

Victories 2012 / Goals 2013 Highlights

CLIMATE & AIR

THE FEDERAL CLEAN AIR ACT has helped win cleaner, healthier air and spur needed greenhouse gas reductions for decades. In 2012, we made even more clean air progress than we thought possible.

VICTORIES

Clean air progress exceeded expectations

With many allies, Environmental Defense Fund (EDF) helped secure national standards to cut carbon dioxide from new cars and light trucks, doubling fuel efficiency to 54.5 miles per gallon. New limits on power plants' mercury emissions, issued in response to a legal settlement with EDF and others, are spurring retirement of aging coal-fired plants, driving a major transition in the electricity sector. Taken together, these new regulations will keep U.S. carbon dioxide emissions below 2010 levels through 2030 exceeding our expectations for what was possible this year. The U.S. Environmental Protection Agency (EPA) also proposed firstever federal limits on carbon pollution from new power plants.

China lays foundation for carbon market

With EDF's support, China laid the regulatory foundation for establishing a national carbon market designed to reward those who reduce climate pollution. In September 2012, Vice Minister Xie Zhenhua formally endorsed our concept of directly linking carbon trading to poverty alleviation. With his blessing, EDF helped broker a partnership to connect China's industrialized eastern provinces with poorer rural regions in the west through the emerging carbon market. At United Nations climate talks in South Africa, China featured the "Cool China" program EDF spearheaded as its largest public participation activity to promote low-carbon ideas.

- Work to ensure that California's Global Warming Solutions Act is successful, and communicate that success widely.
- Press EPA to finalize proposed limits on carbon pollution from new power plants and develop limits for existing plants.
- Improve U.S. political context for climate discussions by engaging conservatives and independents.
- Help win carbon limits in China by piloting carbon markets, creating demand for carbon offsets and improving environmental enforcement.
- Protect rainforests in Brazil and around the world by promoting financial incentives to reduce deforestation through carbon markets.



OUR LOW-CARBON FARMING PILOT PROGRAMS in China reward farmers who adopt climate-friendly practices. We have enrolled more than 400,000 farmers in three western provinces, and will expand to at least one new province in 2013.

OCEANS

EDF'S AMBITIOUS GOAL is to bring 50% of global fish and fisheries under sustainable management within 10 years, working with partners around the world.

VICTORIES

U.S. fisheries increasingly sustainable

In the U.S., we are moving rapidly toward a future in which fisheries and fishing communities on the brink of disaster have recovered—and are thriving—under the catch shares management approach EDF has championed, which gives fishermen financial incentives to fish sustainably. Today 65% of all fish caught in U.S. waters come from catch share programs, which helped drive a 17-year high in fish landings last year. Just three catch share programs saved nearly 16 million pounds of fish from being wasted last year—enough to feed about one million Americans their seafood for a year.

Oceans recovery model for developing world

EDF helped create and launch a groundbreaking fisheries management system in two heavily fished locations in Belize that will serve as a model for putting small-scale, coastal fisheries throughout the developing world on a sustainable path. The system combines marine reserves with catch shares, empowering fishermen to become stewards. After just one year, 80% of fishermen report an increase in compliance and enforcement, and many are asking for bigger marine reserves.



EDF AND PARTNERS are leading trinational efforts with the U.S., Cuba and Mexico to restore sharks in the Gulf of Mexico. These highly migratory animals are essential to marine ecosystems and coastal economies, yet their numbers are dwindling.

- Improve the health and profitability of U.S. commercial fisheries by making catch shares management the standard approach and securing Congressional support.
- With fishermen partners, advance development of at least three innovative pilot projects that improve recreational fisheries. Recreational fishing accounts for up to half of the catch in many U.S. fisheries, yet is ineffectively managed.
- Advance at least ten new fishery management programs around the world, and win new laws and policies supporting expansion of catch shares in the European Union, Belize and Mexico.

CLIMATE & ENERGY

SMART GRID PROGRESS: Pioneering families participating in our Pecan Street smart grid pilot project in Austin, TX are helping to build the energy system of the future with rooftop solar panels; smart appliances that run when electricity is cheap; and electric cars in almost every garage.

