



2012

ANNUAL REPORT

Financing innovation and inspiring action

The
ClimateTrust[®]



Mission

The Climate Trust's mission is to provide expertise, financing, and inspiration to accelerate innovative climate solutions that endure.

Vision

The Climate Trust envisions swift collective action to protect the integrity of the Earth's climate and safeguard against climate impacts to ensure a secure, resilient, and just future.



This has been an exciting year of achievement for The Climate Trust (TCT). As we celebrate our 15-Year-Anniversary, we have also reached the incredible milestone of retiring 1 million metric tons of greenhouse gas emissions—*equivalent to eliminating the emissions from almost 200,000 cars!*

When looking back at 2012, we are proud of our accomplishments. Some highlights include our continued Avoided Grasslands Conversion work with partner, Ducks Unlimited—*helping to preserve 50,000 acres of prairie across the Northern Great Plains*. The world's first Avoided Grassland Conversion Protocol became available for public comment through this project.

Additionally, TCT took over management of the Colorado Carbon Fund (CCF), the first and only state-sponsored voluntary carbon program in the U.S. In 2012, the CCF announced their second statewide carbon mitigation project, a fuel efficiency venture in partnership with J.B. Hunt Transport Services—*comparable to removing 5,000 cars from the road for an entire year*.

We've also been busy promoting Washington biogas and restoring the Gulf of Mexico's disappearing coastal wetlands—conducting a feasibility study of the DeRuyter Dairy to identify the major barriers and opportunities for biogas in WA's Columbia Basin, while working with partner Tierra Resources to design, implement and market first-of-their-kind wetlands carbon projects.

We are proud of our status as an innovative leader in the carbon market, and look forward to building on our success in 2013.

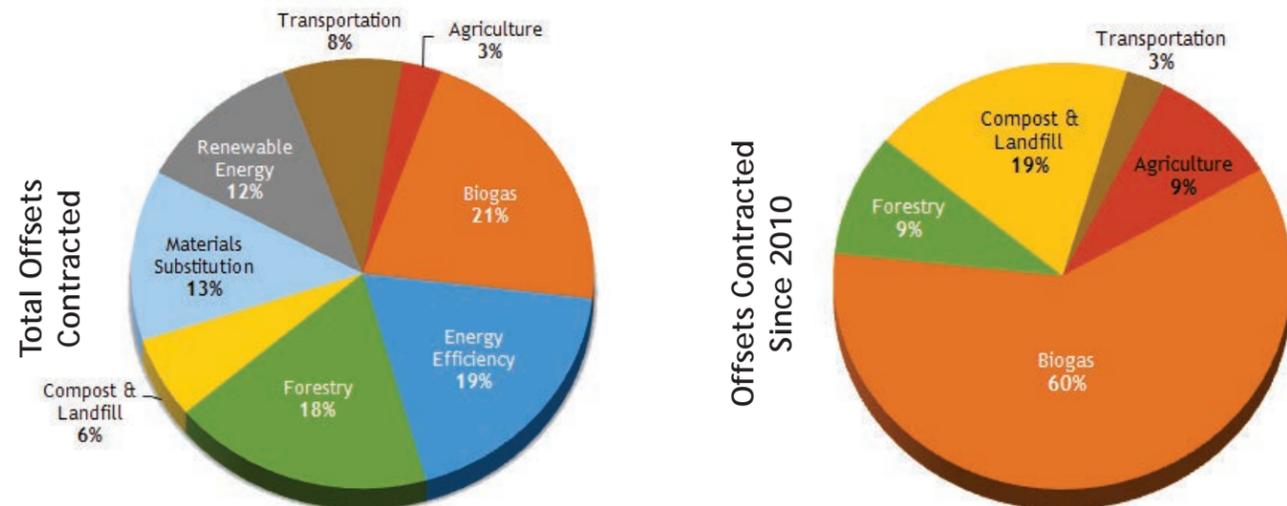
 Laura Beane
Board Chair, The Climate Trust

Investing in high-quality greenhouse gas reduction projects from diverse sectors

In 2012, The Climate Trust continued to expand our project portfolio into areas with the potential for robust climate solutions. Our three-year strategy has been to focus on innovative projects in high-impact sectors such as agriculture, biogas, forestry and grassland conservation that create multiple benefits for communities and the environment—all while meeting rigorous, third-party standards.

