Today, we are faced with unprecedented environmental challenges, all of which have implications for us as inhabitants of this planet. With its global network, no other organization is better positioned than WWF to bring about the changes that will be required – at all levels – to build a truly sustainable future. But we can’t do it alone. We urgently need leaders in government, business, and civil society to come forward and play a role. I hope that we can depend on you; I know future generations will.

Chief Emeka Anyaoku
President
WWF International
In October, we released our sixth Living Planet Report (page 12). Media around the world carried the report’s message that we are seriously exceeding the capacity of the Earth to support us. Wildlife populations around the globe are in decline, and the burden we impose upon the planet is increasing relentlessly. We are using up more and more of our fresh water, forests, and fish stocks. Most of all, of course, we are changing the climate.

Conservation is thus more urgent than ever. WWF is rising to the challenge by forging partnerships that can effect change on a global scale to save the Earth’s most extraordinary habitats and to encourage conservation worldwide.

This report highlights some of the ways in which we are working with diverse partners to achieve large-scale impacts. Collaborations with the government of Brazil, the World Bank, and local communities in the Amazon, for example, have yielded the most ambitious protected-area project ever undertaken (page 4). Cooperation between WWF and Unilever gave birth to the Marine Stewardship Council (MSC) to create a market for sustainable seafood, and WWF is now working with fishermen, processors, and the world’s largest retailers to propel MSC into the mainstream (page 10).

Partnerships like these are crucial for conserving the Earth’s biodiversity. They are equally crucial for the fight against poverty, beginning with achieving the United Nation’s Millennium Development Goals. In places like the Mara River of East Africa (page 6), aid agencies and community organizations are vital partners in our efforts to help conserve ecological resources that are essential for successful development.

Ultimately, the future of all humanity, rich and poor, depends upon finding ways to take better care of the ecosystems that support life on Earth, and on forging collaborations that can deliver big results. In this year, when several of our colleagues gave their lives in that cause, we are committed to redoubling our efforts. I hope the examples highlighted in this year’s Annual Review will inspire you to join us in our fight for a living planet.

James P. Leape
Director General
WWF International
...and damage may be irreversible

“Further global warming of 1°C defines a critical threshold. Beyond that we will likely see changes that make Earth a different planet than the one we know,” says NASA's Goddard Institute director and recipient of this year’s Duke of Edinburgh Conservation Medal*, Dr James Hansen.

Today, there are hardly any among the world’s political, industrial, and media leaders who doubt that climate change is an urgent problem and that it is largely a man-made phenomenon. With each new statistic the awareness of the looming crisis increases. But CO₂ emissions are still growing, and the world is warming faster than at any time in the last 12,000 years. The 1990s was the hottest decade in the past thousand years...

We can curb climate change – if we act now. If we begin to make the switch to clean energy today we can keep global warming below the danger threshold. The window of opportunity is narrow, but experts tell us that if we manage to turn the trend of global CO₂ emissions in the next ten to fifteen years, we can succeed. And everyone can contribute – business people and investors, scientists and technicians, law makers and citizens.

Mobilizing corporations for the climate

The private sector can and must play a vital role in reducing CO₂ emissions. The public wants to know what companies are doing about climate change, or indeed whether they have an emissions-reduction plan at all.

*WWF’s highest honour, awarded for outstanding service to the environment.
The hottest decade in the past thousand years...

To curb global warming we must switch to clean energy such as wind.

Good for business
WWF has shown that there are great opportunities for businesses to improve their standing and their bottom line by taking action to cut CO₂ emissions. Making better use of resources and creating more efficient products are becoming part of normal business practices. It was to encourage these responsible, forward-thinking companies that WWF’s Climate Savers programme was developed.

What exactly is Climate Savers?
Climate Savers is a cutting-edge programme between WWF and businesses aimed at fighting climate change. Agreed targets must go much further than previous plans and should place the company as a sector leader in greenhouse-gas emission control. To date, a dozen companies have joined the fight, including Sony, Tetra Pak, and Lafarge.

How green is that freezer?
Consumers have many things to take into consideration when purchasing a new appliance. While it is relatively easy to compare prices, features, and appearances of similar products, it is more difficult to find reliable and objective information on their energy efficiency.

To counter this, WWF and a group of partner organizations recently launched TOPTEN, an online search tool that gives potential purchasers in ten European countries the opportunity to compare the energy efficiency of consumer goods such as washing machines, fridges and freezers, TV sets, computers, and cars.

TOPTEN helps to show how energy consumption contributes to climate change and indicates what individuals can do to reduce their impact on the environment. It also informs retailers about which products to choose, and serves as an incentive to persuade manufacturers to improve the energy efficiency of their products. www.topten.info

Witness to the changing climate
Changing weather patterns are already hitting eastern Africa, where the 2006 UN Conference on Climate Change took place. A WWF survey confirmed that average temperatures in Kenya have risen by 1.3°C and that although overall rainfall has increased, it is more unpredictable. Juma Njunge Macharia from Murungaru, a village just west of Nairobi, addressed the conference, saying: “When I was young the rainy season here started in mid-April, but it has now shifted to June - when it used to end. Rainfall has become unreliable and makes it more challenging to plan any farming activities. I hope that governments will agree to a way to stop [emissions].”

