



A Message from the Chairman

At 4:53 p.m. on January 12, 2010, Matthew Marek, the American Red Cross country representative for Haiti, was in his office working with two of his Haitian colleagues when the ground started shaking. He screamed, "Anba biwo a!" (Get under your desks!) Within two hours, Marek and other Red Cross volunteers began administering first aid and assessing the damage caused by the earthquake. The American Red Cross immediately became engaged in the largest single-country relief operation in global Red Cross history.

I traveled to Port-au-Prince and found myself lacking the ability to adequately describe and even comprehend the number of people in need and the extent of the destruction. This was the most devastating disaster scene I have ever witnessed, and I have seen many in my six years as chairman of the Board of Governors. The deprivation that was widespread before the earthquake now seemed inescapable.

Through the generosity of the American people, the Red Cross has improved the quality of life for hundreds of thousands of Haitians with emergency shelter, food, water, latrines, medical treatment and other supplies. We are also committed to longer-term recovery efforts such as building homes and improving water and sanitation services for the next several years.

As I walked through one of the overcrowded tent camps in Port-au-Prince, I will never forget a mother who called out to me. She said, "I am grateful for the food and water, but I have ten children...I need work." The Red Cross remains focused on rebuilding livelihoods so individuals can provide for their families and mend their lives.

Despite the unthinkable circumstances, I left Haiti lifted up by the courage and tenacity of Haitians and inspired by the incredible collaborative efforts of the Red Cross network. What took just minutes to destroy will take many years and the collective support of people around the world to rebuild. The American Red Cross and our 185 sister Red Cross and Red Crescent societies will continue to be there for the most vulnerable in Haiti.

On behalf of the entire Red Cross, thank you for your support and generosity. You have helped empower Haitians to rebuild their lives and communities, providing them with dignity and hope for the future. Surely, the people of Haiti deserve nothing less.

Haiti, 2010

Bonnie McElveen-Hunter

Bami Mckley Heute

Chairman

A Message from the President and CEO

The world seems to get smaller every year at the American Red Cross.

Thanks to the growing number of ways we can access and communicate information, events that happen across the country and around the world suddenly feel like they're in our own backyards. Borders seem to disappear as we recognize and respond to those in crisis, no matter where they are.



Haiti, 2010

This was definitely the case when the earthquake hit Haiti last January. Each time I visited the country, it was a heartbreaking experience filled with signs of hope and despair. But the Haiti earthquake also reinforced how important our mission is at the Red Cross, and how, in and out of the spotlight, Red Cross workers are helping people every day here at home and around the world.

The disaster in Haiti also reminded us of the public's incredible generosity. Millions of people donated to the Red Cross, many of them through a text message that took only seconds to send, but will have lasting effects for years. This record-breaking effort has changed the world of fundraising, but I also believe it has changed the world at large by allowing a new generation to taste the joy of giving to others. We are grateful for each and every gift.

In our bid to develop other innovative fundraising methods this year, we rolled out our first-ever holiday giving campaign. The "Gifts That Save the Day" campaign featured an online catalog that enabled people to give gifts to the Red Cross in the names of others. The holiday period is one of the biggest times of the year for giving, and this campaign helped us tell the Red Cross story like never before—and raise funds outside of a disaster in support of our work.

The Red Cross also had a huge victory at the close of fiscal 2010 when we officially eliminated our operating deficit, which stood at \$209 million two years earlier. Cutting costs, streamlining our operations and having an intense focus on our mission helped us reach this goal, which was no easy feat given the tough economic environment.

Now we are poised to do even bigger and better things at the Red Cross. Already, we're leading the way in showing how a historic institution can be effective with social media and new forms of communication. We've embraced blogging, tweeting and other forms of social media so we can build relationships, stay current on public opinion and get information out more quickly during disasters.

Working for the Red Cross gives us a glimpse of the complexities and challenges of the world, but more importantly, it gives us a glimpse of the best of humanity. What the future could look like. With your support, the possibilities are endless.

Gail McGovern President and CEO

Soul McGovern

Touching lives every day

The reach of the American Red Cross is truly limitless. We touch lives down the street, across the country and around the world, and it's your support that allows us to be there every day for the millions of people who count on us.

The Red Cross is in small towns and large cities across the United States, and we work on nearly every continent in the world. We supply almost half of our nation's blood; teach lifesaving skills; provide international humanitarian aid; support military members and their families; and feed, shelter and give emotional support to victims of disasters.



Educating young people about the importance of donating blood is key to an adequate blood supply.

Despite an economy that continued to struggle last year, the Red Cross retained a steadfast focus on its mission. After two years of cutting costs and streamlining our operations, we finished our fiscal year in the black on June 30, 2010. This is a tremendous accomplishment, and we are looking at ways we can grow and improve while also maintaining cost efficiency and being the best stewards of our donors' dollars.

The world of fundraising was irreversibly changed after a major earthquake struck Haiti in January 2010. When the public sent a simple text message—HAITI—to a Red Crossdesignated code, what began as a single \$10 donation grew into millions

of texts—and dollars—within days.

More than \$32 million was raised for Haiti,
\$10 at a time, through text donations in
what was a record-shattering mobile
giving effort. The power of mobile giving
was clear, and it was evident again when
text donations were made to the Red
Cross after an earthquake struck Chile
and when floods inundated Tennessee.

We are also using cell phones in places like Haiti to get help to people through text messages that alert them how to prevent diseases like cholera or how to prepare for the next disaster. And we are exploring ways to respond more effectively to calls for help that are increasingly coming to the Red Cross through text and social media, as people in crisis turn to the communication tools they use every day.

Visit redcross.org/2010annualreport to view videos and read additional Red Cross stories.



Through the year, we saw a growing spirit of volunteerism in the country. The "United We Serve" initiative, launched by President and Mrs. Obama in the summer of 2009. spurred Americans to volunteer in their communities, through the Red Cross and countless other ways. Through Ready When the Time Comes™, our workplace volunteer program, we gained

nearly 1,500 new local disaster volunteers and 78 new corporate and community partners in fiscal 2010. Grainger is the national founding sponsor of Ready When the Time Comes.

Behind the many facts and figures at the Red Cross—the number of health, safety and preparedness courses, number of disasters, number of blood donations—we see the millions of people who come to the Red Cross to help and to seek help. And it is your support that enables us to save the day for countless people.



At a Red Cross shelter in Tennessee, a volunteer plays with young children.

