



Ceres Sustainability Report 2006



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MESSAGE FROM CERES PRESIDENT

Connect. Lead. Solve. Inform. Since 1989, Ceres has supported companies in balancing economic, environmental, and social performance through these four strategies. Ceres is about connecting investors, environmentalists, and companies in an effort to create smart business solutions for today's sustainability challenges.

This year, we are issuing our fourth sustainability report to evaluate our own 2006 performance. Our direct operational impacts continue to be energy use and emissions associated with staff travel and office occupancy, as well as resource utilization and waste associated with use of paper, office supplies and technology. Each year Ceres continues to grow, both in size and workload, and each year our environmental impact increases. In 2006, the emissions associated with our staff travel increased dramatically and our operational impacts continued to rise.

Ceres recognizes the great challenge that many businesses face as they work to grow the business, while also attempting to improve social and environmental impact. This dilemma is one that Ceres is working to take head on and you will see that for the first time, we have put in place targets and goals for 2007 and 2008. As a staff we will use these targets and goals as a road map to reducing our organizational impact and working towards continuous improvement. Through efficiency measures, behavioral changes, employee engagement, and improved accountability mechanisms we hope to see a steady decrease in our impact over the next several years.

While we work to reduce our emissions through efficiency measures and behavioral changes, we are also committed to remaining carbon neutral and again this year Ceres purchased offsets to neutralize the emissions associated with both our operations and major events.

Even though our environmental footprint is small, our impact on the world is much greater and Ceres is committed to leading by example. Ceres continues to produce sustainability reports for various reasons, including: to hold ourselves to the same standards that we set for Ceres network companies, gain experience to better understand the challenges and complexities involved with reporting, drive improvement of our own performance, support and engage Ceres staff, and demonstrate that reporting can be beneficial to all organizations, no matter their size or type.

Ceres is also working to refine a reporting model that can be used by other nonprofits and small businesses. This year, for the first time, Ceres is utilizing a web-based report. The web-based format not only lessens the report's impact on the environment by eliminating printing, but it also lends depth and detail by linking the report to the Ceres annual report, Ceres and Investor Network on Climate Risk web pages, as well as Ceres videos, blogs, and other communication mediums.

Ceres conducted a pre-publication review of this report with a team of stakeholders. We welcome additional feedback from all reviewers to help us improve our ongoing performance and future sustainability disclosure.

Mindy Lubber

WHO WE ARE

Ceres is a national network of investment funds, environmental organizations, and other public interest groups working to advance sustainability on the part of business. Ceres' strength is in its unique ability to bring stakeholders together to find positive solutions for complex environmental and social challenges. We work with leaders from diverse communities to discuss critical issues facing companies, society, and the environment. By leveraging the collective power of investors and other key stakeholders, Ceres has achieved dramatic results, among those Ceres:

- * Launched the Global Reporting Initiative (GRI), now the de-facto international standard (used by over 850 companies) for corporate reporting on environmental, social and economic performance.

- * Spearheaded dozens of breakthrough achievements with companies, through Ceres corporate program, such as Nike becoming the first global apparel company to disclose the names and locations of its 700-plus contract factories worldwide in 2005, Dell Computer agreeing in June 2006 to support national legislation to require electronic product recycling and "takeback" programs, and at the 2006 Ceres conference PG&E called for decisive action on global warming.

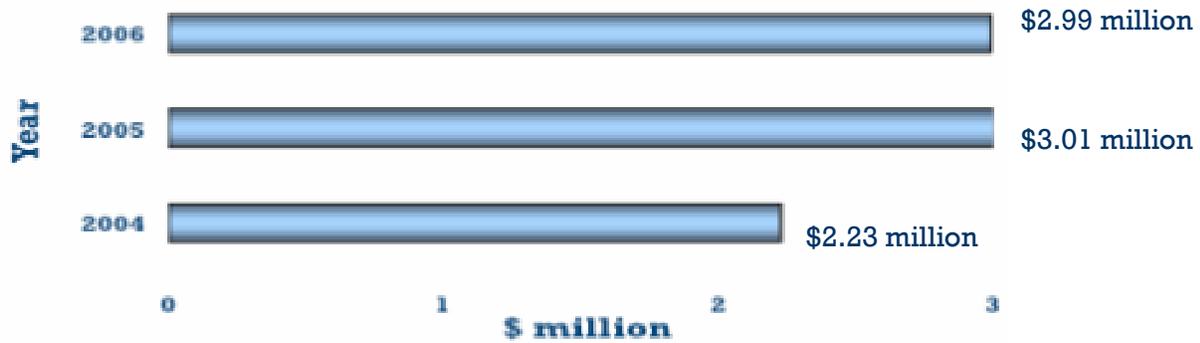
- * Launched and directs the Investor Network on Climate Risk (INCR), a group of more than 60 leading institutional investors with over \$4 trillion in collective assets. In 2006 INCR members invested more than \$1 billion in clean technology investments.

- * Published cutting-edge reports to help investors and companies better understand the implications of global warming. Among those, the report, *From Risk to Opportunity: How Insurers Can Proactively and Profitably Manage Climate Change, Corporate Governance and Climate Change: Making the Connection*, which analyzed how 100 of the world's largest companies are addressing the business challenges from climate change, and the *Global Framework on Climate Risk Disclosure*, which provides specific guidance to companies regarding the information they provide to investors on the financial risks posed by climate change.

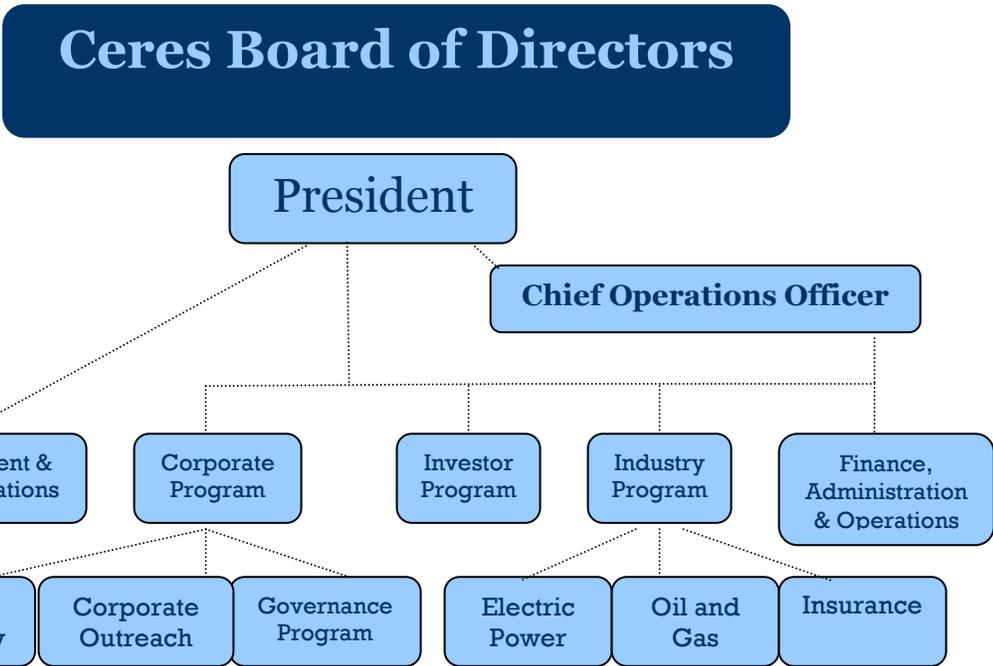
At year-end 2006, we had 114 environmental, investor, labor unions, and advocacy groups in our coalition and 70 companies in our network.

ORGANIZATIONAL PROFILE

Ceres Budget 2004-2006



Ceres Organizational Chart



	Number of Employees ¹	Office Space
2004	18	5,637 sq ft
2005	22	5,637 sq ft
2006	21	5,637 sq ft

¹ This number does not include seasonal interns or less than half-time contract employees.

CERES AND SUSTAINABILITY

Connect. Solve. Lead. Inform. The organizational DNA of Ceres is defined by these four strategies that serve to encourage the adoption of corporate and social responsibility into every corporation's culture. Each day the Ceres staff works to improve corporate transparency and action on sustainability, through education, partnerships, and engagement with companies, investors, and NGOs. Reporting is one way in which an organization can disclose its impact on society and the environment and discuss the work they are doing to mitigate that impact.