Juma Njunge Macharia, one of WWF’s “Climate Witnesses”.
It is impossible to overestimate the contribution made by the world’s forests to the well-being of the planet. Forests form a complex and extraordinarily diverse ecosystem – a fragile, intricate, interdependent web made up of micro-organisms, soils, insects, animals and flowers, as well as the trees themselves. Forests are the Earth’s purifiers, “breathing” in much of the excess CO₂ we pump into the atmosphere and exhaling the oxygen upon which all life depends. They provide water, food, fuel, shelter, medicines, spiritual sustenance, and countless other valuable services.

Yet despite their value, over 50 per cent of the world’s original forests have already gone and they continue to disappear at a rate of about 13 million hectares a year. At WWF, we believe we can avert this disaster through a mix of protection, restoration, responsible forestry, and by addressing consumption issues. The Forest Stewardship Council (FSC) – a certification system that WWF helped set up in 1994 to ensure wood and wood products come from forests that are sustainably managed – now has nearly 80 million hectares of certified forests and around 20,000 FSC-labelled products on sale worldwide.

Top: On the ground in Brazil, WWF staff are helping ARPA deliver on its commitment to protect vast areas of Amazonian forest.
Bottom: FSC certification guarantees that wood – such as this quinilla tree in Peru – has been sustainably harvested.
Right: Forests such as the Amazon rainforest “breathe in” much of our excess CO₂ and exude it as life-giving oxygen.
Transforming conservation: the Amazon

A momentous undertaking is under way to transform conservation in Brazil. The Amazon Region Protected Areas (ARPA) programme aims to ensure comprehensive protection of 50 million hectares, or 12 per cent of the Brazilian Amazon – an area about twice the size of the United Kingdom, and 50 per cent more than the US National Park System. Through its geographic scope and financial ambitions, the ARPA programme redefines place-based conservation.

Partners in sustainable development

Over a ten-year period, the programme, developed by the government of Brazil in partnership with WWF and other stakeholders, will create and support a system of protected areas and reserves where natural resources are sustainably managed. A trust fund will generate sufficient income to support effective management of these areas over the long term.

Since its formation in 2003, the programme has set world-class standards for innovation and cooperation involving multiple sectors of society, and has produced outstanding conservation results ahead of schedule. ARPA is playing a key role in ensuring that future development in the Amazon region can take place on a solid environmental footing.

First results

By the end of 2006, less than four years since its inception, ARPA has created over 23.5 million hectares of new parks and reserves, among them the Tumucumaque Mountains National Park. Conceived by WWF and the Brazilian Institute of Environment and Renewable Natural Resources, this 3.9 million-hectare park – roughly the size of Switzerland – is the world’s largest tropical forest national park and home to several threatened species, including jaguars, macaws, and harpy eagles.

Keeping the Heart of Borneo beating

The “Heart of Borneo” is one of the last major tropical rainforests in Southeast Asia and one of the most biologically diverse habitats on Earth. This predominantly mountainous area, shared by Brunei, Indonesia, and Malaysia, is the source of the island’s major rivers. But despite its importance, plans were announced in July 2005 to create the “world’s biggest oil palm plantation”, which would effectively rip the forest heart out of Borneo.

Lobbying at the highest levels

WWF focused on finding a solution, even arranging a private meeting between WWF Director General James Leape and Indonesian President Susilo Bambang Yudhoyono. Much of the intended land was in fact too steep, high, and infertile for oil palm, but a WWF study revealed a viable alternative: an area three times greater than the proposed plantation which was not only more suitable but also considered “idle land”.

By working together with eight government ministries, the palm oil sector, and other NGOs, we succeeded in halting this destructive 1.8 million-hectare project before forest clearing could begin. In March 2006, the launch by Indonesia, Malaysia, and Brunei of the Heart of Borneo initiative at the meeting of the UN Convention on Biological Diversity confirmed the Indonesian government’s commitment to the conservation and sustainable development of the area – another example of how presenting “win-win” solutions to political and commercial interests can bring tangible results where confrontation alone is likely to fail.

“By the end of 2006, less than four years since its inception, ARPA has created over 23.5 million hectares of new parks and reserves...”
facing a water crisis

Water is as essential as the air we breathe. Without it, there is no life. Yet although more than 70 per cent of our blue planet is covered by water, less than 3 per cent of it is fresh water, and much of that is locked up in glaciers, snowcaps, and permafrost, leaving only a tiny fraction suitable and available for human use – for drinking, sanitation, hydro-electricity, industry, inland transport, fishing, and growing crops. Of these, agriculture uses by far the most – almost two-thirds. With a quarter of the population facing a shortage, the world is already experiencing a severe and growing water crisis that is mirrored by the steep decline in freshwater ecosystems. Clearly something has to be done and one of the first steps is to curb agriculture’s thirst for water.

Quenching “thirsty” crops
In the past two years, WWF has worked closely with leading multinational companies, NGOs, and research institutes to change the way that thirsty crops, cotton, rice, and sugar, are grown. The aim is to introduce better farming practices that reduce the environmental and social impacts of cultivation, while also increasing farm income.

More cotton for less …
It is ironic that cotton, a crop that needs a lot of water, is mostly grown in hot, semi-arid countries where water is at a premium. One such country is Pakistan, where WWF has an ongoing programme to encourage farmers to conserve water by adopting “bed and furrow” irrigation in combination with integrated pest management techniques.

Results of these efforts over the last five years demonstrate that more cotton can be grown using up to 30 per cent less water, up to 25 per cent less chemical fertilizer, and less than half the pesticide – while putting more money into farmers’ pockets. This not only reduces the crop’s dependence on water, but also helps stabilize the surrounding ecosystem by maintaining the area’s natural flows, benefiting species like the Indus River dolphin. Similar results can be gained when other major crops such as sugar cane and wheat are raised using improved crop practices.

