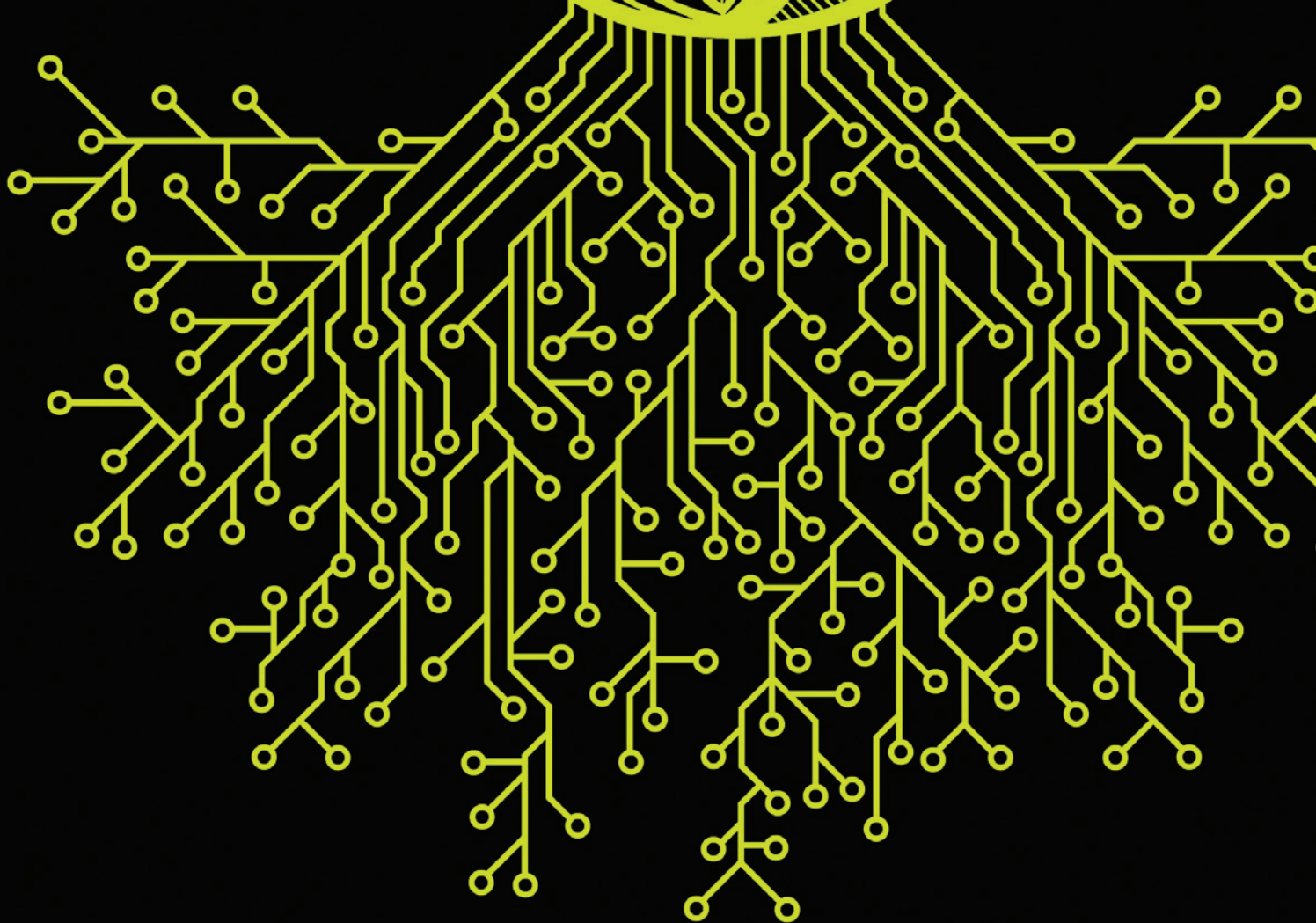


Annual Report 2012



Leadership and Core Tor Team



Andrew Lewman



Roger Dingledine



Nick Mathewson



Dr. Paul Syverson



Jacob Appelbaum



Karen Reilly



Melissa Gilroy

Also

Moritz Bartl
Erinn Clark
Arturo Filastò
Nathan Freitas
Aaron Gibson
Dr. Ian Goldberg