Responding to Disasters 24/7

Every day, nature shows us exactly how powerful it is and how vulnerable we can be. When a disaster devastates a family, a community or an entire state, the Red Cross is there to provide relief and help them through the recovery process.

Although the United States escaped the 2009 hurricane season mostly unscathed, numerous other disasters called for a significant Red Cross response in fiscal year 2010, which ran from July 1, 2009, through June 30, 2010.

Severe weather took a heavy toll on several parts of the country. Just as fall arrived, so did flooding rains in Georgia, which knocked out power to thousands of homes and closed schools and roads. A late winter nor'easter swamped communities in New Jersey, causing significant flooding and affecting more than 11,000 homes. In April, tornadoes ripped through Mississippi and Alabama, reducing homes to rubble.

Record-breaking rains deluged Arkansas, Kentucky and Tennessee in April, leading to the worst flooding Tennessee had seen

2010 AT A GLANCE

- We responded to 62,500 disasters nationwide. Most were localized disasters (home fires, flooding, etc.).
- 33 disasters were larger than one chapter could handle.
- We provided safe shelter for 37,000 people.

in 30 years. As thousands of residents were forced from their homes, the Red Cross mobilized. In less than a day, the Red Cross opened 14 shelters, where volunteers met weary residents with meals, blankets, dry clothes and hygiene kits. Red Cross workers then deployed to affected neighborhoods to assess the damage and determine where to distribute relief and cleanup items.

In September 2009, one disaster tested the reach of the American Red Cross. A powerful earthquake in the Pacific Ocean generated a tsunami that swept ashore on American Samoa. The tsunami destroyed coastal villages, severely damaged infrastructure and left communities without power and water.

Despite the vast distances and logistical challenges, the American Red Cross sent 97 disaster workers to American Samoa to help nearly 300 local volunteers who



In American Samoa, the Red Cross distributed comfort kits, which contain toothpaste, toothbrushes and other personal care items.

coordinated the response. We also worked to ensure children's needs were not overlooked after the disaster. Working with Save the Children, the Red Cross stocked and staffed a "Safe Space" play area in the convention center where families lined up to apply for assistance from the Federal Emergency Management Agency (FEMA).

While disasters like those described above grab national headline, the American Red Cross responds to an average of 70,000 disasters each year—most of them home fires. The Red Cross is there for each individual or family affected by a fire. When families don't know where to turn, the Red Cross helps them pick up the pieces by providing food, clothing and housing, as well as by giving them emotional support to help them through this devastating time.



This family was one of thousands that received Red Cross meals after flooding in Kentucky in April 2010.

Broadening Our Partnerships

Effective disaster relief demands teamwork--both within an organization and with other groups. The American Red Cross partners with numerous nonprofit and community groups around the country, including the Medical Reserve Corps, National Council of La Raza and Southern Baptist Convention, to help us reach and serve diverse communities and those most at risk. We continue to expand our partnerships to reflect the diversity of our communities and changing needs. In the past year, we have formalized partnerships with organizations such as the YMCA, AmeriCorps, National Civilian Community Corps and National Disability Rights Network.

One key partnership for providing disaster preparedness and response services was formalized last year with the National Baptist Convention USA, which is the

Cisco and the American Red Cross

"Cisco and the Red Cross have a long and rich history of working collaboratively to respond to crises around the world. We look forward to our continued global partnership."

 Tae Yoo, Senior Vice President, Cisco

This year, Cisco launched its global partnership with the Red Cross to provide emergency response training and volunteer opportunities to employees. Cisco is an Annual Disaster Giving Program member.

nation's oldest and largest religious convention among African-Americans, with more than 15,000 churches and approximately 7.5 million members nationwide. Under this partnership, National Baptist Convention churches may be used as shelters, and members can be trained in different disaster response roles. Churches

can also work with their local Red Cross to prepare their communities and plan ahead for disasters.



The Red Cross National Shelter System (NSS) is key to helping the Red Cross and other organizations deliver fast and effective services during a disaster, and it continues to expand.

The NSS now contains public information on more than 56,000 pre-identified shelter locations nationwide, including location, capacity, facilities, contact information and status (open, closed, on standby, etc.).

The Red Cross is increasingly leveraging the power of the Web to update people in emergencies. To help people quickly find the closest available shelter during a disaster, the Red Cross launched a Google map on **redcross.org** that displays open shelters, their capacity and how many residents are currently in each shelter. This information is updated every 30 minutes from the NSS and is searchable by address, city, state and/or ZIP code.



Home fires, like this one in Chicago, make up the majority of Red Cross disaster responses.

Responding to Health Needs

To ensure health needs are addressed during a disaster, the Red Cross has teams of medical and mental health professionals who volunteer during these situations. Last year, both of these teams grew.

We now have more than 5,800 medical professionals who volunteer, including physicians, nurses and emergency medical technicians. They are in shelters, on outreach teams and working out of other sites—such as mobile response vehicles—to provide health assessments, referrals and other health care.

A disaster can inflict a heavy emotional toll on survivors and first responders, which is why the Red Cross expanded its team of licensed mental health professionals. The Red Cross now has more than 5,000 mental health workers on its team. These professionals assess, treat and refer survivors—as well as Red Cross workers—who need emotional support during a disaster.

"I want to give them hope."

I was at my friend's house, and we were pretty sure Katrina was like any other big storm. When water started coming up through the floor boards, we knew it wasn't. Within five minutes, we had 4-5 feet of water in the house. We stayed in the attic most of a day, then a boat took us to St. Augustine's High School, then to the bridges. There, I searched for and found my sister Deborah and her kids, and we all went to the New Orleans Superdome for two or three more days. From there, they bused us to the Collin County Lake Lavon Baptist Encampment shelter near Dallas, Texas. A few called family to come pick them up; most of us had no place to go.

Deborah's cancer, formerly in remission, came back. She had to have medical attention and a semi-permanent place to stay. She was in and out of the hospital, and she had two teenagers. I met Angie, the Red Cross shelter manager at the encampment, when she started helping me find a place for Deborah to live.

I was too busy to feel bad about any of it. Somebody had to stay strong, and I didn't mind doing it. By the time Hurricane Rita hit three weeks later, Deborah had a place to live.



Angie helped us through it all. She was the one making sure I was getting my vegetarian meals at the shelter, and now, she took Deborah to the grocery store and sometimes cooked for us. Sadly, my sister passed away in August 2006.

When I returned to New Orleans, Angie and I started what she calls "air dating"—flying back and forth for visits. As time passed, I joined the Red Cross as a shelter manager, too. The help I got during Katrina gave me this

opportunity to give back, and I wanted to use it. I worked Hurricanes Ike and Gustav. I tell the people who are troubled that I can relate to them. I tell them my story—that I've experienced similar things to them. I give them something to hope for.

