------|---|------------|-------------------------------|--------------------------|-----------------------------------|---|--|--|
| (1) | CALIFORNIA FISHERIES FUND 257 PARK AVENUE SOUTH NEW YORK, NY 10010 | 26-0873741 | 501(C)(3) | 50,000. | | | | GENERAL SUPPORT |
| (2) | ENVIRONMENTAL DEFENSE ACTION FUND 257 PARK AVENUE SOUTH NEW YORK, NY 10010 | 90-0080500 | 501(C)(4) | 600,000. | | | | EDF 501(H) EDAP LOBBYING |
| (3) | COALITION TO RESTORE COASTAL LOUISIANA BATON ROUGE, LA 70808 | 72-1115589 | 501(C)(3) | 75,000. | | | | RESTORE COASTAL LOUISIANA |
| (4) | DEFLANCE SOIL AND WATER CONSERVATION DISTRI 06879 EVANSFORD ROAD DEFLANCE, OH 43512 | 34-6400373 | 501(C)(3) | 10,000. | | | | UPPER MAUMEE WATERSHED |
| (5) | DUKE UNIVERSITY 2200 WEST MAIN STREET DURHAM, NC 27708 | 56-0532129 | 501(C)(3) | 412,606. | | | | FISHERIES FORUM |
| (6) | GULF OF MEXICO REEF FISH SHAREHOLDER'S ALLI 4415 AVE. S GALVESTON, TX 75582 | 26-2524327 | 501(C)(6) | 266,875. | | | | FISHERIES MGT REFORM |
| (7) | INTERCULTURAL CENTER FOR THE STUDY OF DESER 4455 N. CAMINO CARDENAL TUSCON, AZ 85718 | 86-0578996 | 501(C)(3) | 17,500. | | | | MEXICO GENERAL SUPPORT |
| (8) | KENWORTH CB 42 WALLACE AVENUE PORTLAND, ME 04106-0000 | 01-0329487 | | 40,000. | | | | HYBRID DELIVERY TRUCKS |
| (9) | LAKE PONTCHARTRAIN BASIN FOUNDATION PO BOX 6965 METAIRIE, LA 70009 | 72-1152784 | 501(C)(3) | 75,000. | | | | LOUISIANA COASTAL OUTREACH |
| (10) | OCEAN CONSERVANCY 1300 19TH STREET WASHINGTON, DC 20036 | 23-7245152 | 501(C)(3) | 50,000. | | | | AQUACULTURE SUPPORT HYBRID DELIVERY TRUCKS |
| (11) | PEPSI BEVERAGE COMPANY 9025 RIVER ROAD INDIANAPOLIS, IN 46240 | 35-2015991 | | 108,359. | | | | FISHERIES MGT REFORM |
| (12) | SOUTH ATLANTIC FISHERMEN'S ASSOCIATION PO BOX 80938 CHARLESTON, SC 29416 | 27-3165836 | 501(C)(6) | 110,800. | | | | |

- 2 Enter total number of section 501(c)(3) and government organizations
- 3 Enter total number of other organizations

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Employer identification number

11-6107128

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

| 1 | (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|------|---|------------|-------------------------------|--------------------------|-----------------------------------|---|--|--|
| (1) | SOUTHERN CONNECTICUT FREIGHTLINER BRANFORD, CT 06405 | 06-0787534 | | 26,324. | | | | HYBRID DELIVERY TRUCKS |
| (2) | STANFORD UNIVERSITY PO BOX 44253 SAN FRANCISCO, CA 94144 | 94-1156365 | 501(C)(3) | 186,000. | | | | FISHERIES FORUM BRAZIL GENERAL SUPPORT |
| (3) | THE NATURE CONSERVANCY 201 MISSION STREET SAN FRANCISCO, CA 94105 | 53-0242652 | 501(C)(3) | 300,000. | | | | FISHERIES RESEARCH DEFORESTATION & FOREST DEREGULATION |
| (4) | UNIVERSITY OF NEW HAMPSHIRE 51 COLLEGE ROAD DURHAM, NH 03824-0000 | 02-6000937 | 501(C)(3) | 60,801. | | | | GREEN COMMUNITY MEXICO OCEANS SUPPORT |
| (5) | WILDLIFE CONSERVATION SOCIETY 2300 SOUTHERN BLVD BRONX, NY 10460 | 13-1740011 | 501(C)(3) | 24,059. | | | | FISHERIES |
| (6) | WORLD MEDIA FOUNDATION, INC. 20 HOLLAND STREET SOMERVILLE, MA 02144-0000 | 04-3150786 | 501(C)(3) | 10,000. | | | | STAKEHOLDERS RES |
| (7) | WORLD WILDLIFE FUND 1250 24TH STREET WASHINGTON DC, DC 20037 | 52-1693387 | 501(C)(3) | 829,981. | | | | DAF GENERAL SUPPORT |
| (8) | UNIVERSITY OF CONNECTICUT 438 WHITNEY ROAD STORRS, CT 06269-0000 | 06-0772160 | 501(C)(1) | 20,000. | | | | DAF GENERAL SUPPORT |
| (9) | MOUNT HOLYOKE COLLEGE 50 COLLEGE ST., SOUTH HADLEY, MA 01075 | 04-2103578 | 501(C)(3) | 15,755. | | | | DAF GENERAL SUPPORT |
| (10) | THE NATURE CONSERVANCY PO BOX 4125 BATON ROUGE, LA 70821 | 53-2442652 | 501(C)(3) | 10,000. | | | | DAF GENERAL SUPPORT |
| (11) | THE SIERRA CLUB FOUNDATION 85 SECOND STREET SAN FRANCISCO, CA 10004 | 94-6069890 | 501(C)(3) | 5,500. | | | | DAF GENERAL SUPPORT |
| (12) | | | | | | | | |

- 2 Enter total number of section 501(c)(3) and government organizations 33.
- 3 Enter total number of other organizations 14.

Schedule I (Form 990) (2010)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| 1 SEAFOOD SUMMIT | 1. | 32,000. | 0. | N/A | N/A |
| 2 HALIBUT EXCLUDER DEVICE | 1. | 29,561. | 0. | N/A | N/A |
| 3 FISHERIES RESEARCH | 1. | 47,500. | 0. | N/A | N/A |
| 4 GENERAL SUPPORT | 1. | 5,250. | 0. | N/A | N/A |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

GRANTS AND OTHER ASSISTANCE

SCHEDULE I, PART I, LINE 2

THE ORGANIZATION HAS A NUMBER OF GRANTS AND OTHER ASSISTANCE IT PROVIDES

TO OTHER CHARITIES AND QUASI-GOVERNMENTAL ENTITIES IN THE U.S. THE

MAJORITY OF THESE GRANTS ARE TO OTHER ENVIRONMENTAL 501(C)3 NON-PROFIT

ENTITIES THAT PERFORM WORK ALONGSIDE OF EDF IN THE ACCOMPLISHMENT OF ITS

MISSION. EDF MONITORS THE PERFORMANCE OF THE GRANT RECIPIENTS BY WRITTEN

REPORTS, SITE VISITS, VERBAL COMMUNICATION AND REVIEW. PARTIAL PAYMENTS

ARE TYPICALLY MADE ON A SUB-GRANT UNTIL A PATTERN OF PROVEN ACHIEVEMENTS

ON OBJECTIVES IS DEMONSTRATED. IN THE END EDF TYPICALLY PREPARES A

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

| | (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

REPORT TO FUNDING ENTITIES ON THE USE OF GRANT FUNDS - BOTH BY ITSELF AND BY ANY SUB-GRANT RECIPIENTS.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

11-6107128

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input checked="" type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

| | Yes | No |
|-----------|-----|----|
| 1b | X | |
| 2 | X | |
| 4a | | X |
| 4b | X | |
| 4c | | X |
| 5a | | X |
| 5b | | X |
| 6a | | X |
| 6b | | X |
| 7 | | X |
| 8 | | X |
| 9 | | |

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

| (A) Name | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported in prior Form 990 or Form 990-EZ |
|----------------------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|--|
| | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| 1 FREDERIC D. KRUPP | (i) 400,032. | 26,000. | 0. | 34,869. | 17,713. | 478,614. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 2 ELIZABETH HENSHAW | (i) 230,564. | 10,000. | 0. | 20,464. | 17,713. | 278,741. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 3 PETER ACCINNO | (i) 216,950. | 0. | 0. | 17,645. | 1,148. | 235,743. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 4 DANIEL J. DUDEK | (i) 296,013. | 0. | 0. | 68,874. | 17,713. | 382,600. | 83,444. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 5 DAVID FESTA | (i) 210,216. | 2,500. | 70,000. | 17,598. | 11,108. | 311,422. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 6 MARCIA ARONOFF | (i) 234,363. | 3,500. | 0. | 19,987. | 5,548. | 263,398. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 7 CYNTHIA HAMPTON | (i) 229,053. | 2,000. | 0. | 18,774. | 5,548. | 255,375. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 8 STEPHEN W. COCHRAN | (i) 212,293. | 2,500. | 0. | 17,761. | 17,713. | 250,267. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 9 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 10 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 11 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 12 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 13 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 14 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 15 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| 16 | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | 0. |

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES

SCHEDULE J, PART II

REPORTABLE COMPENSATION OF \$70,000 FOR DAVID FESTA REPRESENTS A HOUSING

ALLOWANCE.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered
"Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

**Open To Public
Inspection**

Name of the organization: ENVIRONMENTAL DEFENSE FUND, INC. Employer identification number: 11-6107128

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

| 1 | (a) Name of disqualified person | (b) Description of transaction | (c) Corrected? | |
|-----|---------------------------------|--------------------------------|----------------|----|
| | | | Yes | No |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| (5) | | | | |
| (6) | | | | |

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

| (a) Name of interested person and purpose | (b) Loan to or from the organization? | | (c) Original principal amount | (d) Balance due | (e) In default? | | (f) Approved by board or committee? | | (g) Written agreement? | |
|---|---------------------------------------|------|-------------------------------|-----------------|-----------------|----|-------------------------------------|----|------------------------|----|
| | To | From | | | Yes | No | Yes | No | Yes | No |
| (1) | | | | | | | | | | |
| (2) | | | | | | | | | | |
| (3) | | | | | | | | | | |
| (4) | | | | | | | | | | |
| (5) | | | | | | | | | | |
| (6) | | | | | | | | | | |
| (7) | | | | | | | | | | |
| (8) | | | | | | | | | | |
| (9) | | | | | | | | | | |
| (10) | | | | | | | | | | |
| Total ▶ \$ | | | | | | | | | | |

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount and type of assistance |
|-------------------------------|---|-----------------------------------|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of transaction | (d) Description of transaction | (e) Sharing of organization's revenues? | |
|-------------------------------|---|---------------------------|--------------------------------|---|----|
| | | | | Yes | No |
| (1) ISABEL GRANTHAM | DAUGHTER OF TRUSTEE | 38,792. | COMPENSATION | | X |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |
| (5) | | | | | |
| (6) | | | | | |
| (7) | | | | | |
| (8) | | | | | |
| (9) | | | | | |
| (10) | | | | | |

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2010

**Open To Public
Inspection**

Name of the organization: **ENVIRONMENTAL DEFENSE FUND, INC.** Employer identification number: **11-6107128**

Part I Types of Property

| | (a) Check if applicable | (b) Number of contributions or items contributed | (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g | (d) Method of determining noncash contribution amounts |
|--|----------------------------|---|--|---|
| 1 Art - Works of art | | | | |
| 2 Art - Historical treasures | | | | |
| 3 Art - Fractional interests | | | | |
| 4 Books and publications | | | | |
| 5 Clothing and household goods | | | | |
| 6 Cars and other vehicles | | | | |
| 7 Boats and planes | | | | |
| 8 Intellectual property | | | | |
| 9 Securities - Publicly traded | X | 78. | 2,640,703. | FMV |
| 10 Securities - Closely held stock | | | | |
| 11 Securities - Partnership, LLC, or trust interests | | | | |
| 12 Securities - Miscellaneous | | | | |
| 13 Qualified conservation contribution - Historic structures | | | | |
| 14 Qualified conservation contribution - Other | | | | |
| 15 Real estate - Residential | | | | |
| 16 Real estate - Commercial | | | | |
| 17 Real estate - Other | | | | |
| 18 Collectibles | | | | |
| 19 Food inventory | | | | |
| 20 Drugs and medical supplies | | | | |
| 21 Taxidermy | | | | |
| 22 Historical artifacts | | | | |
| 23 Scientific specimens | | | | |
| 24 Archeological artifacts | | | | |
| 25 Other ▶ () | | | | |
| 26 Other ▶ () | | | | |
| 27 Other ▶ () | | | | |
| 28 Other ▶ () | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

| | Yes | No |
|---|-----|----|
| 30 a During the year, did the organization receive by contribution any property reported in Part I, line 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | | X |
| b If "Yes," describe the arrangement in Part II. | | |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | X | |
| 32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | | X |
| b If "Yes," describe in Part II. | | |
| 33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II. | | |

For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule M (Form 990) (2010)

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

11-6107128

REVIEW OF FORM 990

PART VI, SECTION B, LINE 11A

EDF USES ITS AUDIT COMMITTEE OF THE BOARD OF TRUSTEES TO REVIEW THE FORM 990 RETURNS. THE AUDIT COMMITTEE HAS BEEN DELEGATED THIS AUTHORITY BY THE BOARD OF TRUSTEES IN ITS AUDIT COMMITTEE CHARTER AND TERMS OF REFERENCE.