Sathyanarayanan Gunasekaran
Sebastian Hahn
Dr. Rob Jansen
Damian Johnson
George Kadianakis
Dr. Karsten Loesing
Steven Murdoch
Shava Nerad
Linus Nordberg
Peter Palfrader
Runa Sandvik
Wendy Seltzer
Andrea Shepard
Philipp Winter

**And more than 3,200
Tor relay volunteers
and supporters**



From the Executive Director

In 2002, we released the first version of Tor.

Over the past 10 years, we have grown and evolved with the demands of the technology landscape, the needs of the world, and a firm commitment to freedom of expression for everyone. Today, with over 2.4 billion people online, our commitment and passion continue.

At Tor, we work tirelessly to increase the performance of the Tor network and to develop cutting-edge technology solutions. Every day we enlist a growing number of volunteers to join our relay network. We actively engage worldwide supporters and funders to help continue our mission. We fearlessly step up and speak out as the leading experts in privacy, censorship circumvention, anonymity and related research.

Tor's success is in large part thanks to our funding partners, including the Knight Foundation, The Broadcasting Board of Governors, SRI International, The United States Department of State, Swedish International Development Agency and many generous individual donors. In addition, thanks to our research partners at the University of Waterloo (Canada), the University of Cambridge (United Kingdom), Georgia Institute of Technology and many others around the globe we are able to leverage research and academic advancements to pioneer ground breaking circumvention and privacy solutions.. However, all of this would not be possible without our volunteers who relay traffic every day to more than a half a million daily Tor users. With this incredible support behind us, Tor is staying ahead of the growing challenges to censor the Internet while working to provide safe, free access to information online.

As we enter into 2013, the privacy and security arena is gearing up for unimaginable challenges and Tor is ready to respond. Join us in research and funding opportunities as we expand our global impact. Ask us questions to learn more about the everyday benefits of online privacy. Engage with us, so we can share with you our expertise in guiding you through technology solutions designed to manage risk, circumvent censorship and secure free expression.

Sincerely,

A handwritten signature in purple ink that reads "Andrew Scrimm". The signature is fluid and cursive, written over a light-colored background.

Executive Director, The Tor Project

Tor's Mission

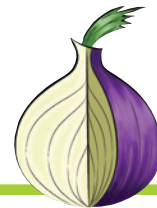
The Tor Project aims to be the global resource for technology, advocacy, research and education in the ongoing pursuit of freedom of speech, privacy rights online, and censorship circumvention. We work across scientific, charitable, civic and education sectors.

History

Tor released its first software in 2002 and published its core design document in 2004. Continuing today, Tor brings to the world an anonymous transport layer which gave people the opportunity to manage their privacy. In the early days it was not yet clear how important circumvention tools and research would be in helping those facing censorship in controlled infrastructures across the world. Tor has actively led education and advocacy of online anonymity and privacy. Today, Tor is staying ahead of the changing technology landscape with tools that keep the channels of free communication open not to just a select few, but to all.

The Tor ecosystem includes Tor's core networking software programs including the **Tor Browser Bundle**, **Tails Live CD**, **Orbot**, and many more. Visit www.torproject.org for updates and more information.

Protecting Online
Privacy for All



"We want to give ordinary users control over how much data they give to people."

Karen Reilly, *Director of Development and Global Outreach, The Tor Project*

The People

Tor's team has grown globally from a few inspired researchers and developers in the US to members in the United Kingdom, Germany, France, Italy and Asia. A fiercely dedicated team of world-class security, circumvention, software development, and research experts, Tor continues to attract the best and brightest security minds to help achieve its mission.