Today, I am blessed. Angie and I are married.

I met my wife (*left*) in Katrina's aftermath, and now we're both Red Cross shelter managers. Angie says any situation can be redeemed. It doesn't get any better than this.



Nelson Lanehart Shelter Manager, Disaster Action Team Member





Responding, Rebuilding in Haiti

Every day, the Red Cross is hard at work helping people in communities around the world. This year, those efforts were particularly visible in Haiti, where a magnitude 7.0 earthquake left more than 1.5 million people homeless and prompted the largest single-country response in the history of the global Red Cross and Red Crescent network.

This annual report covers the fiscal year ending June 30, 2010. Because the response and recovery efforts in Haiti extend well beyond this timeframe, this section of the report covers our ongoing efforts as well as plans for future assistance.

With Haiti so close to our own shores, Americans were inspired to give as if the quake had happened in a neighboring state. From text messaging and telethons to employee giving campaigns and community-based fundraisers, donations

HAITI RELIEF

The American Red Cross, together with the global Red Cross network, is providing—

- Food for 1.3 million people for a month.
- Safe, drinkable water for 317,000 people every day.
- Emergency shelter materials for more than 860,000 people.
- Disaster preparedness materials that have reached almost 72,000 people in camps.
- Cash grants and loans to help 220,000 people.
- Medical services for nearly 217,000 patients.

from around the U.S. brought in more than \$470 million to help the people of Haiti.

As a result, the American Red Cross became involved on an unprecedented level. We not only deployed highly trained employees and volunteers from our local chapters, but also connected Haitian-Americans searching for their loved ones, provided blood products donated in the U.S., and even recruited and trained Creole-speaking American volunteers to serve as interpreters aboard a U.S. Navy hospital ship.

At the same time, American Red Cross employees and volunteers in cities across the country welcomed and comforted Haitian-Americans returning home to the U.S.

The latest information on Haiti relief efforts can be found at **redcross.org/**





Shelter

Many survivors in Haiti's capital of Port-au-Prince were forced to evacuate their homes, relocating to densely populated camps. The American Red Cross and others in the global Red Cross network helped meet their most urgent needs by providing emergency

shelters, including tarps, tents and toolkits for more than 860,000 people. The Red Cross network is now helping to build transitional homes, with the goal of housing 150,000 people over time.



Water and Sanitation

The earthquake destroyed the capital city's extremely limited water and sanitation infrastructure, increasing health concerns for residents living in makeshift camps. The Red Cross global network has helped provide clean water and sanitation services to more than a

quarter of a million people each day since the earthquake. These efforts are expected to continue in the coming years.



Health

The quake injured hundreds of thousands and decimated the already limited health infrastructure. The American Red Cross and the global Red Cross network reached more than a million people through first aid, emergency health services and

a vaccination campaign coordinated by the United Nations. We are helping to minimize the spread of disease through health and hygiene education campaigns. The Red Cross will also provide prosthetic and rehabilitation services to those who lost limbs due to the earthquake.



Food

Vulnerable groups in Haiti have long been dependent on food assistance, and this need only increased following the earthquake. The Red Cross contributed to emergency food distributions, providing enough food for more than 1.3 million

people for a month, the majority reached through a partnership with the UN World Food Programme.



Livelihoods and Host Families

Because the needs of disaster survivors differ, the Red Cross is giving Haitians financial assistance so they can choose for themselves what they need most. This includes cash grants given directly to disaster

survivors, as well as efforts to restart small businesses and ease the burden on families hosting Haitians made homeless by the earthquake.



Disaster Risk Reduction

The Red Cross is preparing residents in camps for the disasters that may lie ahead, with the goal of reaching more than half a million people in 150 camps. This includes digging drainage ditches to move storm

waters away from camps, installing early warning systems, creating community disaster response committees and providing first aid training to volunteers.

The Road Ahead

The challenges facing Haitian families and those who support them are enormous—from resolving land ownership issues and removing rubble to the threat of new disasters. We expect to provide permanent shelter, water and sanitation services as well as support for livelihoods, health and disaster preparedness and risk reduction activities over the next three to five years.

We remain flexible, revising plans to address emerging needs, such as providing financial support to keep Haitian hospitals open, responding to the cholera outbreak and offering aid to families after Hurricane Tomas struck.



Once Helped, He Now Helps Others

Wilfrid Macena is a prosthetics technician at the Hospital Bernard Mevs/
Project Medishare Critical Care, Trauma and Rehabilitation Program in Port-auPrince, helping Haitians seeking artificial limbs to replace those lost in the earthquake. He was also a patient there.

"I was welding when the earthquake began," Wilfrid explained. "A wall fell on my legs and I didn't get to the hospital for a week. It was badly infected so the doctor had to amputate it." Wilfrid lived with only one leg for months before hearing about the hospital's prosthetics program. "The doctor told me I could walk again, but I didn't believe it," he said. Wilfrid was fitted with a prosthetic leg and then began helping around the workshop. He soon became a permanent fixture at the hospital.

"He's good for the program," said Davor Krcelic, the hospital's chief prosthetist and orthotist. "He shows fellow amputees how to work their



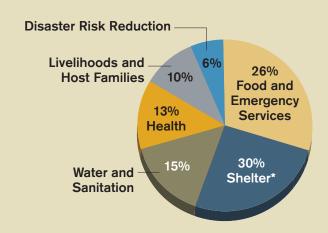
Wilfrid Macena was fitted with a prosthesis by Davor Krcelic, and now helps others learn to use their new limbs.

new limbs." Wilfrid can now walk and kick a soccer ball just like before the earthquake. "When I walk on this prosthetic, I forget about my natural leg," he said. "It feels like my old leg."

Thanks to generous donors, the American Red Cross was able to underwrite expenses at the hospital, which is the only critical care and trauma facility in Haiti.

In addition to supporting Hospital Bernard Mevs, the American Red Cross has provided millions of dollars to support the largest public hospital in Haiti and the German Red Cross field hospital.

Spending to Date for Haiti



The American Red Cross has received \$479 million in donations to date. The chart reflects \$245 million in spending as of January 12, 2011.

UPS and the American Red Cross

"UPS is committed to using both our financial resources and our logistics expertise to help address urgent humanitarian needs. Working with the American Red Cross, we've seen what a powerful impact UPS and the Red Cross can have together."