THE ORGANIZATION'S FINANCIAL MANAGEMENT GROUP IS RESPONSIBLE FOR GATHERING THE KEY COMPONENTS AND SUPPORTING SCHEDULE INFORMATION FOR THE FORM 990. THE ORGANIZATION'S AUDIT FIRM OF INDEPENDENT PUBLIC ACCOUNTANTS PREPARES THE FORM 990 AND IT GOES THROUGH A REVIEW PROCESS TO ENSURE IT IS COMPLETED ACCURATELY. THE DRAFT FORM 990 IS RETURNED TO THE ORGANIZATION WHERE SENIOR EXECUTIVE MANAGEMENT AND MEMBERS OF THE FINANCIAL TEAM REVIEW THE DOCUMENT. THE AUDIT COMMITTEE RECEIVES A COPY OF THE DRAFT RETURN IN ADVANCE OF A MEETING SCHEDULED FOR ITS FORMAL REVIEW. THE AUDIT COMMITTEE MEETS AND APPROVES THE FORM 990. THE AUDIT FIRM ELECTRONICALLY FILES THE INFORMATIONAL RETURN WITH THE IRS. THE FULL FINAL RETURN IS MADE AVAILABLE TO ALL BOARD OF TRUSTEE MEMBERS AS PART OF THEIR NEXT SCHEDULED BOARD MEETING'S MATERIALS. THE FINAL FORM 990 IS ALSO PUBLICLY POSTED IN ELECTRONIC FORM ON THE ORGANIZATION'S WEBSITE WHERE IT IS FREELY AVAILABLE TO THE PUBLIC. COPIES OF IT ARE SENT TO STATE GOVERNMENTS, FUNDING ORGANIZATIONS, MAJOR DONORS, CHARITY MONITORING ORGANIZATIONS AND TO ANYONE ELSE WHO REQUESTS A COPY.

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

11-6107128

DETERMINATION OF COMPENSATION OF THE PRESIDENT

PART VI, SECTION B, LINE 15A AND 15B

EDF USES A HUMAN RELATIONS COMMITTEE TO EVALUATE THE COMPENSATION OF THE PRESIDENT OF THE ORGANIZATION WHO IS THE HIGHEST-RANKING EMPLOYEE. THE HUMAN RELATIONS COMMITTEE OF THE BOARD OF TRUSTEES IS COMPOSED OF THREE INDEPENDENT TRUSTEES AND THE CHAIRMAN OF THE BOARD WHO MEET ANNUALLY TO ASSESS THE PRESIDENT'S PERFORMANCE AND COMPENSATION.

THE HUMAN RELATIONS COMMITTEE USES THE SERVICES OF AN INDEPENDENT COMPENSATION CONSULTANT TO PROVIDE DEMOGRAPHIC AND COMPARATIVE SALARY INFORMATION FOR PEER-GROUP ORGANIZATIONS. THE COMPENSATION CONSULTANT PROVIDES INFORMATION FROM SURVEYS, PUBLIC DISCLOSURES OF OTHER CHARITIES, AND PROPRIETARY SOURCES. THE COMMITTEE REVIEWS THIS INFORMATION, DISCUSSES THE FINDINGS AMONGST THEMSELVES AND NOT IN THE PRESENCE OF THE PRESIDENT OF THE ORGANIZATION. THE COMMITTEE HAS A PORTION OF ITS MEETING WHERE IT DOES DISCUSS COMPENSATION AND PERFORMANCE WITH THE PRESIDENT BUT THE DECISION-MAKING SEGMENTS OF THE MEETING ARE HELD IN EXECUTIVE SESSION. MINUTES OF THE MEETING ARE KEPT AND RETAINED BY THE CHAIR OF THE HUMAN RELATIONS COMMITTEE.

THE HUMAN RELATIONS COMMITTEE IS AWARE OF THE COMPENSATION AMOUNTS FOR OTHER KEY EMPLOYEES AND SENIOR MANAGEMENT TEAM MEMBERS BUT THE DECISIONS GOVERNING THEIR COMPENSATION ARE THE PURVIEW OF THE PRESIDENT OF THE ORGANIZATION.

MONITORING OF CONFLICT OF INTEREST POLICY

| | |
|--|--|
| Name of the organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|--|--|

PART VI, SECTION B, LINE 12C

IT IS THE RESPONSIBILITY OF ALL TRUSTEES AND EMPLOYEES OF THE ENVIRONMENTAL DEFENSE FUND TO FAMILIARIZE THEMSELVES WITH THIS POLICY AND TO COMPLY AND TO ENSURE COMPLIANCE OF RELATED PARTIES WITH IT. IN ADDITION TO THE DISCLOSURES REQUIRED BY THIS POLICY, ANNUALLY EACH TRUSTEE AND EMPLOYEE WILL BE PROVIDED WITH A STATEMENT TO COMPLETE AND RETURN INDICATING THAT THEY HAVE READ, UNDERSTAND AND ARE IN COMPLIANCE WITH THIS POLICY. FOR BOTH TRUSTEES AND EMPLOYEES, THERE IS A PROCESS WHERE THE ANNUAL STATEMENT OF COMPLIANCE MAY BE EFFECTED AND TRANSMITTED VIA E-MAIL OR OTHER ELECTRONIC MEANS. THE CHAIR OF THE BOARD OF TRUSTEES WILL REPORT TO THE BOARD AND THE CHAIR OF THE AUDIT COMMITTEE WILL REPORT TO THE AUDIT COMMITTEE OF THE BOARD AT LEAST ONCE ANNUALLY CONCERNING ANY DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST MADE TO THEM, AND ANY OTHER CONFLICTS-OF-INTERESTS, WHICH HAVE OCCURRED. TRUSTEES WHO KNOWINGLY OR UNKNOWINGLY VIOLATE THIS POLICY ARE SUBJECT TO CENSURE OR REMOVAL, AT THE DISCRETION OF THE BOARD OF TRUSTEES. EMPLOYEES WHO KNOWINGLY OR UNKNOWINGLY VIOLATE THIS POLICY WILL BE SUBJECT TO DISCIPLINARY ACTION, INCLUDING POSSIBLE DISMISSAL.

PUBLIC AVAILABILITY OF GOVERNING DOCUMENTS

PART VI, SECTION C, LINE 19

EDF MAKES AVAILABLE THREE YEARS WORTH OF THE FOLLOWING DISCLOSURE DOCUMENTS ON OUR WEBSITE WWW.EDF.ORG

1. OUR ANNUAL REPORT
2. OUR CONSOLIDATED AND CONSOLIDATING AUDITED FINANCIAL STATEMENTS

| | |
|--|--|
| Name of the organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|--|--|

3. OUR FORM 990 INFORMATIONAL TAX RETURNS AND THOSE OF RELATED ORGANIZATIONS

PART VI, SECTION C LINE 18

EDF WAS FORMED IN 1967 AND A COPY OF FORM 1023 IS UNAVAILABLE FROM THIS EARLY PERIOD OF TIME.

RECONCILIATION OF NET ASSETS

PART XI, LINE 5

OTHER CHANGES IN NET ASSETS OR FUND BALANCES REPRESENTS UNREALIZED LOSSES OF \$2,981,399.

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

PART III, PAGE 2

FINDING THE WAYS THAT WORK

WHAT IF PH.D. SCIENTISTS, ECONOMISTS, MBAS AND POLICY EXPERTS COULD WORK TOGETHER TO SOLVE ENVIRONMENTAL PROBLEMS? IT'S HAPPENING EVERY DAY AT ENVIRONMENTAL DEFENSE FUND.

THE DIVERSE SKILLS WE APPLY TO EVERY ENVIRONMENTAL CHALLENGE CREATE OPPORTUNITIES FOR ALLIANCES THAT PRODUCE LASTING CHANGE.

STRONG SCIENCE

| | |
|--|--|
| Name of the organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|--|--|

1972: EDF'S SCIENTIFIC TESTIMONY HELPED WIN THE NATIONWIDE BAN ON DDT THAT LET THE BALD EAGLE AND PEREGRINE FALCON FLY OFF THE ENDANGERED LIST.

ECONOMIC INCENTIVES

1990: OUR MARKET-BASED PLAN TO REDUCE ACID RAIN CUT SULFUR DIOXIDE FROM U.S. POWER PLANTS IN HALF, AT A FRACTION OF THE EXPECTED COST.

CORPORATE PARTNERSHIPS

2004: EDF'S ALLIANCE WITH FEDEX PRODUCED THE FIRST COMMERCIALY AVAILABLE HYBRID MIDSIZE TRUCK. TODAY, THERE ARE 35 MODELS ON THE MARKET AND 100 FLEETS USE THEM.

NONPARTISAN APPROACH

2011: EDF WORKED WITH BOTH REPUBLICANS AND DEMOCRATS TO WIN SUPPORT FOR LEGISLATION TO RESTORE THE GULF COAST AFTER THE BP OIL DISASTER.

CLIMATE & ENERGY

DANCING WITH THE GRID

ARMANDO INFANZON DOESN'T TAKE ENERGY FOR GRANTED. HE GREW UP IN TIJUANA, MEXICO, WHERE ELECTRICITY BLACKOUTS WERE COMMON. HE'S ALSO A CHAMPION SALSA DANCER AND HAS PERFORMED INTERNATIONALLY. "IT'S ALL ABOUT TIMING," HE SAYS.

TIMING IS WHAT GETS INFANZON FIRED UP ABOUT THE NEW SMART GRID, THE

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

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11-6107128

INTERACTIVE POWER DISTRIBUTION NETWORK HE IS MANAGING FOR SAN DIEGO GAS & ELECTRIC.

WHEN SUN OR WIND POWER LAPSES, HE EXPLAINS, THE SMART GRID CAN SIGNAL APPLIANCES LIKE DRYERS TO SHUT OFF MOMENTARILY, SO DEMAND FOR POWER MOVES IN STEP WITH SUPPLY. THAT LITTLE DANCE, CALLED DEMAND RESPONSE, LETS FAR MORE SOLAR AND WIND POWER BE USED WITHOUT CRASHING THE GRID.

INFANZON IS AT THE LEADING EDGE OF A MAJOR TRANSFORMATION OF U.S. ENERGY INFRASTRUCTURE. HE PREDICTS: "CHANGES IN THE WAY ELECTRICITY IS DELIVERED WILL BE GREATER IN THE NEXT TEN YEARS THAN IN THE LAST 100."

WHY WE WORK ON CLIMATE & ENERGY

"CLIMATE CHANGE IS OUR MOST FORMIDABLE CHALLENGE. CLEANER ENERGY SOURCES AND GREATER ENERGY EFFICIENCY WILL CUT CARBON POLLUTION AND HELP STABILIZE THE CLIMATE."

STEVE COCHRAN, VP CLIMATE

JIM MARSTON, VP ENERGY

CLIMATE & ENERGY GOALS

- O WIN PERMANENT CUTS IN U.S. GLOBAL WARMING POLLUTION
- O SPUR DEVELOPMENT OF A SMART ELECTRIC GRID
- O MINIMIZE IMPACTS OF NATURAL GAS AND OTHER LARGE-SCALE ENERGY GENERATION

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

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11-6107128

O HELP WIN CARBON LIMITS IN KEY COUNTRIES

A NEW WORLD OF ENERGY

THE U.S. ENERGY SYSTEM IS AT A CROSSROADS, WITH NEW OPPORTUNITIES TO REDUCE POLLUTION. AFTER A BIG WIN IN CALIFORNIA, EDF IS WORKING ACROSS THE COUNTRY TO TRANSFORM THE WAY ELECTRICITY IS GENERATED, TRANSMITTED AND USED.

BORREGO SPRINGS, CALIF., POPULATION 3,500, IS A THROWBACK TO AMERICA'S PAST. THE HIGH DESERT COMMUNITY OF PUEBLO-STYLE HOUSES, 80 MILES NORTHEAST OF SAN DIEGO, HAS NO TRAFFIC LIGHTS AND NO BIG-BOX STORES. THE TOWN'S MAIN ATTRACTION IS THE DARKNESS OF THE NIGHT SKY, MAKING IT A HAVEN FOR ASTRONOMERS.

BUT BEHIND ITS SLEEPY FACADE, BORREGO SPRINGS IS A LABORATORY OF TECHNOLOGIES THAT COULD TRANSFORM THE NATION'S ENERGY FUTURE. IT'S WHERE SAN DIEGO GAS & ELECTRIC (SDG&E), WORKING WITH EDF AND OTHERS, IS FIELD TESTING ELEMENTS OF A \$3.6 BILLION PLAN TO MODERNIZE THE POWER GRID. SINCE THOMAS EDISON'S DAY, AMERICA'S ELECTRIC GRID HAS BEEN A ONE-WAY PATH FROM CENTRAL POWER GENERATING STATIONS TO CUSTOMERS. THE NEW SMART GRID ADDS COMPUTER INTELLIGENCE TO MAKE IT A TWO-WAY STREET.

"THE PROMISE OF THE SMART GRID IS THAT A HOUSE WITH SOLAR PANELS AND A PLUG-IN CAR IN THE GARAGE CAN NOT ONLY CONSUME POWER BUT ALSO PRODUCE, STORE AND SELL IT," SAYS EDF'S SMART GRID DIRECTOR MIRIAM HORN. "IT MEANS

| | |
|--|--|
| Name of the organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|--|--|

WE CAN BRING SUPPLY AND DEMAND INTO HARMONY."

FOR EXAMPLE, SMART APPLIANCES CAN PAUSE BRIEFLY WHEN SOLAR OR WIND POWER IS INTERRUPTED, AND THE SMART GRID CAN SIGNAL CARS TO RECHARGE WHEN THERE IS A SURPLUS OF CLEAN POWER. ALL THIS WILL ALLOW SDG&E TO MAKE FAR GREATER USE OF RENEWABLE ENERGY.

THE ADVANCES BEING EXPLORED AT BORREGO SPRINGS WILL HELP CALIFORNIA DELIVER ON ITS COMMITMENT TO GENERATE ONE-THIRD OF ITS ELECTRICITY FROM RENEWABLE SOURCES BY 2020-AND BRING ELECTRIC CARS TO SCALE RELIABLY WITHOUT CAUSING BROWNOUTS.

"OUR GOAL IS TO IMPROVE OUR EFFICIENCY AND EMPOWER OUR CUSTOMERS TO HAVE MORE CONTROL OVER THEIR ENERGY USE," SAYS ARMANDO INFANZON, SDG&E'S SMART GRID POLICY MANAGER. "EDF HELPED US TREMENDOUSLY WITH OUR DEPLOYMENT PLAN."