The Ceres Sustainability Report enables our organization to “walk the talk” and serve as a model for other 501 (c) (3) non-profit organizations and small businesses looking to improve their own transparency—illustrating that reporting can be a beneficial process for any organization, regardless of size or type. The process of evaluating our own organization's infrastructure drives the Ceres staff to improve our own performance and enables us to engage with stakeholders more effectively and from a position of understanding and experience.

SCOPE OF THIS REPORT

Ceres exists to promote and stimulate improved corporate environmental performance and advance sustainable governance practices. This, we would argue, is where our most significant – and most positive – impact lies. Working with companies and in many cases, their largest shareholders, we advocate for more sustainable corporate practices. We are exploring ways to measure the impacts of our programs and activities on Ceres companies and the broader marketplace. This report primarily addresses our internal operational performance.

We believe that the purpose of this report is not only to identify and discuss our biggest impacts, but also to illustrate how we are striving to continually improve our social and environmental practices. We want to illustrate that certain environmentally preferred behaviors are easy and cost effective to implement.

The focus of this report is on our performance during the calendar and fiscal year of 2006. This report uses normalized data to show a more accurate representation of our operational impacts. We have chosen to normalize all of the data by the number of employees. For the electricity use, we have also normalized by the square footage of our office space. When possible we have included trend data for three years and for all metrics that were developed in 2006 will be include trend data in future reports. For data prior to 2004, please see our previous sustainability reports.

Data collection can be a resource intensive process, thus Ceres has devised methods to streamline the process and utilize as many low cost strategies as possible. In 2005, Ceres created a data collection manual to formalize our system and maintain consistent methodologies. Ceres tasks a dedicated intern with the data collection and that person is managed by a Ceres staff member and is guided by the manual.

Finally, we continue to use a GRI Content Index to demonstrate coverage of our material impacts and promote standardized sustainability reporting. While we have reported on the indicators that we feel are most applicable to our greatest impacts, we hope to increase the number of indicators on which we report in the future. The Ceres Sustainability Report has been peer reviewed by our stakeholders prior to publication.

CERES INTERNAL POLICIES

ENVIRONMENTAL POLICY

Ceres has made efforts to manage our operations in a manner that minimizes negative impact on the environment. We began developing formal policies in 2001. The Ceres Principles are the foundation for the organization's management systems. Examples of how some of the Ceres Principles apply to our office operations are:

i. Energy Conservation

We will conserve energy and improve the energy efficiency of our internal operations and of the goods and services we sell. We will make every effort to use environmentally safe and sustainable energy sources.

ii. Risk Reduction

We will strive to minimize the environmental, health and safety risks to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies.

iii. Audits and Reports

We will conduct a regular self-evaluation of our progress in implementing these Principles. We will support the timely creation of generally accepted environmental audit procedures. We will regularly complete a sustainability report, which will be made available to the public.

2007 and 2008 GOAL

In 2007 Ceres will work to make internal environmental, social, and economic policies more accessible to staff, formalize policies on procurement, printing, and recycling, and train the staff on those policies.

SOCIAL AND ECONOMIC POLICY

Ceres maintains an Employee Manual and internal Code of Ethics that is intended to inform and ensure employee well being. The employee manual includes:

- Non-discrimination and harassment policies
- Personnel Administration Policies and Practices
- Wages and Salary
- Benefits Package
- Insurance Coverage
- Education/Training

The Ceres Employee Manual provides a framework for addressing most of the employee issues that arise, and states that “We [Ceres] believe in direct access to management. We are dedicated to making Ceres an organization where an employee can approach his or her manager, or any member of management, to discuss any problem or question. We expect employees to voice their opinions and contribute suggestions to improve the quality of the organization.”

KEY PERFORMANCE INDICATORS

The primary environmental, social and economic impacts associated with Ceres' operations arise from:

- Energy use within 5,637 square foot office
- Staff travel to and from off-site meetings and speaking engagements, including the annual Ceres Conference
- Staff commuting to and from the office
- Procurement, use, recycling and/or disposal of products such as paper, office supplies, and equipment

In preparation for 2007 and beyond, Ceres identified four main categories of key performance indicators including: Environment, Organizational Health and Well Being, Accountability and Employee Engagement, and Internal Policies. In 2006 Ceres created metrics and reporting methods for indicators within the Environmental and Organizational Health and Well Being categories (reporting for the Governance and Internal Policy categories will commence in 2007). The normalized data trends for each of Ceres environmental key performance indicators—energy use, staff commuting, and staff travel—can be found in greater detail throughout this report.

Throughout the process of evaluating Ceres organizational impact and creating internal efforts to become more sustainable, Ceres recognized the importance of creating formal targets and goals. Thus, we have for the first time formally created goals for the coming year and the progress of these goals will be tracked in the 2007 Ceres Sustainability Report.

The goals identified for 2007 and 2008 are a reflection of our analysis of Ceres key performance indicators and the respective trend data. These goals represent a commitment on the part of Ceres management and staff to address our key impact areas and work towards becoming a more sustainable organization.

Ceres Key Performance Indicators and Goals for 2007 and 2008

Indicator	Explanation	2004	2005	2006	Goal for 2007 and 2008
Environment					
Electricity Use	Total metric tons of carbon emissions	13.75	16.26	20.51	Goal: Provide education and training to all staff and external vendors to reduce in-office electricity use
Staff Travel	Total metric tons of carbon emissions	29.74	34.48	81.57	Goal: Explore technology options to enable virtual meetings Goal: Develop a program to incentivize staff and board members to choose lower impact methods of travel Goal: Continue to encourage staff to utilize public transportation through subsidized monthly passes
Staff Commuting	Total metric tons of carbon emissions	8.59	12.63	13.66	Goal: Continue to upgrade technology to allow staff to utilize the open work option

Carbon Neutrality	Status of carbon neutrality (percentage)	100%	100%	100%	Goal: Maintain carbon neutral status Goal: Include board member travel to quarterly board meetings in emissions calculation and offset those emissions
Organizational Health and Well Being					
Diversity	Percentage of staff internationally diverse	0	13	15	Goal: Explore new recruitment strategies to improve upon the ethnic, international, and gender diversity balance for Ceres staff and board of directors
	Percentage of staff ethnically diverse	0	4	9	
	Staff gender diversity (male/female)	50/50	50/50	52/48	
	Percentage of board ethnically diverse	25	21	22	
	Board Gender Diversity (male/female)	12/8	16/8	15/8	
Accountability and Employee Engagement					
Sustainability Team	Meetings per year	6	1	1	Goal: Re-establish and formalize Sustainability Team with the goals of improving office environment and work/life balance Goal: Meet at least 4 times in '08
Employee Education	Goal to be developed for 2007	N/A	N/A	N/A	Goal: Formalize employee and maintenance staff education programs.
Educating Board	Goal to be developed for 2007	N/A	N/A	N/A	Goal: Explore future opportunities for board of directors to develop accountability for Ceres' impact
Internal Policies					
Existing Policies	Goal to be developed for 2007	N/A	N/A	N/A	Goal: Make existing Ceres internal policies accessible to all staff Goal: Educate new staff, and re-educate existing staff, on Ceres internal policies
Developing Policies	Goal to be developed for 2007	N/A	N/A	N/A	Goal: Formalize internal policies on procurement, printing, and recycling

ENVIRONMENT

Ceres believes that climate change is a crisis that impacts the economy and global society. Every business, government, and individual has a responsibility to act now to address the global climate challenge. In 2006 Ceres has identified our Key Performance Indicators for our Climate performance as electricity use, staff travel, and staff commuting. In order to gain a more comprehensive picture of our organizational environmental impact, we have also examined material use, waste streams, and events.

Due to the fact that we lease our office space, we have limited control over many operational aspects of the office. Our heating/cooling, ventilation, natural lighting, and air circulation continue to be a concern in terms of personal comfort and resource efficiency, particularly when seasons change. In addition to our limited control over these operational areas, we also face challenges in collecting data regarding the environmental impact of these systems. We will continue to work with Meredith and Grew, the company that manages our building, to improve these conditions and find ways to calculate the impact.

Our performance measurements and estimates take into account Ceres' office space and all full-time and part-time staff members who travel regularly for Ceres purposes.² We also include business travel by contract employees in our environmental performance data calculations and impacts.

IN THE SPOTLIGHT Ceres Committed to going Carbon Neutral

Ceres has been carbon neutral since 2003 and Ceres' major conferences and summits have been carbon neutral since 2005. In fact, Ceres helped to bring the United Nations, New York City headquarters its first carbon neutral event with our 2005 Investor Summit on Climate Risk.

