

**NATURE**  
**SUSTAINS**  
**CONNECTS**  
**MOTIVATES**  
**SECURES**  
**EDUCATES**  
**RESTORES**  
**MATTERS**





**THE MISSION** of The Nature Conservancy  
is to conserve the lands and waters on which all life depends.

**CONTENTS**

- 1 A Message from the President**
- 2 The Year in Conservation**
- 8 Nature Matters: Introduction**
- 10 Highlighted People and Places**
- 12 Nature Sustains**
- 20 Nature Connects**
- 26 Nature Motivates**
- 34 Nature Secures**
- 42 Nature Educates**
- 50 Nature Restores**
- 58 Financial Overview**
- 60 Board of Directors**

**Cover:** A young boy tends to his family's herd of goats in the grassland steppe of Mongolia's Toson Hulstai Nature Reserve.

**Inside Cover:** The upper Yangtze River, Yunnan Province, China.



Dear Supporters,

One privilege of my role as President and CEO of The Nature Conservancy is the time I spend with donors, trustees, staff and other supporters in the incredible places where we work around the world. Beyond the day-to-day management of budgets and programs, I get to meet the passionate people who make our organization so strong. It's those people—people like you—who make a decisive difference for conservation every day.

For example, in the past year, I've had the good fortune to meet the people behind places like the Dupree Nature Preserve in Kentucky. The new preserve near Lexington was designed to protect upland forests along the Kentucky River, and also to get more city-dwellers outdoors. Staff and trustees worked tirelessly to bring this space to life, and visitors long into the future can enjoy nature trails, an education center and school environmental programs.

In Mexico I celebrated the launch of the Monterrey Water Fund, the latest in a network of 32 water funds around the world. The project, in which big water consumers fund upstream conservation efforts, will conserve habitat, help prevent floods and protect the water supply for more than 4 million people in the area. The project was supported by a diverse coalition of business, academic, nonprofit and government leaders who all share the recognition that investing in nature can produce big returns.

And in Los Angeles I participated in a tribute to Chinese business innovator and TNC trustee and global board member Jack Ma, who has become a powerful advocate for the environment in China. The event was jointly hosted by our volunteer leaders in California and China, who came together in a new partnership to build more support for global conservation.

"Nature Matters" seeks to capture both the pragmatic thinking that guides our work as well as the passion that our supporters, staff and stakeholders devote to it. "The Year in Conservation" that follows is just a sampling of our accomplishments over the past year that you helped make possible. Your partnership with us is essential: both the resources you provide and the energy you impart. This report is not just an accounting of a year's work. It is a tribute to you and all those who make our achievements a reality. Thank you for your support.

A handwritten signature in black ink that reads "Mark R Tercek". The signature is written in a cursive, flowing style.

Mark R. Tercek  
President and Chief Executive Officer



# THE YEAR IN CONSERVATION

## PROTECTING AND RESTORING NATURE

Through acquisitions, easements and designating protected areas, The Nature Conservancy continues to safeguard lands and waters as a core strategy. But to keep ever-larger natural systems intact, restoring damaged places to health gains greater importance.



A dam on the Penobscot River, Maine.



Sichuan golden snub-nosed monkey.



Mouth of the Altamaha River, Georgia.

### 2,013-acre

The Conservancy placed a **2,013-acre conservation easement** on the Steel Creek Ranch in Montana's Big Hole Valley. The ranch preserves a last, critical pathway for movement of pronghorn between their winter and summer ranges and supports numerous other species, including moose, elk and wolves.

### 2 dams

The Conservancy has been instrumental in dam removal projects that will have enormous benefits to people and nature. This summer, the Conservancy and partners broke ground on removing the **San Clemente Dam near Monterey, Calif., and removed the Veazie Dam** in Maine, part of the Penobscot River Restoration Project.

### 1st reserve

The Conservancy has launched **China's first land trust reserve**, which will serve as a prototype for a new land protection model in the country. Located in a former Sichuan province logging concession, Laohegou is home to some of the most abundant wildlife in China, including giant pandas, golden monkeys, takins and Asian golden cats.

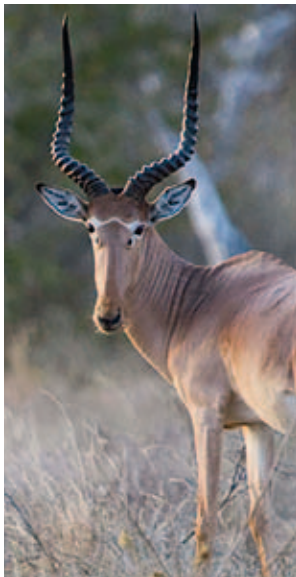
### 33 M

The Conservancy is collaborating with a binational coalition of environmental organizations to help fulfill an agreement between the U.S. and Mexico to revive the Colorado River delta. The agreement will help define how the countries share the river's resources in the face of increasing demands for water while restoring water to the environment. The Colorado River provides **drinking water for more than 33 million people**, yet since 1960 the river has rarely reached the sea.

### 20 million

Indigenous groups in Australia have established four new Indigenous Protected Areas, **growing the natural reserve system by more than 20 million acres**. The Conservancy has invested nearly AUD \$1 million through innovative financing toward developing management plans with Traditional Owners, who are leading the way in conserving their own country.





500 hirola in northern Kenya.

Conservancy staff and community members study maps of Fish River Station, Australia.

1,800

Efforts to protect the black-footed ferret, one of North America’s most endangered animals, received a boost in May when the Conservancy **purchased 1,800 acres** in South Dakota’s Conata Basin. The purchase was funded by the Conservancy’s sale of 3,900 nearby acres, on which the Conservancy retains an easement, to a conservation-minded bison ranching company. The transactions have resulted in bison being reintroduced to the landscape and additional protection for prairie dogs, the ferrets’ primary food source.

<500 hirola

Northern Kenya’s community-run sanctuary for the critically endangered hirola—launched with support from the Conservancy, the Northern Rangelands Trust and an international coalition of partners, including the China Global Conservation Fund—is showing quick results with the birth of 12 calves. With **fewer than 500 hirola remaining**, these births provide hope that under the right care their numbers could eventually rebound.

40-mile

The Conservancy purchased a 6,277-acre tract of land along the Altamaha River in Georgia. The area features an extensive floodplain forest and adjoins more than 106,000 acres of land that is already protected, filling a gap in a **more than 40-mile-long corridor** that secures habitat along the river.

11.4 m. acres

The legislature of Kosrae became the first in the Federated States of Micronesia to establish shark protection in its waters, and the Raja Ampat government in Indonesia declared its **nearly 11.4 million acres of marine waters a shark sanctuary**. The Conservancy supported these efforts, which are part of a growing trend to establish regionwide shark sanctuaries in Asia-Pacific, through awareness-building campaigns and technical advice.

1.5 million

Native Olympia oyster populations are making a comeback in Oregon’s Netarts Bay. In 2005, the Conservancy began partnering with Whiskey Creek Shellfish Hatchery to reintroduce young oysters in a bid to bring the species back from the brink of extinction. After eight years and the reintroduction of more than **1.5 million adult Olympia oysters**, young “Olys” have finally begun showing up in the population.



# THE YEAR IN CONSERVATION

## USING NATURE SUSTAINABLY

An expanding population and globalized economy demand more sustainable ways to harvest our food, maintain our water supplies and develop energy resources. The Nature Conservancy works with business, communities and governments to develop replicable models of development that maintain nature's health.



Miners panning for gold in Colombia's SurdeBolívar province.



Conservancy director of Coral Reef Conservation Stephanie Wear and family.



Piney Grove Preserve, Va.

### 5 regions

Colombia has enacted a new nationwide law requiring all mining, energy and infrastructure projects to follow smarter development guidelines that consider environmental impacts to entire natural systems. This legislation was largely influenced by the Conservancy's science and government engagement work in **five different regions of Colombia.**

### 4.13 M

The total area of Forest Stewardship Council-certified forests has more than doubled in Indonesia—from **2.05 million acres in January 2011 to 4.13 million acres in July 2013.** Over the past decade, in collaboration with different institutions, the Conservancy has directly helped timber concessions covering 84 percent of that area achieve FSC certification by providing training in reduced-impact logging and improved harvest planning, and by identifying high conservation value forests.

### 9 scientists

**Nine young scientists have been named as inaugural NatureNet Science Fellows,** a Nature Conservancy partnership designed to help kick-start conservation toward addressing the challenges facing people and nature in the 21st century. Each fellow will pursue research that promises to deliver crucial answers regarding sustainable food production systems, clean water supplies, energy futures and urban ecology.

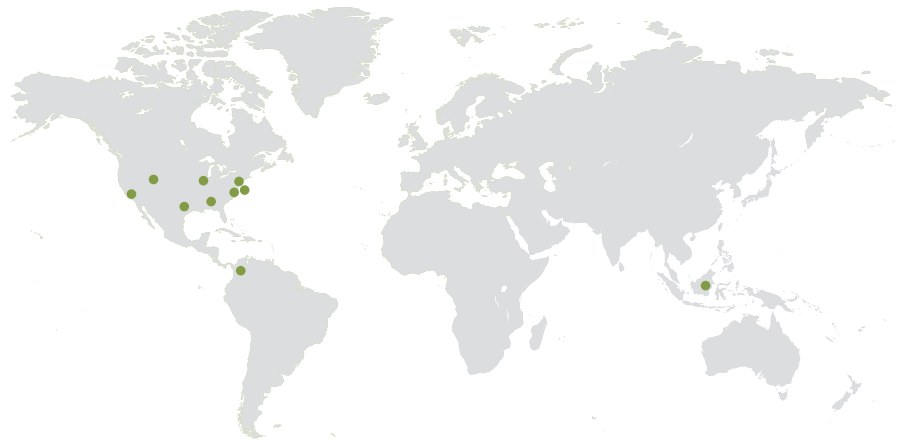
### 70,000

After years of declining water quality, the Conservancy, the Environmental Defense Fund and the Water Department for Bloomington, Ill., agreed to **protect drinking water for more than 70,000 residents** as a replicable model for the region and beyond. The groups are partnering with farmers to construct wetlands that capture nitrogen before it reaches the drinking water supply and to reduce runoff while maintaining farm yields.