THE MAIN IMPETUS FOR CHANGE IS CALIFORNIA'S LANDMARK GLOBAL WARMING SOLUTIONS ACT (AB 32), WHICH EDF COSPONSORED AND HELPED PASS. IN OCTOBER 2011, THE STATE ADOPTED AMERICA'S FIRST ECONOMY-WIDE CAP-AND-TRADE PROGRAM FOR CARBON EMISSIONS.

GENERATING ELECTRICITY IS THE LARGEST SOURCE OF U.S. GREENHOUSE GAS EMISSIONS, BUT THE SMART GRID COULD HELP UTILITIES CUT THEIR EMISSIONS AS MUCH AS ONE-THIRD BY REDUCING PEAK DEMAND AND IMPROVING EFFICIENCY, ALL

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number

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WHILE MEETING THE GROWING NEED FOR POWER.

"INVESTING IN THE SMART GRID COSTS LESS THAN BUILDING NEW FOSSIL FUEL PLANTS AND TRANSMISSION LINES," SAYS EDF ATTORNEY LAUREN NAVARRO. "AND IT SAVES MONEY FOR CUSTOMERS."

PARTNERS FOR CLEANER POWER

EDF IS WORKING WITH CITIES, UTILITIES AND STATE REGULATORS IN CALIFORNIA, TEXAS, ILLINOIS, NORTH CAROLINA AND NEW YORK TO PUT POLICIES IN PLACE THAT WILL MAKE THE SMART GRID GREEN.

"EDF HAS PLAYED AN INDISPENSABLE ROLE IN ENSURING OUR SMART GRID INVESTMENTS DELIVER ENVIRONMENTAL RETURNS."

MICHAEL PEEVEY

PRESIDENT, CALIFORNIA PUBLIC UTILITIES COMMISSION

CLIMATE CORPS: ON ENERGY'S FRONT LINES

DEPLOYED ACROSS AMERICA EACH SUMMER, OUR SPECIALLY TRAINED MBA STUDENTS HAVE IDENTIFIED MORE THAN ONE MILLION TONS OF CARBON DIOXIDE POLLUTION REDUCTIONS.

ARRIVED AT ADIDAS GROUP'S REEBOK WORLD HEADQUARTERS IN CANTON, MASS. AND

"GO" IS JUST WHAT TURNBULL DID AFTER BEING HIRED AS A SUMMER 2010 EDF CLIMATE CORPS FELLOW AT ADIDAS.

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IN JUST 12 WEEKS' TIME, THE YALE MBA STUDENT EXAMINED THE COMPANY'S OFFICE BUILDINGS AND DISTRIBUTION CENTERS AND FOUND WAYS TO CUT 2,400 TONS OF CARBON POLLUTION ANNUALLY. HER EMPLOYERS PROMPTLY OFFERED HER A JOB UPON GRADUATION AS SENIOR MANAGER FOR ENVIRONMENTAL AFFAIRS.

IN HER NEW ROLE, TURNBULL HIRED TWO MORE EDF CLIMATE CORPS FELLOWS IN 2011. THEY WERE AMONG 96 MBA AND MPA STUDENTS WHO WERE PUT THROUGH INTENSIVE TRAINING BY EDF AND THEN DEPLOYED TO FIND ENERGY SAVINGS AT DESTINATIONS RANGING FROM AT&T AND TARGET TO THE NEW YORK CITY HOUSING AUTHORITY. ALL TOLD, THE 2011 FELLOWS RECOMMENDED CHANGES TO LIGHTING, COMPUTING AND VENTILATION SYSTEMS THAT COULD CUT AS MUCH POLLUTION AS TAKING 87,000 VEHICLES OFF THE ROAD EACH YEAR.

SINCE THE PROGRAM BEGAN IN 2008, CLIMATE CORPS FELLOWS HAVE IDENTIFIED IMPROVEMENTS IN ENERGY EFFICIENCY THAT COULD SAVE MORE THAN \$1 BILLION IN NET OPERATIONAL COSTS. COMPANIES HAVE ALREADY IMPLEMENTED PROJECTS ACCOUNTING FOR 86% OF THE SAVINGS IDENTIFIED IN THE FIRST THREE YEARS, INVESTING MORE THAN \$50 MILLION TO DO SO.

"IN THIS ECONOMY, EVERYONE IS LOOKING FOR WAYS TO SAVE, AND ENERGY EFFICIENCY IS A HUGE, LARGELY UNTAPPED OPPORTUNITY," SAYS VICTORIA MILLS, OUR CORPORATE PARTNERSHIPS MANAGING DIRECTOR.

EDF CLIMATE CORPS BEGAN WITH COMPANIES AND EXPANDED TO INCLUDE CITIES,

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COLLEGES AND UNIVERSITIES. NORTH CAROLINA A&T UNIVERSITY, FOR EXAMPLE, IS ACTING ON RECOMMENDATIONS THAT COULD SAVE \$2.5 MILLION OVER FIVE YEARS-AND PAY FOR THEMSELVES IN JUST THREE MONTHS.

NOW THE PROGRAM IS POISED TO GROW EVEN FURTHER. EDF'S MAIN GOAL FOR THE CORPS? TO TRAIN A NEW GENERATION OF EXECUTIVES TO LEAD THE TRANSITION TO A LOW-CARBON ECONOMY. "WE'RE BUILDING A DIVERSE MOVEMENT TO MAKE ENERGY EFFICIENCY A TOP PRIORITY FOR EVERY ORGANIZATION THAT PAYS A UTILITY BILL," SAYS MICHAEL REGAN, EDF DIRECTOR OF ENERGY EFFICIENCY.

"EDF CLIMATE CORPS HAS BEEN VERY BENEFICIAL FOR US, AND I'M SURE WE ARE GOING TO BE DOING THIS FOR MANY YEARS TO COME."

JOHN SCHINTER, EXECUTIVE DIRECTOR OF ENERGY, AT&T

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

AFTER YEARS OF STRUGGLE, A BIG WIN FOR FUEL ECONOMY IN A TRIUMPH FOR CLEAN AIR, AUTOMAKERS AND THE FEDERAL GOVERNMENT AGREED TO REQUIRE THAT CARS AVERAGE 54.5 MILES PER GALLON BY 2025. THE RULES, EXPECTED AT THE END OF 2011, WOULD MARK THE FIRST MAJOR GAIN SINCE 1975. WHEN FULLY IMPLEMENTED, THEY COULD CUT OIL USE BY 2.2 MILLION BARRELS A DAY-NEARLY HALF WHAT THE U.S. IMPORTS FROM OPEC.

THE OBAMA ADMINISTRATION ALSO ISSUED THE FIRST-EVER FUEL ECONOMY STANDARDS FOR LARGE TRUCKS AND BUSES, REQUIRING A 20% CUT IN GREENHOUSE GAS EMISSIONS FROM HEAVY TRUCKS BY 2018.

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EDF PLAYED A CRITICAL ROLE IN BOTH CASES. WE HELPED PASS THE 2002 CALIFORNIA LAW THAT PROVIDED THE FOUNDATION FOR STRONG NEW NATIONAL AUTO STANDARDS. AND OUR WORK WITH MAJOR ENGINE MANUFACTURERS HAS HELPED SPUR NEW TECHNOLOGIES FOR MORE EFFICIENT AND LESS POLLUTING TRUCKS.

WHEN CHINA'S FACTORIES GO GREEN, THE WHOLE WORLD PROFITS ROUGHLY 20 PAIRS OF JEANS ARE SOLD IN THE UNITED STATES EVERY SECOND. IMAGINE IF ALL JEANS WERE GREEN-THAT IS, IF THEY WERE SUSTAINABLY PRODUCED?

LEVI STRAUSS & CO. TOOK A STEP IN THAT DIRECTION IN 2011 WHEN IT PARTNERED WITH EDF TO IMPROVE THE ENERGY EFFICIENCY OF ITS SUPPLY CHAIN IN CHINA, WHERE 40% OF JEANS SOLD BY THE APPAREL INDUSTRY IN AMERICA ARE MADE. THE PROJECT EVOLVED FROM OUR PARTNERSHIP WITH RETAILING GIANT WALMART, IN WHICH EDF EXPERTS VISITED MORE THAN 400 CHINESE FACTORIES TO IDENTIFY ENERGY-SAVING OPPORTUNITIES.

"ENERGY EFFICIENCY IS THE FASTEST, MOST COST-EFFECTIVE WAY TO CUT GREENHOUSE GAS AND AIR POLLUTION IN CHINA," SAYS OUR PROJECT MANAGER DR. ANDREW HUTSON. "SIMPLE CHANGES TO LIGHTING, HEATING AND VENTILATION HAVE YIELDED IMPRESSIVE RESULTS."

OUR PARTNER IN THE LEVI STRAUSS & CO. INITIATIVE IS SUSTAINABLE DEVELOPMENT CAPITAL LLP, A LONDON-BASED INVESTMENT BANK. "ONE OF THE MAIN

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BARRIERS TO ENERGY EFFICIENCY IMPROVEMENTS IS THE LACK OF ACCESS TO CAPITAL," SAYS HUTSON.

EDF IS INITIALLY WORKING WITH FIVE DENIM MILLS, WITH A FIRST-YEAR GOAL OF ENROLLING 100 FACTORIES AND ATTRACTING \$50 MILLION IN PRIVATE CAPITAL TO CUT THEIR ENERGY USE BY 20 TO 25%. LONG TERM, WE AIM TO UNLOCK BILLIONS OF DOLLARS OF CAPITAL TO INVEST IN ENERGY EFFICIENCY FOR ASIA'S ENTIRE TEXTILE INDUSTRY.

AS LEVI STRAUSS & CO. SAYS, QUALITY NEVER GOES OUT OF STYLE. NEITHER SHOULD ENERGY EFFICIENCY.

INTERNATIONAL CLIMATE

TACKLING GLOBAL WARMING POLLUTION, NATION BY NATION

BY 2050, THE WORLD MUST CUT GREENHOUSE GAS POLLUTION IN HALF OR FACE CLIMATE CHAOS. EDF IS HELPING FAST-GROWING ECONOMIES ADOPT CARBON LIMITS AND EVENTUALLY LINK THEIR CARBON MARKETS, TO CUT POLLUTION FURTHER BY DRIVING CLEAN ENERGY INVESTMENTS.

PRESERVING RAINFORESTS AND THEIR BIODIVERSITY

WHAT IF RAINFORESTS WERE WORTH MORE ALIVE THAN DEAD? THAT WOULD SLOW RAINFOREST DESTRUCTION, WHICH ACCOUNTS FOR 15% OF ALL CARBON EMISSIONS. EDF HELPED CREATE A THREE-STATE INTERNATIONAL WORKING GROUP TO REDUCE DEFORESTATION, CUT POLLUTION AND PROTECT BIODIVERSITY.

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1 AS CALIFORNIA'S STRICT NEW CARBON EMISSIONS LIMITS KICK IN, INDUSTRIES MAY HAVE THE OPPORTUNITY TO INVEST IN RAINFOREST PROTECTION TO MEET PART OF THEIR CARBON-REDUCTION OBLIGATION.

2 CHIAPAS, MEXICO, IS HOME TO CLOUD FORESTS AND THE RESPLENDENT QUETZAL, KNOWN FOR ITS COLORFUL PLUMAGE. U.S. INVESTMENT COULD GIVE THESE TREASURES A CHANCE TO SURVIVE.

3 WITH EDF'S HELP, THE BRAZILIAN STATE OF ACRE IS PUTTING IN PLACE POLICIES THAT WILL PROTECT 33 MILLION ACRES OF UNDISTURBED RAINFOREST.

OUR CHALLENGE TO AIRLINES
WHEN AMERICAN AIRLINES AND UNITED CONTINENTAL SUED TO BLOCK A EUROPEAN UNION LAW CUTTING CARBON EMISSIONS FROM INTERNATIONAL FLIGHTS, EDF JOINED EUROPEAN NATIONS TO DEFEND THE LAW.

A FILM STARTS A DIALOGUE
TO SPARK ACTION ON CLIMATE CHANGE IN INDIA, EDF PRODUCED A POPULAR FILM THAT LINKS GLOBAL WARMING AND RURAL DEVELOPMENT. THE FILM AND ITS CLIMATE WORKSHOP HAVE BEEN SEEN IN 500 VILLAGES.

LOW-CARBON DEVELOPMENT
EDF AND PARTNERS ARE PROMOTING LOW-CARBON DEVELOPMENT IN INDIA THROUGH CLEAN TECHNOLOGY, INCLUDING CLEAN-BURNING STOVES AND CLIMATE-FRIENDLY FARMING. THIS YEAR OUR PROJECTS REACHED 160,000 FAMILIES.

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CARBON FARMING IN ASIA

EDF'S WORK WITH FARMERS IN CHINA, INDIA AND VIETNAM HAS REDUCED GREENHOUSE GAS POLLUTION BY MORE THAN ONE MILLION TONS BY PROMOTING FARMING PRACTICES THAT KEEP MORE CARBON IN THE SOIL.

A VOICE FOR ISLAND NATIONS

AT UN CLIMATE TALKS, EDF HELPED ISLAND NATIONS DRAW INTERNATIONAL ATTENTION TO THE GRAVE RISKS THEY FACE FROM GLOBAL WARMING. WE ARE ALSO SUPPORTING EFFORTS BY THESE STATES TO SHIFT TO CLEAN ENERGY.

HELPING CHINA MEET ITS ENVIRONMENTAL CHALLENGES

AS THE WORLD'S LARGEST GREENHOUSE GAS EMITTER, CHINA IS CRUCIAL TO CONTROLLING GLOBAL WARMING. EDF HAS WORKED IN CHINA SINCE 1991, BUILDING A STRONG RECORD OF SUCCESS.

WE HAVE HELPED CREATE ENVIRONMENTAL MARKETS, INCLUDING A PILOT SULFUR DIOXIDE TRADING PROGRAM AND CHINA'S FIRST ENVIRONMENTAL COMMODITIES EXCHANGE. THEIR SUCCESS HELPED CONVINCED THE CHINESE GOVERNMENT TO INCLUDE LOW-CARBON PILOT PROJECTS, INCLUDING TRADING, AND AMBITIOUS POLLUTION REDUCTION TARGETS IN THE 12TH FIVE-YEAR PLAN, ANNOUNCED IN 2011.