Total Credits Contracted: 3,589,869 tCO₂e

Total Credits Retired or Delivered: 1,231,824 tCO₂e



Statement of Financial Position

The Climate Trust is serious about fiscal responsibility. We are rigorous in how we spend the dollars entrusted to us, and are pleased to report that our 2012 financial audit results were clean and without exception.

| REVENUES | 2012 | 2011 | 2010 |
|----------------------------|--------------------|--------------------|--------------------|
| Carbon contract revenue | \$2,260,920 | \$863,851 | \$1,079,355 |
| Other contract revenue | \$487,659 | \$277,077 | \$324,862 |
| Grants and contributions | \$192,718 | \$54,766 | \$70,125 |
| Other income & investments | \$860,399 | \$650,782 | \$318,657 |
| TOTAL REVENUE | \$3,801,696 | \$1,846,476 | \$1,792,999 |

| EXPENSES | 2012 | 2011 | 2010 |
|------------------------|--------------------|--------------------|--------------------|
| Program services | \$2,825,508 | \$1,274,147 | \$1,483,269 |
| Management and general | \$198,379 | \$245,664 | \$516,837 |
| Development | \$178,215 | \$190,986 | \$74,078 |
| TOTAL EXPENSES | \$3,202,102 | \$1,710,797 | \$2,074,184 |

| | | | |
|----------------------|-----------|-----------|------------|
| CHANGE IN NET ASSETS | \$599,594 | \$135,679 | -\$281,185 |
|----------------------|-----------|-----------|------------|

| | | | |
|------------------|--------------|--------------|--------------|
| BEGINNING ASSETS | \$13,286,316 | \$12,956,602 | \$13,914,871 |
| ENDING ASSETS | \$14,054,875 | \$13,286,316 | \$12,956,602 |



Total tons greenhouse gas reduced

1.2 million

Total committed to projects

\$14 million

Total projects

33

Expected emissions reductions (tons)

3.1 million

Number of collaborative partnerships

Hundreds

Persons served in 2012

15,000



One farmer's winning solution!

Dairy farmer Buzz Gibson was selling milk wholesale in Junction City, OR when he saw an opportunity to become an early adopter in the dairy biogas industry. Buzz was able to earn additional revenue for his business and lower his operating costs. Partly financed by The Trust, Buzz's biodigester captures methane from cow manure and produces enough renewable electricity to power over 300 homes! A real 'win-win' for the environment and the farmer.

"The Climate Trust takes a comprehensive approach to climate solutions, focusing their investments on projects with strong added benefits; projects that are good for their client's bottom line and good for the environment."

—Sean Penrith, Vice Chair
Climate Trust Board of Directors

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Our incredible supporters

Thank you to everyone who donated to The Climate Trust during 2012! Our work is made possible by the generous support of individuals and grant-makers alike, as well as collaboration with our valued climate services clients. Please visit our website climatetrust.org for a current list of our funders.

Philanthropic Support

| | |
|-------------------------------|----------------|
| Bullitt Foundation | blue moon fund |
| Clif Bar Family Fndn | Concordia Fndn |
| Kongsgaard-Goldman Fndn | USDA |
| M.J. Murdock Charitable Trust | |

Leadership Circle

Individuals \$500+ | Organizations \$1,000+

| | |
|--|----------------------|
| Rolf Anderson | Laura Beane |
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| Anonymous via Schwab Charitable Fund | |
| Carnegie Foundation Matching Gifts Program | |

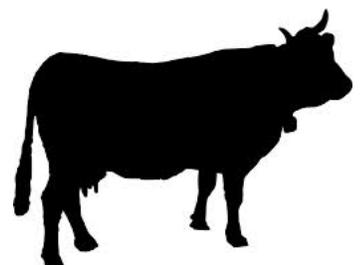
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