### 2100

The Conservancy has been instrumental in steering the Hurricane Sandy recovery conversation toward natural solutions. Conservancy CEO Mark Tercek was appointed to New York Gov. **Andrew Cuomo's 2100 Commission,** and the Conservancy worked with New York City to identify and implement a mix of natural and "built" infrastructure to better protect the city from future storms.





Stacked logs, Kalimantan, Indonesia.

The New Jersey shoreline two weeks after Hurricane Sandy.

\$400m

2013 award

12 of 13

3 partners

62%

The Conservancy was instrumental in helping the U.S. Forest Service cover a budget shortfall after a long fire season depleted its firefighting budget early. The Conservancy and other conservation organizations pushed Congress to put **\$400 million back toward programs that invest in forest restoration** efforts that reduce the risk and intensity of fires.

The breakthrough collaboration between the Conservancy and The Dow Chemical Company continues to help Dow and the business community recognize, value and incorporate nature in their global business goals, decisions and strategies. The collaboration was awarded the **2013 Roy Family Award for Environmental Partnership**, which is presented by the Kennedy School of Government at Harvard University every two years to celebrate an outstanding public-private partnership project that enhances environmental quality through novel and creative approaches.

The Conservancy's state chapters took leading roles in 13 state and local conservation funding ballot measures in the November 2012 election, in many cases providing strategic management, financial support, voter outreach and endorsements. **Twelve of the 13 campaigns were successful**, generating more than \$700 million for land and water conservation and parks.

SNAP (Science for Nature and People) is an unprecedented collaboration among **the Conservancy, the Wildlife Conservation Society and the National Center for Ecological Analysis and Synthesis** to find practical ways in which the conservation of nature can help provide food, water, energy and security to Earth's fast-growing population. SNAP will harness the expertise of many organizations, scientists, policymakers and practitioners, breaking down the traditional walls between disciplines, institutions and sectors.

A research study led by the Conservancy indicates that Wyoming's core area strategy, which was implemented in 2008 and limits infrastructure development within areas of high sage grouse population densities, is likely to be critical in reducing future declines of sage grouse. The report also notes that additional federal investments of \$250,000 in conservation easements could help **reduce projected long-term grouse population declines by 62 percent** within the core areas.



# THE YEAR IN CONSERVATION

## EXPANDING SUPPORT FOR NATURE

As more people move to cities and the need for conservation grows, it becomes more urgent that The Nature Conservancy unite people around the world to understand nature's importance in their lives and take action to maintain it.



Conservancy lead scientist Sanjayan on the news.



Conservancy-led cycling team in Colombia.

### 3 awards

The 2013 Harris Poll EquiTrend named The Nature Conservancy **the Environmental Non-Profit Brand of the Year**. Other honors include a **2013 PR News Nonprofit award** in the external publication category and an honorable mention for the media relations campaign *Coral Reefs Saved My Life*, and lead scientist Sanjayan was part of a CBS News team that received an **Emmy nomination** for its reporting on the ivory wars in Africa.

### 93%

The Conservancy and the Latin America Conservation Council have launched a public awareness campaign—*Where Does Your Water Come From?*—in Latin America, with the objective of inspiring audiences to conserve water and protect the environment. The first national campaign kicked off in Colombia in partnership with Caracol Television, which is **watched by 93 percent of urban adult TV viewers in Colombia** each week, and will roll out in other countries in the coming year.

### 34,000,000

The Conservancy and Detroit Public TV co-produced a series of two-hour programs called "Great Lakes Now Connect." The series, which feature Conservancy scientists as moderators for expert panels, provides in-depth reporting about critical issues that **impact the Great Lakes area and its nearly 34 million residents**. The programs have aired on public television stations around the country.

### 2,000 km

A Conservancy scientist in Colombia and his cycling team **pedaled more than 2,000 kilometers over 14 days** to educate and motivate children to get to know the ecosystems and cultures that define the natural diversity of their country. Carlos Pedraza, a Geographic Information Systems specialist, joined the Buena Vibra Cycling System for Cycling Colombia to generate awareness in the Magdalena-Cauca River basin, a focal area of the Great Rivers Partnership.

### Half a million

A stellar array of musical artists—ranging from alt-country rocker Ryan Bingham to desert-blues band Tinariwen—joined the Conservancy's *All Hands on Earth* campaign, an online effort featuring original videos with music to engage new audiences and encourage them to take environmental actions. The video featuring hip-hop duo Macklemore and Ryan Lewis quickly became the Conservancy's most viewed video after being **viewed more than half a million times** in just two weeks.





Volunteers building oyster castles at Pelican Point, Alabama.



Co-hosts of the Caribbean Summit of Political and Business Leaders.

800+

**More than 800 volunteers**, including 373 airmen and women from Keesler Air Force Base, came together at Pelican Point, Alabama, to build a 224-foot living shoreline. Volunteers moved more than 13,000 “oyster castles”—interlocking concrete blocks—to form the foundation of four oyster reefs that will ultimately protect 329 feet of natural shoreline, helping to minimize erosion, protect coastal dunes and enhance natural habitat.

1st

The Conservancy launched its **first non-U.S. membership program in Australia** in late 2012. The Conservancy works in more than 35 countries around the world, and has membership programs in the works for additional markets in the coming year.

2 chefs

The Nature Conservancy in Texas is encouraging residents to help control the state’s invasive species by eating them. For Earth Day, **Austin chefs Ned and Jodi Elliot** developed unique and delicious recipes using some of Texas’ most pernicious invasive species, including Himalayan blackberry jam, wild boar rillettes and orecchiette with bastard cabbage.

\$64 million

In May 2013, the Conservancy convened more than 25 CEOs and government leaders for the Caribbean Summit of Political and Business Leaders, co-hosted by the prime minister of Grenada, the premier of the British Virgin Islands and business leader Sir Richard Branson. The summit, held in the British Virgin Islands, resulted in **\$64 million in conservation commitments** from Caribbean governments, global corporations and partners, and launched the *Defend Paradise* campaign to raise awareness and support among visitors to the Caribbean.

#1

Conservancy President and CEO Mark Tercek, along with conservation biologist Jonathan Adams, published *Nature’s Fortune: How Business and Society Thrive by Investing in Nature*. The book, which argues that saving nature can produce big returns for people, businesses and governments, reached the top spot on ***The Washington Post* hardcover nonfiction bestseller list in April 2013**.





The opportunity to experience the wonders of nature is more than just spiritual—it is a reminder of our deep connection to the natural world. No amount of technology can replicate the essence of our planet. Nature has repeatedly altered the course of human history; great civilizations have risen and fallen based upon their ability to work in harmony with the environment around them. This will happen again in the future. Let us not underestimate the benefits of working together with our environment to achieve a better life.

At The Nature Conservancy, we seek solutions based on both rigorous science and inventive ideas. Our team of nearly 4,000 people around the globe has repeatedly shown that we don't need to trade "food on the table" for clean water to drink. Big ideas can unite individuals, their governments, and corporations to change the world for the better. With innovative ideas and your support, we will continue to strive to prove that the world can prosper by sustaining the nature we cherish. Conservation is a blend of both the mind and the heart. It is pragmatic and compassionate in equal measure. The 23 diverse voices in the following chapters convey the benefits of achieving that balance.

Celebrate your part in helping us to ensure that healthy air, water and soil continue to benefit humanity.

A handwritten signature in white ink, appearing to read "Craig O. McCaw". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Craig O. McCaw**  
Chairman, Board of Directors