DR. DANIEL DUDEK, HEAD OF EDF'S CHINA PROGRAM, HAS BEEN APPOINTED CO-CHAIR OF A TASK FORCE THAT WILL ADVISE PREMIER WEN JIABAO ON STRATEGIES FOR MEETING THE PLAN'S ENVIRONMENTAL GOALS. DUDEK ALSO WILL

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ADVISE THE PREMIER ON LONG-TERM ENVIRONMENTAL PLANNING.

EDF HAS BEEN EQUALLY ACTIVE IN LINKING CARBON MARKETS TO POVERTY ALLEVIATION. OUR PARTNER IS THE STATE COUNCIL'S POVERTY ALLEVIATION OFFICE, WHICH HAS REPRESENTATIVES IN EVERY TOWN, CITY AND PROVINCE IN THE NATION. WE DESIGNED A PROGRAM TO PAY MORE THAN 600,000 POOR FARMERS IN XINJIANG, SICHUAN AND SHAANXI PROVINCES TO REDUCE CARBON EMISSIONS THROUGH IMPROVED FARMING PRACTICES AND BY TURNING AGRICULTURAL WASTE INTO ENERGY. OUR GOAL IS TO ENLIST 20 MILLION FARMING FAMILIES IN THE PROGRAM BY 2016.

ENVIRONMENTAL ENFORCEMENT REMAINS WEAK IN CHINA, SO WE ARE HELPING TO STRENGTHEN PENALTIES FOR VIOLATIONS. EDF HELPED SET TOUGHER NATIONAL PENALTIES FOR WATER POLLUTION, AND CHINA IS NOW CONSIDERING A SIMILAR POLICY FOR AIR POLLUTION.

FROM OUR OFFICES IN BEIJING AND SHANGHAI, WE ARE WORKING WITH CHINESE UNIVERSITIES TO TRAIN A NEW GENERATION OF ENVIRONMENTAL LEADERS. SO FAR, WE'VE TRAINED 8,400 ENVIRONMENTAL PROFESSIONALS WHO WILL ENFORCE PENALTIES AND INTRODUCE MARKET INCENTIVES TO CUT POLLUTION.

EDF'S GREEN COMMUTING CAMPAIGN HELPS CLEAR THE AIR IN SHANGHAI AND 19 OTHER CHINESE CITIES.

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RECOMMENDATIONS FOR THE 12TH FIVE-YEAR PLAN ON MECHANISMS TO REDUCE EMISSIONS OF MAJOR POLLUTANTS."

LI GANJIE, VICE MINISTER OF ENVIRONMENTAL PROTECTION,
PEOPLE'S REPUBLIC OF CHINA

OCEANS

A FISHERMAN'S STORY

CHRIS BROWN WAS JUST EIGHT YEARS OLD WHEN HE FIRST WENT TO SEA IN THE 1960S, FISHING WITH HIS GRANDFATHER. HE WAS ALLOWED TO PILOT THE VESSEL HOME WHILE HIS GRANDFATHER MADE SKETCHES OF THE RHODE ISLAND SHORELINE. "IT WAS A THRILL TO FEEL THE POWER OF THE BOAT," HE SAYS.

NOW A COMMERCIAL FISHERMAN HIMSELF, BROWN, 53, HAS WITNESSED THE SHARP DECLINE IN THE NEW ENGLAND FISHERY AND THE TOLL ON COASTAL COMMUNITIES. "THIRTY YEARS AGO, WE THOUGHT THE RESOURCE WAS INEXHAUSTIBLE," BROWN SAYS. "WE FISHED IN WAYS I'M NOT PROUD OF. I'D LIKE TO MAKE IT RIGHT FOR THE NEXT GENERATION."

WORKING WITH SCIENTISTS AND OTHER FISHERMEN, BROWN HAS BEEN A LEADING ADVOCATE FOR A NEW MANAGEMENT SYSTEM CALLED CATCH SHARES, WHICH TAPS THE MARKET TO GIVE FISHERMEN CONTROL OF THEIR DESTINY.

"I'M A BUSINESSMAN," HE SAYS. "I'M CONCERNED ABOUT MY INVENTORY. TO HEAL THE OCEAN, WE ALL NEED TO PULL TOGETHER AND START ACTING LIKE A COMMUNITY AGAIN."

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WHY WE WORK ON OCEANS

"BY OFFERING FISHERMEN A FINANCIAL STAKE IN THE HEALTH OF FISHERIES, WE CAN REVIVE COASTAL COMMUNITIES AND BRING THE RESILIENT OCEANS BACK TO LIFE."

AMANDA LELAND, VP OCEANS

OCEANS GOALS

- O PROTECT OCEAN ECOSYSTEMS BY CREATING SUSTAINABLE AND HEALTHY FISHERIES
- O MAKE CATCH SHARES THE STANDARD MANAGEMENT METHOD IN U.S. FISHERIES
- O PROMOTE CATCH SHARES INTERNATIONALLY
- O SAFEGUARD AND RESTORE OCEAN HABITATS

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

HOPE FOR AMERICA'S MOST TROUBLED FISHERY

CAN MARKETS HELP HEAL THE OCEANS? WITH EDF'S HELP, NEW ENGLAND IS ONE OF SEVERAL REGIONS TO IMPLEMENT A NEW MANAGEMENT METHOD: CATCH SHARES. THE 400-YEAR-OLD NEW ENGLAND COD FISHERY IS FINALLY ON THE PATH TO RECOVERY.

ON GEORGES BANK OFF THE MASSACHUSETTS COAST, COLD, NUTRIENT-RICH CURRENTS FROM LABRADOR COLLIDE WITH THE GULF STREAM TO CREATE ONE OF THE WORLD'S MOST PRODUCTIVE FISHING GROUNDS. THE WATERS HERE WERE ONCE SO THICK WITH COD THAT FISHERMEN BRAGGED THEY COULD LOWER A BASKET AND PULL IT UP FULL OF FISH.

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BUT GENERATIONS OF OVERFISHING AND FAULTY MANAGEMENT PROVED DEVASTATING FOR FISH AND COASTAL COMMUNITIES. IN NEW ENGLAND, FISHING REVENUES DROPPED 50% JUST IN THE PAST DECADE AND MANY OF THE GROUND FISH STOCKS, INCLUDING COD, HAVE DECLINED TO DANGEROUSLY LOW LEVELS.

FACING A CRISIS, REGULATORS TRIED TO CONTROL FISHING BY IMPOSING TRIP LIMITS AND RESTRICTING DAYS AT SEA, BUT THIS LED TO A DANGEROUS RACE FOR FISH.

NOW, SOME TRAILBLAZING FISHERMEN ARE WORKING WITH EDF TO EMBRACE A MARKET SOLUTION THAT WE HELPED DEVELOP, CALLED CATCH SHARES, WHICH COULD REVIVE THE FISHERY. THE PROGRAM GAVE FISHERMEN A CHOICE: CONTINUE WITH THE OLD SYSTEM OR JOIN COOPERATIVE GROUPS OR SECTORS. SECTORS WORK BY ALLOTING A PERCENTAGE OF THE TOTAL ALLOWED CATCH TO GROUPS BASED ON CATCH HISTORY.

MORE THAN HALF OF THE COMMERCIAL FISHING PERMIT HOLDERS—REPRESENTING 98% OF FISH HARVESTED—JOINED THE PROGRAM. DATA FOR THE FIRST YEAR SHOW THAT THEIR BOATS MADE 70% MORE MONEY PER TRIP THAN PREVIOUSLY, AND BYCATCH, THE ACCIDENTAL KILLING OF FISH, WAS FOUR TIMES BELOW THAT OF OTHER BOATS.

"IT'S SAFER, BETTER FOR THE FISH, AND I CAN MAKE A BUSINESS PLAN FOR THE YEAR," FISHERMAN GREG WALINSKI TOLD THE CAPE COD TIMES.

UNLIKE OTHER APPROACHES, CATCH SHARES REWARD CONSERVATION. "AS THE FISHERY RECOVERS, FISHERMEN'S TOTAL CATCH GROWS," EXPLAINS EDF'S EMILIE

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LITSINGER.

FISHERMEN ALSO HAVE THE OPTION TO TRADE SHARES IF THE NEED ARISES. FOR EXAMPLE, IF A FISHERMAN CATCHES MORE THAN HIS SHARE, HE CAN BUY QUOTA FROM ANOTHER, STILL KEEPING THE TOTAL CATCH WITHIN THE LIMIT. THE RESULT: LESS WASTE AND MORE PROFIT.

OVER THE LAST FIVE YEARS, CATCH SHARES HAVE COMPILED A SOLID RECORD OF REBUILDING FISH POPULATIONS AROUND THE NATION, INCLUDING PROGRAMS EDF HELPED IMPLEMENT FOR RED SNAPPER IN THE GULF OF MEXICO AND GROUND FISH IN THE PACIFIC. WE ALSO ARE LEADING THE FIGHT THIS YEAR ON CAPITOL HILL TO DEFEAT SHORT-SIGHTED LEGISLATION THAT WOULD BAN NEW CATCH SHARE PROGRAMS ALONG THE EAST AND GULF COASTS.

"CATCH SHARES ARE PROVING THAT FISHERMEN CAN BE GOOD MANAGERS IF GIVEN THE CHANCE," SAYS CAPTAIN CHRIS BROWN, WHO OPERATES A 45-FOOT TRAWLER OUT OF POINT JUDITH, R.I. "WE'RE BECOMING BUSINESSMEN, FINALLY, INSTEAD OF JUST HUNTERS AND GATHERERS."

NET GAIN FOR FISH AND FISHERMAN

THE CATCH SHARE PROGRAM FOR GULF OF MEXICO RED SNAPPER THAT EDF HELPED CREATE IN 2007 HAS PROVED TO BE A SPECTACULAR SUCCESS.

FISHING SEASON EXTENDED +300%

THE FISHING SEASON HAS EXPANDED FROM A COUPLE OF MONTHS TO 365 DAYS,

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ENDING THE DANGEROUS RACE FOR FISH.

VALUE OF FISHERY FISHES +86%

AS THE FISHERY RECOVERS, THE VALUE OF CATCH SHARES HAS RISEN
DRAMATICALLY, BENEFITING FISHERMEN AND THE ECONOMY.

WASTED FISH DECLINES -70%

WITH SIZE LIMITS AND SHORT SEASONS, NEARLY HALF THE RED SNAPPER CAUGHT
USED TO BE THROWN BACK, DYING. NOW THE DISCARDS HAVE DECLINED SHARPLY.

THE FISHERY RECOVERS +45%

AS COMMERCIAL FISHERMEN WASTE LESS FISH, RED SNAPPER POPULATIONS ARE
REBOUNDED, LETTING FISHERMEN CATCH MORE EACH YEAR.

"FOR THE FIRST TIME, FISHERMEN ARE WORKING TOGETHER FOR A COMMON GOAL.
CATCH SHARES ARE THE REASON. I FEEL I HAVE A STAKE IN THE RESOURCE."
BUBBA COCHRANE, GALVESTON, TEXAS, FISHERMAN

ENSURING A FUTURE FOR SHARKS

EDF SPEARHEADS A UNIQUE PARTNERSHIP BETWEEN THE UNITED STATES, MEXICO AND
CUBA TO SAVE THE GULF OF MEXICO'S MAGNIFICENT DEEP-SEA PREDATORS.

SHARKS HAVE ROAMED THE OCEANS FOR MORE THAN 400 MILLION YEARS, SINCE EVEN
BEFORE THERE WERE DINOSAURS. BUT THAT ANCIENT LINEAGE DOES NOT GUARANTEE
A FUTURE. TODAY, TENS OF MILLIONS OF SHARKS ARE KILLED EACH YEAR.

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"THE GULF OF MEXICO HAS NEARLY 100 SHARK SPECIES, BUT POPULATIONS OF SOME LARGE SHARKS, INCLUDING TIGERS AND HAMMERHEADS, HAVE FALLEN BY AS MUCH AS 90%," SAYS DR. DOUGLAS RADER, EDF'S CHIEF OCEANS SCIENTIST.

THERE IS NO EASY ANSWER TO THE SHARK CRISIS, IN PART BECAUSE MANY SHARKS ARE HIGHLY MIGRATORY AND HAVE FEW YOUNG. THEY'RE ALSO A SOURCE OF FOOD AND LIVELIHOODS IN MANY NATIONS.

IN RESPONSE, EDF HAS BEGUN WORKING WITH THE MOTE MARINE LABORATORY OF SARASOTA, FLA., TO LINK THE UNITED STATES, MEXICO AND CUBA IN A PROGRAM TO REBUILD SHARK POPULATIONS IN THE GULF OF MEXICO.

SHARKS PLAY A KEY ROLE IN MARINE ECOSYSTEMS. FOR EXAMPLE, AS THEIR POPULATIONS HAVE FALLEN ON THE U.S. ATLANTIC COAST, THE RAYS THEY PREY ON HAVE PROLIFERATED. THE RAYS FEED ON BAY SCALLOPS AND HAVE RAVAGED SCALLOP BEDS, DEVASTATING THE FISHERY.

THE EDF SHARK INITIATIVE BUILDS ON A DECADE OF WORK WITH AREA GOVERNMENTS, RESEARCHERS AND FISHERMEN. "OUR GOAL IS TO EXPAND SCIENTIFIC EXCHANGES AND BROKER COOPERATION TO PROTECT OUR SHARED RESOURCES," SAYS DAN WHITTLE, DIRECTOR OF OUR CUBA PROGRAM.

LAST YEAR, EDF CO-CONVENED THE FIRST MEETING OF A TRI-NATIONAL SHARK TEAM TO BEGIN LAYING THE FOUNDATION FOR EFFECTIVE CONSERVATION. WE'RE WORKING

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WITH RESEARCHERS FROM THE UNIVERSITY OF HAVANA AND MEXICAN PARTNERS TO IDENTIFY SHARK NURSERY AREAS AND DETERMINE SHARK MIGRATION PATTERNS. WE'RE ALSO HELPING MANAGERS EXPLORE POLICY OPTIONS, INCLUDING CATCH SHARES.