Managing water for people and nature
Each year the Mara-Serengeti region in Africa experiences one of nature’s grandest spectacles. In April and May, more than 1 million wildebeest, over 200,000 zebras, and about 400,000 Thomson gazelles migrate westward from the Ndutu Plain of Tanzania in search of food and the region’s most fragile resource, water. One of the few reliable sources they find is the Mara River, the only perennial river in the region. In recent years, however, the Mara has been subject to increasing demands from agriculture, mining industries, and a growing human population, as well as deforestation in its headwaters. Significant reduction in flow and quality are already evident, especially during the dry season.

GLOWS to the rescue
To counter the problem, WWF is working with the Norwegian Agency for Development Cooperation (NORAD) and the Global Water for Sustainability (GLOWS) programme, a consortium led by the Florida International University and backed by the US Agency for International Development, to help local communities around the Masai Mara and Serengeti reserves in Kenya and Tanzania to set up systems for monitoring water quality and quantity, and develop ways to finance sustainable river conservation for both people and nature. Similar GLOWS integrated water resource-management initiatives are under way in Latin America and India, with more to follow in coming years.

Rice facts
Half the world depends on rice, and more than 90 per cent of it is grown in Asia. Traditional farming needs 3,000 to 5,000 litres of water to produce a kilo of rice. A typical adult in Southeast Asia consumes 160 kilos of rice a year, making a yearly water requirement of at least 500,000 litres per person! By introducing the “System of Rice Intensification” (SRI), more rice can be grown per litre. Results from SRI pilot projects in India, supported by WWF, have shown substantial increases in crop yields – and farmer incomes – while using about 30 per cent less water.
Left: Freshwater fish provide vital protein as well as a livelihood for many communities around the world.

Below: In Nairobi, Kenya, water is becoming increasingly scarce in certain areas due to population growth and urbanization.

Bottom: If the waters of the Mara River run dry, these Burchell’s zebras and many other species will suffer.
There is a species extinction crisis. This year’s IUCN Red List includes 16,118 species known to be threatened, up by over 5,500 in just ten years. Threats to biodiversity are at an all-time high, caused by detrimental human activities across the globe. In practical terms, species loss means a less healthy and resilient environment, less food, fewer fish in the sea, fewer plants and animals in the forests, less fresh water and, in the long term, less income for communities. If we lose our species, we lose the fundamental building blocks that keep our planet alive and sustain us. From that, there is no way back. And that is bad news for species, bad news for the planet, and bad news for people.

Learning to live with wildlife

As human populations expand ever further into natural habitats, people and animals are increasingly coming into conflict over living space and food. With dwindling natural food resources available, wild animals in many areas are forced to turn to human-owned alternatives. As a result, people lose their crops, livestock, property, and sometimes their lives. The animals, many of which are already threatened or endangered, are often killed in retaliation or to prevent future encounters. Human-wildlife conflict is on the rise, increasingly affecting different species, peoples, and industries across the planet.

Fighting back from extinction

Rhinos are one of WWF’s “flagship” species: by focusing on their conservation, many other species which share their habitats may also benefit. There are five rhino species in Asia and Africa: Javan rhinos are the rarest and are critically endangered. Estimates indicate only 28 to 56 of them in Indonesia, with another eight in Vietnam. Only about 300 Sumatran rhinos are thought to survive, though their cousins the Indian rhino are thriving in sanctuaries, with about 2,400 known individuals. In Africa the northern white rhino population is down to under ten, though their southern white relatives number over 14,000. Black rhinos are also gradually increasing and currently number around 3,700 individuals.
Active involvement

WWF and its partner organizations work around the world with local communities to reduce human-wildlife conflict. With solutions in place, communities have the opportunity to value and benefit from their wildlife, and in their turn, often become enthusiastic conservationists themselves.

Baby boom for rare rhinos

In an all too rare piece of positive news, evidence has been found of four Javan rhinos born recently in Indonesia – a surprising baby boom for a species that may be reduced to fewer than 60 individuals worldwide (see box, left). Signs of the rhino calves were discovered in Indonesia’s Ujung Kulon National Park by a team of biologists, including park rangers and WWF staff. They are the first known births for the Javan rhinos in three years.

“Javan rhinos are probably the rarest large mammal species in the world and they are on the very brink of extinction,” said Arman Malolongan, Director General of Forest Protection and Nature Conservation at Indonesia’s Ministry of Forestry. “To discover that this population is breeding, and even slowly growing, gives us hope for the species’ future.”

Through the work of WWF and the Ujung Kulon National Park Authority, effective law enforcement has resulted in the complete elimination of rhino poaching in the park since the early 1990s.
Once considered inexhaustible, our oceans are now in a state of global crisis as more and more people compete for fewer and fewer fish. Overfishing threatens coastal communities and the food security of the millions who rely on marine fish as an important source of protein. More than 70 per cent of the world’s commercial marine fish stocks are either fully exploited, overfished, or recovering from overfishing. Yet the solutions are in our hands, because what we buy for dinner tonight can determine whether tomorrow’s generations will continue to enjoy the oceans’ riches. Or not.