At the center of Tor's continued success is the more than 3,200 volunteer relay operators who carry information across the Internet to half a million daily users worldwide. Continuing the commitment to these dedicated volunteers and its mission, Tor is developing a variety of strategies including financial support and improved local resources for relay operators to anticipate the next level of size and scope of the network.

Tor's daily usage continues to increase in size and diversity, bringing secure, global channels of communication and privacy tools to journalists, law enforcement, governments, human rights activists, business leaders, militaries, abuse victims and average citizens concerned about online privacy.

UNIVERSAL DECLARATION OF HUMAN RIGHTS:

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

Partnering with Academics
and Research Institutions

● Highlights: Looking Back

Keeping a constant connection to events around the globe, The Tor Project has made profound advancements in technology, research and community over the past several years. Beyond instituting operational systems and turning research into usable technology solutions in record time, Tor has also marked the following:



Technology Advancement

Tor rolled out updates to the **Tor Browser Bundles** which improved network speed, resilience to blocking events, security and usability; **Tor Bridge Relays** provide another access point to relay network for those struggling to get connected; **Obfsproxy** is an innovative tool that changes how Tor traffic appears so that it can flow uninterrupted through channels which actively surveil and block Tor relays; **Tails** brings a state of the art system that connects to the Tor network through a highly functional operating system used from a DVD or USB stick and completely independent from the original computer's operating system; the **Tor Help Desk** launched to give users and relay operators a place to go for technical support in their own language. Today, Tor continues its efforts ensuring the entire suite of technology solutions is even more censorship resistant, more efficient and more secure.



Research Leaders

Tor's research initiatives have contributed to the advancement of the privacy and censorship circumvention community by investing in an ongoing commitment and connection to the next generation of Tor coders. Making the Tor code available to anyone who wishes to improve it or use it in new projects while sharing best practices across the research community. Tor has partnered with leading research institutions including The American Library Association Office for Information Technology, Boston University, Massachusetts Institute of Technology, Stanford University, University of Waterloo, Georgia Institute of Technology, University of Cambridge in the United Kingdom and many others.



Grants and Awards

Through strategic partnerships with the Knight Foundation, The Broadcasting Board of Governors, SRI International, The United States Department of State, Swedish International Development Agency and many generous individual donors. Tor has been the recipient of grants and funding which ensured the ability to meet the growing needs of the world. The Tor Project has received the following for its commitment and excellence: the 2012 Knight Foundation News Challenge Award, the 2012 EFF Pioneer Award, the 2010 Project of Social Benefit Award from the Free Software Foundation and GNU Project, to name a few.

**Fighting
Domestic Violence**

Working with Policymakers



Global Outreach

Sought out as leading experts in anonymity, circumvention and privacy, the Tor team travels the globe contributing to critical conversations and learning summits with governments, enterprise leaders, civil rights workers and domestic violence advocates. The Tor team has active and ongoing participation in the Chaos Communication Congress, Privacy Enhancing Technology Symposium, Global Voices Citizens Media Summit, Internet Freedom Conference, Office for Information Technology Policy Conference, Access – The Rio de Janeiro Human Rights and Technology Conference, and The United Nations Internet Governance Forum.



Partnerships

Tor continued to expand a footprint on the world in large part thanks to financial commitments from the Knight Foundation, SRI International, Broadcasting Board of Governors, National Science Foundation, Radio Free Asia, Swedish International Development and Cooperation and The Guardian Project.