VICTORIES

Protecting public health and the environment from natural gas impacts

EDF is making headway toward putting rules in place to protect communities and the environment from the impact of natural gas operations in the states that hold 85% of U.S. resources. EDF helped secure public disclosure of the chemicals used in hydraulic fracturing in Colorado, Ohio, Oklahoma and Pennsylvania.

EDF president Fred Krupp was tapped this year to serve on the U.S. Secretary of Energy's Advisory Board on Natural Gas, where he helped shape a set of recommendations for environmentally

sound shale gas development that provided a template for regulatory reform.

Whether natural gas will help or hurt air quality and climate depends largely on how much methane—the main component of natural gas, and a potent greenhouse gas—leaks into the atmosphere. Oil and natural gas sources account for 40% of methane emissions in the U.S. EDF helped secure new federal emissions standards for the oil and gas sector in 2012, improving protections to address major leaks, venting and flaring. EPA predicts that these new clean air standards will achieve methane leakage reductions of as much as 25%.



GROUNDBREAKING NATURAL GAS RESEARCH

With academic and industry partners, we are conducting a comprehensive study of methane leakage in the natural gas supply chain.

- Win regulatory reform in six states (CO, ND, NY, OH, PA, TX) to protect communities and the environment from the impacts of natural gas operations.
- Use data from methane leakage study to develop policies that will lower leakage across the natural gas supply chain to less than 1%.
- Modernize regulations and policies in nine key states (CA, FL, IL, NC, NJ, NY, OH, PA, TX) to support a 21st century electric grid that incorporates large-scale deployment of energy efficiency and renewable power.
- Design and promote policies and private capital mechanisms for investment in energy efficiency and renewable energy.

LAND, WATER, WILDLIFE

A BREAK FOR PRAIRIE DOGS: EDF helped create a market that pays ranchers to protect the threatened Utah prairie dog, which some landowners once considered a pest.

VICTORIES

Billions secured for restoring Gulf Coast

After painstaking work by EDF and our partners, a divided Congress came together to dedicate billions of dollars to the environment. The RESTORE Act directs 80% of BP oil spill penalty money—up to \$17 billion—to healing the Gulf Coast. It will spark the most ambitious environmental restoration project in the nation and improve the lives of everyone along the Gulf Coast. It is a tremendous victory after EDF's nearly three decades of effort to restore coastal Louisiana. In her speech on the floor of Congress, Senator Mary Landrieu of Louisiana called EDF "absolutely instrumental" to success.

Groundbreaking agreement protects Colorado River Delta

EDF helped broker an agreement between the U.S. and Mexico dedicating water to the Colorado River Delta for protection of its largest remaining wetland, La Ciénega de Santa Clara. The wetland is a critical stopover for migratory waterfowl and home to 250 bird species, including the endangered Yuma clapper rail. A University of Arizona study this year confirmed that the water sent to the delta during the 2010-2011 pilot kept the wetland healthy. It marks the first time the two governments have dedicated water to the delta, and serves as a model for a longer-term agreement now being negotiated.

- Move on-the-ground restoration forward in coastal Louisiana with scientifically sound projects that will protect the Gulf Coast and its communities for the long term.
- Launch three new wildlife habitat markets in the West to ensure that energy development benefits—rather than harms—endangered and threatened animals.
- Spur decision-makers to negotiate a more sustainable management plan for the Colorado River.
- Enable farmers to profit from environmentally friendly practices such as reduced fertilizer use.



LOUISIANA'S COASTAL WETLANDS harbor animals like the roseate spoonbill and provide people with a first line of defense against hurricanes and floods.

CORPORATE PARTNERSHIPS

EDF CLIMATE CORPS FELLOWS Piper Kujac and Rodney Dominique identified ways for the New York City Housing Authority, which provides affordable public housing, to save nearly \$4 million a year in energy costs.

VICTORIES

\$150 million invested in energy efficiency

This summer EDF Climate Corps launched its biggest, most diverse class of fellows and hosts yet, with 97 top graduate students identifying energy savings at 87 organizations ranging from Google and Facebook to the Boston public school system and the City of New Orleans. Since EDF launched the program five years ago, Climate Corps fellows have found ways to cut enough electricity use to avoid 1.1 million tons of climatewarming emissions. Host organizations have invested over \$150 million to implement energy-saving recommendations. That means every \$1 we have spent on EDF Climate Corps has catalyzed about \$50 in energy upgrade investments.