THE RESULTS OF OUR COLLABORATION WILL FORM THE BASIS FOR MORE EFFECTIVE MANAGEMENT AND FOR SETTING SUSTAINABLE CATCH LIMITS-THE FIRST STEPS TOWARD ENSURING A FUTURE FOR SHARKS IN THE GULF.

"IF SUCCESSFUL, THE TRI-NATIONAL PROGRAM FOR SHARKS CAN BE A POWERFUL MODEL FOR MANAGEMENT OF SHARKS GLOBALLY AND OTHER MIGRATORY SPECIES LIKE TUNA AND SWORDFISH," SAYS PAM BAKER, EDF'S DIRECTOR OF CONSERVATION INITIATIVES FOR THE GULF.

"CUBA, MEXICO AND THE UNITED STATES ARE ECOLOGICALLY CONNECTED. COOPERATION BENEFITS US ALL."

BILLY CAUSEY, SOUTHEAST REGIONAL DIRECTOR, NOAA NATIONAL MARINE SANCTUARY PROGRAM

OCEAN DIPLOMACY: TAKING CATCH SHARES INTERNATIONAL FISH KNOW NO NATIONAL BOUNDARIES, SO INTERNATIONAL ENGAGEMENT IS ESSENTIAL. IN 2011, EDF EXPANDED ITS FISHERIES WORK IN NORTH AMERICA AND BEYOND.

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WE HELPED CONVINCED BELIZE'S CABINET TO AUTHORIZE CATCH SHARES COUPLED WITH MARINE PROTECTED AREAS FOR SPINY LOBSTER. THIS WILL REDUCE FISHING PRESSURE ALONG THE 600-MILE-LONG MESOAMERICAN REEF, THE LARGEST BARRIER REEF IN THE HEMISPHERE.

WE ALSO TEAMED UP WITH MEXICAN OFFICIALS, FISHERMEN AND NONPROFIT GROUPS TO EXPAND OUR PILOT CATCH SHARE PROGRAM FOR FINFISH, SHRIMP AND CLAMS IN THE GULF OF CALIFORNIA. THE GULF SUPPLIES MORE THAN HALF OF MEXICO'S SEAFOOD, BUT IS OVEREXPLOITED AND THREATENED BY DESTRUCTIVE FISHING PRACTICES.

ACROSS THE ATLANTIC, WHERE 75% OF EUROPE'S FISH STOCKS ARE OVERFISHED, WE ARE CONSULTING WITH EU GOVERNMENTS AS THEY REWRITE EUROPE'S FISHERIES LAW.

PROTECTING IMPERILED CORAL REEFS, THE FOUNDATION OF MARINE LIFE CORAL REEFS CONTAIN ONE-QUARTER OF ALL FISH SPECIES, BUT THEY'RE IMPERILED BY A VARIETY OF HUMAN-CAUSED THREATS. UP TO 35% OF THE WORLD'S REEFS MAY BE LOST WITHIN THE NEXT TWO DECADES. COMPOUNDING THE THREATS OF OVERFISHING AND CLIMATE CHANGE IS THE GROWING DEMAND FOR CORAL REEF WILDLIFE FOR HOME DECOR, JEWELRY AND AQUARIUMS. BETWEEN 1988 AND 2007, THE GLOBAL TRADE FOR CORAL EXPLODED NEARLY FIFTEEN FOLD.

BEAUTIFUL SEA CREATURES SUCH AS IRIDESCENT CARDINAL FISH ARE PULLED FROM CORAL REEFS AS PART OF A LARGELY UNREGULATED INTERNATIONAL TRADE THAT IS

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DEVASTATING MANY FISH AND CORAL POPULATIONS. EVERY YEAR UP TO 30 MILLION FISH AND 1.5 MILLION LIVE CORALS ARE HARVESTED, WITH THE MAJORITY OF THEM DESTINED FOR THE UNITED STATES.

IN RESPONSE, EDF AND ITS PARTNERS LAUNCHED A CAMPAIGN TO LEVERAGE U.S. MARKET POWER THROUGH THE CREATION OF STRONGER FEDERAL RULES. CURRENT U.S. LAWS LACK STANDARDS FOR SUSTAINABLE CORAL COLLECTION AND SHIPPING, WHILE INTERNATIONAL LAWS ARE WEAK AND POORLY ENFORCED. FOR EXAMPLE, IN SOUTHEAST ASIA, DESPITE LAWS PROHIBITING THE PRACTICE, COLLECTORS OFTEN SQUIRT CYANIDE POISON IN THE WATER TO STUN FISH, MANY OF WHICH DIE IN TRANSPORT.

EDF'S CORAL COALITION IS WORKING WITH SCIENTISTS, INDUSTRY LEADERS AND POLICY MAKERS TO STIMULATE LASTING CHANGE. OUR GOAL IS TO END DESTRUCTIVE COLLECTION AND HELP ENSURE THE SURVIVAL OF EARTH'S MOST FRAGILE MARINE ECOSYSTEMS.

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

ECOSYSTEMS

FIELD OF DREAMS

DENNY FRIEST, A FOURTH-GENERATION FARMER, GROWS CORN AND SOYBEANS ON 1,450 ACRES IN IOWA WITH HIS WIFE, SON AND DAUGHTER-IN-LAW. IN HIS IOWA SOYBEAN ASSOCIATION HAT, FRIEST LOOKS LIKE A TRADITIONAL FARMER, BUT IN FACT HE'S PART OF AN AGRICULTURAL VANGUARD, AN EVANGELIST FOR THE USE OF PRECISE DATA TO RAISE CROPS MORE EFFICIENTLY, WITH LESS IMPACT ON THE ENVIRONMENT.

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WHEN HE LEARNED THAT FERTILIZER RUNOFF FROM MIDWESTERN FARMS FLOWS DOWN THE MISSISSIPPI RIVER, CREATING A 6,000-SQUARE-MILE DEAD ZONE IN THE GULF OF MEXICO, HE ENROLLED IN A PROGRAM TO CUT FERTILIZER USE. "WE FARMERS ARE TARGETED AS PART OF THE PROBLEM, BUT WE WANT TO BE PART OF THE SOLUTION, TOO," HE SAYS.

WORKING WITH THE ON-FARM NETWORK, FRIEST HAS CUT FERTILIZER USE ON HIS FARM BY 30% WHILE HIS YIELD HAS STEADILY INCREASED. "THIS PARTNERSHIP GIVES FARMERS THE RESOURCES WE NEED," HE SAYS. "RATHER THAN TELLING US WHAT TO DO, EDF HELPED US BECOME BETTER MANAGERS-AND BETTER STEWARDS OF THE SOIL."

WHY WE WORK ON ECOSYSTEMS

"FARMS COULD BECOME HAVENS FOR WILDLIFE, AND FARMERS COULD BE FRONTLINE STEWARDS OF CLEAN WATER, FRESH AIR AND A HEALTHY CLIMATE. THEY WILL NEED TO BE, IF OUR PLANET IS TO SUSTAIN A GROWING POPULATION."

DAVID FESTA

VP LAND, WATER AND WILDLIFE

ECOSYSTEMS GOALS

- O CONSERVE LAND AND PROTECT WILDLIFE
- O PROTECT WATER SUPPLY AND FRESHWATER ECOSYSTEMS
- O CUT REACTIVE NITROGEN POLLUTION
- O FOSTER MARKETS FOR ECOSYSTEM SERVICES

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FOR FARMERS, CONSERVATION PAYS

THROUGH OUR ON-THE-GROUND PARTNERSHIPS IN 12 STATES, EDF IS HELPING FARMERS SAVE MONEY, REDUCE POLLUTION AND BECOME BETTER STEWARDS OF CLEAN WATER AND VANISHING WILDLIFE HABITAT.

DAIRY FARMERS IN MARYLAND AND CORN GROWERS IN ILLINOIS HAVE ONE THING IN COMMON: BOTH OFTEN USE FAR TOO MUCH FERTILIZER. THE EXCESS RUNS OFF THEIR FIELDS INTO STREAMS AND LAKES, CREATING OXYGEN-STARVED "DEAD ZONES" FROM THE CHESAPEAKE BAY TO THE GULF OF MEXICO.

STARTING IN 2001, THE IOWA SOYBEAN ASSOCIATION, AIDED BY EDF, DECIDED TO DO SOMETHING ABOUT THIS. THROUGH THE ASSOCIATION'S ON-FARM NETWORK, WE BEGAN HELPING FARMERS CUT POLLUTED RUNOFF BY OFFERING THEM ACCURATE INFORMATION ABOUT HOW MUCH FERTILIZER THEIR CROPS REALLY NEED. THE RESULT: FARMERS POLLUTE LESS AND SAVE MONEY.

THE PROGRAM HAS CAUGHT ON, AND TODAY WE'RE WORKING WITH FARMERS TO IMPROVE WATER QUALITY IN 12 STATES. OUR WORK TOOK ON ADDED URGENCY IN 2011, AFTER MASSIVE FLOODS IN THE MIDWEST SENT FERTILIZER DOWN THE MISSISSIPPI RIVER INTO THE GULF OF MEXICO, CREATING A DEAD ZONE THE SIZE OF NEW JERSEY, THE LARGEST ON RECORD.

WE RUN A SIMILAR PROGRAM IN OHIO, WHERE FERTILIZER RUNOFF CONTRIBUTES TO ALGAE GROWTH IN LAKE ERIE THAT THREATENS THE DRINKING WATER OF 11 MILLION

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PEOPLE. AND 265 FARMERS AROUND CHESAPEAKE BAY HAVE JOINED WITH US TO COMBAT THE DEAD ZONE THAT NEARLY ERADICATED THE BAY'S OYSTER FISHERY.

HISTORICALLY, FARMERS NEVER KNEW EXACTLY HOW MUCH FERTILIZER TO USE, SO THEY OFTEN APPLIED TOO MUCH, JUST TO BE ON THE SAFE SIDE. THE RESULT: AN ESTIMATED HALF OF WHAT THEY APPLIED WAS FLUSHED INTO WATERWAYS. OUR NETWORK SHOWS FARMERS HOW TO USE PRECISE DATA COLLECTION AND EFFECTIVE SOIL MANAGEMENT TO DETERMINE HOW MUCH FERTILIZER THEIR CROPS ACTUALLY NEED.

WE ALSO STRENGTHENED INCENTIVES FOR FARMERS TO RESTORE WETLANDS AND WOODLAND BUFFERS. THESE VANISHING ECOSYSTEMS FILTER POLLUTION AND PROVIDE HABITAT FOR BIRDS AND BENEFICIAL INSECTS.

"EDF REALIZES THAT WE TOO ARE ENVIRONMENTALISTS," SAYS IOWA FARMER DENNY FRIEST. "AND THEY HAVE HELPED US BECOME BETTER MANAGERS." TODAY, THE NETWORK INCLUDES SOME 1,000 FARMERS WORKING NEARLY ONE MILLION ACRES OF CRITICAL WATERSHEDS. THEY HAVE CUT FERTILIZER USE UP TO 25%, SAVING AN AVERAGE OF \$3 PER ACRE, WITHOUT REDUCING YIELDS.

"OUR GOAL IS TO INFLUENCE FEDERAL POLICIES," SAYS EDF SCIENTIST SUZY FRIEDMAN. "WE NEED TO MAKE PRECISE USE OF FERTILIZER THE RULE, NOT THE EXCEPTION, AMONG FARMERS. THEN WE CAN MAKE A REAL DIFFERENCE IN WATER QUALITY IN THIS COUNTRY."

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EDF IS ALSO ADVANCING MORE EFFICIENT FARMING PRACTICES BY WORKING WITH RETAILERS LIKE WALMART THAT HAVE THE PURCHASING POWER TO CREATE MASS CONSUMER DEMAND FOR SUSTAINABLE FARM PRODUCTS.

TOO MUCH OF A GOOD THING

WHEN TOO MUCH FERTILIZER IS APPLIED TO CROPS, THE EXCESS RUNS OFF AND POLLUTES WATERWAYS. REDUCING THE EXCESS AND PLANTING A BUFFER OF GRASSES AND TREES CAN HELP.

"BY PROMOTING AGRICULTURAL REFORM AND PARTNERING WITH LANDOWNERS TO PROTECT HABITAT, EDF IS HELPING US ALL."

BARBARA KINGSOLVER

EDF NATIONAL COUNCIL MEMBER AND BESTSELLING AUTHOR

MAKING THE GULF OF MEXICO WHOLE AGAIN

GULF COAST WETLANDS ARE A MIRACLE OF NATURE, PROTECTING INDUSTRY, CITIES, FISHERIES AND WILDLIFE. EDF IS PART OF A STRONG BIPARTISAN COALITION TO RESTORE THEM.

MORE THAN A YEAR AFTER BP'S DEEPWATER HORIZON WELL WAS CAPPED, THE CITY OF NEW ORLEANS REMAINS VULNERABLE TO HURRICANES, AND LOUISIANA'S WETLANDS-WHICH NURTURE THE GULF'S \$23 BILLION FISHING INDUSTRY-ARE IN BIGGER TROUBLE THAN EVER. THE STATE LOSES UP TO 30 SQUARE MILES OF COASTLAND EACH YEAR, DUE TO CANALS AND LEVEES THAT STARVE THE WETLANDS OF

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SEDIMENT AND FRESHWATER.

THE OIL SPILL WORSENERD THE ECOLOGICAL DISASTER, BUT IT ALSO OPENED UP OPPORTUNITIES TO RETHINK HOW THE MISSISSIPPI RIVER AND ITS DELTA ARE MANAGED.

FOR 35 YEARS, EDF HAS BEEN AT THE FOREFRONT OF EFFORTS TO RESTORE GULF COAST WETLANDS. IN 2011, WE JOINED FORCES WITH ALLIES RANGING FROM THE LOUISIANA GOVERNOR'S OFFICE TO THE 17,000-MEMBER HOUMA NATION TO PRESS FOR FULL RESTORATION OF THE GULF. OUR GOAL WAS TO ENSURE THAT MOST OF THE BP PENALTIES FROM THE OIL SPILL-WHICH COULD REACH \$21 BILLION-GO TO REBUILDING ENDANGERED GULF COMMUNITIES AND ECOSYSTEMS. BP COMMITTED AN INITIAL \$1 BILLION IN 2011 TO PAY FOR EARLY RESTORATION PROJECTS, IN AN AGREEMENT EDF HELPED ADVANCE.