In the Press

The media actively seek out the Tor team for key insights and privacy expertise including *The Wall Street Journal*, BBC World News, *Forbes Magazine*, *PC World Magazine*, China Digital Times, IT Security Belgium, ZDNet Asia, Foreign Policy and CNN. For more information visit Tor's press page at www.torproject.org/press

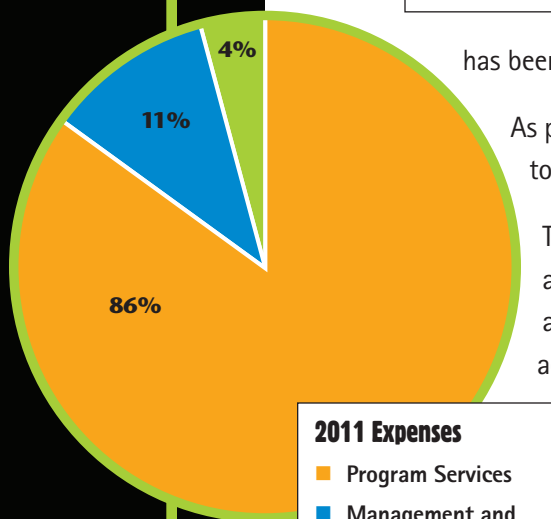
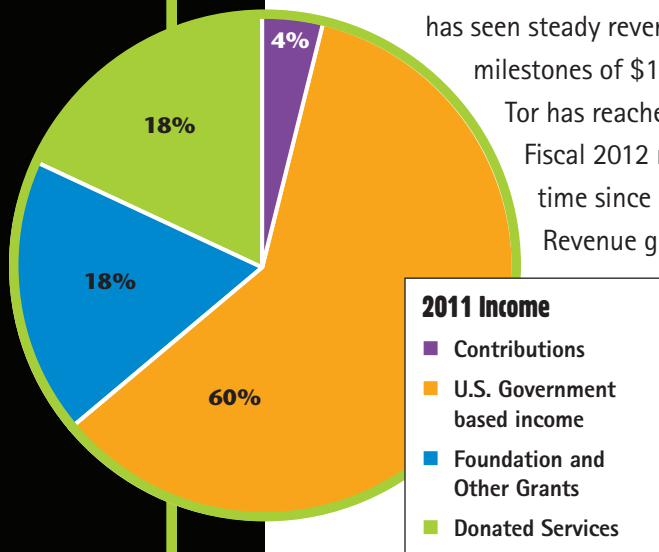
ROGER DINGLEDINE AND AARON GIBSON SPEAKING WITH ATTENDEES AT THE 29TH CHAOS COMMUNICATIONS CONGRESS IN HAMBURG, GERMANY, DECEMBER 2012



Financial Review

Tor's fiscal 2012 marked another year of financial improvement and stability. The Tor Project has seen steady revenue growth since its inception. Since meeting the revenue milestones of \$1,253,241 in 2009, \$1,574,119 in 2010 and \$1,681,101 in 2011, Tor has reached new heights in 2012 with over \$2 million in revenue (unaudited). Fiscal 2012 results also provided a new financial achievement, for the first time since inception: The Tor Project Inc. had net operating income. Tor's Revenue growth was driven by diversity in funding sources which include U.S. government federal funding, Knight Foundation, SRI International, Google, the Swedish International Development Cooperative Agency, and private donations, among others.