 Ken Sternad, President, The UPS Foundation

For more than three decades, UPS has partnered with the Red Cross to improve the safety and well-being of communities affected by disasters in the U.S. and around the world through financial, logistical and volunteer support.

^{*}Shelter includes emergency shelter as well as transitional and permanent homes.



Global Reach, Global Impact

Though the world's attention was focused on Haiti for much of 2010, the American Red Cross worked quietly to prevent disease and save lives around the world. Together with our Red Cross and Red Crescent partners, the American Red Cross helped respond to crises in 23 countries during the fiscal year, providing emergency relief to 4 million people around the world.



After tropical storms, high water levels can make it difficult to reach survivors. This Red Cross team traveled by boat to provide assistance to an isolated area of the Philippines.

In the summer of 2009, flooding from heavy rains affected people in 15 countries across West Africa, particularly in Senegal and Burkina Faso. The American Red Cross deployed a disaster response team and, together with the global Red Cross network, helped provide 65,000 people with relief supplies and clean water.

2010 AT A GLANCE

- 4 million people in 23 countries received disaster assistance.
- 63 million people were protected against measles and malaria or educated about HIV/AIDS prevention.
- 4,240 families were reconnected following international wars and disasters.
- 106,000 people learned about humanitarian laws and principles.

Three back-to-back typhoons struck Southeast Asia in the fall of 2009, affecting more than 13 million people, particularly in the Philippines and Vietnam. The American Red Cross helped the global Red Cross network reach more than 800,000 people. Support ranged from evacuations prior to the storms to providing food, clean water, relief items and cash grants to those affected.

In October 2009, two major earthquakes affected more than a million people in western Indonesia. Search, rescue and first aid teams, including some trained

with the help of the American Red Cross, assisted people who were trapped or injured. With support from the American Red Cross, the global Red Cross network reached 200,000 people with relief supplies, shelter, clean water and health services.

In February 2010, a magnitude 8.8 earthquake and tsunami hit central Chile, destroying more than 80,000 homes. The American Red Cross provided relief supplies and cash grants to help families as they rebuilt. The global Red Cross network already has reached more than 110,000 people in Chile, with thousands more expected to benefit in the future.

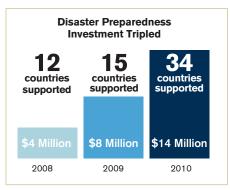
Throughout the year, we continued our efforts to help the survivors of past disasters recover. In China, the global Red Cross network completed houses for more than 400,000 people recovering from the 2008 Sichuan earthquake. In Indonesia, Sri Lanka, India, the Maldives and Thailand, recovery activities following the 2004 tsunami concluded, leaving residents with new homes and a restored water and sanitation infrastructure.



The American Red Cross sent aid to Chile after the February 2010 earthquake and tsunami.

Preparing Communities Around the World

As we saw this past year, disasters around the world are increasingly affecting more people. The American Red Cross has responded by deepening our investment in programs that help prepare communities. In fact, from 2008 to 2010, we've more than tripled our investment in global disaster preparedness activities.



In fiscal year 2010, we initiated new disaster risk reduction programs in the Caribbean, Central and South America, Africa, Central Asia and Southeast Asia. Examples of our work include:

- Helping communities build evacuation routes and implement projects that mitigate common hazards, such as digging drainage ditches;
- Strengthening the local Red Cross to better respond to disasters by helping to improve response plans and train volunteer disaster response teams;
- Improving early warning systems by strengthening links between local communities, the Red Cross and government emergency management staff;
- Pre-positioning items such as tarps, blankets and water containers to distribute guickly after a disaster.

Measles Initiative

Since the American Red Cross cofounded the Measles Initiative in 2001, tremendous strides have been made in controlling the spread of measles.

Since it began, the initiative—a partnership with the United Nations Foundation, the U.S. Centers for Disease Control and

Prevention, UNICEF and the World Health Organization—has supported the vaccination of 700 million children, reducing global deaths by 78 percent. Last year alone, the initiative protected 60 million children from measles. Although challenges remain, these efforts have put us on a path to eradicating the disease entirely.



This mother in Zimbabwe brought her child to a vaccination center for a measles shot.



"There's no better route to help."

I've always been part of the Red Cross, and the Red Cross will always be a part of me. As I've moved around the country, I've found the best way to meet and help my neighbors is through my local chapters. At 12, I took junior lifesaving, which led to my volunteer teaching position at an Ohio community pool. When I was older, I took senior lifesaving and had a summer job lifeguarding.

As a newlywed, I moved to Mississippi and ran a recreation center. Despite kids and car pools, the Red Cross was never far from my mind. I donated blood. I made sure my daughters were trained in CPR and first aid, and they eventually became lifeguards, too. I took more health and safety courses when we moved to North Carolina, where I managed a local aquatics program. Now in Virginia, I've served on Red Cross committees and as chapter chairperson. I still love teaching community classes; I've met tremendous people who've enriched my life there.



My parents always encouraged my Red Cross affiliation, and 15 years ago, my father Bill Reider (*left*) became a major Red Cross donor. He donates because he knows the Red Cross is always in the forefront helping people in emergencies. He felt so fortunate and saw so many struggling. He wanted to support the one thing he sees helping the most.

I've also tried to be as generous as possible financially. I want to help the Red Cross help

others in every way I can. There's no better place to learn; they'll teach you anything you want to know. There's no better way to uplift people in trouble. There's no better conduit to reach out to those who have lost a home or a family member overseas. There's no better route to help your neighbors, because the Red Cross is full of them—people who've been helped and are now turning around and helping others.

It's important to help each other in life, and through the Red Cross, we can. I'm proud to volunteer my time, to donate blood, and to support my chapter with financial donations. I know my life is forever changed because of my bond with the Red Cross, and I hope my donations have helped better someone else's.

Sue Buerkel Volunteer and Donor



Aid to Service Members and Their Families

More than 2 million U.S. service members have deployed since the conflicts in Afghanistan and Iraq began. With nearly 40,000 service members wounded in the conflicts, the American Red Cross is working to help military personnel and their families cope and is always looking for new ways to support their well-being.

Through a network that spans some 650 Red Cross chapters, as well as Veterans Affairs hospitals and military bases worldwide, the Red Cross provides—

- Emergency communications.
- Resources for deployed service members and their families.
- Support for wounded warriors and veterans programs.

2010 AT A GLANCE

- We provided more than 597,000 emergency communication services.
- We delivered \$5.9 million in emergency financial assistance to 5,000 individuals or families on behalf of the military aid societies.
- 1,400 people in 35 states participated in our Coping With Deployments course.
- More than 1 million holiday cards were distributed.