Carbon offsets are an important part of Ceres' comprehensive climate strategy and offsets help us to complete our efforts of achieving carbon neutrality. The first step in any climate strategy is an audit of the organization's GHG emissions. Identifying Ceres' key performance indicators allows us to identify which of the organization's activities have an impact on our GHG emissions. Following the audit of our 2006 impact areas, Ceres was able to create strategies to reduce our impact. Ceres 2007 goals and targets will help to decrease the amount of emissions Ceres creates and they will serve to make our organization more energy efficient. No organization, however, has the ability to completely eliminate GHG emissions through efficiency measures alone; and thus, Ceres utilizes carbon offsets to help us achieve carbon neutrality.

Ceres also works to make the annual Ceres conference carbon neutral—by utilizing strategies like choosing a “green” hotel, buying local and organic foods, using online registration and communication systems, and coordinating with public transportation and hybrid taxi companies—Ceres decreases the amount of emissions created as a result of the conference. However, like our organizational footprint, it is impossible to bring 650 people together without creating GHG emissions. For the GHG emissions that the event does produce, Ceres purchases carbon offsets to make the event carbon neutral.

The creation of clean and renewable energy projects is a critical strategy to combating climate change. Carbon offsets, as a complement to energy efficiency strategies, help Ceres to lessen our negative impact on the environment and encourage and enable future renewable energy production.

² Only one of Ceres part-time staff member's actions are included in our performance data normalization because she works from a home office and her work is influenced and is impacted by our Boston office operations. While she makes every effort to be environmentally responsible in her home office, this staff member does not track specific operations for a one-person team.

CERES CARBON FOOTPRINT

Ceres calculates green house gas emissions associated with our three major impact areas: office electricity use, staff business travel, and staff commuting. In 2006, Ceres focused on improving data collection systems and communicating policies internally.

In 2006 the emissions associated with all major impact areas increased; part of this increase can be attributed additional projects that Ceres implemented in 2006. Due to continued and projected organizational growth, Ceres is firmly committed to reducing our organizational energy use. In addition to implementing energy efficiency measures, the organization utilizes carbon offsets and has been carbon neutral since 2003. Each year, Ceres purchases offsets equally from the carbon offset providers within the Ceres company and coalition networks. Going forward, we will also expand our data collection to include the green house gas emissions associated with Ceres board travel and will offset those emissions as part of the overall Ceres carbon footprint.

2007 and 2008 GOAL
 Include board member travel to quarterly board meetings in emissions calculation and offset those emissions.

Ceres Green House Gas Emissions

Indicator	2004		2005		2006	
	Quantity and Units	CO2 Equivalent (Metric Tons)	Quantity and Units	CO2 Equivalent (Metric Tons)	Quantity and Units	CO2 Equivalent (Metric Tons)
Energy Use	33,700 kWh	13.75	39,840 kWh	16.26	50,240 kWh	20.51
Staff Travel	139,728 mi	29.74	175,956 mi	34.48	419,629 mi	81.57
Staff Commuting	66,687 mi	8.59	71,962 mi	12.63	80,612 mi	13.66
Total CO2 Emissions		52.08		28.89		115.74

ENERGY USE

Ceres measures its direct energy use by evaluating total electricity use. This data does not include energy use associated with heating, because this service is included in our rent and one boiler in the building's basement provides the heat for our entire building. Heating, cooling, ventilation, and air circulation continue to be challenges for our office space.

Difficulties with collecting explicit data on the heating and cooling of our office space have made it challenging to improve the situation in the short term. We have no way of measuring the electricity that comes from the HVAC unit in our office. We will continue to explore solutions with our management company.

ENERGY USE FOOTPRINT

We have calculated carbon dioxide (CO₂) emissions, relating to electricity use by using the EPA conversion factor of 0.9 lbs. per metric ton of carbon dioxide. This is the standard conversion factor for Massachusetts³. We calculated normalized comparisons of electricity use by using year-end data. In 2006, the total electricity use increased 26% from the 2005 level. Additionally, normalized emissions in metric tons per square foot of office space increased 25% versus 2005 levels. While staffing did not increase, the demand of office electricity did. Ceres' increase in business (27% increase in revenue from 2005 to 2006) resulted in an increase of demand on office electricity use in terms of longer working hours, more printing and computing, and more demands on the Ceres internal networking servers.

We normalized our energy use data by looking at our electricity use per square foot, as well as our electricity use per person to directly compare energy use trends over the past three years. Although measuring our direct electricity use per square foot or per person is valuable, our energy use impacts are greatest in the emissions created from that energy use.

Ceres Electricity Usage

Measurement	2004	2005	2006
Electricity Use (KWH)	33,700	39,840	50,240
Total emissions from Electricity Use (in metric tons CO ₂ equivalent)	13.75	16.26	20.51
Normalized emissions from Electricity Use (in metric tons per square foot of office space)	0.0024	0.0029	0.0036
Normalized emissions from Electricity Use (in metric tons per FTE, 21 total)	0.76	0.74	0.96

Note: CO₂ emissions equivalents derived from Climate Neutral Network's Conversion System and www.safeclimate.net.

Please note that Normalized emissions uses full year equivalent.

In 2004 we re-examined and changed the methodology of calculating our Full-Time Equivalent employees. A normalized Full-Time Equivalent is the percentage of the year that an employee is full time. If an employee began the year late or left early, he or she will be counted as a percentage of a Full-Time Equivalent person.

³ Obtained from the World Resource Institute (WRI), at: <http://safeclimate.net/business/measuring/tools.php>. For more information on our calculation methodology, see: "Working 9 to 5 on Climate Change: An office guide", available at: http://www.safeclimate.net/business/measuring/WRI_CO2Guide.pdf

REDUCING ENERGY USE

Ceres does not have an official energy conservation program in place; however, we have enacted a number of small initiatives to help cut our electricity usage. All of our recent computer and electronic office equipment purchases are Energy Star certified. Additionally, we ask staff to turn off lights when not in their offices, and the last employee to leave the office typically turns off lights as well as the office printer and photocopier. Staff members also turn off their computers at night and are instructed to set their computers at the highest energy efficiency settings. Our office space also has efficient T-8 fluorescent bulbs, which will further reduce our electricity use.

Despite internal efforts, there was a sharp increase in our energy use from 2005 to 2006. Although the Ceres staff numbers remained approximately the same, the daily hours in the office increased, as did the use of printers, computer equipment, lighting, etc. Ceres also acknowledges that a certain portion of the increase can be attributed to the failure of staff and maintenance workers to turn lights, computer, and other equipment off when leaving the office. To help eliminate the increase in energy usage due to human error, in 2007 and 2008 Ceres will incorporate sustainability educational training programs into the operational orientation program for internal staff and establish a training program for outsourced maintenance staff that work within the Ceres office. We plan to report on our progress with these training programs in the next sustainability report.

RENEWABLE ENERGY

In 2006 Massachusetts energy suppliers did not offer renewable energy purchasing options for small business enterprises. In January 2008, this option will become available through our provider and Ceres will then commit to purchasing renewable energy.

2007 and 2008 GOAL

Maintain carbon neutrality for both the organization and major Ceres events in 2007.

In addition to electricity purchased through our provider, Ceres also utilizes carbon offsets as part of our overall climate strategy. Ceres has been Carbon Neutral since 2003 and the annual Ceres conference and other major Ceres events have been carbon neutral since 2005.

STAFF COMMUTING

2007 and 2008 GOAL

Continue to encourage staff to utilize public transportation and low/no impact ways of commuting.

Given our location in Boston, Massachusetts, Ceres staff members are well served by public transportation. Provided with multiple options, Ceres employees can choose from several environmentally preferred forms of transportation for their daily commute. To encourage the use of lower-impact means of transportation, Ceres subsidizes subway, bus, and rail passes for all employees. As a result, 83% of Ceres staff utilize low

impact public transportation or no impact* transportation. Employees residing outside of the Boston public transit system drove 87% of the commute miles undertaken by car in 2006.

*No impact transportation is defined as any transportation that results in no green house gas emissions (ex: bicycle, walking, etc.).