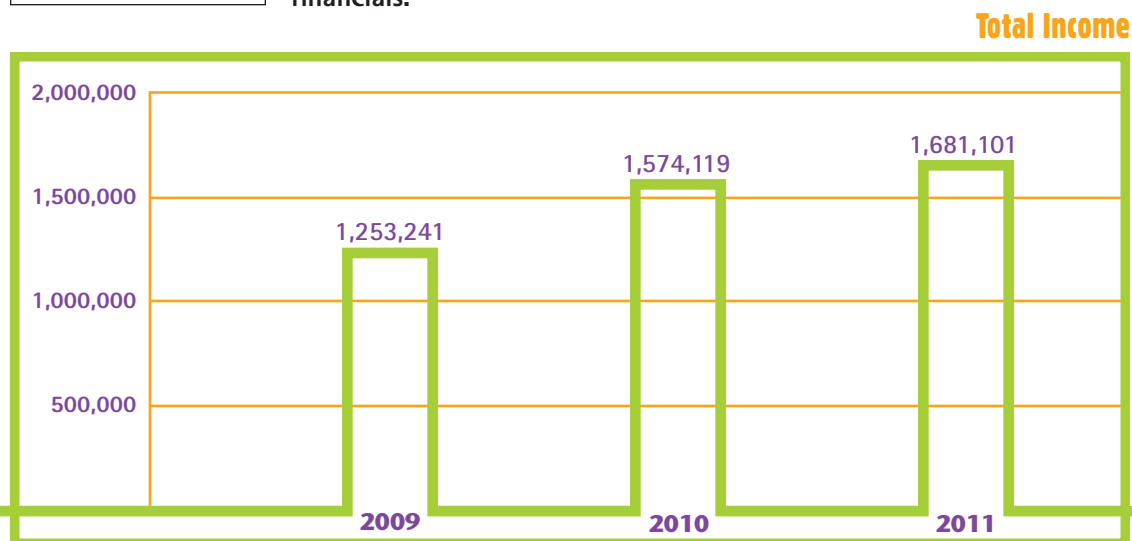
Fiscal responsibility is important to The Tor Project Inc. In order to maintain financial stability, Tor maintains cash reserves sufficient to maintain operations for a minimum of 90 days. Tor is proud to report that, since 2009, over 80% of its revenue has been directed towards spending on programs.



As plans for 2013 commence, Tor will continue to improve and expand revenues to expand research and development efforts.

The accounts and financial statements of The Tor Project are maintained in accordance with generally accepted principles in the United States. Our audits are performed in accordance with government auditing standards and in accordance with OMB A133 which requires a higher level of assurance with respect to compliance and internal controls. Tor is proud to report that in both fiscal 2010 and 2011, we obtained an unmodified audit opinion and had no compliance or internal control findings.

To view Tor's audited financial reports visit www.torproject.org/about/financials.