**NATURE**  
**SUSTAINS**  
**CONNECTS**  
**MOTIVATES**  
**SECURES**  
**EDUCATES**  
**RESTORES**  
**MATTERS**



# HIGHLIGHTED PEOPLE AND PLACES



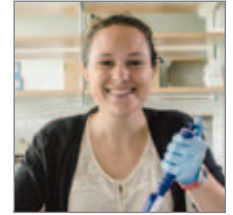
**Chris Nelson**  
BON SECOUR, ALABAMA



**Bryan Schrage**  
ALEXANDRIA, VIRGINIA



**Angela Andersen**  
LONG BEACH  
TOWNSHIP,  
NEW JERSEY



**Hannah Jaris**  
NEW YORK, NEW YORK



**Anthony Christianson**  
HYDABURG, ALASKA



**Brent Tadman**  
STATEN ISLAND, CALIFORNIA



**Marisoul Hernandez**  
LOS ANGELES, CALIFORNIA



**Gary Fanning**  
ALPINE, ARIZONA



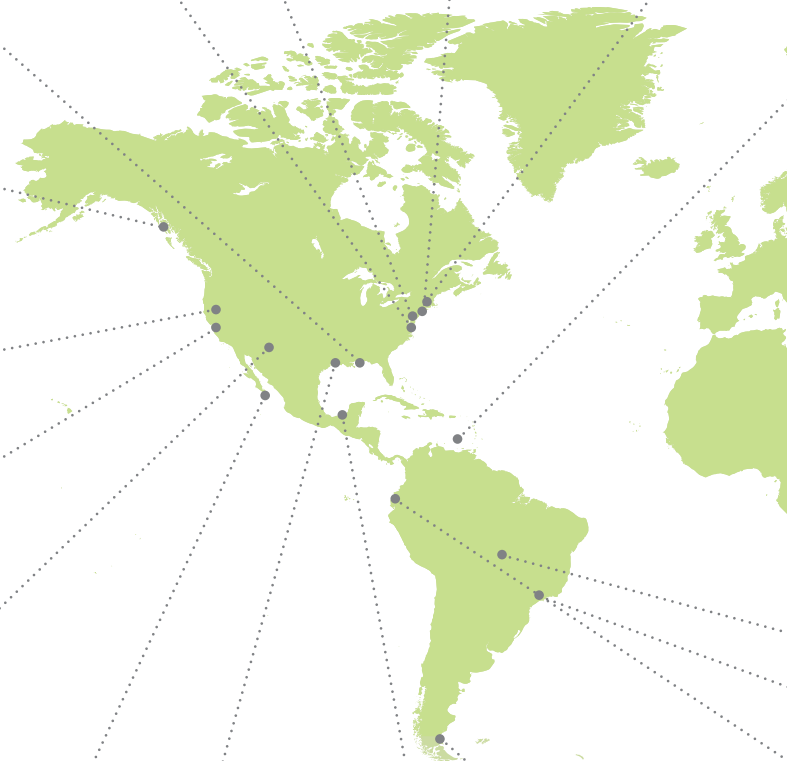
**Judith Castro**  
CABO PULMO, MEXICO



**Brigid Berger**  
HOUSTON, TEXAS



**Melvin Chirino Flores**  
CHIAPAS, MEXICO





**Maylani Velazquez**  
NEW HAVEN, CONNECTICUT



**Orlando Harvey**  
UNION ISLAND, ST. VINCENT  
AND THE GRENADINES



**Ester Leakono**  
SEREOLUPI VILLAGE,  
NORTHERN KENYA



**Amar Purev**  
EASTERN STEPPE,  
MONGOLIA



**Li Jialin**  
CHENGDU, CHINA



**Sam Wung**  
EAST KALIMANTAN,  
INDONESIA



**Dickson Motui**  
ARNAVON ISLANDS, SOLOMON ISLANDS



**Eugene Eades**  
NOWANUP, WESTERN AUSTRALIA



**Jorge Paulo Lemann**  
SÃO PAULO, BRAZIL



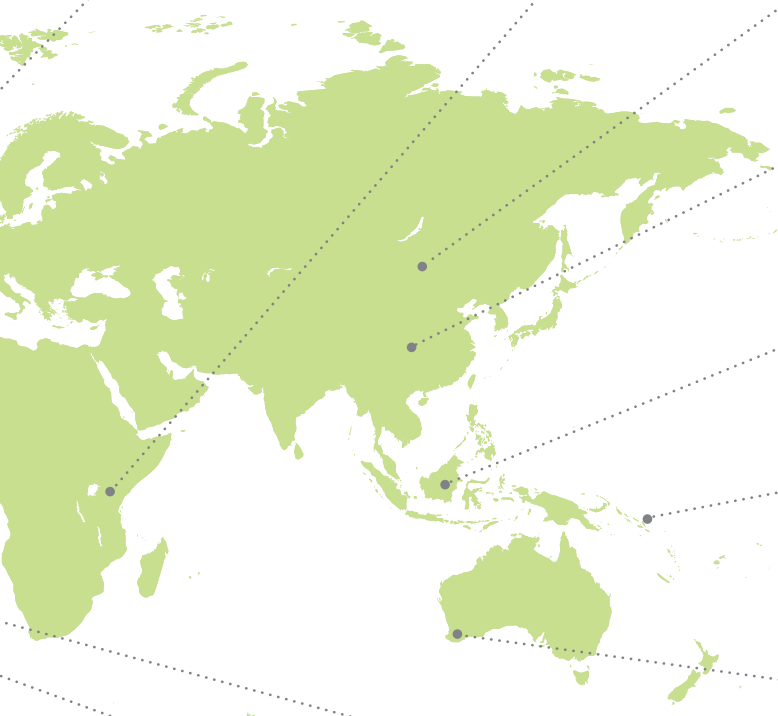
**Luciane Copetti**  
MATO GROSSO, BRAZIL



**Katherine Humanante**  
PUERTO LÓPEZ, ECUADOR



**Ricardo Fenton**  
PATAGONIA, ARGENTINA





A photograph of a wooden structure, possibly a drying rack or a storage area, with several animal skins hanging from a horizontal beam. The skins are arranged in a row, showing various colors and textures. The structure is made of dark wood, and the scene is illuminated by bright light rays from above, creating a dramatic effect. The text "NATURE SUSTAI" is overlaid on the image in a large, blue, sans-serif font.

# NATURE SUSTAI



# NS

For many people, food comes from a supermarket and water comes from a tap. But the truth is, the food and water that sustain us come from grasslands, forests, rivers and lakes that depend on natural processes to be sustained themselves. Setting aside wild places alone is insufficient to protect nature. Lands and waters can sustain people and wildlife; modern conservation is about finding innovative ways to do both.

Salmon filets are prepared and hung in a smokehouse in Hydaburg on Prince of Wales Island in southeast Alaska.



## Anthony Christianson

Hydaburg, Alaska

“About 400 people live in Hydaburg, and we have a strong reliance on the surrounding resource—some people call it subsistence but we call it our lifestyle—and we really engage actively with the environment to maintain our existence and to survive.

The salmon, they’re cyclic—some years they come in droves and some years they are a little bit slim, but they come every year. They provide a resource and food for the entire Tongass. I think being Haida is about being able to share your resource, your knowledge, your time and energy with people, and I think that’s what salmon do. Their entire life is about getting as big as they can and coming back and spawning in the waters they originated from, which happens to be where we live—and it’s a partnership. That’s part of why we are engaging in the assessment work, so that we can make sure their house is set for them, to have a clean place they can go in and rest and go spawn and recreate the next cycle of salmon.”

.....

Anthony Christianson is the mayor of Hydaburg, a village located on Prince of Wales Island in southeast Alaska. The Conservancy is working with the people of Hydaburg to protect salmon populations by providing expertise on conducting salmon surveys. The data collected helps the community make informed decisions in ensuring responsible development of the area.



Clockwise from top left: Hydaburg mayor Anthony Christianson; Mayor Christianson sustainably fishes for salmon in Eek Inlet; Members of the Haida tribe paint totem poles for the Haida Culture Camp; Totem pole-raising ceremony; salmon filets.













Clockwise from top left: Sandhill cranes in California's Central Valley; Sacks of potatoes ready for market; Brent Tadman; Wildlife habitat in agricultural land; Corn growing on Staten Island Farm.

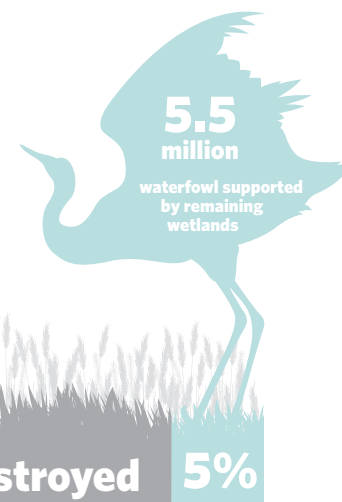
## Brent Tadman

Staten Island, California

"This island houses a tremendous number of sandhill cranes during the wintertime and provides habitat. We farm in a way that is very conducive to wildlife, providing a shallow-water habitat that ducks, geese and cranes can feed and roost on. It helps us keep the organic soils wet and keep the peat layer of soil saturated; it also helps us in flushing the salt from the fields as we irrigate.

Having a healthy ecosystem and maintaining our natural resources is a plus for all of us. We are able to be a productive, sustainable farm and also provide that habitat. It's part of being responsible land stewards to be able to do both at the same time and be successful.

There are fewer and fewer farmers in the U.S. who provide food to feed the world. Protecting the natural resources we have and biodiversity is key—we're not making any more land. We have a tremendous responsibility in feeding this nation."



### Historic wetlands in California's Central Valley

\* Source information p. 60

Brent Tadman is the manager of the Conservation Farms and Ranches on Staten Island in California's Central Valley, which uses wildlife-friendly farming techniques, such as flooding certain areas and leaving crop residue post-harvest. The techniques used on this Conservancy land serve as a model for how farmers can provide habitat for migratory birds along the Pacific Flyway while improving the health of the land.



## Katherine Humanante

Puerto López, Ecuador

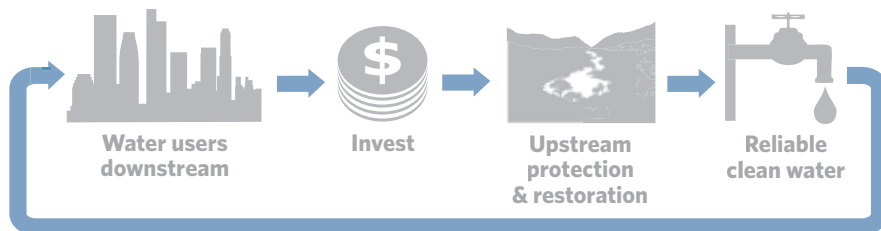
“Owning a restaurant is a huge joy. I treat my customers like my own children, my family. They order a dish and I prepare it with lots of affection and attention.

If I didn’t have a way to get water I’d go broke. I’d have to close my doors! A restaurant without water just wouldn’t work.

Puerto López has a population of around 15,000 and everyone here relies on having access to water. Many in the community are fishermen but they still need water for their businesses and families.

Just because we have lots of water now doesn’t mean we should use more than we need. We need to conserve it. If we don’t take responsibility to protect where our water comes from, we’re going to be left without water.”

## How water funds work



\* Source information p. 60

Katherine Humanante opened her restaurant, Sadhana, in September 2012. In February, a new water filtration plant helped reduce the community’s reliance on water brought in by tanker trucks. The Conservancy is working to protect the Ayampe watershed, on which Puerto López relies for its drinking water, by developing a water fund—a type of finance mechanism to pay for watershed protection in perpetuity that is being implemented in cities across Latin America.



Clockwise from top left: Katherine Humanante in her restaurant, Sadhana; The Ayampe River in Ecuador’s Manabí province; Sadhana kitchen; A view of Puerto López.







# NATURE CONNIE



Young girls on the edge of Toson Hulstai Nature Reserve milking their families' herd of dairy cows at dawn, eastern Mongolia.



# CTS

Whether we live in a nomadic village or in one of the world's growing megacities, nature is the glue that connects us all. From a local market to global trade, from the natural landmarks that define our cultures to the places families have lived for generations, nature also connects us across time. To maintain the nature that connects us is to preserve our inheritance.





