

1999 FUND RAISING HIGHLIGHTS

Fiscal year 1999 (FY99) broke all records in terms of private support for CARE's emergency relief and development programs. Individuals, corporations, and foundations and other organizations provided more than \$64.5 million to CARE.

Individual Donations

In FY99, individual contributions totaled \$35.5 million, the result of more than 400,000 donors making more than 750,000 gifts.

CARE also received \$8.4 million through bequests and other planned gifts, such as gift annuities, charitable remainder trusts and pooled-income funds.

Corporations

Businesses supported CARE through annual unrestricted gifts, long-term strategic social investments to countries in which they work, and marketing programs, such as sponsorships, cause-related marketing and other licensing agreements. CARE received more than \$4.2 million in gifts from corporate citizens.

Led by Frank N. Newman, former CEO of Banker's Trust Company, CARE's Corporate Council marshaled 147 companies with contributions of \$5,000 or more during the fiscal year. Of these, 34 companies contributed \$25,000 or more, and nine gave \$100,000 or more.

Donations in the form of products provided relief to Hurricane Mitch survivors, Kosovar refugees, and victims of famine and drought in Sudan. Supplies of pharmaceuticals, seeds and other contributions-in-kind totaled \$800,000 in FY99.

Foundations and Organizations

A variety of private foundations granted more than \$8.1 million to CARE in FY99, while contributions from cooperatives, civic associations, social clubs, religious bodies and other groups totaled an unprecedented \$4.8 million

Celebrity and Web Support

Humanitarian crises in FY99 prompted support from the music community. The rock group Pearl Jam and Epic Records, a division of Sony, donated 100 percent of the proceeds from the single "Last Kiss" to CARE's Kosovo relief efforts. Pearl Jam's re-recording of "Last Kiss" was the first single on Epic Records' 16-track album *No Boundaries*. One-third of the album's proceeds will support Kosovo relief efforts. Contributions from the single and the album are expected to surpass \$1.6 million.

Emusic.com Inc. donated all proceeds from sales of the downloadable *CARE for Kosovo* on-line benefit CD. In addition, CARE received a donation whenever fans downloaded one of The Beastie Boys' songs from the Launch.com web site. These donation vehicles also helped raise awareness of CARE among new audiences.

In addition, another web site alliance with ClickRewards.com encouraged web surfers to donate by awarding them a frequent flyer mile for every dollar contributed to CARE. Such alliances with high-traffic sites that feature automatic Internet links to CARE's donor page helped contribute to on-line donations of about \$600,000 in FY99.



Donor Patricia Sprincin, Cokie Roberts and California's first lady Sharon Davis at a Women's Initiative luncheon.

Making Changes Happen

"I've often wondered why I give," CARE donor E.T. Baldrige ponders. "I like to think about it as sharing rather than giving. And I have found that when I give more, I get more out of life. It especially makes me feel good to give others the opportunity to do things for themselves, to find their own solutions."

Baldrige has visited CARE projects around the world to see firsthand the benefits of his gifts to CARE. He speaks of those trips in profoundly moving terms.

"When I was down in El Salvador, the country was just coming out of a 12-year civil war, and I met people who were putting in a water system. They had a ditch that was about six or seven miles long, and they had to dig the ditch and

lay the water pipes to bring water from a reservoir. The people working on the ditch had fought during the war and were pretty tough people. They were down there working and had been at it about five months. I asked them how long it would be before they got finished, and they said about four more months. I asked one of the men why he was doing this, and he just looked at me with a blank look on his face and said, 'So my children can have water.' Tears came to my eyes, and I just stood there by that ditch about to cry.

"Before, I didn't know why I gave. I didn't know why anybody did. But to see people's lives change, to see the woman that looked at my wife with just pure love in her eyes



E.T. Baldrige visits a CARE project.

because she was about to get water. And to see the women in Africa and their faces light up just because they can feed their children. To be a part of that is wonderful. There's just nothing better in the world."

To raise support for relief efforts in the wake of Hurricane Mitch, CARE worked with the Confederation of North, Central American, Caribbean Association Football (CONCACAF) to sponsor CONCACAF/CARE Soccer Relief 1998. The national soccer teams of Mexico, Guatemala, El Salvador and Honduras played in two doubleheaders in the Los Angeles Coliseum, raising more than \$625,000.

Honors and Events

CARE hosted several events in FY99, as both a tribute to the remarkable contribution of donors and a forum for bringing pressing issues to the forefront of public attention.

At its Global Leadership Awards Ceremony, CARE USA's Philanthropist Award was presented to E.T. and Pat Baldrige (*profiled above*),

whose generous support for CARE has enabled the organization to help thousands of people worldwide. Michel Azcueta was honored with CARE USA's International Humanitarian Award for his leadership improving conditions in the poor squatter settlement of Villa El Salvador, Peru. In addition, CARE honored Archbishop Desmond Tutu with its first Lifetime Achievement Award.

ABC News' Cokie Roberts was the keynote speaker at a 500-person luncheon in San Francisco for CARE's Women's Initiative, the nationwide effort to build awareness and financial support for programs that create opportunity for women in the developing world. Other Women's Initiative events throughout the year included receptions in Washington, D.C., Connecticut, Dallas and New York.

SHAPING OUR WORLD

CARE's ability to carry out programs effectively can be helped or hindered by government policy. CARE's on-the-ground experience and independence, together with its avoidance of partisan politics, lend the organization credibility and respect.