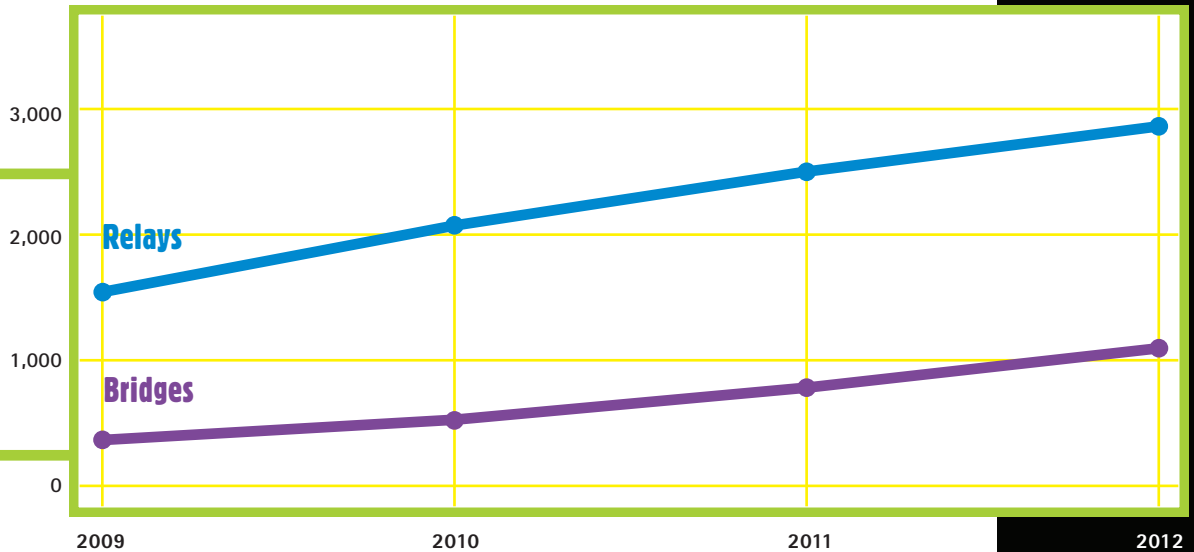


Growth and Support

The Tor Project continues on a steady growth trajectory since 2002. Tor relays have grown consistently, at an average rate of 18% per year. Bridge relays continue at an impressive 45% growth rate since 2008. Additionally, Tor monitors other success metrics including steady increases in Tor Bundle downloads, network performance and relay and user comments through live conversations and blogs.

At the heart of Tor's success are the over 3,200 Tor volunteer relays supporting the network. The speed and bandwidth of the network hinges upon these volunteers and their ongoing commitment to Tor's mission. In response, Tor is developing strategic initiatives in 2013 aimed at increasing this volunteer base to 4,000; thanks to creative partnerships with organizations such as the Electronic Frontier Foundation who led the 2011 EFF Tor Relay Challenge resulting in 500 new Tor relay volunteers in 30 days.