Getting fisheries in balance to protect species

Not everything caught in a fishing net makes it to the table. Every day millions of creatures are caught in equipment intended for other species. Modern fishing gear, intensively deployed and extremely powerful, is very efficient at catching fish – as well as anything else in its path. This “incidental” catch is called bycatch. All types of marine life, including whales, dolphins, sharks, seabirds, starfish, crabs, and turtles are killed as bycatch. Every year, for example, over 300,000 whales, dolphins, and porpoises die in fishing nets, and over a quarter of a million threatened marine turtles are caught on longline hooks.

Turning the tide

It is a monumental challenge, but we can turn the tide by persuading major seafood buyers to demand change, by demonstrating the viability of alternative fishing technology, and by encouraging fleet owners to pioneer different approaches, while lobbying hard for regulatory reforms. Already our “Smart Gear” competition rewards innovative thinking from all over the world, with a US$25,000 award for ideas such as using strong magnets to repel sharks from longline hooks, or weighting hooks to sit at a depth of 120m, far below endangered turtles and albatross. And a WWF-sponsored programme in Ecuador has seen a 90 per cent reduction of marine turtle bycatch by replacing traditional “J” shaped longline hooks with specially designed circle hooks.

More MSC-certified seafood = more sustainable fish

The Marine Stewardship Council (MSC), co-founded by WWF in 1997, rewards sustainable and well-managed fisheries with their distinctive blue eco-label. By 2006, 21 fisheries had been certified against the MSC’s standards and labelled to prove it. A further 30 are undergoing assessment. Together they account for more than 6 per cent of global seafood catch and cover some of the world’s major fisheries. To date, over 100 major seafood buyers have pledged to purchase MSC-certified seafood products, including large supermarket chains in France, Germany, Switzerland, and the UK. Overall, there are currently around 450 MSC-labelled fish products on sale in 26 countries – ranging from fresh, frozen, smoked, and canned fish to fish oil dietary supplements.

World’s largest retailer sets a green precedent

With an annual turnover larger than many nations’ economies, Wal-Mart serves roughly 100 million people each week. Now the global retail giant has committed to sourcing all fresh and frozen products in North American stores from MSC-certified fisheries within five years. With guidance from WWF and partners, this decision to raise the bar for fish suppliers is just one example of Wal-Mart’s environmental commitment, and illustrates the power of business to influence widespread change.

A bycatch black list

- One shark dies for every two swordfish that are caught in illegal Moroccan driftnets – around 100,000 sharks a year.
- 22 species of seabirds, including 17 of the 21 species of albatross, are declining mainly because of longline fishing.
- 9 species of dolphins and porpoises are likely to disappear in the next decade through entanglement in lines and nets.
- Longline fisheries account for the capture of more than 250,000 loggerhead and leatherback marine turtles each year.

Left: Fishermen in Mauritania often find themselves competing against industrial trawlers for fish.
...over a quarter of a million threatened marine turtles are caught on longline hooks

Right: For every one leatherback turtle disentangled from fishing nets, thousands of others will die as incidental bycatch.

Below: These spiny lobsters in Baja California, Mexico, have been certified by the Marine Stewardship Council (MSC) – a guarantee for the consumer that the catch is sustainable.
a clear and urgent message

The Living Planet Report 2006*, published in October, is WWF’s biennial update on the health of the natural world and our impact on it. This latest edition confirms that we are using the planet’s resources faster than they can be renewed. Humanity’s “ecological footprint” (Fig. 1) – our impact upon the planet – has more than tripled since 1961, and now exceeds the world’s ability to regenerate by about 25 per cent. The report also tells us that this relentless pressure is having predictable consequences on biodiversity: the Living Planet Index (Fig. 2), which tracks the populations of 1,300 vertebrate species, shows a decline of more than 30 per cent since 1970.

The message of the Living Planet Report is clear and urgent: we must balance our consumption with the natural world’s capacity to regenerate and absorb our wastes. Progress must be made on many fronts, from reversing our over-harvesting of fish to controlling our use of fresh water. The report also makes it clear that first and foremost we must change the way in which we generate and use energy. Our reliance on fossil fuels, and the climate-changing emissions that result, now makes up 48 per cent – almost half – of our global footprint.

Fig. 1 Ecological Footprint 1961 – 2003

The Ecological Footprint measures humanity’s demand on the biosphere. It includes all the cropland, grazing land, forest and fishing grounds required to produce the food, fibre, timber and CO2 from fossil fuels we consume, to absorb the wastes emitted in generating the energy we use, and to provide space for our infrastructure. In 2003, demand exceeded supply by 25%.

Fig. 2 Living Planet Index 1970 – 2003

Trends in populations of terrestrial, marine, and freshwater vertebrate species show a decline of more than 30% since 1970.

meeting the funding challenge

Long-term financial support is always one of WWF’s greatest challenges and we are especially grateful to our loyal donors who each year enable us to keep our many vital programmes going.

The Oak Foundation: restoring Europe’s fisheries
European countries are legally committed to managing their fisheries sustainably. Despite this, fish stocks are still declining in European waters. Today the adults of several species number just 10 per cent of what they were 30 years ago. The Oak Foundation’s substantial financial support is helping WWF to develop a holistic management plan for the recovery of Europe’s marine ecosystems by strengthening and implementing the reformed EU Common Fisheries Policy.

The MAVA Foundation: a blueprint for action
WWF and another of its partners, the MAVA Foundation, aim to change the way governments protect biodiversity. Using the work programme of the Convention on Biological Diversity (CBD) as a blueprint for action, WWF is engaging scientists, government officials, NGOs, local authorities, and business people to set up well-managed networks of protected areas in some 25 countries. The programme, to be implemented over five years, involves trans-boundary planning that WWF is uniquely placed to promote. Through this work, we hope to influence the 188 Parties to the Convention and accelerate their conservation actions.