STAFF COMMUTING FOOTPRINT

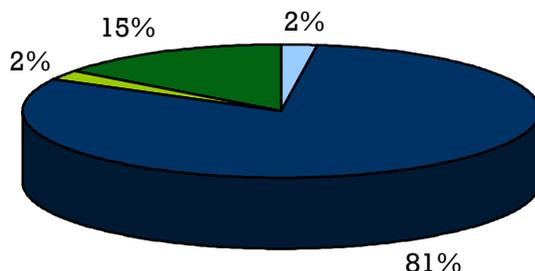
The increase in commuting emissions in 2006, can be attributed to the 7% increase of staff traveling by either city or long bus and a decrease in staff traveling by train and subway. In a small organization of only 21 staff members, the behavior change of only a few people has the effect of notably increasing and decreasing the organization’s emissions. As the organization grows, we can expect annual changes to decrease proportionally.

To obtain commuter information, Ceres has developed an employee survey in which staff members reported their own commuting profile. These surveys include data regarding transportation type, average distance traveled, and the number of days commuted in the reporting year. This form of employee reporting encourages staff to be accountable for their transportation choices and impacts and eases the reporting process. The following table provides a breakdown of Ceres’ employee commuting profiles for 2006.⁴

Staff Commuting Emissions

Indicator	2004			2005			2006		
	# of Staff	Quantity and Units (miles)	CO2 Equivalent (Metric Tons)	# of Staff	Quantity and Units	CO2 Equivalent (Metric Tons)	# of Staff	Quantity and Units	CO2 Equivalent (Metric Tons)
Staff Commuting Normalized Emissions per FTE	18	66,687	8.59	22	71,962	12.63	21	80,612	13.66
	18	3705	0.477	22	3271	0.574	21	3839	0.650

2006 Commuting Milage by Transportation Type



No Impact
 Public Transportation
 Hybrid Vehicle
 Traditional Vehicle

⁴ To calculate commuting data for Ceres employees, we calculated the emissions from various transportation sources. We also rounded up all half working days to a full day equivalent, as the commuting impact is the same. Ceres does not include commuting time for staff vacation days or company holidays, unless the employee reports having traveled to the office on those days.

STAFF TRAVEL

As Ceres is a North American network of investors, public interest groups, and corporations, much of our business requires that our staff travel the continent, and at times the world, to attend meetings, maintain relationships, and educate various constituencies. As a result, our business travel has a significant impact on our environmental footprint.

In recent years, Ceres travel has increased dramatically as opportunities present themselves for collaboration with more investors, companies, and NGOs. The data reported for 2006 illustrates that staff travel is now the greatest contributor to the Ceres total carbon emissions and it is necessary for the organization to develop a strategy to mitigate this impact area.

STAFF TRAVEL FOOTPRINT

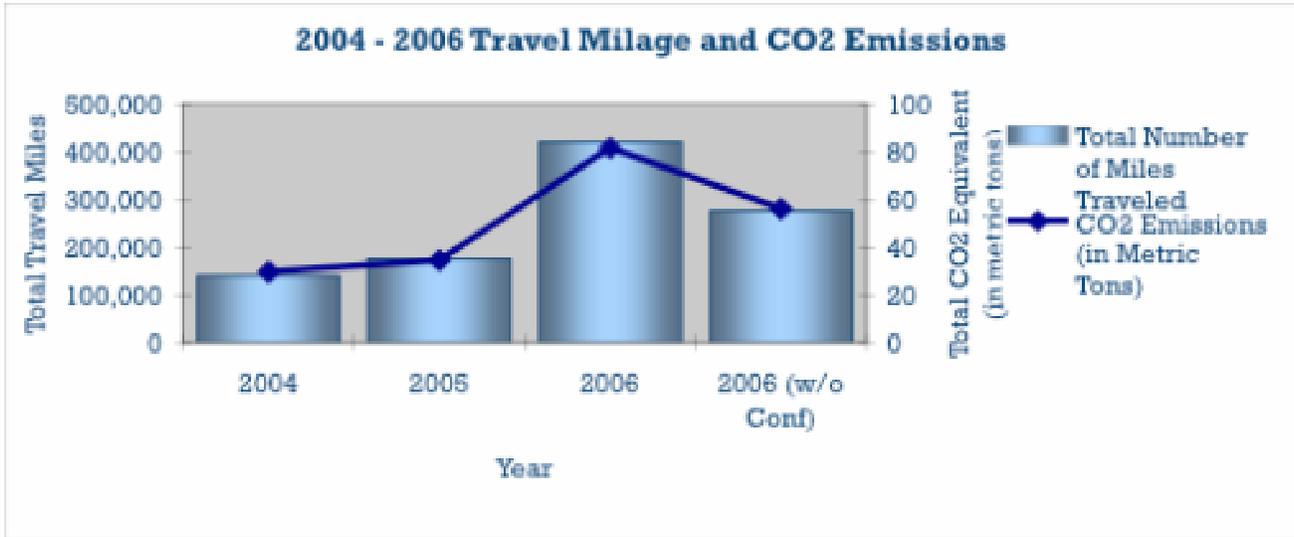
Measuring the amount and impact of our travel allows us to track how travel contributes to our organization's footprint and overall sustainability. In 2006, Ceres experienced a sharp increase in program opportunities and thus, the number of miles traveled increased significantly from 2005 to 2006. This increase made staff travel the most significant contributor to Ceres' total carbon footprint. The total number of miles traveled in 2006 increased 138% from 2005. Of that increase, 59% was due to staff travel from Boston to Oakland to attend and participate in the 2006 Ceres Conference. In 2005, the conference took place in Boston – a local event for the majority of Ceres staff members. When travel related to the 2006 conference is omitted, travel mileage increased by 56% from 2005 to 2006.

Staff Travel Emissions

Indicator	2004		2005		2006	
	Miles	CO2 Equivalent (Metric Tons)	Miles	CO2 Equivalent (Metric Tons)	Miles	CO2 Equivalent (Metric Tons)
Staff Travel	139,728	29.74	175,956	34.48	419,629	81.57
Staff Travel w/o Conference	N/A	N/A	N/A	N/A	274,909	55.96
Average # Miles Traveled Per FTE (normalized)	7,763	1.55	8,798	1.76	18,851	3.77

Total CO2 emissions related to travel increased 137% from 34.48 metric tons to 81.57 metric tons. Of that increase, 54% (25.61 tons) was related to air travel to and from the 2006 Ceres Conference. When travel related to the 2006 conference is omitted, CO2 emissions increased 62% from 2005 to 2006. CO2 emissions increased at a greater rate than total business travel mileage mainly due to the increased use of indirect flights by Ceres staff. The table above details the miles traveled for business purposes by Ceres staff members between 2004 and 2006.

This data does not include miles traveled by Ceres board members to participate at Ceres board meetings, or miles traveled by stakeholders on behalf of Ceres. Board member travel to board meetings will be included in 2007 data.



To calculate Ceres’ business travel mileage and impacts, each staff person is responsible for logging their own travel on monthly expense sheets. Staff members are obliged to list the distance traveled. In 2006 the staff calculated this distance using www.webflyer.com/travel/milemarker. We then calculated CO2 equivalent (in metric tons) using the methodology from WRI’s Office Guide to Climate Change⁵.

REDUCING THE IMPACT OF STAFF TRAVEL

Ceres acknowledges the significant impact that staff travel has on the organization’s carbon footprint. The sharp increase in mileage due to staff travel for the 2006 Ceres Conference has informed the criteria for decision-making regarding in-person attendance at meetings and participant in speaking engagements.

2007 and 2008 GOAL

Improve availability of the technology necessary to enable virtual meetings.

Ceres utilizes teleconferencing whenever possible and for 2007 and 2008, Ceres will explore various technological elements to enable more teleconferencing, web-casting, and other types of “virtual meeting” that will enable Ceres to maintain our close network and put less strain on the environment.

Travel Options

Historically, Ceres staff members make choices based upon the best options available for the type of trip they are making. Staff members do utilize rail options whenever possible and only use rental cars on a limited basis and for trips where public transportation is not possible. Staff members are instructed to choose compact cars or hybrid options whenever possible and they carpool or rent vans for group travel to meetings around New England to save on private vehicle miles.

⁵ http://www.safeclimate.net/business/measuring/WRI_CO2Guide.pdf

In 2007 and 2008 Ceres will open a corporate account with the local hybrid car service, Planet Tran. This option will allow Ceres staff members to create personal accounts with a car service that will ease the stress of business travel and also decrease emissions associated with business transportation. Ceres will also promote this service, as a secondary option to public transportation, for our conference attendees and board members traveling to Ceres events and meetings.

2007 and 2008 GOAL

Incentivize staff and board members to choose less impact methods of travel to meetings

In 2007 and 2008 we will incorporate guidelines for staff business travel into our new environmental policy. However, air travel will likely remain a significant impact for Ceres because establishing trust, upon which most of Ceres relationships depend, has historically made face-to-face meetings and speaking engagements very important to our success.