WE THEN HELPED SHAPE A BILL IN WASHINGTON THAT WOULD DEDICATE 80% OF BP'S FINES TO ECONOMIC RECOVERY AND WETLANDS RESTORATION, INSTEAD OF TO THE GENERAL FEDERAL BUDGET. COSPONSORED BY TWO DEMOCRATS AND SEVEN REPUBLICANS, THE PROPOSED LEGISLATION REPRESENTS A MILESTONE FOR A POLITICALLY POLARIZED CONGRESS.

AS SENATORS MARY LANDRIEU (D-LA) AND RICHARD SHELBY (R-AL) HAMMERED OUT THE BILL, WE GAINED SUPPORT ON BOTH SIDES OF THE AISLE BY INTRODUCING PROVISIONS THAT WERE IMPORTANT TO BOTH REPUBLICANS AND DEMOCRATS. OUR STRATEGY INCLUDED RADIO ADS POINTING OUT HOW INVESTING IN COASTAL

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RESTORATION CREATES MORE JOBS THAN OIL AND GAS INVESTMENTS.

TO ADVANCE WETLANDS RESTORATION, EDF SCIENTIST DR. ANGELINA FREEMAN HELPED DEVELOP A MODEL PROJECT IN MYRTLE GROVE, LA. IT DEMONSTRATED HOW THE MISSISSIPPI RIVER'S LAND-BUILDING POWER CAN BE HARNESSSED TO RESTORE WETLANDS AND PROTECT COASTAL COMMUNITIES.

THE ARMY CORPS IS NOW USING EDF'S WETLANDS REBUILDING MODEL ON ITS FIRST RESTORATION PROJECTS.

"EDF PLAYED A CRITICAL ROLE IN BRIDGING THE DIFFERENCES BETWEEN THE PARTIES AND WINNING BIPARTISAN SUPPORT FOR LEGISLATION TO RESTORE THE GULF AFTER THE DEVASTATING OIL SPILL."

WILLIAM K. REILLY, CO-CHAIR, NATIONAL COMMISSION ON THE BP DEEPWATER HORIZON OIL SPILL AND OFFSHORE DRILLING

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

EXTENDING A WELCOME MAT TO WILDLIFE

THE LARGEST POPULATION OF ENDANGERED GOLDEN-CHEEKED WARBLERS IN THE WORLD NESTS AT FORT HOOD ARMY BASE IN TEXAS, WHERE DEAFENING EXPLOSIONS ARE COMMONPLACE. THE BIRDS ARE DOING FINE, HOWEVER, THANKS TO A PROGRAM DESIGNED BY EDF.

UNDER THE PLAN, FORT HOOD GETS CREDITS FOR RESTORING WARBLER HABITAT ON PRIVATE LAND OUTSIDE THE BASE, ALLOWING IT TO CONTINUE MANEUVERS.

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LANDOWNERS GET PAID TO RESTORE HABITAT, AND WILDLIFE RECEIVES A SIGNIFICANT NET GAIN IN HABITAT.

THE PROJECT IS WORKING SO WELL WE'VE EXPANDED IT FROM SIX TO 34 COUNTIES, SPANNING THE ENTIRE TEXAS HILL COUNTRY. THE PROGRAM OFFERS CREDITS TO ENERGY COMPANIES RUNNING TRANSMISSION LINES AND OTHERS. WITH THIS OFFSET SYSTEM, SUCH PROJECTS CAN PROCEED AROUND THE COUNTRY WHILE ENDANGERED WILDLIFE AND ECOSYSTEMS WIN GREATER PROTECTION.

A VOICE FOR RIVERS:

CHANGING HOW THE WEST VIEWS WATER

FOR THE SOUTHWEST, THE COLORADO RIVER IS A LIFELINE. BUT A CENTURY OF "USE IT OR LOSE IT" LAWS HAVE DISCOURAGED CONSERVATION, DEVASTATING WILDLIFE AND DRYING UP THE RIVER SYSTEM.

EDF IS HELPING TRANSFORM THE WAY WATER IS USED IN THE COLORADO RIVER BASIN, WHICH COVERS SEVEN STATES AND MEXICO. WITH LOCAL AND NATIONAL PARTNERS, WE ARE ADVOCATING A HOST OF REMEDIES TO RESTORE THE ENTIRE RIVER. THEY INCLUDE: FLEXIBLE WATER MANAGEMENT, CONSERVATION IN CITIES AND ON FARMS, AND GUARANTEED WATER RIGHTS FOR THE ENVIRONMENT.

"WE NEED TO ENSURE ENOUGH WATER IS LEFT IN OUR RIVERS TO KEEP FISH AND WILDLIFE HEALTHY," SAYS ECOSYSTEMS VP DAVID FESTA. "WITH CLIMATE CHANGE FURTHER STRESSING RIVERS, THERE'S NO TIME TO LOSE."

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AGRICULTURE USES THREE-QUARTERS OF THE WATER IN THE COLORADO BASIN, AN UNSUSTAINABLE SHARE GIVEN THE REGION'S GROWING POPULATION. EDF SEEKS TO END THE TUG OF WAR BETWEEN CITIES AND FARMS.

WE'RE FINDING WAYS TO HELP FARMERS CONSERVE WATER AND TRANSFER THE SAVED WATER TO OTHER USERS FOR FAIR COMPENSATION. "BY MOVING WATER AMONG USERS, YOU CAN USE IT MORE EFFICIENTLY," SAYS FESTA.

OUR GOAL IS TO REWARD FARMERS FOR SERVICES THEY PROVIDE. THE CROPS THEY GROW WILL BECOME JUST ONE ASSET IN A PORTFOLIO THAT INCLUDES CLEAN WATER, WILDLIFE HABITAT AND CLIMATE PROTECTION. THAT WILL FINALLY MAKE IT PROFITABLE TO PROTECT THE RESOURCES ON WHICH ALL LIFE DEPENDS.

HEALTH

CLEAN AIR MOM

"I'M NOT AN ENVIRONMENTAL ACTIVIST," SAYS ROXANA SOTO, "BUT WHEN I LEARNED THAT LAWMAKERS WERE TRYING TO UNDO CLEAN AIR REGULATIONS, I HAD TO SPEAK OUT." LIKE SEVEN MILLION OTHER AMERICAN CHILDREN, SOTO'S FIVE-YEAR-OLD DAUGHTER SUFFERS FROM ASTHMA. HER CONDITION IS AGGRAVATED BY POOR AIR QUALITY. DURING ONE RECENT SPELL, SHE COULDN'T SLEEP THROUGH THE NIGHT FOR SIX WEEKS.

"IT SCARES ME THAT LOBBYISTS HAVE THE POWER TO CHANGE LAWS," SOTO SAYS. "BUT I'M NOT GOING TO BE INTIMIDATED. BEING A PARENT HAS CHANGED MY PERSPECTIVE."

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TO FIGHT BACK, SOTO, AN EMMY AWARD-WINNING JOURNALIST, JOINED THE MOMS CLEAN AIR FORCE AND IS LENDING HER VOICE TO THE CHORUS FOR CLEAN AIR. HER BLOG, SPANGLISHBABY.COM, HAS BEEN CALLED A "MUST READ" BY PARENTING MAGAZINE.

IN 2011, NONTRADITIONAL ALLIES LIKE SOTO HELPED DEFEAT ANTI-ENVIRONMENTAL LEGISLATION IN CONGRESS. "CLEAN AIR IS A BASIC HUMAN RIGHT," SHE SAYS. "ONE PERSON MAY NOT MAKE A DIFFERENCE, BUT TOGETHER WE CAN."

WHY WE WORK ON HEALTH

"POLLUTION AND TOXIC CHEMICALS TAKE A HEAVY TOLL ON PUBLIC HEALTH, PARTICULARLY ON CHILDREN. WE HAVE AN OPPORTUNITY TO ENSURE THE SAFETY OF CHEMICALS AND CUT SMOKESTACK POLLUTION."

ANDREW MAGUIRE

HEALTH

HEALTH GOALS

- O CUT AIR POLLUTION FROM COAL PLANTS 75%
- O REFORM U.S. TOXIC CHEMICALS POLICY TO REDUCE EXPOSURE TO HARMFUL SUBSTANCES
- O ACCELERATE INNOVATION THROUGH CORPORATE PARTNERSHIPS

DEFENDING THE RIGHT TO BREATHE CLEAN AIR

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OVER THE PAST FOUR DECADES, THE CLEAN AIR ACT HAS SAVED MILLIONS OF LIVES. BUT IN 2011, THIS BEDROCK LAW CAME UNDER ATTACK IN THE COURTS AND ON CAPITOL HILL, AND EDF MOBILIZED NEW ALLIES TO COME TO ITS DEFENSE.

THE CLEAN AIR ACT IS WIDELY CONSIDERED ONE OF THE MOST EFFECTIVE ENVIRONMENTAL LAWS EVER PASSED, PROVIDING \$30 IN HEALTH BENEFITS FOR EVERY DOLLAR INVESTED IN POLLUTION CONTROLS. YET SOME WASHINGTON POLITICIANS MADE IT THEIR MISSION IN 2011 TO PREVENT THE ENVIRONMENTAL PROTECTION AGENCY FROM ENFORCING THE LAW-AND TRIED TO CUT \$3 BILLION FROM THE AGENCY'S BUDGET.

"THE ANTI-ENVIRONMENT ONSLAUGHT ON CAPITOL HILL IS THE WORST I'VE SEEN IN MY MORE THAN 25 YEARS AT EDF," SAYS OUR PRESIDENT, FRED KRUPP.

WORKING WITH THE SENATE IN APRIL, EDF AND OTHERS WERE ABLE TO ELIMINATE THE MOST DRACONIAN CUTS IN THE HOUSE BUDGET, BUT COAL LOBBYISTS AND THEIR POLITICAL ALLIES CONTINUED THEIR ATTEMPTS TO UNDERMINE EPA'S AUTHORITY. THEY ADDED MORE THAN 170 ANTI-ENVIRONMENTAL RIDERS TO HOUSE BILLS. WE RESPONDED BY PROVIDING ANALYSIS AND EXPERT TESTIMONY ON THE HILL, CHALLENGING OPPONENTS DIRECTLY IN COURT AND ENLISTING CORPORATE SUPPORT FOR THE CLEAN AIR ACT. OUR EFFORTS GOT A BIG BOOST FROM EDF'S STRATEGIC PARTNERS AND OUR SISTER ORGANIZATION, THE ENVIRONMENTAL DEFENSE ACTION FUND. NON-TAX-DEDUCTIBLE GIFTS TO THE ACTION FUND LET US MOUNT AD CAMPAIGNS TARGETING KEY LEGISLATORS.

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LOBBYISTS FOR ONE OF AMERICA'S BIGGEST POLLUTERS, AMERICAN ELECTRIC POWER, CIRCULATED THEIR OWN DRAFT BILL IN CONGRESS LAST SPRING, WHICH WOULD HAVE SCUTTLED EPA RULES REQUIRING COAL-FIRED POWER PLANTS TO REDUCE EMISSIONS OF SOOT, SULFUR DIOXIDE AND MERCURY. WITHIN DAYS, EDF'S LEGAL TEAM ISSUED AN ANALYSIS THAT SHOWED THE BILL WOULD CAUSE AN ESTIMATED 34,000 DEATHS IN ITS FIRST TWO YEARS ALONE. OUR ANALYSIS WAS DISSEMINATED BROADLY ON CAPITOL HILL, WHERE EVEN COAL-FRIENDLY LEGISLATORS SCRAMBLED TO DISTANCE THEMSELVES FROM THE BILL. AS A RESULT, IT WAS NEVER INTRODUCED.

IN DEFENSE OF THE CLEAN AIR ACT, WE ALSO HELPED LAUNCH A GROUP OF INFLUENTIAL BLOGGERS, CALLING THEMSELVES THE MOMS CLEAN AIR FORCE, TO ENGAGE MORE PEOPLE IN THE STRUGGLE. THEIR ONLINE ACTIVISM HELPED GENERATE MORE THAN 100,000 MESSAGES TO CONGRESS URGING LEGISLATORS NOT TO LET POLLUTERS UNDERCUT AIR QUALITY.

"KNOWING THAT SOME COMPANIES PUT THEIR PROFITS AHEAD OF KIDS IS ABSOLUTELY INFURIATING," SAYS KAREN FRANCIS, A MOMS CLEAN AIR FORCE BLOGGER WHO IS ALSO A MILITARY SPOUSE. "WHAT DO WE DO ABOUT IT? WE MAKE SURE EPA'S ABILITY TO SAFEGUARD THE AIR WE BREATHE ISN'T GUTTED."

THE FIGHT FOR THE CLEAN AIR ACT AND A STRONG EPA ISN'T OVER. BUT VICKIE PATTON, EDF'S GENERAL COUNSEL, IS CONFIDENT IN THE FUTURE. "OUR CHILDREN'S HEALTH IS AT STAKE," SHE SAYS. "IT'S THAT SIMPLE."

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THE PRICE OF COAL

DIRTY AIR IMPOSES STEEP COSTS ON HUMAN HEALTH. COAL-FIRED POWER PLANTS ARE THE LARGEST SOURCE OF SULFUR DIOXIDE AND PARTICULATE POLLUTION IN THE AIR.

"THERE'S NO MORE POWERFUL FORCE FOR CHILDREN'S HEALTH THAN MOMS UNITED. HATS OFF TO EDF FOR LAUNCHING THE MOMS CLEAN AIR FORCE."

DR. HARVEY KARP, PEDIATRICIAN AND AUTHOR OF THE HAPPIEST TODDLER ON THE BLOCK

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

CLEARING THE AIR IN NEW YORK CITY

WORKING WITH EDF, MAYOR BLOOMBERG ANNOUNCED NEW RULES TO PHASE OUT DIRTY HEATING OIL FROM THE CITY'S BUILDINGS.