From kids to corporations, we thank you!
Almost 5 million supporters, ranging from school children to corporations and foundations, make financial or in-kind contributions that add up to around 70 per cent of WWF’s global yearly income. We thank every one of them and deeply appreciate their support of our goals.

In addition to those mentioned on the left and on pages 18 and 19, WWF International is grateful to: Fondation Audemars-Piguet; Bruno Figueras; Groth AG; Felix and Jenny Hofbauer (in memoriam); Dr Luc Hoffmann; André and Rosalie Hoffmann; IBTT BV; IKEA of Sweden AB; Banque Lombard Odier Darier Hentsch & Cie; Propaganda; Switcher SA; Unirose Batteries SAS; Fondazione Ermenegildo Zegna; The Living Planet Club members; members of The 1001: A Nature Trust; and the many donors who prefer to remain anonymous.

Thank you all!
income and expenditure

**WWF International**

With greater support from our national organizations, and governments and aid agencies, income increased by 20 per cent, resulting in substantially greater funding for our conservation work.

**WWF Network**

The total WWF Network income grew by CHF100 million to CHF704.5 million, an increase of more than 16 per cent. All income increased, particularly donations from individuals, legacies, and trusts and foundations.

The network’s operating surplus was CHF98.3 million, up from CHF48.8 million the previous year. This surplus will be used to fund our ongoing projects and programmes and help us reach our conservation targets.

Chiew Chong
Director of Finance & Administration
WWF International

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### WWF International: income and expenditure

**Two-year summary 2005-2006**

<table>
<thead>
<tr>
<th>Financial Year*</th>
<th>2005**(CHF’000)**</th>
<th>2006**(CHF’000)**</th>
<th>2006**(US$’000)**</th>
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<td>WWF National Organizations (1)</td>
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<td>Other</td>
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<td>273</td>
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<td>Network and Learning Services (4)</td>
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<td>112,679</td>
<td>140,209</td>
<td>109,432</td>
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*Financial years cover the period 1 July to 30 June  ** Average US exchange rate for the year: 1.28123

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### Notes to the accounts

1. **Joint Fundraising**

   Fundraising income (donations, royalties, etc.) which is raised jointly with a National Organization is recorded as income from National Organizations.

2. **Financial Income (Net)**

   Based on 5% of investible funds.

3. **Conservation Policy and Awareness**

   In FY 2006, WWF International spent CHF8,040,000 on:

   - Conservation Policy 3,921
   - Awareness 4,119

4. **Network and Learning Services**

   WWF International expenditure in support of the activities of National Organizations. Includes legal and trademark costs.

5. **Non-operating Items**

   Non-operating items were:

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<thead>
<tr>
<th>2005 (CHF’000)</th>
<th>2006 (CHF’000)</th>
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<td>Transfer from endowment funds</td>
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<td>Donations to endowment funds</td>
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6. **Comparative Figures**

   FY2006 Finance and Administration costs are shown as gross amounts without reallocations. The FY2005 comparative figures have been restated accordingly.
Notes to the accounts

1. Marketable Securities
At the end of the financial year, cash and short-term deposits comprised 67% of total cash, bank deposits, and marketable securities, compared to 76% a year ago.

2. Fixed Assets
All fixed asset costs regarding the renovation of the main building and the purchase and renovation of the pavilion in Gland have been capitalized. All other fixed asset costs are charged to expenditure at the time of purchase.

3. Mortgage Payable
Mortgage payable refers to the bank loan for the purchase and renovation of the pavilion in Gland.

4. Operating Funds
Operating funds are those funds available for expenditure on conservation awareness and public policy, National Organization support, direct fundraising, administration and finance, and fixed asset expenditure.

5. Capital and Endowment
Include The 1001: A Nature Trust, a trust fund built up through individual membership contributions; the Sigvaldason Fund, a legacy from the late Mrs Gerda Sigvaldason; the Endowment Fund built up primarily from the proceeds of the WWF 25th Anniversary Coin Collection programme; the Prince Bernhard Scholarship Fund for Nature Conservation, the income from which will be used to achieve conservation worldwide, including to help build conservation capacity, provide training and scholarships, etc.; and statutory capital of CHF20,000, representing the initial capital of WWF.

Audited financial statements are available on request.
## WWF Network: income and expenditure