**Amar Purev**  
 Eastern Steppe, Mongolia

“I am very happy that I am doing this job because I am protecting this land for everyone who lives in five counties and two provinces—it’s for their citizens and their future. Sometimes I even tell herders who are using this as pastureland: ‘I am protecting *your* grasslands.’

From the year 2000 to 2007, I was the only ranger overseeing this land. I was monitoring every day and fining someone for something every day. It felt overwhelming.

There has definitely been a change in understanding. I think because of our work, people have become aware that we are protecting the land for them.”

.....  
 Amar Purev is one of six rangers who protect the Toson Hulstai nature reserve—nearly 1.2 million acres in eastern Mongolia—from threats such as illegal hunting, overgrazing and commercial haying. The Conservancy supports these protection efforts in numerous ways—from facilitating stakeholder communication and cross-border cooperation to providing funding for equipment and training for rangers.



Clockwise from top left: Amar Purev; Steppe eagle chick in its nest in Toson Hulstai Nature Preserve; A view from a mountaintop in Khan Khentii Protected Area; Toson Hulstai rangers Batmunkh Damdin and Purev; Horses drink from a trough filled with well water in the Gobi Desert region of Mongolia.







**Luciane Copetti**

Lucas do Rio Verde, Mato Grosso, Brazil

“The natural heritage we have here does not exist anywhere else. For this reason, it is increasingly important to reconcile the priorities of conservation and farming.

It gives us pride to plant soy. Brazilian soy products are exported to the whole world. This soy is transformed in biodiesel, animal food and food for people. We need to use technology so that we can increase production without having a negative effect on the environment.

This little seed that was planted together with The Nature Conservancy in Lucas contributed a lot to the success you see today. As a mother, I want to do what I can so that my children can give continuity to all of this. That they can continue producing, but that they never forget that taking care of their environment is fundamental for survival.”



\* Source information p. 60

Luciane Copetti is the secretary of the environment in Lucas do Rio Verde, a small community in Mato Grosso, Brazil, where she and her family grow soy and other crops. In partnership with producers and local leaders like Luciane, the Conservancy has introduced mapping technologies that are improving municipal governments' ability to protect and restore critical natural areas. This is an essential step in ensuring that the soy produced here will meet sustainability criteria, making it more desirable in the global marketplace.

Luciane Copetti holds harvested soybeans on her farm, Fazenda Copetti.





## NATURE CONNECTS **CREATIVITY**



Alt-Latino musical group La Santa Cecilia.

### **Marisoul Hernandez**


Los Angeles, California

"More than having the latest gadgets or the coolest clothes, we think that family is very important. And our families are very connected still to growing their own food and taking care of their own animals, to not having the everyday necessities that city folks have. So it influences our music, our lyrics and what we like to say about who we are and where we come from. That we do come from the city but we also have a spot that we come from that's our family, *la tierra, el rancho, de la familia....*

I love going to Vera Cruz in Mexico, where it's humid and I just disconnect from all the city and I get to enjoy time with friends and play music and not be so needful of iPods and my computer and checking email and traffic. And when you just disconnect yourself from that, it's really beautiful."

.....  
Marisoul Hernandez is the lead vocalist for Alt-Latino group La Santa Cecilia, whose song "La Negra" was nominated for a Latin Grammy award in 2011. La Santa Cecilia supports The Nature Conservancy's *All Hands on Earth* campaign to engage people to take environmental actions.





# NATURE MOTIVA

Just-hatched, sand-covered hawksbill sea turtles are guided to the sea by flashlights, Arnavon Islands, Solomon Islands.

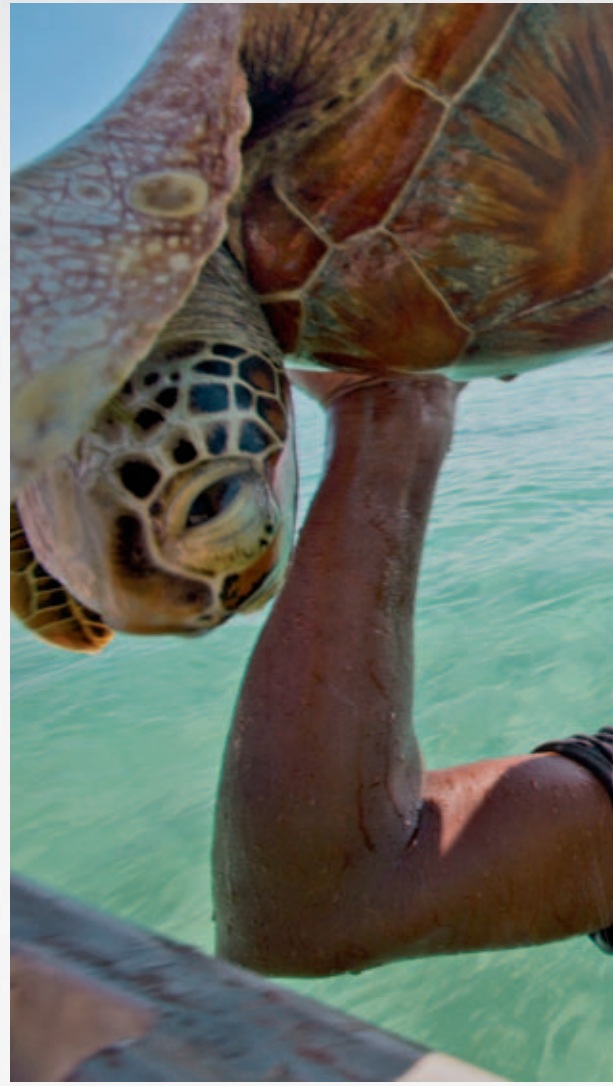


A photograph of a person's legs and hands holding a flashlight on a rocky shore at night. The flashlight beam illuminates the ground. In the background, another person's silhouette is visible, also holding a flashlight. The scene is dark with blue and yellow light tones.

# TES

What motivates someone to take action, to change or to sacrifice is manifold. But stories abound about people choosing to make change in response to nature's vulnerability and its strength. Every day, men and women, young and old, are motivated to save a forest, help perpetuate a species or ecosystem, or volunteer with others to strengthen a community's natural bounty.









**Dickson Motui**  
Arnavon Islands, Solomon Islands

"Our ancestors taught us how to hunt turtles, but they don't tell us about other information science has provided. I do this work to revive and conserve the traditional knowledge about turtles that my ancestors know. People who know how to catch turtles and know about turtles are highly respected in our community, so I wanted to acquire that knowledge.

Turtle is one of our main meats during festival days but it is an endangered species. I wanted to contribute to help keep the turtles to sustain the use of turtle meat in our traditional festivals. Conserving them is important because they are part of the food chain and keep the balance in certain ecosystems.

We used to work with scientists to collect turtle data but now we can do it ourselves without relying on outside scientists. I am happy to do work scientists usually do and to learn about new things every day."

.....  
Dickson Motui is one of several local conservation officers who help protect the nesting grounds of hawksbill and green sea turtles in the Arnavon Islands. Since the inception of the Arnavons Community Marine Conservation Area with help from the Conservancy in 1995, the number of hawksbill sea turtle nests has doubled.



Clockwise from top left: Observing a tagged hawksbill sea turtle laying eggs on the beach; Dickson Motui captures a turtle to tag and release; Baby turtles head toward the sea; Searching for turtles in shallow waters.



NATURE MOTIVATES **AMBITIONS**



Orlando Harvey.

**Orlando Harvey**  
Union Island, St. Vincent and the Grenadines

“My dad is a fisherman and I actually wanted to be a fisherman myself. But my mom pointed out that every year the amount and size of fish he was catching was getting smaller and smaller and asked, ‘Why don’t you go into a field that would help replenish some of those fish?’ I started channeling my energy into biology and the sciences.

I love the marine environment, I love the sea. I try to spend as much time in the ocean as possible. I’ll just put on my scuba tank and just go and look at stuff.

The people of the Grenadines depend a lot on the natural resources of the marine environment for their livelihoods. If we didn’t have marine parks or any marine conservation, we’d see a drastic reduction in the amount of biodiversity that we have. Our work benefits the people of the Grenadine Islands in that we provide a place where natural resources are allowed to flourish.”

.....  
Orlando Harvey is a marine biologist and the manager for Sandy Island Oyster Bed Marine Protected Area, Carriacou, Grenada. The Conservancy works closely with local organizations and communities to reduce fishing pressure on coral reefs, set up marine protected areas and plan for future use of their marine resources.

Brigid Berger volunteers at Pelican Point in Alabama.







## Brigid Berger

Houston, Texas

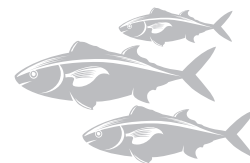
"I've been volunteering with The Nature Conservancy since 1999. They are a great organization because they take land and protect it for wildlife. We need to reserve some land that is pristine for the environment so that those systems continue, and it benefits us. It'll come back to us.

You only have one life, right? I'm a critical care nurse and I see people at the end of their lives, and you ask yourself: What did I live my life for? As a young woman I started asking those questions. You're either a giver or a taker. And I want to be a giver—it just feels better! And hopefully I'm contributing something positive to the planet and the people on the planet."

### Projections for oyster restoration projects in the Gulf of Mexico



**3.6 miles**  
of oyster restoration



**6,900 pounds/year**  
additional fish and crab catch



**\$38,000-\$46,000/year**  
economic value

\* Source information p. 60

Brigid Berger is a volunteer coordinator at the Mad Island Marsh Preserve in Texas. She joined more than 800 volunteers in Mobile Bay, Ala., who used interlocking concrete bricks to form reefs that will protect 329 feet of natural shorelines and dunes.









**Sam Wung**  
East Kalimantan, Indonesia

“The land use of the forest started to change after [the government’s initiative to move people from densely populated areas of the country to less populous areas]. The presence of palm oil plantations makes things even worse here. Now our water is polluted. It’s hard now to find good water resources. The palm oil plantations also limit our land.