IN HARLEM, ONE IN FOUR CHILDREN HAS ASTHMA. THAT'S DOUBLE THE RATE OF THE CITY AS A WHOLE, AND FOUR TIMES THE NATIONAL AVERAGE. ALTHOUGH ASTHMA ATTACKS HAVE MULTIPLE CAUSES, AIR POLLUTION FROM LOW-GRADE NO. 6 AND NO. 4 HEATING OIL IS ONE TRIGGER. JUST 1% OF NEW YORK CITY BUILDINGS BURN THESE FUELS, BUT THEY PUT MORE PARTICULATE MATTER, OR SOOT, INTO THE AIR THAN ALL THE CITY'S CARS AND TRUCKS COMBINED.

WHEN EDF LEARNED THAT CON EDISON WAS LAYING A GAS PIPE TO ENABLE COLUMBIA UNIVERSITY TO CONVERT 70 BUILDINGS IN HARLEM FROM DIRTY OIL TO NATURAL GAS, WE ENCOURAGED OTHER BUILDINGS TO CONVERT AS WELL. WE REACHED OUT TO

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NEARBY LANDLORDS AND, AS A RESULT, ANOTHER 64 BUILDINGS COULD SHIFT TO THE CLEANER, MORE ECONOMICAL FUEL. THAT WOULD REMOVE 25,000 POUNDS OF SOOT POLLUTION FROM THE CITY'S AIR ANNUALLY.

THE HARLEM PROJECT IS AN OUTGROWTH OF OUR CAMPAIGN TO CLEAN UP NEW YORK CITY'S HEATING OIL. THREE YEARS AGO, EDF STAFF PINPOINTED 9,500 CITY BUILDINGS THAT BURN NO. 4 OIL OR THE EVEN DIRTIER NO. 6 OIL, WHICH IS BASICALLY UNREFINED SLUDGE. WE USED THAT DATA TO BUILD AN INTERACTIVE ONLINE MAP SHOWING THESE BUILDINGS' LOCATIONS, BLOCK BY BLOCK (EDF.ORG/DIRTYBUILDINGS).

"WHEN WE LEARNED THAT OUR BUILDING WAS ON EDF'S DIRTY BUILDING LIST, WE DECIDED IT MADE GOOD BUSINESS SENSE TO CONVERT TO NATURAL GAS AND STOP POLLUTING THE AIR WE ALL BREATHE," SAYS JERRY COHEN, A CO-OP BOARD MEMBER ON THE UPPER WEST SIDE.

OUR CAMPAIGN TO CLEAN UP HEATING OIL ALSO CAUGHT THE ATTENTION OF MAYOR MICHAEL BLOOMBERG. IN 2011, AFTER WORKING CLOSELY WITH EDF AND OUR ALLIES, THE ADMINISTRATION ANNOUNCED NEW RULES THAT WILL PHASE OUT NO. 6 OIL BY 2015 AND NO. 4 OIL BY 2030. THE IMPACT OF THAT DECISION ON ILLNESSES SUCH AS ASTHMA AND HEART DISEASE COULD BE "SECOND ONLY TO OUR ACHIEVEMENTS IN REDUCING THE CITY'S SMOKING RATES," SAID THOMAS FARLEY, THE CITY'S HEALTH COMMISSIONER.

WE'VE ALSO WORKED WITH THE MAYOR'S OFFICE TO DEVELOP FINANCING OPTIONS THAT WILL HELP BUILDING OWNERS CONVERT TO CLEANER FUELS MORE QUICKLY.

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"THE CLEAN AIR RENAISSANCE IN HARLEM IS UNDERWAY," SAYS EDF ATTORNEY ISABELLE SILVERMAN.

IN NEW YORK CITY, 300,000 KIDS HAVE BEEN DIAGNOSED WITH ASTHMA. THE PHASEOUT OF DIRTY FUELS IN CITY BUILDINGS WILL ENABLE KIDS TO BREATHE EASIER-AND SAVE \$733 MILLION IN ANNUAL HEALTH CARE COSTS.

"ENVIRONMENTAL DEFENSE FUND HAS BEEN A CRITICAL PARTNER AND RESOURCE IN OUR EFFORTS TO MAKE NEW YORK A TRULY SUSTAINABLE 21ST CENTURY CITY."

MICHAEL R. BLOOMBERG
MAYOR OF NEW YORK CITY

PROTECTING FAMILIES FROM TOXIC CHEMICALS
NEW RESEARCH REVEALS THAT SOME HEALTH PROBLEMS LINKED TO CHEMICAL EXPOSURE CAN BE CARRIED FORWARD TO FUTURE GENERATIONS.

FOR EXAMPLE, THE BIOCIDES TRIBUTYL TIN FOUND IN SOME PAINTS AND PLASTICS CAN CAUSE A CELL PREDESTINED TO BECOME A BONE CELL TO BECOME A FAT CELL INSTEAD, INCREASING THE RISK OF OBESITY AND DIABETES. LONG AFTER THE INITIAL CHEMICAL EXPOSURE, ANIMAL STUDIES SUGGEST, PARENTS CAN TRANSFER SUCH DISORDERS TO THEIR OFFSPRING.

THE GOOD NEWS? EDF SPURRED A HIGH-LEVEL DIALOGUE WITH THE CHEMICAL INDUSTRY THAT COULD YIELD A BIPARTISAN AGREEMENT ON REFORMING THE FLAWED

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TOXIC SUBSTANCES CONTROL ACT-THE MAIN LAW ON THE SAFETY OF CHEMICALS. OF 85,000 CHEMICALS AVAILABLE FOR COMMERCIAL USE, EPA HAS REQUIRED TESTING OF ONLY ABOUT 2%. OUR PRODDING HAS ALREADY PUSHED EPA TO UPGRADE ITS CHEMICAL REPORTING PRACTICES.

TAKING A STAND FOR SCIENCE AND TOUGH REGULATION IN THE SHALE GAS INDUSTRY

A TECHNIQUE CALLED HYDRAULIC FRACTURING, OR FRACKING, HAS OPENED UP VAST DEPOSITS OF SHALE GAS. IN 2001, SHALE PROVIDED 2% OF U.S. NATURAL GAS; NOW IT ACCOUNTS FOR ABOUT 30%, AND TOTAL RESERVES HAVE RISEN DRAMATICALLY. THE EXPANDED SUPPLY OFFERS A GREAT ENVIRONMENTAL BENEFIT, SINCE NATURAL GAS BURNS MORE CLEANLY THAN COAL. BUT IT HAS ALSO CREATED A HOST OF NEW ENVIRONMENTAL CHALLENGES, WHILE INDUSTRY SECRECY HAS SPURRED PUBLIC MISTRUST.

EDF IS LEADING THE EFFORT TO MAKE SURE NATURAL GAS REDUCES OUR CARBON FOOTPRINT, WHILE MINIMIZING THE IMPACT ON PEOPLE AND THE ENVIRONMENT.

IN 2011, ENERGY SECRETARY STEVEN CHU APPOINTED EDF PRESIDENT FRED KRUPP TO A SEVEN-MEMBER PANEL CHARGED WITH RECOMMENDING NEW STANDARDS FOR THE INDUSTRY. THE GROUP'S FIRST REPORT CALLED FOR MORE OVERSIGHT, STRONG REGULATION OF AIR AND WATER POLLUTION AND DISCLOSURE OF FRACKING CHEMICALS.

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THE NEXT STEP IS TO GET THESE RECOMMENDATIONS IMPLEMENTED. WE HELPED LEAD A COALITION OF GROUPS THAT SUED EPA, FORCING IT TO PROPOSE RULES TO CUT AIR POLLUTION FROM OIL AND GAS PRODUCTION. WE THEN WORKED TO PASS A GROUNDBREAKING TEXAS LAW MANDATING FULL DISCLOSURE OF FRACKING CHEMICALS. AND WE'RE NOW WORKING WITH INDUSTRY LEADERS ON RULES FOR SAFE WELL CONSTRUCTION AND OPERATION.

"IF IMPLEMENTED," KRUPP SAYS, "OUR COMMITTEE'S RECOMMENDATIONS WILL CREATE A NEW LEVEL OF TRANSPARENCY AND OVERSIGHT IN THE NATURAL GAS INDUSTRY."

AN OBSERVATION ON A RANCH FUELS A PASSIONATE COMMITMENT WHETHER THEY ARE HIKING IN MONTANA OR RAFTING DOWN THE COLORADO RIVER, A LOVE OF THE OUTDOORS IS THE CONNECTING THREAD FOR KIRSTEN FELDMAN AND HER FAMILY, INCLUDING HUSBAND HUGH FRATER AND TWO TEENAGE CHILDREN. "DOING THINGS IN NATURE IS HOW WE SPEND OUR TIME," SAYS FELDMAN, A FORMER MANAGING DIRECTOR AT MORGAN STANLEY WHO IS ALSO A TRUSTEE OF A LAND TRUST IN WASHINGTON, CONNECTICUT. A NATURE PHOTOGRAPHER, SHE BRINGS HER PASSION FOR THE OUTDOORS HOME THROUGH HER IMAGES.

FELDMAN AND HER HUSBAND ARE ARDENT SUPPORTERS OF EDF. WHEN SHE RETIRED FROM INVESTMENT BANKING, SHE DECIDED TO DEVOTE HER TIME, FINANCIAL EXPERTISE AND THICK ROLODEX OF CONTACTS TO PROTECTING THE ENVIRONMENT. AFTER EXHAUSTIVE SLEUTHING, SHE DECIDED THAT "EDF REALLY FIT WITH ME" AND ACCEPTED AN INVITATION TO JOIN THE BOARD OF TRUSTEES.

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NOW THE CO-CHAIR OF THE BOARD'S CLIMATE COMMITTEE, FELDMAN BECAME ESPECIALLY CONCERNED ABOUT GLOBAL WARMING AFTER OBSERVING CHANGES ON HER FAMILY'S MONTANA RANCH. AN EPIDEMIC OF DYING PINE TREES MADE HER REALIZE HOW RAPIDLY THE ENVIRONMENT WAS CHANGING, AND NOT FOR THE BETTER.

"I THOUGHT THAT FOLKS WITH MY BACKGROUND -WITH GLOBAL EXPERTISE IN COMPLEX FINANCIAL TRANSACTIONS-NEEDED TO GET INVOLVED IN FIGHTING CLIMATE CHANGE AND COULD MAKE AN IMPACT," SHE SAID, EXPLAINING HER DECISION TO SERVE ON THE BOARD.

"I FEEL THAT EVERYTHING ULTIMATELY COMES DOWN TO ECONOMICS. IF YOU PUT AN ECONOMIC FRAMEWORK IN PLACE WITH THE RIGHT INCENTIVES TO PROTECT THE ENVIRONMENT, THAT RESULTS IN LASTING SOLUTIONS. EDF'S STRATEGY ON CLIMATE IS FOCUSED ON ECONOMIC INCENTIVES. AT THE END OF THE DAY, THAT'S WHY I CHOSE EDF."

A SHARED LOVE FOR OCEANS AND SCIENCE INSPIRES A PARTNERSHIP BARRY GOLD STILL REMEMBERS THE AFTERNOON HE SPENT IN HIS PALO ALTO, CALIFORNIA, BACKYARD WITH EDF WEST COAST VP DAVID FESTA, WORKING OUT STRATEGIES TO RESCUE FISHERIES OFF THE PACIFIC AND NEW ENGLAND COASTS.

"WE FOUND WE HAD A SIMILAR APPROACH AND PHILOSOPHY," SAYS GOLD, WHOSE LOVE FOR THE OCEAN WAS NURTURED DURING CHILDHOOD SUMMERS SPENT ON LONG ISLAND SOUND. "THAT LED TO AN INCREDIBLY PRODUCTIVE PARTNERSHIP."

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GOLD IS THE HEAD OF THE MARINE CONSERVATION INITIATIVE AT THE GORDON AND BETTY MOORE FOUNDATION. FESTA, AT THE TIME, WAS STEERING EDF'S OCEANS PROGRAM IN A NEW DIRECTION.

THEIR INITIAL COLLABORATION PRODUCED SUSTAINING AMERICA'S FISHERIES AND FISHING COMMUNITIES, THE FIRST COMPREHENSIVE SCIENTIFIC ANALYSIS TO ASSESS THE EFFECTIVENESS OF CATCH SHARES, AN INCENTIVE-BASED WAY OF MANAGING FISHERIES.

"WE BOTH ARE ROOTED IN THE SCIENCE AND NOT JUST IN THE CAUSE," SAYS GOLD. "SO WE CONSTANTLY CHALLENGED THE RESULTS TO MAKE SURE THEY WERE CREDIBLE."

A CASE IN POINT IS THE CATCH SHARE PROGRAM IN NEW ENGLAND: "IN THE FACE OF FORMIDABLE POLITICAL OPPOSITION," GOLD OBSERVES, "EDF ASSESSED WHAT ISSUES NEEDED TO BE ADDRESSED IN THE PROGRAM'S DESIGN AND THEN SUPPORTED CHANGES, SUCH AS IN MONITORING.

"THE PEOPLE IN THE OCEANS PROGRAM ARE SOME OF THE BEST IN THE BUSINESS," HE SAYS. "I'M HUGEY IMPRESSED THAT EDF SEES THE NEED FOR TRANSFERRING THE INTELLECTUAL CAPITAL THEY'VE BUILT UP OVER THE YEARS TO THE FISHERIES SECTOR AND TO GOVERNMENT."

GOLD ADDS: "WHILE THE OUTCOME IS IMPORTANT, HOW YOU GET TO THAT OUTCOME

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|--|--|

IS EQUALLY IMPORTANT, SO THAT IT HAS REAL INTEGRITY. AND WE FOUND THAT IN EDF."

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS (CONTINUED)

FOR A TEXAS INVESTOR, PROTECTING THE ENVIRONMENT RUNS IN THE FAMILY FOR JOHN KERR AND HIS WIFE SUSAN, IT WAS THEIR SON JEFF WHO SPARKED THEIR ENVIRONMENTAL COMMITMENT. AS A FRESHLY MINTED COLLEGE GRADUATE IN 2002, JEFF BEGAN AN INTERNSHIP IN EDF'S OFFICE IN AUSTIN, TEXAS. HIS OBVIOUS ENTHUSIASM FOR THE WORK PROVED TO BE CONTAGIOUS.