### Two-year summary 2005-2006

### Financial Year**

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<th>OPERATING INCOME</th>
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<th>2006</th>
<th>2006 (US$’000†)</th>
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<tr>
<td><strong>OPERATING INCOME</strong></td>
<td>(CHF’000)</td>
<td>(CHF’000)</td>
<td></td>
</tr>
<tr>
<td>Individuals (1)</td>
<td>260,170</td>
<td>297,485</td>
<td>232,187</td>
</tr>
<tr>
<td>Legacies and Bequests</td>
<td>61,182</td>
<td>91,718</td>
<td>71,586</td>
</tr>
<tr>
<td>Corporations (2)</td>
<td>39,284</td>
<td>41,720</td>
<td>32,562</td>
</tr>
<tr>
<td>Sponsorship Fees</td>
<td>6,086</td>
<td>6,369</td>
<td>4,971</td>
</tr>
<tr>
<td>Trusts and Foundations</td>
<td>37,312</td>
<td>46,531</td>
<td>36,317</td>
</tr>
<tr>
<td>Governments and Aid Agencies</td>
<td>132,046</td>
<td>130,972</td>
<td>102,223</td>
</tr>
<tr>
<td>Royalties (3)</td>
<td>13,391</td>
<td>19,317</td>
<td>15,077</td>
</tr>
<tr>
<td>Financial Income (Net) (4)</td>
<td>39,821</td>
<td>53,543</td>
<td>41,790</td>
</tr>
<tr>
<td>Other</td>
<td>14,992</td>
<td>16,802</td>
<td>13,114</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>604,284</td>
<td>704,457</td>
<td>549,827</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENDITURE</th>
<th>2006 (CHF’000)</th>
<th>2006 (CHF’000)</th>
<th>2006 (US$’000†)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation</td>
<td>249,963</td>
<td>255,135</td>
<td>199,132</td>
</tr>
<tr>
<td>– Programme (5)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Conservation Policy, Education, and Awareness (6)</td>
<td>95,865</td>
<td>113,635</td>
<td>88,692</td>
</tr>
<tr>
<td>– Network Contributions (7)</td>
<td>54,882</td>
<td>67,590</td>
<td>52,754</td>
</tr>
<tr>
<td>– TRAFFIC (8)</td>
<td>5,163</td>
<td>4,870</td>
<td>3,801</td>
</tr>
<tr>
<td>Fundraising</td>
<td>91,484</td>
<td>102,032</td>
<td>79,636</td>
</tr>
<tr>
<td>Finance and Administration</td>
<td>58,139</td>
<td>62,875</td>
<td>49,074</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>555,496</td>
<td>606,137</td>
<td>473,089</td>
</tr>
</tbody>
</table>

**Surplus to support current and future projects**

<table>
<thead>
<tr>
<th>2006 (CHF’000)</th>
<th>2006 (CHF’000)</th>
<th>2006 (US$’000†)</th>
</tr>
</thead>
<tbody>
<tr>
<td>48,788</td>
<td>98,320</td>
<td>76,738</td>
</tr>
</tbody>
</table>

---

**Notes to the accounts**

1. **Individuals**
   Monies received from WWF individual supporters, including regular dues and fundraising activities.

2. **Corporations**
   Donations from corporations, excluding royalties, licensing, and sponsorship fees.

3. **Royalties**
   Monies received from royalties, licensing, and the sale of WWF products via WWF catalogues and retail outlets.

4. **Financial Income (Net)**
   The net results of dividends, bank interest, exchange differences, gains/losses on marketable securities, bank charges, etc.

5. **Programme**
   Costs of the WWF Network global conservation programme.

6. **Conservation Policy, Education, and Awareness**
   In FY 2006, the WWF Network spent CHF113,635,000 on:

<table>
<thead>
<tr>
<th>CHF’000</th>
<th>CHF’000</th>
<th>CHF’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation Policy</td>
<td>24,633</td>
<td>24,633</td>
</tr>
<tr>
<td>Education</td>
<td>25,025</td>
<td>25,025</td>
</tr>
<tr>
<td>Awareness</td>
<td>63,977</td>
<td>63,977</td>
</tr>
</tbody>
</table>

7. **Network Contributions**
   Support provided by the National Organizations for leadership and coordination, services rendered to the WWF Network, and the operating costs of the field offices.

8. **TRAFFIC**
   The TRAFFIC (Trade Records Analysis of Flora and Fauna In Commerce) Network is the world’s largest wildlife trade monitoring programme, and is a joint programme of WWF and IUCN – The World Conservation Union.

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*The figures given show total WWF Network income and expenditure but do not represent consolidated accounts. The network includes WWF International and its Programme Offices, and all the WWF National Organizations and their Programme Offices.

**Financial years cover the period 1 July to 30 June for WWF International and all National Organizations except: WWF-India, WWF-Japan, WWF-South Africa (1 April to 31 March); WWF-Germany, WWF-Hungary, WWF-Italy, WWF-Norway, WWF-Philippines, WWF-Spain, and WWF-Turkey (1 January to 31 December preceding year).

***Updated

†Average exchange rate for the year: CHF1.28123= US$1
WWF International Board and Directors

WWF INTERNATIONAL BOARD MEMBERS 2006

**PRESIDENT**
Chief Emeka Anyaoku* (Nigeria)
- Former Commonwealth Secretary-General
- Former Nigerian Foreign Minister
- Chair, Advisory Panel on International Support for NEPAD to the UN Secretary-General
- Chair, Presidential Advisory Council on International Relations, Nigeria
- Vice-Chair, Board of the South Centre, Geneva
- Trustee, British Museum, United Kingdom

**VICE-PRESIDENT**
Mr Jamshyd Godrej* (India)
- Chair and Managing Director, Godrej & Boyce Manufacturing Co Ltd
- Chair, Aspen Institute, India
- President, WWF-India

**HONORARY TREASURER**
Mr Eric Sarasin* (Switzerland)
- CEO, Private & Institutional Clients, and member, Executive Committee, Bank Sarasin & Co Ltd
- President, German-Swiss Chamber of Commerce
- Board Member, Basel Zoo
- Member, Swiss-American Advisory Board

**TRUSTEES**
Mr Attila Aksoy (Turkey)
- Chair, Advertising Programme, Istanbul Bilgi University
- President, WWF-Turkey

Ms Cheryl Carolus (South Africa)
- Executive Chair, Peotona Group Holdings Pty Ltd
- Chair, South African National Parks
- Former Chief Executive, South Africa Tourism