CARE President Peter D. Bell, U.S. Rep. John Lewis and CARE board member Alan Wheat pack CARE Packages®.

CARE uses these qualities selectively to advocate in favor of policies fostering development, peace and justice. Following are highlights of CARE's advocacy efforts in fiscal year 1999 (FY99).

Hurricane Mitch

After Hurricane Mitch, CARE worked closely with other organizations in calling on the international community to provide more support to the region – not just to rebuild physical infrastructure, but also to strengthen social structures. CARE helped communities to identify needs and communicate them to local governments and the international community. In coalition with other organizations, CARE urged the U.S. administration and Congress to provide resources and technical assistance to the region.

Seven months after the hurricane, CARE invited members of Congress to assemble CARE Packages®

for people who were building new homes on land secured through local advocacy efforts. Ninety-four members showed their support by assembling packages for families in Marcovia, Honduras.

The enormous suffering from Sudan's ongoing civil war gave rise to another important advocacy initiative. In FY99, CARE and other relief organizations lobbied the U.S. government to make a just peace the centerpiece of its Sudan policy.

In-Country Advocacy

Much of CARE's efforts to effect policy changes take place in the developing world itself. Following is an update on two such cases.

In Ecuador, CARE used its technical expertise and community relationships to contribute to changes in land-use policies. The Sustainable Use of Biological Resources Project is an integrated conservation and development effort in the Cotacachi-Cayapas Ecological Reserve in northwest Ecuador, one of the world's 10 most biologically diverse areas. CARE coordinated with community leaders and government officials to improve land management practices and empower communities to resolve property ownership issues. CARE helped establish a paralegal training program that mediates land disputes and helps local communities gain legal title to their land. On the national level, CARE provided consultants to support a forestry policy review.

CARE's advocacy efforts in the Philippines support the organization's work there in a different way. Street vendors in the Philippines have few rights or protections in the marketplace, but they account for a large segment of the informal economy. Through a project by the same name, CARE helped the local community establish the Coalition for Recognition and Empowerment of Street Traders in order to provide street vendors with more access to financial and social resources. The project also promoted partnerships with leaders on the local, regional and national levels to support policy reform and build alliances between street vendors and authorities. These efforts have resulted in fewer confrontations between vendors and police and expanded opportunities for small-business entrepreneurs.

TELLING CARE'S STORY

Awareness of CARE's work and mission was heightened as a result of visibility and outreach efforts during the year. Prompt web updates, high-quality public service announcements (PSAs), timely news releases and informative media commentary enhanced the organization's reputation as a reliable and trusted authority on humanitarian relief and development in fiscal year 1999 (FY99).

Web Site Is News Leader

The public's quest for timely and accurate information on international events catapulted CARE's web site into a major vehicle for news as well as enabling donor support. CARE's web site, redesigned in December 1998, featured immediate updates on world events, including relief efforts for Hurricane Mitch and the Kosovo crisis. The site increasingly topped 2 million hits each month and, in April alone, achieved 4.7 million hits – an 800 percent increase over April 1998.

The Chronicle of Philanthropy and *NonProfit Times* lauded the site's record traffic among charities on the Internet, and *USA Today* encouraged readers to visit CARE's first virtual field trip, a five-day visit to CARE programs in Bolivia.

Videos Reach Broad Audiences

The year saw record airings of CARE PSAs, with television stations donating more than \$9 million of broadcast time. In the last half of FY99, TV stations aired CARE's PSAs more than 25,000 times – an increase of 36 percent over the record-breaking volume achieved in the same period in 1998. Three of the big four national networks and some 800 local stations featured CARE PSAs, contributing to a campaign that reached millions of people.

CARE produced four emergency relief PSAs, two in Spanish in response to Hurricane Mitch and two concerning the Kosovo crisis. These spots augmented CARE's annual campaign, which included seven new spots and five popular spots from previous campaigns.

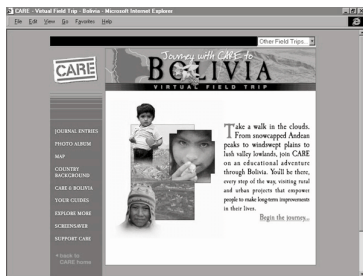
In FY99, CARE also worked with the Smithsonian Institution to produce a mini-documentary about the village of Siaya, Kenya, for the

Smithsonian's Hall of African History and Cultures. The film depicts CARE's success establishing pharmacies and training community health workers to eradicate malaria and other diseases. The exhibit is scheduled to open in December 1999.

Media Seeks CARE's Authority

Intensified interest in emergencies contributed to more than 2,400 CARE media placements with a circulation of more than 3.9 billion in FY99. Coverage of CARE's aid to victims of Hurricane Mitch appeared on CBS *"Sunday Morning,"* CNN en Español, ABC news and NPR, while CARE's response to the crisis in Kosovo drew television reports by CNN Headline News, *"CNN Today,"* *"News World International"* and MSNBC. In addition, CARE staff members were featured in articles in the *Los Angeles Times*, *New York Times*, *Boston Globe* and *Atlanta Journal-Constitution*. CNN and *Fortune* spotlighted CARE staff working in Kosovo refugee camps.

In addition, more than 100 CARE press releases focused attention on programs in Sierra Leone, Guinea, Afghanistan, Indonesia, Niger, Sudan, North Korea and other parts of the world.



CARE's new virtual field trips take web surfers on far-away educational adventures.