"WHAT APPEALED TO SUSAN AND ME," SAYS KERR, AN INVESTOR IN BIOMEDICAL ONCOLOGY RESEARCH, "WAS EDF'S HARD SCIENCE APPROACH TO SOLVING DIFFICULT ENVIRONMENTAL PROBLEMS, AS OPPOSED TO A MORE POLITICIZED APPROACH. IT DOESN'T REALLY MATTER WHETHER YOU ARE A REPUBLICAN, DEMOCRAT OR INDEPENDENT. THESE ARE PROBLEMS THAT EVERYBODY NEEDS TO BE WORKING ON."

HE AND SUSAN APPRECIATE, TOO, THAT EDF SEEKS OPPORTUNITIES TO WORK WITH INDUSTRY AND GOVERNMENT INSTEAD OF TAKING AN OPPOSITIONAL STANCE.

"MANY PEOPLE IN THE BUSINESS COMMUNITY ARE SKEPTICS," SAYS KERR, WHO TODAY CHAIRS EDF'S TEXAS ADVISORY BOARD. "FOR ME, EDF IS A PERFECT WAY TO INTRODUCE THESE PEOPLE TO THE CLIMATE ISSUE-TO SAY, YOU REALLY NEED TO LEARN ABOUT THIS PROBLEM AND EDF CAN GIVE YOU THE FACTS."

KERR RECALLS HOW EDF WORKED WITH OTHERS TO GET THE NEW OWNERS OF THE TEXAS ELECTRIC UTILITY TXU TO CANCEL PLANS FOR EIGHT COAL-FIRED POWER

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PLANTS. HE SAYS THE ACHIEVEMENT SHOWS THAT "EDF CREATES COALITIONS OF UNEXPECTED GROUPS TO GET RESULTS."

A WORLD WAR II HISTORY BUFF AND A PUBLISHED NOVELIST, KERR HAS THREE NEW BOOKS COMING OUT SOON. HIS FAMILY'S PASSION FOR THE ENVIRONMENT CONTINUES TO BE A DRIVING FORCE. OF THEIR FOUR CHILDREN, JEFF WENT ON TO STUDY ENVIRONMENTAL LAW AND MILLIE, ALSO A LAWYER, IS AN ADVOCATE FOR AFRICAN WILDLIFE.

IN THE WAKE OF KATRINA, HE HELPS BRING A COMMUNITY BACK TO LIFE TOM DARDEN GREW UP WATCHING HIS FATHER CLEAN UP BROWNFIELDS, FORMER INDUSTRIAL SITES, TO MAKE WAY FOR NEW DEVELOPMENT. NOW, DARDEN HOPES TO MAKE A POSITIVE IMPACT ON PEOPLE AND THE PLANET THROUGH THE BUILT ENVIRONMENT.

CURRENTLY, DARDEN IS EXECUTIVE DIRECTOR OF MAKE IT RIGHT, A NONPROFIT STARTED BY ACTOR BRAD PITT THAT BUILDS GREEN, AFFORDABLE NEW HOUSING IN NEW ORLEANS' KATRINA-DEVASTATED LOWER NINTH WARD.

"WE WANTED TO SHOW HOW TO BUILD ADAPTIVELY IN ANY CLIMATE," DARDEN SAYS. "MOST OF THE WORLD LIVES NEAR A COASTLINE AND IS SUSCEPTIBLE TO FLOODING. WE BEGAN WITH THE QUESTION: WHAT WOULD IT TAKE TO BUILD THE KIND OF HOUSE THAT WOULD REDUCE THAT RISK IN THE LOWER NINTH WARD? IF WE CAN FIGURE OUT HOW TO DO IT SUSTAINABLY HERE, WE CAN DO IT EVERYWHERE."

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KEY TO THE PLAN IS RESTORATION OF BAYOU BIENVENUE, A CYPRESS SWAMP EAST OF THE CITY. UNTIL SALT-WATER INTRUSION FROM LEVEES DEVASTATED THE BAYOU AND OTHER WETLANDS, THEY HAD THRIVED ALONGSIDE A SIZABLE RESIDENTIAL POPULATION. "THEY USED TO PROVIDE A NATURAL BARRIER AGAINST STORM SURGES," DARDEN SAYS. "NOW THERE IS A LOT OF COMMUNITY INTEREST IN RESTORING THEM. JUST AS THE LOWER NINTH WARD IS SYMBOLIC OF RENEWAL, SO ARE THESE WETLANDS."

WHEN DARDEN TURNED 30, HE DECIDED IT WAS TIME TO START PLANNING A LEGACY. HE TALKED TO A LAWYER AND SAYS THE PROCESS WAS "TOTALLY EASY. I HANDED OVER A LIST OF THE CHARITIES I WANTED TO GIVE TO AND THE PERCENTAGES." LEAVING A LEGACY TO EDF WAS A "NO-BRAINER," HE SAYS. "I'M A STRONG SUPPORTER OF EDF'S GULF WORK, AND I BELIEVE THE ORGANIZATION WILL HAVE A LASTING IMPACT WELL BEYOND MY TIME."

ATTACHMENT 1

FORM 990, PART V, LINE 4B - FOREIGN COUNTRIES

MEXICO

CAYMAN ISLANDS

ATTACHMENT 2

FORM 990, PART VI, LINE 17 - STATES

AL, AK, AZ, AR, CA, CO, CT,

FL, GA, HI, IL, KS, KY, LA, ME, MD, MA, MI,

MN, MS, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,

RI, SC, TN, UT, VA, WA, WV, WI,

| | |
|--|--|
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|--|--|

ATTACHMENT 3PART VII - CONTINUATION OF OFFICERS, DIRECTORS, TRUSTEES,
KEY EMPLOYEES AND HIGHEST COMPENSATED EMPLOYEES

(1)=IND.TRUSTEE/DIR. (2)=INS.TRUSTEE (3)=OFFICER (4)=KEY EMP. (5)=HIGHEST COMP. (6)=FORMER

| (A) NAME AND TITLE | (B) HOURS | (C) POSITION | | | | | | COMPENSATION FROM | | |
|---|-----------|--------------|-----|-----|-----|-----|----------|-------------------|---------------|-----------|
| | | (1) | (2) | (3) | (4) | (5) | (6) | (D) ORG. | (E) REL. ORG. | (F) OTHER |
| 29 KENNETH OLDEN, PH.D., SC.D. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 30 SIGNE OSTBY TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 31 STEPHEN W. PACALA, PH.D. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 32 ROBERT M. PERKOWITZ TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 33 JULIAN H. ROBERTSON, JR. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 34 PEGGY M. SHEPARD TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 35 DOUGLAS W. SHORENSTEIN TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 36 SAM RAWLINGS WALTON TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 37 PAUL JUNGER WITT TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 38 CHARLES F. WURSTER, PH.D. TRUSTEE | 2.00 | X | | | | | | 0. | 0. | 0. |
| 39 FREDERIC D. KRUPP PRESIDENT | 50.00 | | X | | | | 426,032. | 0. | | 52,582. |
| 40 ELIZABETH HENSHAW CHIEF OPERATING OFFICER | 40.00 | | X | | | | 240,564. | 0. | | 38,177. |
| 41 PETER ACCINNO CFO & TREASURER | 40.00 | | X | | | | 216,950. | 0. | | 18,793. |
| 42 DANIEL J. DUDEK VICE PRESIDENT | 40.00 | | | X | | | 296,013. | 0. | | 86,587. |
| 43 DAVID FESTA VP WEST COAST | 40.00 | | | X | | | 282,716. | 0. | | 28,706. |
| 44 MARCIA ARONOFF VP MARKETING & COMMUNICATIONS | 40.00 | | | X | | | 237,863. | 0. | | 25,535. |
| 45 CYNTHIA HAMPTON VP MARKETING & COMMUNICATIONS | 40.00 | | | X | | | 231,053. | 0. | | 24,322. |
| 46 STEPHEN W. COCHRAN VP - CLIMATE & AIR | 40.00 | | | X | | | 214,793. | 0. | | 35,474. |

ATTACHMENT 4990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

| <u>NAME AND ADDRESS</u> | <u>DESCRIPTION OF SERVICES</u> | <u>COMPENSATION</u> |
|-------------------------|--------------------------------|---------------------|
|-------------------------|--------------------------------|---------------------|

| | |
|--|--|
| Name of the organization ENVIRONMENTAL DEFENSE FUND, INC. | Employer identification number 11-6107128 |
|--|--|

ATTACHMENT 4 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

| <u>NAME AND ADDRESS</u> | <u>DESCRIPTION OF SERVICES</u> | <u>COMPENSATION</u> |
|---|--------------------------------|---------------------|
| DICKSTEIN SHAPIRO LLP P O BOX 759110 BALTIMORE, MD 21275-9110 | CONSUL & LEGAL SVC | 145,933. |
| K&L GATES LLP 1601 K STREET NW WASHINGTON, DC 20006 | CONSUL & LEGAL SVC | 697,031. |
| ECO ANALYTICS, LLP 545 VEREDA DEL CIERVO GOLETA, CA 93117 | DESIGN&DATA ANALY | 623,233. |
| MCELROY, SULLIVAN & MILLER LLP PO BOX 12127 AUSTIN, TX 78711 | CONSULTING SERVICES | 396,268. |
| DOROTHY LOWMAN 6507 SW BARNES ROAD PORTLAND, OR 97225 | NAT RESOURCE CONSULT | 146,006. |
| | TOTAL COMPENSATION | <u>2,008,471.</u> |

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

ENVIRONMENTAL DEFENSE FUND, INC.

Employer identification number
11-6107128

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

| (a) Name, address, and EIN of disregarded entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Total income | (e) End-of-year assets | (f) Direct controlling entity |
|---|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (1) ----- | | | | | |
| (2) ----- | | | | | |
| (3) ----- | | | | | |
| (4) ----- | | | | | |
| (5) ----- | | | | | |
| (6) ----- | | | | | |

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
|--|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| | | | | | | Yes | No |
| (1) ENVIRONMENTAL DEFENSE ACTION FUND, INC. 257 PARK AVENUE SOUTH NEW YORK, NY 10010 90-0080500 | ENV ADVOCACY | DE | | 501 (C) (4) | EDF | | X |
| (2) CALIFORNIA FISHERIES FOND, INC. 123 MISSION STREET SAN FRANCISCO, CA 94105 26-0873741 | REV LOAN FND | CA | 509 (A) (3) | 501 (C) (3) | EDF | | X |
| (3) ENVIRONMENTAL DEFENSE FUND DE MEXICO, AC CALLE REVOLUCION 345 LAPAZ, MEXICO MX | OCEAN PROG | MX | | | EDF | | X |
| (4) ----- | | | | | | | |
| (5) ----- | | | | | | | |
| (6) ----- | | | | | | | |
| (7) ----- | | | | | | | |

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f) Share of total income | (g) Share of end-of-year assets | (h) Disproportionate allocations? | | (i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? | | (k) Percentage ownership |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|--------------------------------------|----|--|-------------------------------------|----|-----------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| (1) ----- | | | | | | | | | | | | |
| (2) ----- | | | | | | | | | | | | |
| (3) ----- | | | | | | | | | | | | |
| (4) ----- | | | | | | | | | | | | |
| (5) ----- | | | | | | | | | | | | |
| (6) ----- | | | | | | | | | | | | |
| (7) ----- | | | | | | | | | | | | |

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of-year assets | (h) Percentage ownership |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|
| (1) ----- | | | | | | | |
| (2) ----- | | | | | | | |
| (3) ----- | | | | | | | |
| (4) ----- | | | | | | | |
| (5) ----- | | | | | | | |
| (6) ----- | | | | | | | |
| (7) ----- | | | | | | | |

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| | (a) Name of other organization | (b) Transaction type (a-f) | (c) Amount involved | (d) Method of determining amount involved | Yes | No |
|------------|-----------------------------------|-------------------------------|------------------------|--|-----|----|
| (1) | ENVIRONMENTAL DEFENSE ACTION FUND | B | 600,000. | FMV | | X |
| (2) | ENVIRONMENTAL DEFENSE ACTION FUND | M | 59,276. | FMV | | X |
| (3) | ENVIRONMENTAL DEFENSE ACTION FUND | N | 694,372. | FMV | | X |
| (4) | ENVIRONMENTAL DEFENSE ACTION FUND | E | 4,948,007. | FMV | | X |
| (5) | CALIFORNIA FISHERIES FUND, INC. | B | 50,000. | FMV | | X |
| (6) | CALIFORNIA FISHERIES FUND, INC. | D | 47,731. | FMV | | X |

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| | (a) Name of other organization | (b) Transaction type (a-r) | (c) Amount involved | (d) Method of determining amount involved | Yes | No |
|-----|-----------------------------------|-------------------------------|------------------------|--|-----|----|
| (1) | CALIFORNIA FISHERIES FUND, INC. | M, N | 135,824. | FMV | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| (5) | | | | | | |
| (6) | | | | | | |

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

| | (a) Name, address, and EIN of entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Are all partners section 501(c)(3) organizations? | | (e) Share of end-of-year assets | (f) Disproportionate allocations? | | (g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (h) General or managing partner? | |
|------|---|-------------------------|--|--|----|------------------------------------|--------------------------------------|----|--|-------------------------------------|----|
| | | | | Yes | No | | Yes | No | | Yes | No |
| (1) | | | | | | | | | | | |
| (2) | | | | | | | | | | | |
| (3) | | | | | | | | | | | |
| (4) | | | | | | | | | | | |
| (5) | | | | | | | | | | | |
| (6) | | | | | | | | | | | |
| (7) | | | | | | | | | | | |
| (8) | | | | | | | | | | | |
| (9) | | | | | | | | | | | |
| (10) | | | | | | | | | | | |
| (11) | | | | | | | | | | | |
| (12) | | | | | | | | | | | |
| (13) | | | | | | | | | | | |
| (14) | | | | | | | | | | | |
| (15) | | | | | | | | | | | |
| (16) | | | | | | | | | | | |

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).