MATERIALS AND WASTE STREAMS

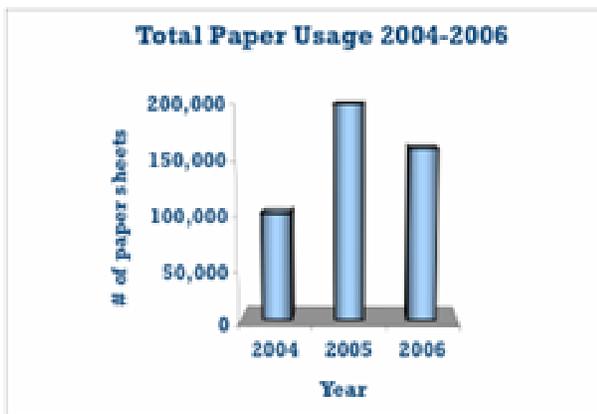
At Ceres, we consider our social and environmental impact and influence when choosing the suppliers and vendors with which we do business, and the specific products and services that we purchase or lease. While many of our historical purchasing decisions have been influenced by environmental and social considerations, we have not had an official purchasing policy in place to guide them. In 2007 and 2008 we will develop formalized procurement, printing, and recycling policies and make these accessible for all Ceres staff.

2007 and 2008 GOAL

Develop formalized procurement, printing, and recycling policies and make these accessible for all Ceres staff.

PAPER

Ceres has a long history of using recycled products, particularly paper. In 2006, our paper was primarily purchased from Recycled Office Products and Staples. Paper purchased from Recycled Office Products is Boise Aspen 100 paper made from 100% post consumer pulp produced in a chlorine free pulping and bleaching process.



We have purchased blank white envelopes of various sizes from both Recycled Office Products and Staples in small quantities for specific mailings. While Ceres does look for recycled content in these purchases, we have not set requirements for post-consumer content. When ordering products from either Recycled Paper or Staples, all orders are grouped in such a way as to reduce the impact that shipping the products may incur.

In 2006 we used 31 cartons of Boise Aspen 100 paper. We also use 1 carton of yellow paper each year, which is only available through our vendors at 30% post-consumer recycled content.

For many publications, Ceres contracts Recycled Paper Printing, a company that has endorsed the Ceres Principles since 1994. Recycled Paper Printing Company has committed to only printing on recycled and chlorine-free paper products and offer printing with soy and other vegetable-based inks.

Staff members are encouraged to print all materials double-sided and printer defaults are set to do so. In 2005, we updated our user-end printing options to simplify duplex printing. Our system for storing, rather than recycling, paper that has only been printed on one side works well and this paper is used consistently for internal purposes. However, the demand for this paper is much higher than the current supply.

In 2006 we expanded our data collection to include an analysis of our printing expenses and the specific vendors chosen by staff. This data allows us to examine how Ceres employees are making their printing decisions, so that we can create strategies to guide the decision process to ensure that sustainable choices are consistently made.

The initial data illustrates that the primary vendor choices for 2006 were Recycled Paper Printing and Grossman Marketing Group (these vendors account for 95% of printing)—both companies are socially and environmentally responsible printers, with which Ceres has had long-standing

Vendor	% of total \$ printed
Recycled Paper Printing	75%
Grossman Marketing Group	20%
FedEx Kinko's	2%
ProPrint	2%

relationships. The remaining percentage of printing went to alternative vendors and we have limited information as to what type of paper and ink were used for those jobs.

In 2007 and 2008 Ceres will formalize our printing and procurement policies and we will provide a recommended list of preferred vendors to all staff. Successful communication of our policy to staff will help to ensure employees make sustainable printing choices. We will continue to collect this data in future sustainability reports so that we may monitor the success of the formalized printing and procurement policies.

RECYCLING

The structure of Ceres' lease and the options provided by our management company, Meredith and Grew, create challenges for the organization's recycling programs. Ceres currently recycles paper, bottles, and cans. We have not been able to accurately track these recyclables, due to the fact that the various waste materials are processed through different vendors. The property management company, in partnership with a private recycling vendor, is responsible for recycling paper products. Ceres bottles and cans are recycled through a private partner we have contracted independently.

2007 and 2008 GOAL

Design and implement a recycling tracking program and combine with training programs for both staff and outsourced maintenance staff.

In 2006 Ceres' Operations Team developed a recycling program to internally track our recycling rate. However due to staff constraints and the absence of an accountability structure, the program was not continued throughout the entire year. Ceres

is committed to re-designing the recycling program in 2007 and 2008, to ensure sustained implementation in the future. Taking into account the obstacles faced in 2006, we will work to train both the Ceres staff, as well as the cleaning and maintenance staff who were not consulted or trained for the 2006 program. We will report on our progress with the recycling program in future reports.

TECHNOLOGY

Ceres has purchased a number of computers and related equipment in recent years. All computers are Apple computers that have been purchased from a variety of different vendors, with price being the determining factor. Apple is a founding member of the U.S. EPA Energy Star program and commits to reduce its products' energy consumption by meeting or exceeding energy consumption requirements set by the Energy Star and U.S. Federal Energy Management programs. Almost all Ceres equipment is currently Energy Star certified and Ceres will commit in our internal procurement policy to only purchase Energy Star certified equipment, when available.

In 2006 Ceres spent \$17,072 on computer hardware, \$5,637.20 on website development, \$5,106.05 on other software and \$5,741.57 on other hardware expense. As of 2005, we donate all acceptable used computers to the World Computer Exchange, a non-profit which gives donated computers to schools in developing countries. Currently we are still seeking an acceptable location for computer recycling. In 2006, Ceres recycled used printer toners and cartridges by sending them to Rhinotek in California.

CERES EVENTS

Every year Ceres is host to multiple events ranging from 20 to 600 participants. Events include the Ceres Conference, analyst briefings, investment leadership events, and other small luncheons and educational forums. It is our goal with each event to minimize the environmental impact and this is done through a combination of strategies such as choosing a central location based on expected attendance and availability to public transportation, working with hotels and vendors to reduce impact of catering and hotel services, and utilizing carbon offsets to make the event carbon neutral. Ceres strives to act as a leader in low impact events and throughout the years has successfully educated hotels and caterers on the importance of low impact vendor offerings, encouraged attendees to choose hotels based on their environmentally responsible services, and orchestrated the first carbon neutral event hosted at the United Nations in New York City.

The annual Ceres Conference is continuously the largest impact event for Ceres. The event has grown to draw 500-600 prominent leaders from national and international business, investor, environmental and social justice communities to address issues of governance, investor activism, transparency, accountability, and global sustainability.

“As the hosts, sponsors, and planners of meetings and events, we have a huge capacity and opportunity to reduce the environmental impact of our sector. The decisions we make touch on everything from transportation to buildings, to food and beverage, printing and beyond. It is critically important that decision makers of meeting services, like Ceres, include environmental criteria as part of that purchase decision. This helps the earth, and helps the bottom line, which is necessary for our long-term sustainability as an industry.”

–Amy Spatrisano
Meeting Strategies Worldwide

2006 CERES CONFERENCE

In 2006 the Ceres Conference was held in Oakland, CA and attracted 550 participants from across the country. For this conference, Ceres worked with Meeting Strategies Worldwide (MSWW) to reduce the environmental impact of the event. MSWW helped Ceres build into its contract with the Oakland Marriott City Center a Green Commitment Clause, which required the facility to work collaboratively toward furthering their green practices and operations. The Oakland Marriott City Center, certified green since 2001 by the Bay Area Green Business Program, has various green practices integrated into their day-to-day operations that serve to conserve resources, prevent pollution, and minimize waste.

Ceres also worked with the chef at the Marriott to create a mostly vegetarian menu, using organically grown produce, fair trade coffee, and locally purchased food, whenever possible. The Marriot had established a solid waste diversion program for compostable food waste for the hotel and neighboring complex of 8 office buildings and 13 restaurants. All edible, unused food products from the conference were donated to a local food bank.

In order to reduce waste, Ceres' online registration process, conference updates, and paper materials were designed with special considerations. The online registration process and e-mailed conference updates completely eliminated the use of paper flyers. The conference brochures were printed by Recycled Paper Printing, Inc., using soy-based ink on 100% post-consumer content recycled paper; the conference book was printed by Cenveo Anderson Lithograph using soy-based ink and 80% post consumer content recycled paper; and signs, originally printed for the 2004 conference by Recycled Paper Printing on 100% recycled paper mounted to 30% recycled chipboard, were reused for a second time.