Back then the forest was much closer to our village. It’s a big loss as it’s where we used to source our ritual objects and traditional medicines. Now we need more time and effort to hunt and to find good rattan.

So we decided to keep Wehea Forest and save it for our future. I became a member of *Petkuq Mehuey* to protect our forest. I and all Wehean people hope that we can save our water springs and forests for generations to come.”

**Oil palm plantations in Indonesia**



**2011: 19.2 million acres**



**2020: 29.2 million acres**

\* Source information p. 60

Sam Wung is one of 40 members of *Petkuq Mehuey* (or forest guardians) who spend up to a month at a time patrolling the Wehea Forest. Working with the Conservancy and local government, local Dayak communities declared the Wehea Forest—nearly 55,000 acres—protected under customary law. The forest is not only a source of livelihoods for the local Dayak people, it is an important refuge for highly endangered orangutans and a critical component in the Conservancy’s global strategy to combat climate change.

Sam Wung wears a traditional *wehjang* vest, which is made of tree bark, and a *tepa* hat, made of rattan.



# NATURE SECUR



# ES

Nature can be brutal. Wildlife competes against human encroachment in harsh conditions. Meanwhile, more frequent storms and fires are wreaking havoc around the world. But nature itself can be a source of security against these extreme events. Coastal dunes and vegetation can effectively buffer communities from the worst ravages of storms, while managed forests that mimic natural density are less likely to burn out of control. And the benefits of wildlife can produce security for people as well.

A herd of wild elephants in northern Kenya.





**Ester Leakono**  
Sereolipi, Kenya

“Before our conservancy was started, we were people on the run. We even slept with our shoes on to make a quick getaway if bandits attacked at night. Now we are very happy since the conservancy has provided security. Our animals graze and our children play without fear. We sleep in our homes in peace and wake up happily in the mornings.

We are thankful for the tourists who visit us here, for it is they who pay the scouts who protect wild animals. If not for them and the people who opened the lodge, it would still be as it was in the past. Before, we did not recognize that wild animals bring benefits. Both the wild animals and our domesticated livestock bring equal benefits. Maybe those in the wild have even more importance, since they bring more jobs for our people and education for our children.”

.....  
Ester Leakono lives in Sereolipi village in northern Kenya. Her community formed the Sera Conservancy, associated with the Northern Rangelands Trust (NRT), a Nature Conservancy partner that trains and equips security patrols to thwart wildlife poaching and helps provide support for human services in exchange for the community’s commitment to conservation. Among the enterprises NRT helped develop are community-owned ecotourism lodges that provide jobs for local people and income for education and health services. The Nature Conservancy provides the science and management training that enables these community conservancies to be successful.



Clockwise from top left: Ester Leakono; A ranger sleeps with a captive-bred rhinoceros he is helping to raise and protect; A community school funded through ecotourism enterprises; NRT-trained rangers guard against wildlife poaching and banditry; Wild elephants drink at community-owned Sarara lodge.





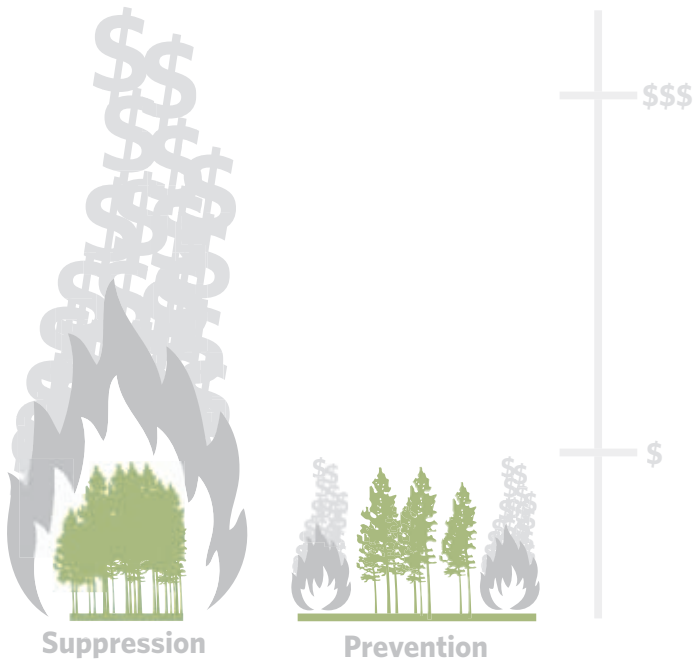


**Gary Fanning**  
Alpine, Arizona

“We retired in 1998 and were looking for a cabin site. When it came to Alpine, we said: ‘This is it.’ I like the beauty of the area and I do a lot of hiking. My grandkids have a lot of fun up here.

We came back about 10 days after the Wallow Fire and didn’t know what to expect. I was quite surprised that the town proper was still green and you didn’t see a lot of burnt stuff, but all the mountains surrounding the town looked terrible. That was devastating to me, but my property was fine. I was so happy that it survived; I just can’t explain it. It was a wonderful feeling, to say the least.

I think the White Mountain Stewardship Program was vital in [creating a] barrier to the fire proceeding on down that mountain and right into the community. Because of that, I am convinced that it saved my property and the other properties all throughout Alpine.”



**Extinguishing a megafire can cost three and a half times more than preventive treatment measures**

\* Source information p. 60

.....  
Gary Fanning is a homeowner in the White Mountains of Arizona, where the 2011 Wallow Fire burned more than 500,000 acres and cost more than \$100 million to fight. Decades of suppressing fires have created overgrown forests that, exacerbated by drought, have spurred more intense and damaging megafires. The Conservancy is a partner in the White Mountain Stewardship Project, which has thinned trees on about 50,000 acres and is credited with protecting Alpine and other communities from the Wallow Fire.







Angela Andersen on the beach six months after Hurricane Sandy.

**Angela Andersen**  
Long Beach Township, New Jersey

“My family’s summer home is oceanfront and it’s been there for 44 years. It has historically been one of the homes that doesn’t have the best dune system in front of it. But what was in front of it when the storm was coming was not a sufficient enough barrier to protect it against the force of [Hurricane] Sandy.

Every bit of the dune system was destroyed and completely flattened, 50 feet of road was chewed away, and the entire underside of the house was washed out.

I don’t worry that the cataclysmic number of events that came together on October 29 are going to happen all together again at the same time in my lifetime. But I do know that we don’t need something that catastrophic, because we are a wide-open sore now. So we have to take that very seriously and do what needs to happen to get our beaches strong, our dune systems built up, and our vegetation integrated, and we really need to take that very seriously.”

---

Angela Andersen is the Long Beach Township recycling coordinator and clean communities coordinator and a year-round resident of North Beach Haven. Dune systems and beach replenishment played a large role in which areas along Long Beach Island, N.J., experienced more damage from Hurricane Sandy. The beach replenishment and dune restoration at the Conservancy’s South Cape May Meadows Preserve could serve as a model for protecting beachfront communities.

Gary Fanning holds a photo of the 2011 Wallow Fire.



NATURE SECURES **LIVELIHOODS**







**Melvin Chirino Flores**  
 Salto de Agua, Chiapas, Mexico

“We have been cattle farmers for 44 years. We used to handle the cattle in a very old and rustic way. The Nature Conservancy and the CONANP [Mexico’s Commission for Natural Protected Areas] gave us some suggestions and techniques, and there have been many benefits. For example, in drought seasons, cows were dying. But now, with the techniques we have learned, the cows eat better, produce better milk and are fatter.

When the terrain was clear, the animals were not eating; they were looking for the shade of the trees. Now there are many trees, and they are experiencing less heat and less hunger.

The rotation of the cattle is less expensive. We can tell when we milk the cattle that they give a better production and [that results in] more money. Now, if we cut one tree, we plant 10. There is a benefit to the economy and to the environment through the reforestation.”

.....  
 In Chiapas, Mexico, longer dry seasons and shorter, more intense rainy seasons are causing pasture production to decline and more severe floods and landslides. The Conservancy and local partners are working with farmers like Melvin Flores to plant trees in their pastures, creating healthier grass and more shade for cattle, leading to higher milk production. The trees also ensure that more water can filter into the ground, which help prevent flooding and catastrophic landslides.



Clockwise from top left: Forestry workers from the local ejido community plant pine trees at a community managed reforestation project initiative in Chiapas, Mexico; Melvin Flores milks a cow on his farm; Fresh milk will be processed and sold as cheese; Forest of the Sierra Madre watershed in Chiapas, Mexico; Cows graze under shade.



# NATURE EDUC





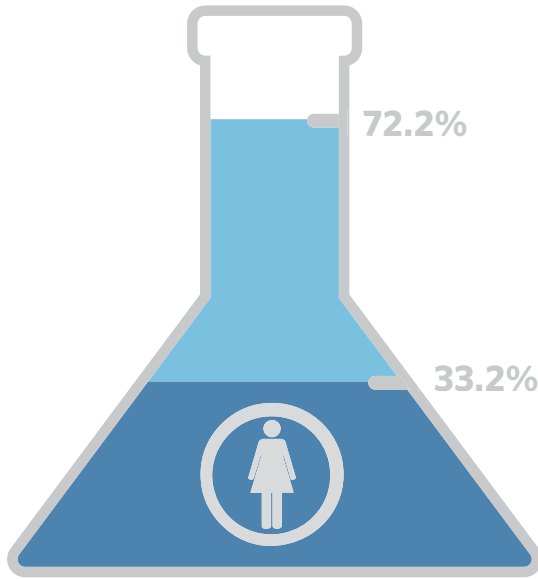
# ATES

The world's increasingly urban population is ever more removed from nature. But nature has lessons to teach us all. Immersion in the natural world can demonstrate our interdependence and inspire a lifelong relationship. For some, the lessons of nature inspire careers; for others, learning from nature enhances traditions, empowers individuals and promotes community.



LEAF intern Janina Georges works in the lab at the University of Rhode Island.





**72.2%**

LEAF alumnae survey respondents majored in a STEM (Science, Technology, Engineering, Mathematics) field.