Providing services for America's military has been part of our mission for more than 100 years, and as times have changed, so has the Red Cross changed to better support the needs of those who serve.



At Landstuhl Regional Medical Center in Germany, a Red Cross volunteer helps a recovering service member.

Thousands of Red Cross volunteers serve on military installations in the United States and around the world, including Afghanistan, Iraq and Kuwait, serving more than 2 million active duty, National Guard and Reserve members, 3 million family members and 24 million veterans.

A Touch of Home

To brighten the holidays for service members stationed far from home, the Red Cross teamed up with Pitney Bowes for the third year in a row, inviting the public to take part in Holiday Mail for Heroes. In 2009, more than a million cards were sent to the Red Cross and distributed to service members, veterans and military families around the world.

Singer and songwriter Amy Grant helped kick off the 2009 program on Veterans Day in Washington, D.C., where hundreds of passersby signed their own messages to troops, veterans and their families. Later, hundreds of school children came to the Red Cross to make cards for those who are protecting our country.



Singer and songwriter Amy Grant signs holiday cards for the troops along with Boy Scout Matt Oclander at the 2009 Holiday Mail for Heroes launch.

Emergency Communications

Whether it's the joyful news of a baby's birth or the urgent message of a loved one's illness, the Red Cross makes sure emergency messages reach service members stationed around the world, including on ships at sea and at embassies and remote locations.

The Red Cross works 24 hours a day, 365 days a year to verify and relay each emergency message, which helps military commanders make decisions regarding leave. In fiscal year 2010, the Red Cross provided almost 13 percent more emergency communication services than the previous year, amounting to more than 597,000 emergency communications for nearly 150,000 military families.

Financial Assistance

The Red Cross works with the military aid societies to provide emergency financial assistance to current and former members of the U.S. Armed Forces, their family members and other eligible populations. Types of aid include financial assistance for emergency travel, burial of a loved one and assistance to avoid privation.

Our Casualty Travel Assistance Program ensures that grieving family members who do not qualify as next of kin have the resources to be at the bedside of their wounded warrior or attend the funeral of a loved one.

In addition, we dispensed \$5.9 million in financial aid to 5,000 military families on behalf of the military aid societies. These funds were for emergency travel, essential monthly expenses such as rent, utilities, food and other extraordinary circumstances such as funeral expenses, exceptional medical or dental expenses, emergency vehicle repair or return to duty station.



A military family at Fort Belvoir in Virginia looks through the emergency preparedness information distributed by the Red Cross.

Coping With Deployments

As multiple deployments have become more common in the military, the Red Cross continues to help families strengthen their resilience to stress they experience during these challenging times. The "Coping With Deployments: Psychological First Aid for Military Families" course prepares family members to cope with stress they may face while their loved one is away. Helping families learn to handle challenges that may arise without the support of their spouse or loved one also helps deployed service members focus on their mission.

In its second year, the free course was taught to 1,400 people in 35 states, reaching the families of veterans, Reservists, National Guard members and active duty service members. The course has been expanded to all 50 states, and the Red Cross now has a staff of 143 trained mental health volunteers ready to teach the course wherever there is a need.

Emergency Preparedness for Military Families

Last year, the Red Cross launched the first of six events that will help thousands of military families and service members get prepared for emergencies. At Fort Belvoir, Virginia, the Red Cross gave out 1,500 free emergency preparedness kits that included radios, flashlights, water jugs and first aid kits. Similar events were being held later in 2010 for families at three other U.S. bases across the country and at military installations in Germany and South Korea.

Blood—Ensuring That It's Safe and Available

Someone receives a blood transfusion from a Red Cross donor 21,000 times a day—and many of us have either needed blood or know someone who has needed this lifesaving gift. The Red Cross serves the needs of communities across the United States by providing approximately 43 percent of the nation's blood supply. While we already have one of the safest blood supplies in the world, we continually seek to improve safety to protect both blood donors and recipients.



Blood donor Fred Tesla knows it takes just an hour to be a hero.

Improving the Younger Donor Experience

Most blood donors have a good experience and feel good about donating blood. However, young donors and first-time donors are more likely to experience lightheadedness or dizziness after donation.

2010 AT A GLANCE

- We held more than 200,000 blood drives.
- 3.7 million people donated blood.
- We provided more than 9 million blood products for patients at more than 3,000 hospitals and transfusion centers across the country.

To help ensure the safety of its young blood donors, the American Red Cross introduced new height and weight requirements for anyone 18 years old and younger who wants to give blood. These new policies affect all high school students, regardless of their age, who try to donate at a high school blood drive, as well as all donors 18 years old and younger who try to donate at any bloodmobile.

By reducing the risk of donor reactions in this demographic, the Red Cross may be more likely to see these new teenage donors not only return to donate, but also to recruit friends and classmates. In fact, the number of 16-year-old blood donors has already grown substantially, increasing 19 percent during fiscal year 2010.

Making sure young people know the lifesaving impact of their donation is helping us build a new generation of blood donors. Donations among 20- to 24-year-olds were also higher during fiscal year 2010, owing to a higher number of college and university blood drives. This accounted for an additional 7,295 blood donations, which can potentially save more than 20,000 lives.



Donors can earn exclusive NASCAR-themed gear through Red Cross Racing.

Giving Back to Our Troops

In 2010, Red Cross Racing, the NASCARthemed Donor Rewards program that began in 2008, added an exciting new element that allows Red Cross Racing members to support our troops by giving back some or all of their Donor Rewards points.

Red Cross Racing lets donors report and track their blood donations and recruitment efforts, receiving rewards points to exchange for exclusive NASCAR racing gear and collectibles. Beginning in late May 2010, Red Cross Racing began designating a monetary donation for every point returned and made a contribution to the Service to the Armed Forces fund at the Red Cross. Funds go toward providing services, programs and goods like comfort kits and pre-paid phone cards. By June 30, 2010, more than 300,000 points had been donated back to the Red Cross, which helps us provide even more comfort and support to our troops and their families.





"I want to help save lives."

I've always tried to be a good corporate citizen. When you achieve a level of success, you want to give back to the communities that have allowed you to prosper. I've donated blood and hosted blood drives in my stores since 1996. As Bob's Discount Furniture has grown, I've expanded my efforts to get the word out about how important it is to donate blood. Thus far, we've collected more than 33,000 units of blood through the drives my company has sponsored. Only 5 percent of eligible blood donors actually donate, and we are trying to help change that fact.