Tor Relays and Bridges: 2009 thru 2012

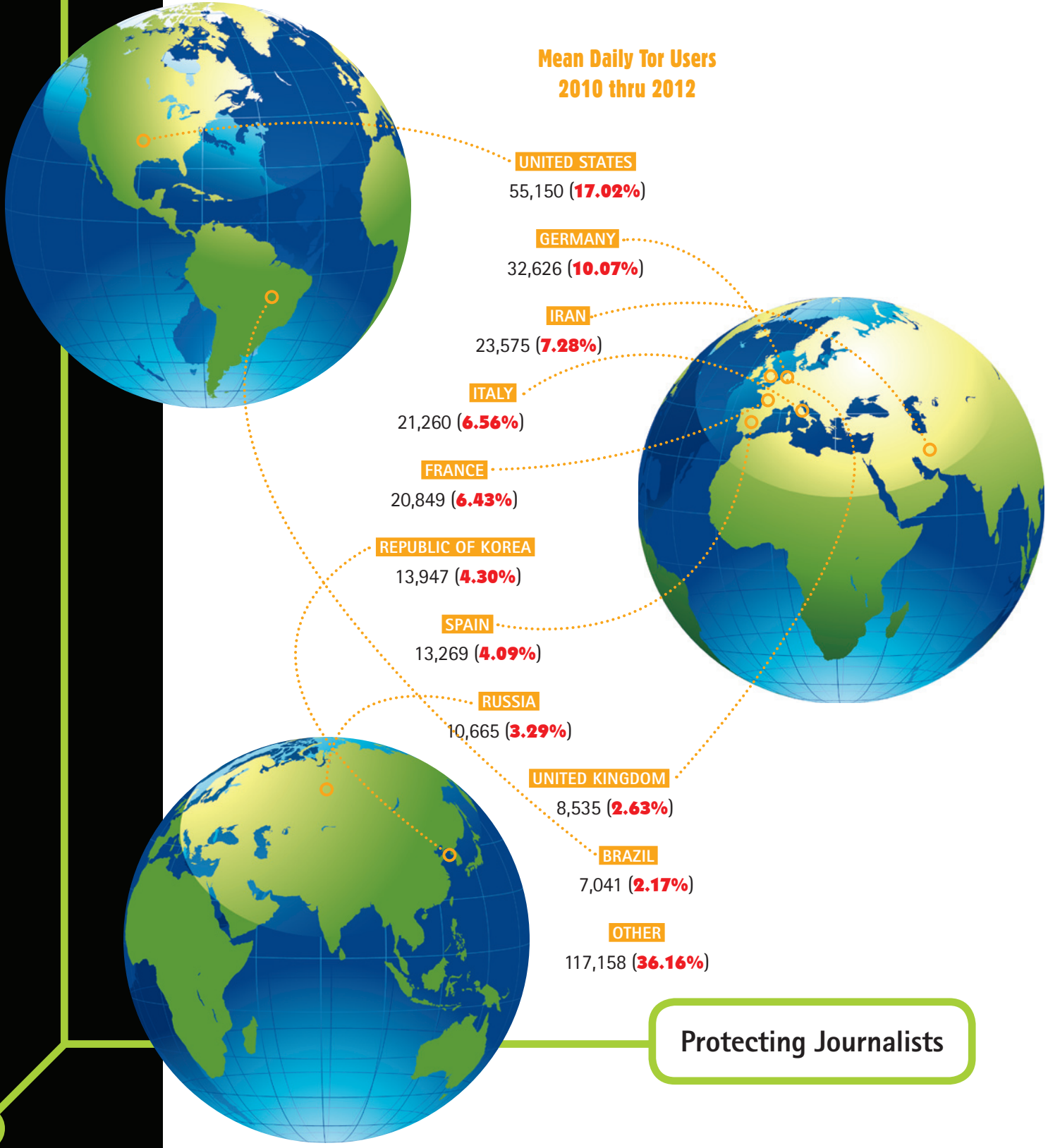


Defeating Censorship

Global Reach

Over 3,200 world-class experts and volunteers spanning the globe serving over a half a million users per day.

Mean Daily Tor Users 2010 thru 2012



Protecting Journalists

Source: <https://metrics.torproject.org/users.html>

Looking Ahead

In 2013, the Tor team, volunteers and sponsors maintain their commitment to staying ahead of future technologies critical to ensuring freedom of expression through safe, open channels of communication. Tor's forward-thinking solutions, research and learning events help to ensure businesses and societies prosper in the face of censorship and uncertainty in environments where these freedoms may not exist.

Tor's 2013 strategic agenda is positioned to meet the privacy needs of the global online community while continuing to leverage research and academic advancements in circumvention tools. Below are a few highlights:

TECHNOLOGY—Pioneering strategic advancements in Tor's core technologies including realtime voice and video over the Tor network, improving usability, security and anonymity, stronger cryptography capabilities and exciting new tools designed to probe for censorship on the Internet. Supporting these technologies is the ongoing expansion of the Tor help desk volunteer pool, capabilities and languages to serve an even wider community.

RESEARCH—Continued groundbreaking research in partnership with global academic thought leaders. Research that expands the understanding and challenges in privacy, censorship and freedom of expression online while creating state-of-the-art technology solutions.

EDUCATION—Ongoing conversations reaching across generations to increase awareness and understanding of privacy in an online world. Tor's outspoken, passionate team actively seeks out opportunities to attend conferences, facilitate conversations and provide teaching tools on the importance of information sharing in safe, productive environments. Committed to bringing a face and a voice to dialogues around privacy, censorship and circumvention.

COLLABORATION—Expansions of Tor's global support and partnerships with leaders and organizations on the forefront of privacy and security online. Tor's ongoing and persistent outreach to new funders and academic resources will make this work a reality.

GROWTH—Marked growth in Tor relays and bridges resulting in improved capacity, span and reliability of the Tor network. Tor is instituting several initiatives to expand the current pool of relay volunteers; with the goal of reaching more than 4,000 relay operators by the end of 2013. Operationally, Tor will continue to seek out the best and the brightest business and industry experts, developers and advocates ready to join this world-class team.

The Tor Project builds innovative, sustainable technology solutions to help people take control of their lives and be free. Keeping the doors to freedom of expression open is what Tor does best.



"We write tools to let people all around the world change the world in the way they think it needs to be changed."

Roger Dingledine—*Director, Researcher,*
The Tor Project

Tor needs your help to continue its mission and the ongoing pursuit of freedom of speech, privacy rights online and censorship circumvention.



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