**33.2%**

Female college graduates nationwide major in a STEM field.

### LEAF by the Numbers

**120**  
LEAF interns in 2013

**25**  
environmental high school partners

**27**  
states hosted interns

**4**  
week internships

**19th**  
year of the program

**96%**  
surveyed LEAF alumni went directly to college

\* Source information p. 60



Top: Hannah Jaris studies oyster genetics on the University of Rhode Island campus.





## Hannah Jaris

New York City

“Ten years ago I did the LEAF [Leaders in Environmental Action for the Future] program in Martha’s Vineyard—it’s where I first realized I had an interest in environmental science. LEAF is the reason why I am pursuing a career in environmental science. It opened the doors to something I just didn’t know existed.

Now I’m back with The Nature Conservancy as a GLOBE [Growing Leaders On Behalf of the Environment] intern where I get to do the genetics, do the conservation, and get to work with the next generation of scientists from my own high school.

It’s important for me to engage the girls to reaffirm that this is a valuable experience for them that could lead them down an interesting career path. I hope they realize that anyone can be a scientist.

I hope that by telling my story to these girls ... that I am that role model for these girls that they are looking for. I want them to know women like me are out there and want to help.”



## Maylani Velazquez

New Haven, Connecticut

“I love science, especially marine science. I like the water, I like to be in it, I like to learn about it.

I don’t call going out into the field ‘science,’ I call that ‘fun.’ I really like it. I don’t see it as science—I see it as a learning experience and fun for me.

I want to go into marine biology. LEAF has given me a leg up, especially in the way restoration ties into marine biology. LEAF is just a really good experience.”

---

Hannah Jaris participated in the LEAF program in 2003 and now holds an undergraduate degree in molecular biology and environmental science and policy from Smith College. She is pursuing a master’s in conservation biology at Columbia University and spent the summer as an intern with the Conservancy in Rhode Island. Maylani Velazquez was a 2013 LEAF intern working on coastal restoration projects with the Conservancy in Rhode Island. She attends The Sound School in New Haven, Conn.

Bottom: Maylani Velazquez agitates oyster baskets in the Ninigret Pond oyster farm area.









## Jorge Paulo Lemann

São Paulo, Brazil

“Brazil is my home. It’s a country very rich in natural resources, so there were always a lot of trees, a lot of water, a lot of animals everywhere I was. I wasn’t really conscious that some of these things might not be around later on if one didn’t take care of them. I traveled around and saw what happened to places where civilization had exaggerated its use of all these natural resources and how some of these things disappeared.

Joining the Latin America Conservation Council was a way of informing myself a bit better of how you can save these natural resources, how you can make better use of them, and how you can educate others so that they’re very conscious of how important it is.”

.....  
Jorge Paulo Lemann is a board member for Anheuser-Busch InBev and a member of the Latin America Conservation Council, an unprecedented group of global leaders working with the Conservancy for solutions to three of Latin America’s greatest challenges—water security, sustainable food security and smart infrastructure—to benefit both people and nature.

Jorge Paulo Lemann at Iguazu National Park, Brazil.





Li Jialin on his trip to China's Yunnan province.

## Li Jialin

Chengdu, China

"The golden monkey in Yunnan is a precious species. Places suitable for them to live are getting less and less. I didn't know much about it, but while patrolling the mountain with Mr. Zhang, I learned a lot.

He lived all by himself at the foot of the Laojun Mountain for decades to protect that forest and golden monkeys there. Although the strength from this one person may not be much, he persisted for all these years. For this, I admire him.

I hope more people can go out of the city like me and walk into the arms of nature. We can devote our pygmy efforts and try our best in improving the environment. The strength from a single person is weak, but the combined strength can be enormous."

---

Li Jialin (Jared) is a university student in Chengdu, the capital of China's Sichuan province and home to more than 14 million people. Jared was one of three lucky city-dwellers who were chosen through a contest on the Conservancy's Weibo microblog to travel to Conservancy project sites in China. As the world's population continues to migrate to urban centers, it's more important than ever to help connect young people to nature.







**Bryan Schrage**  
Alexandria, Virginia

“When I was 11, for my birthday I held a fundraiser and donated the money to The Nature Conservancy to help save the coral reefs. I’m really glad that I raised money instead of getting presents because if I didn’t, I wouldn’t have the opportunity of saving part of the world.

I don’t really miss the presents because it’s not very important to me. I think nature is more important to everyone than they really realize. [Getting my friends and family involved] felt good. It made me feel like I was saving part of the world that needed help.

Nature inspires me because there is so much more to see and so much more to learn. I go out fishing with my dad a lot, and every time we see something that we’ve never seen before. Other kids have never seen bald eagles—two bald eagles at once even!—and I see that all the time now.”

.....  
Inspired by a trip with his grandparents to the Bahamas, Bryan Schrage, now 14, raised \$1,066 for coral reef conservation at his 11th birthday party fundraiser.

Bryan Schrage  
enjoys the outdoors.





# NATURE RESTO



A photograph of a sheep with thick, grey wool looking over a metal fence. The sheep is in the foreground, looking directly at the camera. The background shows a bright blue sky with scattered white clouds. The fence is made of metal rails and runs diagonally across the frame.

# RES

Nature is surprisingly resilient. Given the right circumstances—and with our help—nature can rebound from neglect and abuse. Increasingly, conservation focuses as much on restoring the damaged as protecting the pristine. Making nature’s systems whole again is insurance for the diversity of life. In return, the restorative power of nature can also heal people, economies and cultures.

Edwardo Halliday, owner of Estancia Los Pozos, handles lambs in the corrals during early summer lamb sorting, Argentina









## Ricardo Fenton

Estancia Monte Dinero, Argentina

“My family has been on this land, grazing sheep, since 1886. We live on the last farm on the American continent with the Straits of Magellan on one side and the Atlantic Coast on the other. With holistic management, we are working to have a totally functional grassland that can support large numbers of sheep and wildlife.

This project is very exciting because it takes sheep, which in continuous grazing were having a very bad effect on the grasslands, to become a tool to regenerate them. The bottom line is we are breeding easy-care sheep, the way nature wants them, that produce very high-quality wool that’s very much like cashmere. The consumer who makes the decision to buy the product is having a direct influence on the regeneration of grasslands in Patagonia, and as this grows, in other areas as well.

Nature is incredibly good when you work with her.”

.....  
 Ricardo Fenton is a co-founder of Ovis XXI, a B corporation or class of business that meets rigorous standards of social and environmental performance, accountability and transparency. The company manages a network of ranchers in the Patagonia region of Argentina and Chile, where overgrazing is turning the region to desert. The leading ranchers of this network are adopting holistic management, which mimics the migrating grazing patterns of natural herbivores, and is proving to restore previously degraded land. They are also working with the Conservancy and the outdoors gear and clothing company Patagonia Inc. to empower farmers, establish standards and build markets for certified sustainable wool and other products.

Clockwise from top left: Early summer lamb sorting, Estancia Los Pozos, Argentina; Ricardo Fenton in his sheep-shearing barn; Grasslands in Los Pozos, Argentina; Lambs grazing on Estancia Punta Lagarda, Chile.



# NATURE RESTORES **TRADITIONS**



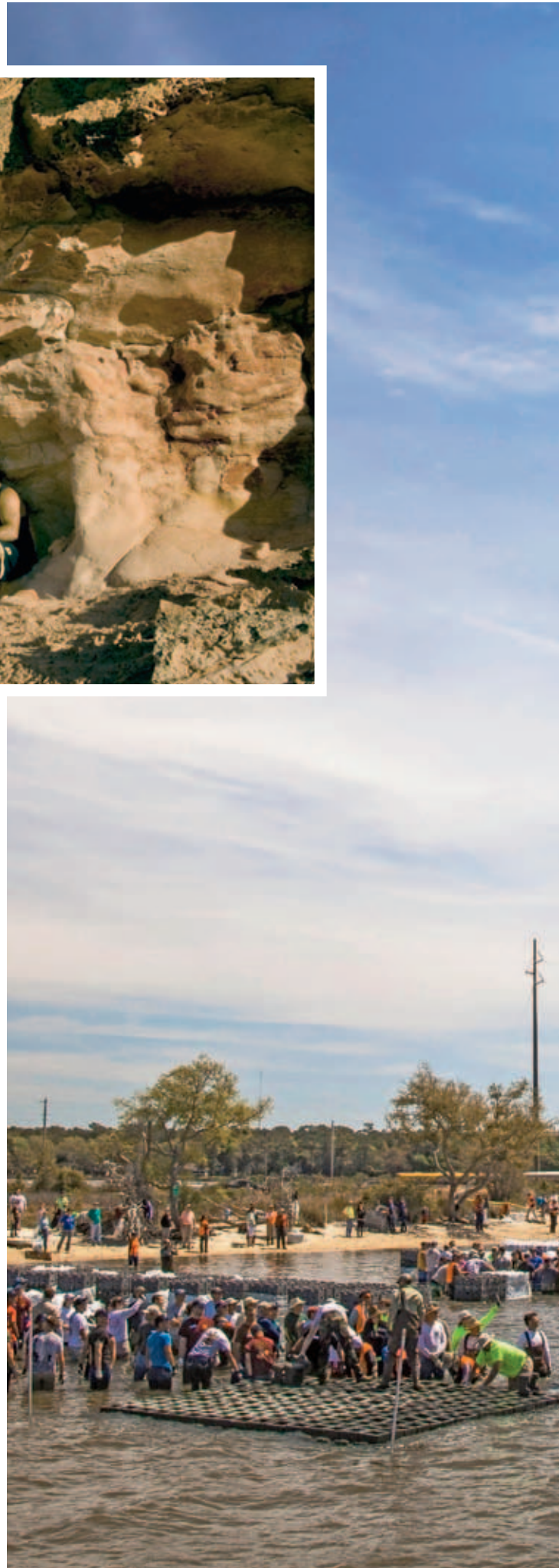
Main: Eugene Eades listens as a fellow Noongar play the didgeridoo; Inset: Eugene Eades.