In a twist of irony, a few years after starting our regular blood donations in the store, my own father and nephew became ill with leukemia. My father needed bimonthly transfusions, which vastly improved his quality of life. Sitting in cancer centers, I became aware of the large population that requires regular transfusions to stay alive. Although my father and nephew ultimately lost their battles, I will be forever grateful to the Red Cross for extending their lives.

As a retailer, I'm all about problem-solving on the macro level, and I wanted to reach more people. I believe the best way to recruit new donors is by developing generational giving. If we educate young people now, they'll be regular donors we can count on for some time to come. That's why my partners and I started the High School Heroes Scholarship program in September

2009. Bob's awarded \$100,000 in scholarships to high school seniors in Connecticut and Massachusetts who showed excellence in coordinating and recruiting for high school blood drives this year.

Student recruitment is a win-win. The primary reason people don't give blood is because they've never been asked, and high schoolers are more apt to give when they're asked by their peers. Coordinating a blood drive

is a great asset to any high schooler's resume, teaching them organizational and leadership skills.

People are starting to know me as much for my blood donation campaigns as for my ads with talking mattresses and claymation. I'm proud of both and forever grateful to the Red Cross.

Bob Kaufman
Blood Drive Sponsor and Blood Donor







Preparedness Is Crucial

A CENTURY OF EXCELLENCE

1910-2010

Emergencies can happen anytime and anywhere. The good news is that you can prepare for these situations, and the Red Cross has the lifesaving information and training to help you do it.

As we commemorated the 100-year anniversary of Red Cross first aid in 2010, it reminded us how far we have come in helping Americans prepare for and respond to emergencies. Building on Clara Barton's early

efforts to establish first aid instruction among the nation's industrial workers, the Red Cross introduced its first aid program nationally in 1910.

Now, millions of people take Red Cross courses every year to get the skills they need to help their family, friends and neighbors in an emergency.



- More than 9.5 million people learned lifesaving skills through a Red Cross class.
- Nearly 4.5 million people attended a Red Cross disaster education presentation.

We expanded our courses to include CPR/AED instruction, water safety, babysitter's training, training for professional responders and more. By offering

> online instruction and developing new courses, we continue to meet the changing needs and interests of the American public.

Wilderness and Remote First Aid

Unfortunately, emergencies sometimes strike when you're far from a hospital or other medical services, so

you need special skills to respond. To address the need for this training, last year the Red Cross introduced its Wilderness and Remote First Aid course.

Designed for scouts, people who love the outdoors and those who work in remote wilderness areas, this course gives people the skills needed to respond to an emergency when help may be delayed. The course includes training on topics such as head, neck and spinal injuries, heat and cold-related emergencies and altitude sickness. The Wilderness and Remote First Aid course also offers additional content and topics to meet the Occupational Safety and Health Administration's Best Practices for Workplace First Aid Training Programs.

Preventing Fires Through Community Outreach

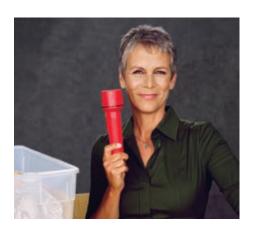
The Red Cross responds to nearly 63,000 home fires every year in the U.S., making it the most common disaster we respond to, as well as the most preventable.

For the third consecutive year, the American Red Cross partnered with HOPE worldwide on the Martin Luther King, Jr. Day of Service to deliver lifesaving information about fire prevention and safety to individuals and families in areas that are vulnerable to home fires.

More than 12,000 volunteers in 44 cities across the country canvassed their local neighborhoods to pass out fire-safety door hangers in Spanish and English. Volunteers reached more than 100,000 households and talked about fire prevention and safety with more than 28,000 people, numbers that have grown each year.



The new Wilderness and Remote First Aid course teaches people what to do in an emergency when help may be delayed.



Jamie Lee Curtis is the spokesperson for the Do More Than Cross Your Fingers™ campaign.

Preparing Communities Together

Emergencies will happen. What is uncertain is how prepared we are to deal with them, and how ready we are to respond.

After a Red Cross survey revealed that only about 12 percent of Americans are reasonably prepared for a disaster, we launched the "Do More Than Cross Your Fingers™" campaign during National Preparedness Month in September 2009. The campaign, featuring actress Jamie Lee Curtis as spokesperson, seeks to promote personal preparedness and includes an interactive website that guides visitors through user-friendly emergency preparedness games and activities.

The Clorox Company serves as launch sponsor of Do More Than Cross Your Fingers.

In addition, the Red Cross dramatically expanded its Ready Rating™ Program, a first-of-its-kind membership program that guides businesses, organizations and schools in preparing for emergencies, and also helps their employees get prepared at home. An online assessment helps members identify their level of preparedness and guides them through a continual improvement process. When joining the Ready Rating Program, members make a commitment to improve their readiness over a one-year period.

Facing the Flu

Our ability to address public health emergencies—as we did during the 1918 flu pandemic and other cases—was shown again last year as the H1N1 influenza virus continued to spread during the summer and early fall.

The Red Cross made sure the public had up-to-date information and tips for preventing the spread of the virus. We added a new informational sheet to our website, "Taking Care of People With the Flu," which addressed how to prevent the spread of the flu, offered steps for taking care of individuals who have fallen ill with the flu, and provided important tips for caregivers. We also used social media to reach the public, including posting a two-part video series on YouTube that addressed questions and comments related to the H1N1 virus.

Knowing that young children in particular may not understand exactly how germs are spread, the Red Cross worked with Sesame Workshop to create a "Healthy Habits for Life" tip sheet for parents and children. Featuring fun tips and illustrations to help adults teach children good health habits, including proper handwashing, the tip sheet also offers advice on what to do if your child gets sick.

The Red Cross also distributed helpful safety tips on how to celebrate Halloween during a time of increased risk from the flu, including suggestions that people hand out candy rather than allowing trick-or-treaters to reach into the candy container. These tips received widespread media coverage across the country.



Looking to the Future

Now more than ever, it's easy to connect with the American Red Cross.

While we are one of the oldest nonprofit organizations in the United States, we're also taking the lead in showing how a historic institution can effectively use social media and new forms of communication.

Our blog shares tips and news from across the country and around the world, and we invite you to share your ideas. To get information on Red Cross disaster response, you can log on to the Disaster Online Newsroom or visit YouTube to get the latest information on our relief operations. You can also watch videos on everything from our activities supporting the U.S. Armed Forces to the proper way to wash your hands and prevent the flu. Want to donate blood? Our new blood donor website can give you all the information you need, and can even help you set up an appointment online.