PlanA designed the 2006 conference communication materials. The conference book was also printed on New Leaf Paper. Below is a representation of the amount natural resources that were saved as a result of using this sustainable supplier for the 2006 Ceres conference.

Resources Saved Using New Leaf Paper for Ceres Conference 2006

NEW LEAF PAPER				
ENVIRONMENTAL BENEFITS STATEMENT				
Ceres saved the following resources by using New Leaf Opaque 100 made with 100% post-consumer waste, processed chlorine free.				
trees	water	energy	solid waste	greenhouse gases
14 fully grown	6,822 gallons	10 million BTUs	666 pounds	1,390 pounds
Calculation based on research by Environmental Defense and other members of the Paper Task Force.				
©2006 New Leaf Paper www.newleafpaper.com 888.989.5323				

Ceres recognizes that air travel represents the largest portion of green house gas emissions associated with conferences. Thus, Ceres provided conference participants the opportunity to book travel through Better World Club's Travel Cool program to obtain special discounts and purchase travel-specific offsets. Ceres also took travel emissions into account when selecting a hotel that was easily accessible via public transportation.

In addition to helping our conference attendees offset their flight travel, we also collaborated with the Climate Trust, Native Energy, and CarbonFund to neutralize the greenhouse gas emissions associated with the conference itself. Participants were given the opportunity to make a donation towards offsetting their own emissions while attending the conference and Ceres purchased offsets accounting for all emissions associated with the event.

The only way that hotels, caterers, and event managers will begin to reduce the impact of events and start to modify behavior in their own companies is through customer demand. The process of designing a low impact conference initiates a dialogue that continues long after the event's conclusion.

ACCOUNTABILITY AND EMPLOYEE ENGAGEMENT

Accountability and employee engagement is an important component of any sustainability strategy. Ceres recognizes that engaging our employees and creating accountability mechanisms for our sustainability program are critical steps for ensuring we achieve our goals for 2007 and beyond. Throughout the years, a consistent challenge for Ceres has been successful employee engagement that allows staff to directly link their personal dedication to sustainability to the Ceres sustainability journey. In 2007 and 2008 Ceres will improve employee engagement, while also ensuring that we achieve our sustainability targets and goals, by employing various strategies that include the formalization of the Ceres Sustainability Team and the employee training programs, and the improvement of incentives, which reward employees for making sustainable choices.

Employee Spotlight

"To fully understand Ceres' environmental and social impact, it is important for our staff to play an active role in ensuring a culture of accountability and transparency in the office. Personal involvement raises awareness and appreciation for day-to-day sustainability. To ensure organizational change, we must each be a part of that change-- as a member of the internal Sustainability Team; I can actively take part in helping Ceres to become a sustainable organization."

---Lea Reynolds

Special Assistant to the President

THE SUSTAINABILITY TEAM

Ceres has had an informal Sustainability Team since 2001. The purpose of this team is to research opportunities for improving Ceres' environmental performance and to make suggestions to the entire staff. The team has faced many challenges related to budget, staffing, and time available to participate and implement projects. Despite agreement on the importance of the team's objectives, many proposals to make Ceres more sustainable have not yet been implemented.

In 2007, the Sustainability Team will become a formalized entity led by Ceres' Chief Operating Officer. The team will consist of a staff member from each program and operational area. Each team member will serve a term of one year, at the end of which that member will have the option of committing to another term or offering their position to another representative from their program or operational team.

A past challenge for the Sustainability Team was a lack of accountability and direction. To create a more regulated and formalized accountability structure, the goals and actions of the team will be incorporated into each team members' individual professional goals. The COO and the Sustainability Team will be tasked with the responsibility of implementing programs and developing the organizations infrastructure to ensure that Ceres' 2007 and 2008 goals are met.

2007 and 2008 GOAL

Re-establish and formalize Sustainability Team with the goals of improving office environment and work/life balance.

2007 and 2008 GOAL

Sustainability Team will meet at least 4 times in 2008.

EMPLOYEE TRAINING

Ceres maintains an informal system of environmental education within the Ceres office. The nature of our work involves staying abreast of developments in the environmental field and staff members are responsible for developing their own methods of staying up-to-date with current thinking. Knowledge is also shared through various channels throughout the Ceres office. Methods include daily e-mail list-servs, weekly staff update meetings, and brown bag lunches. In addition to internal information sharing, Ceres also allocates funding for staff to attend external speeches, conferences, and training sessions.

2007 and 2008 GOAL

Formalize employee and vendor sustainability training programs.

In 2007 and 2008 Ceres will establish a formalized environmental training system for all new Ceres staff. This training will be incorporated into the new employee orientation and will cover areas such as recycling, paper use, procurement policies, printing policies, environmental incentives, and the environmental policy. For 2007 and 2008 Ceres will also develop a training program for outsourced maintenance on the importance of turning off lights when finished in the office and provide an overview of the revised Ceres recycling plan. This program will be available in both English and Spanish.

Employee Spotlight

*“Being among the 1,000 volunteers trained by Al Gore to present his slide show, on which the film *An Inconvenient Truth* is based, provided me with a unique opportunity to build a substantive bridge between my professional and community work. With Ceres professional and financial support, I traveled to Nashville with 200 volunteers from across the country, to take part in the weeklong training—an experience that was educational, motivational, and awe inspiring.*

Since the training, I have reached out to 10 different area organizations, businesses, and schools—and continue to receive requests to present. Serving as an Al Gore ‘climate messenger’ continues to provide me with opportunities to speak about Ceres, its model of coalition building, and its message concerning the inherent risk and boundless business opportunities associated with sustainability challenges, such as climate change.”

---Marilyn Castriotta, Ceres Events Manager

EMPLOYEE INCENTIVES

Ceres faces the same resource challenges as other small businesses and non-profits in offering staff incentives. Yet, Ceres has been working to creatively develop cost effective incentives that serve to improve the well-being of our staff *and* the environment. In addition to transportation subsidies, the organization also allows for an open work system for many staff members. Ceres recognizes the benefits of a flexible schedule, as well as the environmental benefits of allowing staff to work from home at times, thereby limiting transportation impacts and additional use of office equipment. Thus, we are working to provide an increasing number of staff with laptop computers and improve technological support to enable staff to work easily and effectively from home.

As our open work option is still used in a sporadic way, we do not yet have a formal accounting system to track the costs and benefits of this program. Ceres will, however, continue to monitor the use of the open work option and may in the future formalize the program.

Ceres also recognizes the importance of integrated accountability mechanisms for environmental performance. In 2007 and 2008 Ceres will explore the options for integrating accountability into our personal and team goal systems and will report on progress in future reports.

2007 and 2008 GOAL

Continue to upgrade technology to allow staff to utilize the open work option effectively and efficiently.

ORGANIZATIONAL HEALTH AND WELL BEING

Ceres’ social and economic performance focuses on employees and work environment. At the end of 2006, Ceres core staff included a President, a Chief Operating Officer, six team leaders and 20 program and administrative staff members. Ceres’ success depends on the diligent and creative work of its employees. To provide structured two-way feedback between employees and managers, each Ceres employee has an annual performance review, either with their immediate supervisor (in

the case of program staff) or with the President. New staff members start out with a three-month and six-month review.

OFFICE HEALTH

In 2005, we concluded that there were several sources of indoor air pollutants present in the Ceres office. While the office has environmentally preferable furniture and carpets, the placement of the printer, copier, fax and computers represent significant indoor air quality challenges. We determined that purchasing MERV 13 rated filters would improve our air quality, in line with LEED standards, as lesser quality filters allow pathogens and molds to circulate throughout the office. In 2006 we purchased higher quality filters and brought in plants with air purifying qualities.

Ceres spent \$18,583.72 on office furniture last year including \$15,283.72 (82% of total furniture expenditure) on Herman Miller office furniture. Herman Miller is a leader in providing products designed to be environmentally sustainable. The furniture company ranked as the "Most Admired" company in its industry in Fortune magazine's annual survey and is one of 16 companies--and the lone representative in the contract furniture industry--to be included in KLD's Domini 400 Social Index (DSI), since 1990, and the KLD Global Climate 100 Index (GC100).

The Ceres office flooring consists of Interface carpet tiles. The Interface carpet tiles result in a flooring system with reduced installation waste, easy and resource-minimized repairs, and extended lifecycle.