Greener products on Walmart's shelves

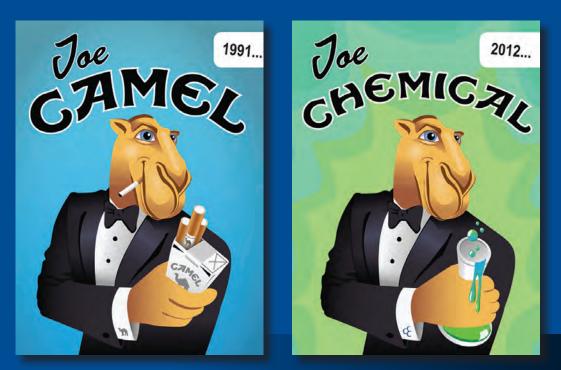
Walmart employees who determine what ends up on the shelves of the world's largest retailer have a big new incentive to choose greener products: Their job performance reviews are now tied to how well they integrate sustainability into their buying decisions. EDF worked with Walmart and The Sustainability Consortium to develop a scorecard that ranks suppliers for sustainability, and we are helping train staff to use it. The scorecard covers products from laundry detergent to computer monitors that represent about 20% of Walmart's sales; we plan to expand to products representing 80% of Walmart's sales by 2014.

GOALS

- Grow EDF Climate Corps to 120 fellows, including strategic placements in key states where EDF is working to advance climate and energy policy.
- Spur change in the private equity sector through a groundbreaking new tool enabling investors to compare environmental performance among firms and drive measurable results.
- Launch coalition of leading companies calling for strong regulation and enforcement of hydraulic fracturing.
- Leverage the buying power of Walmart to encourage climate-friendly farming practices for corn.



REDUCING WATER WASTE: We are partnering with AT&T on innovative ways to save water. In a typical building, tens of thousands of gallons go through the cooling system and evaporate out the roof.



EDF AND THE SAFER CHEMIC highlighting the chemical industr the safety of health-hazardous fla reform our nation's badly outdat

EDF AND THE SAFER CHEMICALS, HEALTHY FAMILIES COALITION ran this ad highlighting the chemical industry's deceptive decades-long campaign to misrepresent the safety of health-hazardous flame retardants, a prominent example of the need to reform our nation's badly outdated chemical safety law.

VICTORIES

Winning the war on mercury

EPA announced new Mercury and Air Toxics Standards that, when implemented, will annually reduce mercury and other toxic emissions from power plants by more than 50% below 2005 levels, preventing as many as 11,000 deaths, 130,000 asthma attacks and more than 500,000 missed work days. EDF worked with power companies, clean air technology firms and health and environmental groups to win these long overdue clean air standards. We helped defeat Senate legislation to block them, and we are now in court—allied with EPA, the American Lung Association, American Nurses Association and others defending the standards against concerted legal attack.

Cleaner air for New York City

Nearly a thousand New York City buildings converted from heavy heating oils to much cleaner fuels in 2012 thanks to our ongoing Clean Heat campaign, which EDF manages and co-funds with the City of New York. Reducing soot pollution in the city is critical to bringing down childhood asthma rates, which are among the highest in the country. Our campaign won policy changes and about \$100 million in financing from major banks to facilitate heating system conversions.

- Reform U.S. toxic chemical policy to ensure only fully tested and safe chemicals are allowed on the market.
- Protect air quality for 240 million Americans by defending the Mercury and Air Toxics Standards and winning reversal of the U.S. Court of Appeals decision to vacate the Cross-State Air Pollution Rule.
- Secure stricter soot pollution standards to prevent as many as 35,000 premature deaths each year.
- Convert approximately 3,500 of the most polluting New York City buildings to cleaner heating fuels.



MOBILIZING PARENTS FOR CLEANER AIR: Over 100,000 mothers and others have joined our Moms Clean Air Force to fight for clean air protections for kids.