Mr Álvaro de Souza (Brazil)
- Director, AoS – Gestão, Consultoria e Investimentos Ltda
- Chair, WWF-Brazil

Prof D Francisco Diaz Pineda (Spain)
- Professor, Complutense University of Madrid
- Chair, WWF-Spain

Prof Paul Galand (Belgium)
- Researcher and Former FNRS Director, Faculty of Medicine, Free University of Brussels
- Commentator and Scientific Adviser, RTBF-TV, Belgium
- Vice-Chair, WWF-Belgium

Her Majesty Queen Noor (Jordan)
- Patron, IUCN
- President Emirteus, Birdlife International
- Chair, King Hussein Foundation International

Mr Thymio Papayannis (Greece)
- President, Society for the Protection of Prespa
- Director, Med-INA (Mediterranean Institute for Nature and Anthropos)
- Co-founder and Honorary President, WWF-Greece

Mr Robert Purves (Australia)
- Chair, DCA Group Ltd
- Member, Wentworth Group of Concerned Scientists
- President, WWF-Australia

Dr Jorgen Randers* (Norway)
- Professor, Norwegian School of Management
- Chair, WWF-Norway

Mr Mark Read (South Africa)
- Chair, Everard Read Gallery
- CEO, Palaeoanthropologist Scientific Trust
- Chair, WWF-South Africa

The Hon William K Reilly* (USA)
- President and CEO, Aqua International Partners
- Chair, WWF-US (until October 2006)

Mr Altaf Saleem (Pakistan)
- Federal Minister & Chair, Earthquake Reconstruction and Rehabilitation Authority
- Federal Minister & Chair, National Vocational and Technical Education Commission
- President, WWF-Pakistan

Mr Robert Schenker (Switzerland)
- Independent Financial Adviser
- Chair, WWF-Switzerland

Mr Johan Schroeder (Denmark)
- Consul General for New Zealand to Denmark
- Former President and CEO, Radiometer
- Chair, WWF-Denmark

Mr Marcus Shaw (Hong Kong)
- Managing Director, Shaw and Sons Ltd
- Chair, WWF-Hong Kong

Mr Tsunenari Tokugawa (Japan)
- Adviser to the President, NYK
- President, Tokugawa Memorial Foundation
- Senior Board Member, WWF-Japan

Mr Karel Vuursteen (Netherlands)
- Board member and former Chair, Heineken NV
- Chair, WWF-Netherlands

Dr Christopher Ward (United Kingdom)
- Chair and Co-Founder, Redwood Publishing
- Chair, WWF-UK
- Executive Committee Members

**PRESIDENT EMERITUS**
HRH The Duke of Edinburgh

**VICE-PRESIDENTS EMERITI**
Dr Luc Hoffmann
S Babar Ali
The Hon Mrs Sara Morrison

**WWF INTERNATIONAL DIRECTORS 2006**

**DIRECTOR GENERAL**
Mr James P Leape

**NETWORK RELATIONS**
Dr Chris Hails (from 01,10.06)

**PROGRAMME**
Dr Chris Hails (until 30.09.06)
Dr Guillermo Castillejea (from 01.10.06)

Mr Mario Fetz (Australia)
- President, WWF-Australia

Ms Jennifer Morgan (until 30.09.06)
- Former Commonwealth Secretary
- Chair, Advisory Panel on International Relations, Nigeria
- Trustee, British Museum, United Kingdom

**OPERATIONS**
Mr Paul Steele
- Chief Operating Officer

Ms Dorothy Bray (until 31.03.06)
- Human Resources Development

Mr Chiew Chong
- Finance & Administration

Mr Mario Fetz (until 31.03.06)
- Former President and CEO, Radiometer
- Chair, WWF-Denmark

Mr Francisco Diaz Pineda (Spain)
- Professor, Complutense University of Madrid
- Chair, WWF-Spain

Mr Tsunenari Tokugawa (Japan)
- Adviser to the President, NYK
- President, Tokugawa Memorial Foundation
- Senior Board Member, WWF-Japan

Ms Pascale Moehrle
- Deputy Director

Dr Simon Cripps
- Global Marine Programme

Mr Clifton Curtis
- Government & Aid Agency Relations

Dr Sue Lieberman
- Global Species Programme

Dr Isabelle Louis
- Asia & Pacific Regional Programme

Mr Meg Symington
- Chair, WWF-Turkey
- President, WWF-Australia

Mr Duncan Pollard
- Global Forests Programme

Mr Georg Schwede
- Europe & Middle East Conservation Programme

Mr Gordon Shepherd
- International Policy

Dr Magnus Sylvén
- Europe & Middle East Regional Programme

Ms Jennifer Morgan (until 30.09.06)
- Former Commonwealth Secretary
- Chair, Advisory Panel on International Relations, Nigeria
- Trustee, British Museum, United Kingdom

**VICE-PRESIDENTS EMERITI**
Dr Luc Hoffmann
S Babar Ali
The Hon Mrs Sara Morrison
common interests, positive partnerships

WWF sees business as central to the well-being of society and the planet. Our challenging and innovative partnerships with the private sector not only provide conservation benefits which help us carry out our mission, but also contribute to increasing the business sector’s commitments to sustainable development and environmentally sound, commercially rewarding business practices – proving that good citizenship is good business.