As a small office-based, service-oriented organization, Ceres does not operate under OSHA regulations. Nevertheless, employee comfort and safety remains a high priority and we have not had any on-site accidents or injuries. Ceres provides ergonomically correct chairs and computer trays for all employees, open work opportunities, and also provides wellness and morale building activities. Ceres' office is fully wheelchair accessible.

WAGES AND BENEFITS

Ceres attempts to compare its wage rates with other non-profit organizations in Massachusetts and across the nation, and usually finds itself in the mid range. However, Ceres competes for candidates who may also be considering corporate jobs in the environmental and sustainability field, which often offer greater salaries than a typical nonprofit organization.

Thus Ceres strives to couple competitive wages with comprehensive benefit packages in order to attract talented candidates.

The ratio of highest to lowest wage at Ceres in 2004 was 4.7 to 1 and has since improved to 4.1 to 1. Ceres has not set any formal targets for compensation, but is attentive to the fact that this ratio can affect the corporate culture of an organization and strives to continuously improve the proportion.

Year	Ratio between lowest and highest paid employee
2004	4.7
2005	4.5
2006	4.1

In 2006, a living wage for the city of Boston has been estimated at \$11.95⁶ per hour (source: ACORN). All permanent full and part-time staff members are compensated above this rate.

Ceres offers benefits that include:

- Vacation and sick days; all government holidays paid; personal days;
- Dental and medical insurance
- 403(b) retirement plan whereby Ceres matches employee contributions up to \$2,000 or 4% of their annual salary, whichever is greater.
- Maternity/paternity leave
- Life and long- and short-term disability insurance
- Monthly transit passes
- Other paid leaves for bereavement or disability

Ceres also offers both paid internships at a minimal stipend rate and unpaid internships. In addition to working at Ceres, interns receive valuable professional guidance and support in a manner that aids in their career development.

CERES AND DIVERSITY

Ceres recognizes the value of a diverse workforce. Diversity applies to more than just ethnicity or gender, of course, and Ceres values the many different backgrounds and perspectives that each of our employees and board members brings to the organization. In 2007 and beyond we are committed to working towards improving the percentage of our ethnic, gender, and international representation on the Ceres staff and board of directors.

2007 and 2008 GOAL

Explore new recruitment strategies to improve upon the ethnic, international, and gender diversity balance for Ceres staff and board of directors.

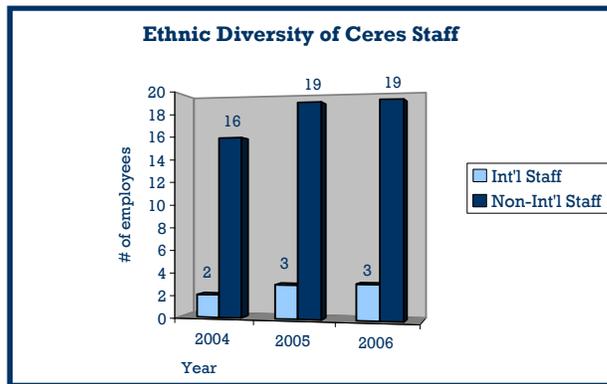
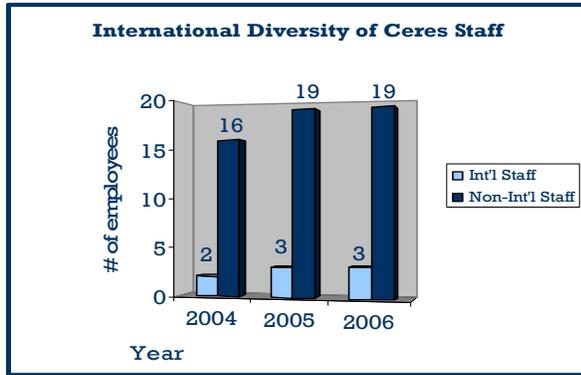
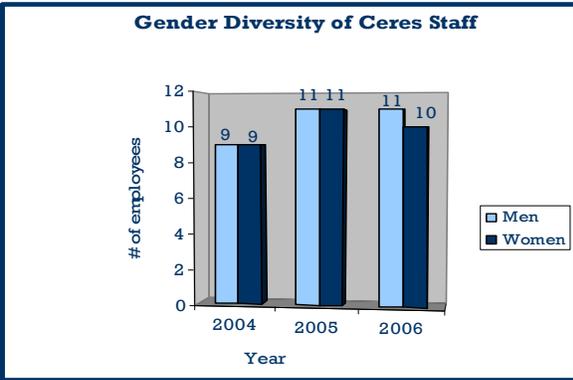
Staff Diversity

In 2006, two positions at a manager-level or higher were filled by minority employees. The ratio of men to women slightly increased from 2005 resulting in 1.1 to 1. In 2006, 9% of our staff was considered ethnically diverse and 15% of our staff was considered internationally diverse. Ceres has a strong commitment to bringing on diverse staff members. Ceres foresees significant organizational growth in the next several years and we are committed to exploring new recruitment strategies and incorporating diversity into our hiring decisions to improve staff diversity for 2007 and beyond.

Ceres Staff Diversity

Indicator	2004	2005	2006
Percentage of internationally diverse staff	11%	14%	15%
Percentage of ethnically diverse staff	0%	5 %	9%
Staff gender diversity (male/female)	9/9	11/11	11/10

⁶ <http://www.livingwagecampaign.org/index.php?id=1958>

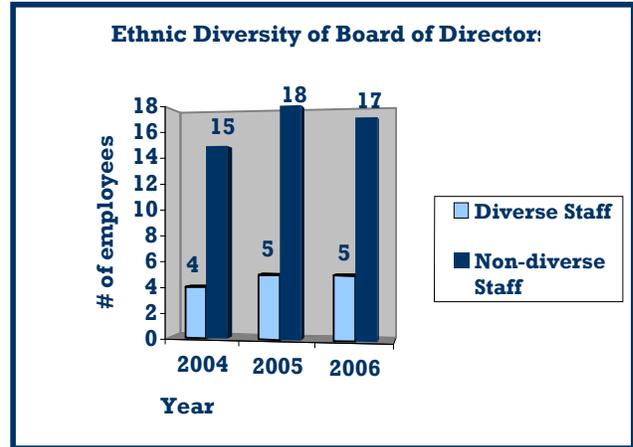
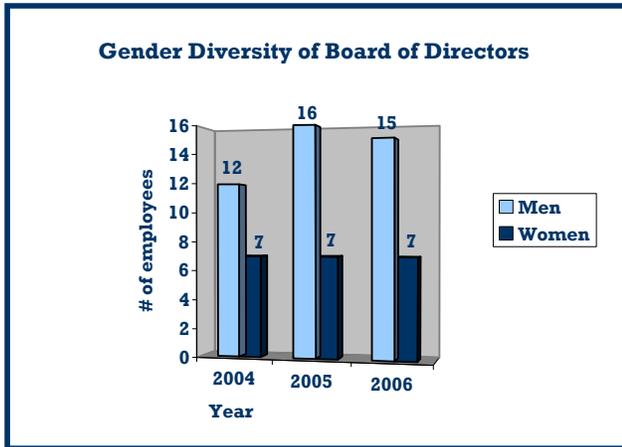


Ceres Board of Directors Diversity

The Ceres board of directors consists of representatives from the investor community, NGOs, and public interest groups. Just as Ceres values a diverse coalition, we also value a diverse board of directors. Therefore, in 2006 we decided expand our data collection to include the diversity of our governing body.

Ceres Board of Directors Diversity

Indicator	2004	2005	2006
Percentage of ethnically diverse board	25	21	22
Board Gender Diversity (male/female)	12/8	16/8	15/8



COMMUNITY ENGAGEMENT

For a small non-profit organization, Ceres maintains a fairly significant impact on the greater Boston community. Although we do not work directly with individual citizens, we do work with several local NGOs, corporations, and asset management firms. The Ceres coalition allows the majority of our staff to regularly coordinate and collaborate with these local organizations and develop our Boston-based network.

In addition, the location of the Ceres annual conference is traditionally held in Boston on alternating years. The location of our conference in Boston allows us to work closely with local organizations throughout the planning process, educate the local hospitality industry regarding green events, and partner with local non-profit organizations with whom we may otherwise not engage with in our traditional work.

Through several internal programs such as the recycling and computer donation program established in 2005, as well as our food donation programs from our conference, we are able to enhance our positive impact on the Boston community. Additionally, through local partnerships we are able to offer educational programs with Boston University, Boston College, the Boston Association for Living Local Economies, and the Boston based research firm, KLD. Ceres continues to be attentive to bringing more community based organizations and perspectives into the Ceres coalition and programs.