## **Eugene Eades** Nowanup, Australia

“Nowanup is a special piece of landscape that goes back since time began. I was taken away from my family as a child, taken away from the land, and I came back with a weak spirit and loss of identity.

Later on, I got to understand what the ceremonies were about, doing the songs and dance, and smoking and cleansing. You learn about the plants and animals, and the waters, and the bush medicines. You learn about your spirituality, and your language, and your true identity as a Noongar person or Aboriginal person. This place has provided all these things to be learned. And they will continue to be learned and handed down to our Noongar people. Because it’s a part of us—we’re a part of it. It goes hand in hand.”

.....  
Eugene Eades is a Noongar leader and cultural facilitator at Nowanup in southwestern Australia. In 2006, the Conservancy worked with local conservation groups and the Noongar community to secure the 1,853-acre Nowanup property, where Noongar people are reviving their rich culture that is bound inextricably to nature.





## NATURE RESTORES **LOCAL ECONOMIES**



### **Chris Nelson**

**Bon Secour, Alabama**

“The Gulf of Mexico is a very beautiful body of water. It carries a lot of cache, particularly for the shrimp and oysters. It’s an area of production that people respect for the fact that it’s a clean and relatively pristine body of water, so it’s important to me that it stays that way.

I’m fourth-generation in the business—it’s a nice legacy to be a part of. I have two children who could one day become the fifth generation in the business, and I would like to leave them a healthy environment.

I think that we can, with the proper management and environmental restoration, maintain water quality, maintain the quality of life here and maintain the way things look. But my main concern is to be able to have access to the water and the resources, and that they be maintained at a level that will support our business.”

---

Chris Nelson is vice president of Bon Secour Fisheries, which employs about 100 people in Alabama and processes fresh shrimp and oysters from the Gulf of Mexico. The Conservancy has been working to restore and protect the vital ecological resources in the Gulf for more than 35 years.

Main: Volunteers building oyster castles at Pelican Point in Alabama; Inset: Chris Nelson.



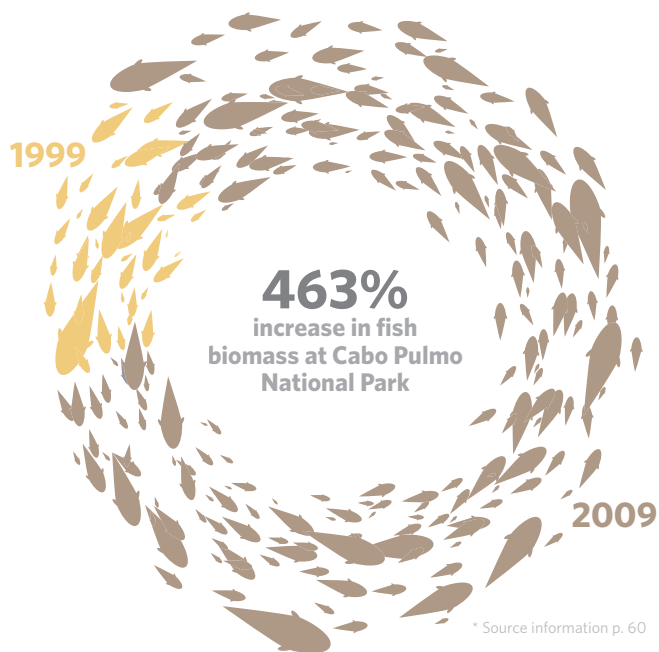
## Judith Castro

Cabo Pulmo, Mexico

“Cabo Pulmo was dedicated to commercial fishing, but we were also predators because there was no control of fishing. Each time you had to spend more time at sea and you would still return with fewer fish. I suffered a lot waiting on the beach for my dad and to see him return tired, thirsty, hungry and without a fish.”

At the same time, students [from Universidad Autónoma de Baja California Sur La Paz] began to explain the importance of the reef. After 10 years, we decided to bet on change and decided to stop fishing and start conserving the Cabo Pulmo reef.

The reef conservation has been the best thing that happened to my family. I can see the change—I’m not on the edge of the beach waiting for my father and my brothers to come back tired.”



Judith Castro is the president of the local conservation group Amigos para la Conservación de Cabo Pulmo. The Castro family was instrumental in declaring the national marine park in 1995, and the community now focuses on ecotourism. Judith was one of 13 mentors who participated in a three-year program led by the Conservancy, WWF, NOAA, FMCN and CONANP to increase the capacity of park managers and other key stakeholders to manage the region’s marine protected areas.



Clockwise from top left: Judith Castro and her son, Yerrick; David Castro observes a group of jacks in the Cabo Pulmo national marine park; A view of Cabo Pulmo; Juan Castro and Dulce Acuña own one of several ecotourism businesses in Cabo Pulmo.







# Financial Overview

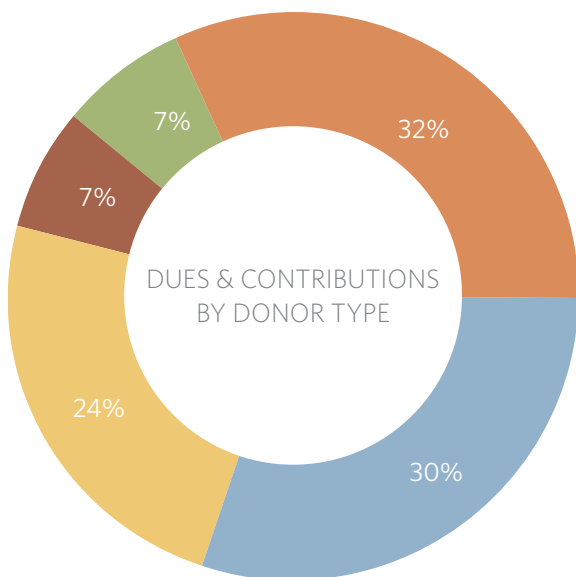
FY13 represented the fourth year of positive financial growth in Conservancy operations following the global financial crisis in FY09. Overall support and revenue grew significantly because of solid investment results, while the apparent decrease in dues and contributions was entirely attributable to contributed (i.e., non-cash) services. Fewer government grants, mostly related to decreased land acquisition, accounted for the decline in government funding in FY13. Programmatic efficiency remained strong at 71.5 percent, and the increase in fundraising costs reflects the implementation of planned strategies to expand and diversify sources of funding for the Conservancy, such as international membership programs.

Operationally, the Conservancy grew 3 percent and achieved an operating fund surplus. Fundraising to support operating activities topped \$200 million for the second consecutive year, and increased 5 percent from the previous year's record total. Of particular note, fundraising to support new science program initiatives increased threefold from the prior year.

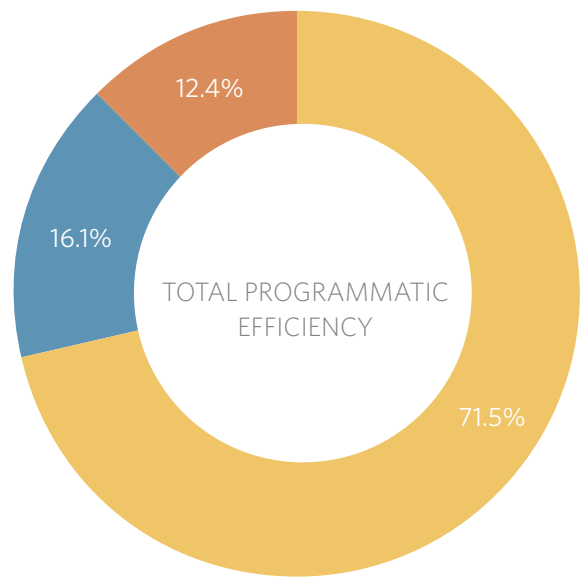
The financial results depicted on page 59 are derived from the Conservancy's audited June 30, 2013, consolidated financial statements, which contain an unqualified audit opinion. The Conservancy's complete, audited financial statements can be obtained online at [nature.org/annualreport](http://nature.org/annualreport) or by calling (800) 628-6860.



**Stephen C. Howell**  
Chief Financial and Administrative Officer



- Foundations
- Corporations
- Other Organizations
- Bequests
- Individuals



- Fundraising & Membership
- General & Administration
- Program



# Financial Summary

		For the fiscal years ending on June 30, 2013 and 2012 (in thousands)	
		2013	2012
<b>Support &amp; Revenue</b>	Dues and contributions	439,052	521,865
	Government grants	120,717	158,004
	Investment income	116,725	(37,072)
	Other income	90,663	27,392
	Land sales and gifts	182,014	200,945
	<b>Total Support &amp; Revenue</b>	<b>949,171</b>	<b>871,134</b>
<b>Expenses &amp; Purchases of Conservation Land &amp; Easements</b>	Conservation activities and actions	398,890	468,835
	Purchases of conservation land and easements	113,970	152,738
	<b>Total Conservation Program Expenses &amp; Purchases of Conservation Land &amp; Easements</b>	<b>512,860</b>	<b>621,573</b>
	General and administrative	115,448	110,674
	Fundraising	66,910	63,690
	Membership	22,101	21,319
	<b>Total Administration &amp; Fundraising</b>	<b>204,459</b>	<b>195,683</b>
	<b>Total Expenses &amp; Purchases of Conservation Land &amp; Easements</b>	<b>717,319</b>	<b>817,256</b>
	<b>Net Result: Support &amp; Revenue Over Expenses &amp; Purchases of Conservation Land &amp; Easements (note 1)</b>	<b>231,852</b>	<b>53,878</b>
	<b>Fundraising Summary</b>	Fundraising expenses as a percentage of total expenses and purchases of conservation land and easements	9.3%
<b>Asset, Liability &amp; Net Asset Summary</b>	Conservation land	1,865,034	1,923,426
	Conservation easements	1,866,197	1,789,779
	Investments held for conservation projects	644,254	628,666
	Endowment investments	995,846	950,230
	Planned giving investments	286,263	272,493
	Property and equipment (net of depreciation)	105,317	105,541
	Other assets (note 2)	420,406	351,780
	<b>Total Assets</b>	<b>6,183,317</b>	<b>6,021,915</b>
	Accounts payable and accrued liabilities	100,801	120,587
	Notes payable	376,346	389,040
Other liabilities (note 3)	285,119	275,748	
<b>Total net assets</b>	<b>5,421,051</b>	<b>5,236,540</b>	
<b>Total Liabilities &amp; Net Assets</b>	<b>6,183,317</b>	<b>6,021,915</b>	

(1) Not intended to represent increase in net assets.