Nokia – environmental commitment from within
Our partnership with mobile communications leader Nokia is an excellent illustration of how we work together with business to achieve real rather than cosmetic environmental commitment. In June 2006, WWF and Nokia renewed their three-year agreement to build employee environmental awareness and responsibility, and to help Nokia managers include environmental sustainability in their normal business practices. Additionally, WWF will start to support Nokia in its current environmental focus areas, which are energy efficiency, substance management, and take back and recycling.

Canon Europe: our longest business partnership
Canon Europe has been a loyal and committed WWF Conservation Partner since 1998 and continues to support a broad range of our activities, from enhancing our image bank to contributing towards the preservation of endangered species such as marine turtles and polar bears. As a major paper supplier and a member of WWF’s European Paper Group, Canon Europe has introduced a robust supply chain evaluation system to ensure that its stock comes only from sustainable forests.

Wallenius Wilhelmsen Logistics on the high seas
WWL sponsors WWF’s High Seas initiative and demonstrated its commitment by organizing staff workshops on high seas issues in Europe and the USA. Participants came up with ideas to help WWL further increase its environmental performance, such as a zero-emissions vessel – fuelled only by wind, wave, and solar energy yet capable of carrying 10,000 cars at 15 knots. If widely adopted, the concept would hugely contribute to cutting greenhouse gases and ocean pollution.
Lafarge – going beyond Kyoto

In 2000, Lafarge, the world leader in building materials, partnered with WWF and, the following year, committed to a 10 per cent reduction in its absolute gross CO\textsubscript{2} emissions in industrialized countries by 2010. This is well beyond the Kyoto limits, and 2005 already saw a reduction of 8.5 per cent. Since the renewal of the partnership in 2005, joint work continues on climate change and biodiversity, and new areas cover sustainable construction and persistent pollutants. Lafarge committed to improve its performance by reducing its emissions of persistent pollutants through the development and implementation of best management practices for the cement production process. A set of indicators are also being developed with which to report on environmental performance on a yearly basis.

Challenging campaigns thanks to Ogilvy

Ogilvy and Mather, a leading advertising agency, has supported WWF’s work for over three decades by providing free creative advertising. This long-lasting partnership is currently helping WWF to challenge audiences to act on issues ranging from energy consumption to protected areas with some hard-hitting print and television campaigns.

Through O&M, WWF has established a key relationship with MindShare, a global media company, and our advertisements get placed pro bono in leading international publications such as Newsweek, BusinessWeek, National Geographic, Fortune magazine, and Time.

HSBC: investing in nature

Since 2002, HSBC and WWF have pursued two goals: achieving significant freshwater conservation in four priority regions around the world and helping make HSBC’s core business more sustainable. This has resulted in the establishment of a series of lending guidelines incorporating environmental standards, such as those set by the Forest Stewardship Council and the World Commission on Dams.
In September this year, the global conservation community suffered a loss so enormous that it touched people throughout the world. Some of Nepal’s most accomplished conservationists, including government leaders and seven of WWF’s most experienced and talented staff, lost their lives in a tragic helicopter crash in the Kanchenjunga Conservation Area of Nepal. The group had just participated in a ceremony to hand over management of this area to the local communities—a major milestone for conservation, achieved after many years of collaborative work, that will benefit both nature and people.

The Kanchenjunga Conservation Area is a jewel within the Eastern Himalayas—a unique area spanning Nepal, India, and Bhutan, and home to diverse cultures, habitats, and rare wildlife species. For WWF’s conservation leaders who participated in the special ceremony—Dr Jill Bowling Schlaepfer, Dr Chandra Gurung, Dr Harka Gurung, Jennifer Headley, Yeshi Choden Lama, Matthew Preece, and Mingma Norbu Sherpa—the event was a symbol of their vision, passion, and commitment.

WWF will honour them by continuing to work together with its partners to support this important area, and to implement the long-term conservation plan for the region. Our goal over the next three years is to secure the resources required to ensure that the work and vision of our departed colleagues is fully realized. A memorial fund has been established to help us achieve this aim, and to provide scholarships for the next generation of conservation leaders in Nepal.

*Top:* The poaching of snow leopards for their luxurious pelts continues to be a threat to their survival.

*Bottom:* These children represent the future of conservation in the Annapurna region.

**Passengers on Shree Air 9NAHJ**
- Dr Bijnan Acharya
- Ms Margaret Alexander
- Mr Hem Raj Bhandari
- Dr Jill Bowling Schlaepfer
- Dr Chandra Gurung
- Dr Harka Gurung
- Ms Jennifer Headley
- Captain Klim Kim
- Mrs Yeshi Choden Lama
- Dr Tirtha Man Maskey
- Mr Pauli Mustonen
- Dr Damodar Parajuli
- Mr Narayan Poudel
- Mr Matthew Preece
- Mr Gopal Rai
- Mrs Meena Rai
- Mr Sharad Rai
- Flight Engineer Valery Safronov
- Captain Mingma Sherpa
- Mr Mingma Norbu Sherpa
- Mr Vijaya Shrestha
- Mr Sunil Singh
- Cabin Attdnt Guruwar Tandul
- Mr Dawa Tshering
WWF is one of the world’s largest and most experienced independent conservation organizations, with almost 5 million supporters and a global network active in more than 100 countries.

WWF’s mission is to stop the degradation of the planet’s natural environment and to build a future in which humans live in harmony with nature, by:
- conserving the world’s biological diversity
- ensuring that the use of renewable natural resources is sustainable
- promoting the reduction of pollution and wasteful consumption.