Redcross.org readers can look for a local blood drive online.

New media has taken us places we never expected. We've embraced blogging, tweeting and other forms of social media not only so we can build relationships and stay current on public opinion, but also to quickly share information such as shelter locations during disasters. Thanks to our rapidly growing number of Twitter followers and Facebook fans—now roughly 200,000 each—it's easier than ever to get information out quickly to the people who need it.

The power of the Web has also broadened our reach among young people. This new generation has an enthusiasm for charitable causes, and they clearly have the desire to make a difference. Just one example of their power and potential was Best Buy's "@15 Initiative," which gave young people a voice in philanthropy by letting them decide where their corporate donations would go. In just a week, participants were able to secure more than \$70,000 for Red Cross programs across the country.

Whether it's a family forced from their home by disaster; a teenager who wants to learn lifesaving skills; a hospital patient who is in critical need of a blood transfusion; or a military member who needs to get home in an emergency, the Red Cross is there for them all. And because of your support, you are right there with us. We've witnessed again and again how Americans respond when people are in need—by generously giving their time, blood and money. Each time you gave of yourself, you helped save the day for someone down the street, across the country or around the world.

F.M. Kirby Foundation and the American Red Cross

"We believe that when people are united in a charitable cause, the impossible becomes possible. We recognize the significant role the American Red Cross plays in helping the American people in times of disaster and we are proud to support their efforts."

S. Dillard Kirby, President,
 F.M. Kirby Foundation

The F.M. Kirby Foundation and family in Morristown, New Jersey, have supported the American Red Cross—nationally and locally—for nearly 70 years. They regularly support disaster relief and blood services.



2010 Annual Disaster Giving Program Members

We thank our Annual Disaster Giving Program members for generous contributions that help the American Red Cross respond immediately to individuals and families affected by disaster, regardless of cost. Each of these organizations has made a financial commitment to Red Cross disaster relief, which enables the Red Cross to provide shelter, food, emotional support and other assistance to those in need.

Their donations save the day for so many.

Altria Group Lowe's Companies, Inc.

American Express Merck

AXA Foundation Morgan Stanley

Cisco Foundation Nationwide Insurance Foundation

ConAgra Foods Northrop Grumman

Costco Wholesale Corporation Ryder Charitable Foundation

Darden Restaurants, Inc. State Farm

FedEx Corporation State Street Foundation

GE Foundation Target

General Motors Foundation The TJX Companies, Inc.

The Home Depot Foundation UnitedHealthcare

John Deere Foundation UPS

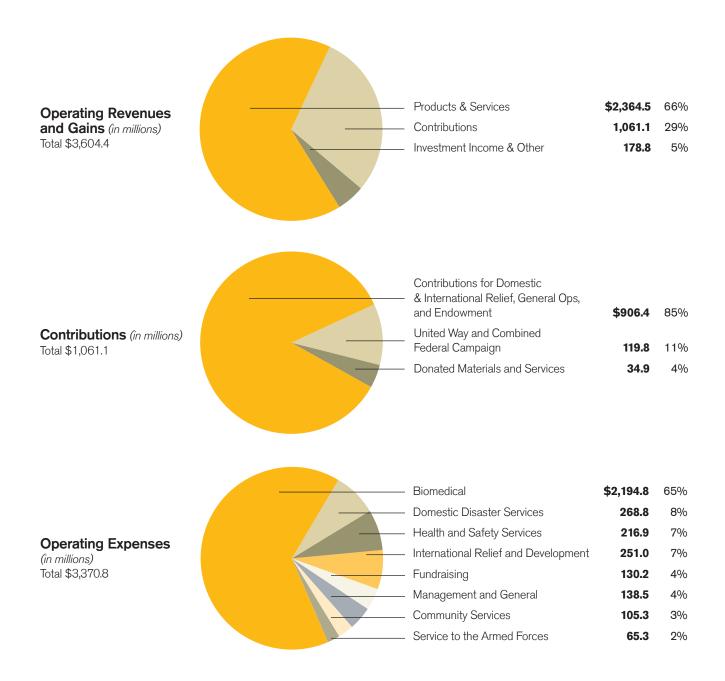
Kimberly-Clark Corporation

We would also like to recognize **Archer Daniels Midland Company**, the first member of our new Disaster Responder program. The American Red Cross relies on generous support from partners so that we can prepare for the unexpected and respond immediately when an event occurs. By providing funding in advance to disaster relief, our Disaster Responders ensure the Red Cross is able to provide help to those affected by disaster.

Sources of Financial Support

Fiscal Year 2010 Net Assets (in billions) \$1.959

American Red Cross operating funds come from three main funding sources: contributions, revenues from products and services and investment income and other sources. Total Red Cross operating revenues and gains for fiscal year 2010 were \$3,604.4 million. Net assets were \$1,959 million.



Statement of Functional Expenses

Year ended June 30, 2010 (with summarized information for the year ended June 30, 2009) (In thousands)

	Program Services								
	Service to Armed Forces	Biomedical Services	Community Services	Domestic Disaster Services	Health and Safety Services	International Relief of Development Services	& Total Program Services		
Salaries and wages	\$31,069	\$973,465	\$43,830	\$89,999	\$97,821	\$20,169	\$1,256,353		
Employee benefits	7,627	239,379	11,294	23,110	24,819	4,988	311,217		
Subtotal	38,696	1,212,844	55,124	113,109	122,640	25,157	1,567,570		
Travel and maintenance	1,449	28,971	1,801	9,589	2,670	3,981	48,461		
Equipment maintenance and renta	1,487	69,356	4,034	7,975	3,894	2,234	88,980		
Supplies and materials	4,342	523,633	12,516	11,120	36,945	935	589,491		
Contractual services	12,639	305,411	15,783	54,511	39,659	33,787	461,790		
Financial and material assistance	5,358	3,431	12,129	59,916	3,227	183,894	267,955		
Depreciation and amortization	1,329	51,143	3,891	12,644	7,911	1,005	77,923		
Total expenses	\$65,300	\$2,194,789	\$105,278	\$268,864	\$216,946	\$250,993	\$3,102,170		

_		Supporting Service	ces	_			
	Management Fund and		Total Supporting		Total Expenses		
_	Raising	General	Services	_	2010	2009	
Salaries and wages	\$55,104	\$68,220	\$123,324		\$1,379,677	\$1,378,901	
Employee benefits	13,633	17,329	30,962		342,179	357,662	
Subtotal	68,737	85,549	154,286		1,721,856	1,736,563	
Travel and maintenance	2,742	2,592	5,334		53,795	77,584	
Equipment maintenance and rental	1,458	3,379	4,837		93,817	99,595	
Supplies and materials	12,684	3,572	16,256		605,747	616,929	
Contractual services	39,386	34,099	73,485		535,275	567,617	
Financial and material assistance	1,926	1,071	2,997		270,952	242,884	
Depreciation and amortization	3,260	8,210	11,470		89,393	98,874	
Total expenses	\$130,193	\$138,472	\$268,665		\$3,370,835	\$3,440,046	

NOTE: The complete audited consolidated financial statements of the American Red Cross for fiscal 2010 may be obtained online at **www.redcross.org/pubs/#report** or by contacting the American Red Cross Inquiry Center, 431 18th Street, N.W., Washington, DC 20006, (202) 303-4498.