(2) Primarily includes cash, pledges of future gifts, collateral received under securities lending agreement, notes receivable, and deposits on land and other assets.

(3) Primarily includes deferred revenue, payable under securities lending agreement, planned giving liability, and other liabilities.

Note: The figures that appear in the financial summary shown are derived from the 2013 & 2012 consolidated financial statements that have been audited and have received an unqualified opinion. The complete, audited 2013 & 2012 financial statements for The Nature Conservancy can be seen at [nature.org/annualreport](http://nature.org/annualreport), or can be ordered from The Nature Conservancy at (800) 628-6860.



# Board of Directors of The Nature Conservancy

## Board Chairman

**Craig O. McCaw**  
Chairman and CEO  
Eagle River Inc.  
Santa Barbara, California

## President and Chief Executive Officer

**Mark R. Tercek**  
The Nature Conservancy  
Arlington, Virginia

## Vice Chairman

**James E. Rogers**  
Chairman, President and CEO  
Duke Energy  
Charlotte, North Carolina

## Treasurer

**Muneer A. Satter**  
Chairman  
Satter Investment Management, LLC  
Chicago, Illinois

## Secretary

**Frank E. Loy**  
Former Undersecretary of State for  
Global Affairs  
United States Government  
Washington, D.C.

## Teresa Beck

Former President  
American Stores Company  
Salt Lake City, Utah

## David Blood

Senior Partner  
Generation Investment Management  
London, U.K.

## Shona L. Brown

Googler Emeritus, Google Inc.  
Palo Alto, California

## Gretchen C. Daily \*

Professor, Department of Biological  
Sciences  
Stanford University  
Stanford, California

## Steven A. Denning

Chairman  
General Atlantic LLC  
Greenwich, Connecticut

## Joseph H. Gleberman

Advisory Director  
Goldman Sachs & Co.  
New York, New York

## Jeremy Grantham

Co-founder and Chief Investment  
Strategist  
Grantham, Mayo, Van Otterloo & Co.  
(GMO)  
Boston, Massachusetts

## Jack Ma

Lead Founder, Chairman and CEO  
Alibaba Group  
Hangzhou, China

## Claudia Madrazo

Conservationist and Artist  
Mexico City, Mexico

## Thomas J. Meredith

Co-Founder and General Partner  
Meritage Capital  
Austin, Texas

## Thomas S. Middleton

Senior Managing Director  
Blackstone Group  
New York, New York

## Ana M. Parma

Research Scientist  
Centro Nacional Patagónico, CONICET  
Puerto Madryn, Argentina

## Stephen Polasky

Professor of Ecological/Environmental  
Economics  
University of Minnesota  
St. Paul, Minnesota

## Thomas J. Tierney

Chairman and Co-Founder  
The Bridgespan Group Inc.  
Boston, Massachusetts

## Moses K. Tsang

Executive Chairman  
AP Capital Holdings Inc.  
Hong Kong

## Frances A. Ulmer

Chair  
U.S. Arctic Research Commission  
Anchorage, Alaska

## P. Roy Vagelos

Retired Chairman & CEO  
Merck & Co. Inc.  
Whitehouse Station, New Jersey

## Margaret C. Whitman \*

President and CEO  
Hewlett-Packard Co.  
Palo Alto, California

\* Currently on a leave of absence.

## Infographic Source Information

Page 17: Central Valley Joint Venture, 2006. *Central Valley Joint Venture Implementation Plan – Conserving Bird Habitat*. U.S. Fish and Wildlife Service, Sacramento, CA. Page 18: “¿Qué Es Un Fondo De Agua?” *Fondos De Agua*. Web. 04 Nov. 2013. Page 24: The Nature Conservancy, *Good Agricultural Practices and Socio-Economic Certification in Brazil*, 2nd Edition. ISBN: 978-85-60797-13-4. Page 31: Timm Kroeger, Ph.D., *Dollars and Sense: Economic Benefits and Impacts from Two Oyster Reef Restoration Projects in the Northern Gulf of Mexico*, May 2012. Web. Page 33: “Indonesia World Leader in Palm Oil Production.” Center for International Forestry Research. Web. 08 July 2013. Page 38: Lippke, B, Mason L, Oneil E. (July 2007) Discussion Paper 10 (DP10): *Benefits/Avoided Costs of Reducing Fire Risk on Eastside*, Future of Washington’s Forest and Forest Industries Study. Page 44: US Census Bureau, Survey of Income and Program Participation, 2004 Panel, TABLE 3C. Zaradic, Patricia, and Oliver Pergams. *The Nature Conservancy’s Long-Term LEAF Program Evaluation 2011*. Page 56: Aburto-Oropeza O, Erisman B, Galland GR, Mascareñas-Osorio I, Sala E, et al. (2011) *Large Recovery of Fish Biomass in a No-Take Marine Reserve*. PLoS ONE 6(8): e23601. doi:10.1371/journal.pone.0023601.

## Photo Credits

Cover: Nick Hall; Inside cover: Scott Warren; Pg 1: Dave Lauridsen; Pg 2-3: (L-R) Bridget Besaw, Zhang Ming, Blake Gordan Photography, Kenneth K. Cole, Ted Wood; Pg 4-5: (L-R) Paul Smith, Karine Aigner, Robert Clontz/TNC, Bob Lalasz/TNC, Bridget Besaw; Pg 6-7 (L-R): Mark Godfrey/TNC, Fredy Gomez Suescun, Erika Nortemann/TNC, Courtesy of The Virgin Group; Pg 8-9: Nick Hall; Pg 12-15: Erika Nortemann/TNC; Pg 16-17: (top left) Chuq Von Rospach; (top middle, top right, bottom left) Jennifer Davidson/Tandem Stills + Motion; (bottom right) Erika Nortemann/TNC; Pg 18-19: (Clockwise from top left) Ethan Kearns/TNC, Erika Nortemann/TNC; Jaime Camacho/TNC; Jaime Camacho/TNC; Pg 20-23: Nick Hall; Pg 24: Rui Rezende; Pg 25: Courtesy of La Santa Cecilia; Pg 26-29: Bridget Besaw; Pg 30: Tracy Ko; Pg 31: Erika Nortemann/TNC; Pg 32-33: Nick Hall; Pg 34-35: Ami Vitale; Pg 36-37: (top left) Ron Geatz/TNC, (top middle, top right, bottom right): Ami Vitale, (bottom left) Suzi Eszterhas; Pg 38: Chris Crisman; Pg 39: Jane Prince/TNC; Pg 40: (top left, bottom middle) Mark Godfrey/TNC, (top right, bottom left and right) Tracy Ko; Pg 42-45: Heather Perry; Pg 46 (main) Scott Warren, (inset) Erika Nortemann/TNC; Pg 48: Good Morning Beautiful Films; Pg 49: Erika Nortemann/TNC; Pg 50-53: Nick Hall; Pg 54: (main) Ami Vitale, (inset) Jane Prince/TNC; Pg 55: Erika Nortemann/TNC; Pg 56-57: Carlos Aguilera; Pg 61: Nick Hall.



## The Nature Conservancy Leadership Team

### **Mark Tercek**

President and  
Chief Executive Officer

### **Rebecca Bowen**

Principal Development Officer

### **Mark Burget**

Executive Vice President  
and North America  
Managing Director

### **William Ginn**

Executive Vice President,  
Conservation Initiatives

### **Wisla Heneghan**

General Counsel

### **Stephen Howell**

Chief Financial and  
Administrative Officer

### **Peter Kareiva**

Chief Scientist

### **Brian McPeck**

Chief Operating Officer

### **Catherine Nardone**

Chief Development Officer

### **Glenn Prickett**

Chief External Affairs Officer

### **Angela Sosdian**

Director of Philanthropy  
for Gift Planning

### **Janine Wilkin**

Chief of Staff

### **Peter Wheeler**

Executive Vice President

## Contributors

### **Concept & Editorial**

Ron Geatz  
Ethan Kearns  
Margaret Southern

### **Photo Services**

Mark Godfrey  
Erika Nortemann

### **Design & Illustration**

Amanda Davies

### **Production**

James D. King  
Jay Sullivan

### **Copy Review**

Sonya Harmon  
Michael Keevican

### **Spanish Translation**

Claudia Caicedo-Nunez

### **Spanish Layout**

Hanna Design

### **Printing**

Monroe Litho

### **Contributors**

Matthew Barrett  
Chris Broda-Bahm  
Mary Conti  
Sherry Crawley  
Collin Gereniu  
Christine Griffiths  
CJ Hudlow  
Tana Kappel  
Vivian Llodra  
Mariana Marquez Castillo  
Fakhrizal Nashr  
Patagonia Inc.  
Jane Prince  
Taylor Rees  
Jorge Ribas  
Travis Rummel  
Curtis Runyan  
Melissa Ryan  
Students of the World  
Tri Soekirman  
Dustin Solberg  
Ayla Tiago  
Xing Ying



To learn more about the Conservancy's  
work in more than 35 countries, including  
all 50 of the United States, visit

**NATURE.ORG**

The Nature  
Conservancy 

Protecting nature. Preserving life.®

Worldwide Office  
4245 N. Fairfax Drive, Suite 100  
Arlington, Virginia 22203-1606

[nature.org](http://nature.org)

Printed by Monroe Litho

Printed on Forest Stewardship Council™-certified  
Sappi McCoy Matte 10% PCW, produced with  
100% Green-e certified renewable energy.  
The use of this recycled paper is consistent  
with The Nature Conservancy's mission.