GRI INDEX

○ Indicators Ceres has not completed, Ceres will try to address in future

◐ Indicators Ceres has partially completed

● GRI Indicators Ceres has completed

N/A Indicators that are not relevant to Ceres

GRI Indicator	Description	Pg.	Status
Vision & Strategy			
1.1	Vision and strategy statement	4	●
1.2	Statement from President	3	●
Profile			
2.1	Organizational profile	5	●
2.2	Major products		N/A
2.3	Operational structure	3	●
2.4	Major divisions	5	●
2.5	Countries of operation		N/A
2.6	Nature of ownership	4	●
2.7	Markets served	4	●
2.8	Scale of organization	4	●
2.9	List of stakeholders	4	●
2.10	Contact person	web	●
2.11	Reporting period	6	●

GRI Indicator	Description	Pg.	Status
2.12	Date of previous report	web	●
2.13	Boundaries of report	6	●
2.14	Significant changes	—	N/A
2.15	Reporting on joint ventures	—	N/A
2.16	Restatements	-	N/A
2.17	Decisions not to apply GRI	-	N/A
2.18	Criteria/definitions in cost/benefit accounting	—	N/A
2.19	Changes in measurement methods	12	●
2.20	International assurance	—	N/A
2.21	Independent verification	—	N/A
2.22	Ways to get additional information	web	●
Governance Structure & Management Systems			
3.1	Governance structure	—	○
3.2	Percentage of independent, nonexecutive board	—	○
3.3	Process for determining board expertise	—	○

GRI Indicator	Description	Pg.	Status
3.4	Board-level process		○
3.5	Link to executive compensation	24	●
3.6	Organizational structure	5	●
3.7	Mission and value statements	4,31	●
3.8	Shareholder resolutions	–	N/A
3.9	Stakeholder identification	4	●
3.10	Stakeholder consultation	4	●
3.11	Information generated from stakeholders	–	N/A
3.12	Use of stakeholder information	–	N/A
3.13	Precautionary approach	–	○
3.14	External initiatives	–	○
3.15	Business association memberships	–	N/A
3.16	Upstream and downstream impacts	–	○
3.17	Indirect impacts	–	○
3.18	Major operations decisions	–	○
3.19	Performance Programs	8	●
3.20	Management system certification status	–	N/A
GRI Content Index			
4.1	GRI content index	28	●

GRI Indicator	Description	Pg.	Status
Economic Performance Indicators			
EC1	Net sales	–	N/A
EC2	Geographic breakdown	–	N/A
EC3	Cost of goods, materials, services purchased	–	N/A
EC4	Percentage of contracts paid in accordance	–	○
EC5	Total payroll and benefits	–	○
EC6	Distributions to providers of capital	–	N/A
EC7	Increase/decrease retained earnings	–	N/A
EC8	Taxes paid	–	N/A
EC9	Subsidies breakdown by country	–	N/A
EC10	Donations	–	N/A
Environmental Performance Indicators			
EN1	Total materials use other than water, by type	17	⓪
EN2	Percentage of materials used that are wastes (external)	–	N/A
EN3	Direct energy use	12	●
EN4	Indirect energy use	–	N/A
EN5	Water use	–	○
EN6	Land owned, leased, or managed (biodiversity)	–	N/A
EN7	Major impacts on biodiversity	–	N/A
EN8	Greenhouse gas emissions	11	●
EN9	Ozone-depleting substances	–	N/A
EN10	Air emissions	11	⓪

GRI Indicator	Description	Pg.	Status
EN11	Waste	17	⓪
EN12	Water discharges		N/A
EN13	Significant spills		N/A
EN14	Environmental impacts of products		N/A
EN15	Percentage of products weight		N/A
EN16	Noncompliance penalties		N/A
EN17	Initiatives to increase energy efficiency	12	●
EN18	Energy consumption footprint	11	●
EN19	Other indirect energy use	–	○
Social Performance Indicators: Labor Practices and Decent Work			
LA1	Geographic breakdown of workforce	4	●
LA2	Employment creation and job turnover	–	○
LA3	Percentage of employees in unions	–	N/A
LA4	Employee involvement in operational changes	21	⓪
LA5	Health and safety reporting	23	●
LA6	Health and safety committees	–	N/A
LA7	Standard injury and lost day rates	–	N/A
LA8	HIV/AIDS program	–	N/A
LA9	Training	22	●

GRI Indicator	Description	Pg.	Status
LA10	Equal opportunity	25	●
LA11	Female/male ratio in management	25	●
Social Performance Indicator: Human Rights			
HR1	Human rights	–	N/A
HR2	Consideration of human rights impacts	–	N/A
HR3	Human rights within supply chain	–	N/A
HR4	Nondiscrimination	25	●
HR5	Freedom of association	–	N/A
HR6	Child labor	–	N/A
HR7	Forced labor	–	N/A
Social Performance Indicator: Society			
SO1	Impacts on communities	27	⓪
SO2	Bribery and corruption	–	N/A
SO3	Political lobbying and contributions	–	N/A
Social Performance Indicator: Product Responsibility			
PR1	Customer health and safety	–	N/A
PR2	Product labeling	–	N/A
PR3	Policy/procedures for consumer privacy	–	N/A

CERES PRINCIPLES

Ceres Company Statement

By adopting these Principles, we publicly affirm our belief that corporations have a responsibility for the environment, and must conduct all aspects of their business as responsible stewards of the environment by operating in a manner that protects the Earth. We believe that corporations must not compromise the ability of future generations to sustain themselves.

We will update our practices constantly in light of advances in technology and new understandings in health and environmental science. In collaboration with Ceres, we will promote a dynamic process to ensure that the Principles are interpreted in a way that accommodates changing technologies and environmental realities. We intend to make consistent, measurable progress in implementing these Principles and to apply them to all aspects of our operations throughout the world.

Protection of the Biosphere

We will reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water, or the earth or its inhabitants. We will safeguard all habitats affected by our operations and will protect open spaces and wilderness, while preserving biodiversity.

Sustainable Use of Natural Resources

We will make sustainable use of renewable natural resources, such as water, soils and forests. We will conserve non-renewable natural resources through efficient use and careful planning.

Reduction and Disposal of Wastes

We will reduce and where possible eliminate waste through source reduction and recycling. All waste will be handled and disposed of through safe and responsible methods.

Energy Conservation

We will conserve energy and improve the energy efficiency of our internal operations and of the goods and services we sell. We will make every effort to use environmentally safe and sustainable energy sources.

Risk Reduction

We will strive to minimize the environmental, health and safety risks to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies.

Safe Products and Services

We will reduce and where possible eliminate the use, manufacture or sale of products and services that cause environmental damage or health or safety hazards. We

will inform our customers of the environmental impacts of our products or services and try to correct unsafe use.

Environmental Restoration

We will promptly and responsibly correct conditions we have caused that endanger health, safety or the environment. To the extent feasible, we will redress injuries we have caused to persons or damage we have caused to the environment and will restore the environment.

Informing the Public

We will inform in a timely manner everyone who may be affected by conditions caused by our company that might endanger health, safety or the environment. We will regularly seek advice and counsel through dialogue with persons in communities near our facilities. We will not take any action against employees for reporting dangerous incidents or conditions to management or to appropriate authorities.

Management Commitment

We will implement these Principles and sustain a process that ensures that the Board of Directors and Chief Executive Officer are fully informed about pertinent environmental issues and are fully responsible for environmental policy. In selecting our Board of Directors, we will consider demonstrated environmental commitment as a factor.

Audits and Reports

We will conduct an annual self-evaluation of our progress in implementing these Principles. We will support the timely creation of generally accepted environmental audit procedures. We will annually complete the Ceres Report, which will be made available to the public.

Disclaimer: These Principles establish an environmental ethic with criteria by which investors and others can assess the environmental performance of companies. Companies that endorse these Principles pledge to go voluntarily beyond the requirements of the law. The terms "may" and "might" in Principles one and eight are not meant to encompass every imaginable consequence, no matter how remote. Rather, these Principles obligate endorsers to behave as prudent persons who are not governed by conflicting interests and who possess a strong commitment to environmental excellence and to human health and safety. These Principles are not intended to create new legal liabilities, expand existing rights or obligations, waive legal defenses, or otherwise affect the legal position of any Ceres company, and are not intended to be used against an endorser in any legal proceeding for any purpose.