American Red Cross Leadership

Board of Governors (as of October 31, 2010)

Honorary Chairman

Barack H. Obama President of the United States

Chairman

Bonnie McElveen-Hunter CFO

Pace Communications, Inc. Greensboro, North Carolina

Vice Chairs

Ann F. Kaplan Laurence E. Paul, M.D. Joseph B. Pereles, Esq.

Emeritus Officials

Roland H. Lange Vice Chairman Emeritus

George M. Elsey President Emeritus

Board of Governors Members

Bonnie McElveen-Hunter CFO

Pace Communications, Inc. Greensboro, North Carolina

Cesar A. Aristeiguieta, M.D. Director of EMS and Disaster Preparedness Emergent Medical Associates Santa Monica, California

Sanford A. Belden, Ph.D. Retired President and CEO Community Bank Systems, Inc. Hatfield, Massachusetts

Paula E. Boggs, Esq.

Executive Vice President, General Counsel

and Secretary

Starbucks Coffee Company

Seattle, Washington

Richard M. Fountain, Esq.

Attorney

Law Offices of Richard M. Fountain, PA Jackson, Mississippi

Allan I. Goldberg, M.D. Executive Director

Academic and Professional Affairs

U.S. Medical Affairs Merck & Co., Inc. West Point, Pennsylvania

James G. Goodwin Senior Partner Goodwin & Grant, Inc. Tulsa, Oklahoma

Ann F. Kaplan

Chair

Circle Financial Group New York, New York

James W. Keyes Chairman & CEO Blockbuster, Inc. Dallas, Texas

Gail J. McGovern

President and Chief Executive Officer

American Red Cross Washington, D.C.

Youngme E. Moon, Ph.D.

Professor of Business Administration

Harvard Business School Boston, Massachusetts

Suzanne Nora Johnson Former Vice Chairman The Goldman Sachs Group, Inc.

Santa Monica, California

Richard C. Patton

Founder and Chief Manager Courage Capital Management, LLC

Nashville, Tennessee

Laurence E. Paul, M.D. Managing Principal Laurel Crown Partners LLC Santa Monica, California

Joseph B. Pereles, Esq.

Vice President Development and General

Counsel

Drury Hotels Company, LLC

St. Louis, Missouri

Melanie R. Sabelhaus

Entrepreneur and Philanthropist

Naples, Florida

H. Marshall Schwarz Retired Chairman and CEO U.S. Trust Corporation New York, New York

Steven H. Wunning Group President Caterpillar, Inc. Peoria, Illinois

Corporate Officers (as of October 31, 2010)

Bonnie McElveen-Hunter

Chairman

Gail J. McGovern

President and Chief Executive Officer

Dale P. Bateman Chief Audit Executive

Mary S. Elcano

General Counsel and Corporate

Secretary

Brian J. Rhoa Chief Financial Officer

Administrative Officers

John Crary

Chief Information Officer

Suzanne C. DeFrancis Chief Public Affairs Officer

Gerald DeFrancisco

President, Humanitarian Services

Peggy Dyer

Chief Marketing Officer

Pamela A. Farr

National Chair of Volunteers

Shaun P. Gilmore

President, Biomedical Services

Melissa B. Hurst Senior Vice President Human Resources

Kevin Jessar

Corporate Ombudsman

Neal Litvack

Chief Development Officer

Jack McMaster

President, Preparedness and Health and Safety Services

Floyd Pitts

Chief Diversity Officer

Learn More About the American Red Cross

If you are interested in learning more about our work, contact your local Red Cross chapter or Blood Services region or:

American Red Cross Inquiry Center 431 18th Street, N.W. Washington, DC 20006 (202) 303-4498

info@usa.redcross.org.

Information about the Red Cross, including the location of local units, is also available on **redcross.org**.

To Make a Donation

If you would like to make a financial donation, call 1-800-RED CROSS or visit **redcross.org**.

This report was produced by the Communications Department of the American Red Cross:

Roger Lowe Senior Vice President Communications

Brian McArthur Vice President

Communications Operations

Carol Robinson

Director, Creative Resources

Leslie A. Smith Writer

Kathy Ramsperger Writer

John Rodgers Art Director

Terence Feheley Editor

Jeanette Ortiz-Osorio Photography Manager

Kelly Marshall Print Production Coordinator

Photography Credits

All photos are property of the American Red Cross unless otherwise noted.

Inside cover: Jason Colston. Page 1: Daniel Cima. Page 2: Talia Frenkel. Page 3: © Andrew Yates (left), Daniel Cima (bottom right). Page 4: Daniel Cima (left) and Talia Frenkel (right). Page 5: Harvey S. Tillis. Pages 6 and 7: Jason Colston, FEMA/Liz Roll (top inset). Page 8: Talia Frenkel. Page 9: Daniel Cima, Talia Frenkel and Jakob Dall. Pages 10 and 11: Daniel Cima. Page 12: Kaolack Ndiebel (left), © Alex Ramirez (right). Page 13: Kun Li/UNICEF Pages 14 and 15: Jason Colston. Pages 16 and 17: Daniel Cima. Page 18: Garry Geer (left), Stephen Arce/Action Sports Photography, Inc. (right), Jason Colston (bottom). Page 19: Jason Colston. Pages 20 and 21: Jason Colston. Page 22: Barbara Proud. Page 23: Lauren Dukoff. Page 25: (left to right) Daniel Cima, Harvey S. Tillis, Daniel Cima, and Talia Frenkel. Inside back cover: Daniel Cima.



Volunteers rush to load meals for delivery to Tennessee residents affected by spring flooding.

