

May 23, 2006

Dear CorpWatch supporter,

It's been ten years since CorpWatch was created—and what a journey it has been! From our pioneering reporting on Enron and Nike in those early days to our work in Afghanistan and Iraq in the last couple of years, CorpWatch's investigative reporting and advocacy, holding corporations accountable, has become a key source to the mainstream and alternative media, activists, students and policymakers alike.

Much has changed since 1996, when we launched our site on the still nascent World Wide Web. We now attract over 150,000 unique users and four million hits each month. We've worked on books, movies, radio and television shows and even produced popular games on corporate malfeasance!

And the world of business has also evolved with us and our work. The United States Congress has dramatically changed the rules for big business with the passage of the Sarbanes-Oxley Act, which has required hundreds of companies to restate their profits and, has resulted in dozens of executives facing criminal trials.

It's just a small start but an encouraging sign in an otherwise bleak global picture of never-ending war and the rise of fundamentalism in major religions.

This year we will publish not one, but four new reports as we focus in on our core work (see our new mission below) of investigative journalism: a report on the failure of reconstruction in Afghanistan, an update of cronyism and corruption in Iraq, disaster profiteering in the Gulf States and our now regular alternative annual report on Halliburton.

We are also adding new journalistic technology to our website which we hope you will find useful and allow you to interact with us more: we now have a blog, a podcast and later this year we hope to launch a CorpWatch Wiki, an online database of corporate malfeasance, that will allow citizens and communities to report first hand on abuses occurring in their backyards.

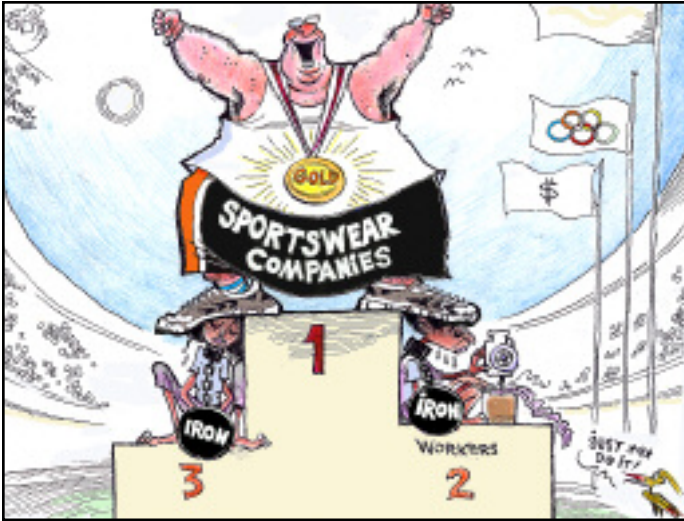
So don't just stay tuned, we invite you to participate in fighting corporate abuse with your personal reporting!

Pratap Chatterjee

**Our New Mission:** CorpWatch investigates and exposes corporate violations of human rights, environmental crimes, fraud and corruption around the world. We work to foster global justice, independent media activism and democratic control over corporations.

CorpWatch, has been educating and mobilizing people through its investigative journalism and corporate campaigning for nearly ten years, reaching a global audience through our award-winning website, [www.corpwatch.org](http://www.corpwatch.org).

# PROGRAM HIGHLIGHTS



## War, Peace & Disaster Profiteering

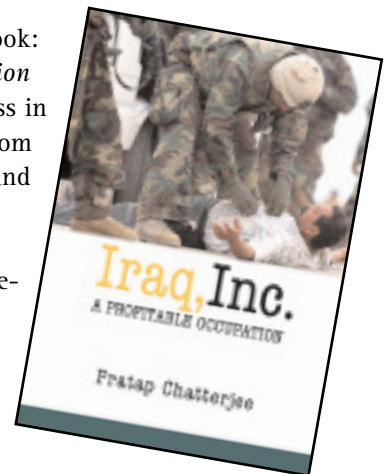
CorpWatch continued its special focus on the role of military contractors in the occupation of Iraq war that won a great deal of mainstream media attention. Most of these articles were written by David Phinney, our military correspondent, based in Washington, DC. In May 2005 we released our second alternative annual report on Halliburton, called *Houston, We Still Have a Problem* at a press conference outside their annual shareholders meeting in Houston. Our coverage also includes the private contractors involved in peace-keeping operations, like Dyncorp in Sudan whose bottom-line is not determined by the safety or future of the people in regions of armed conflict; but by the continued need for their mission. And right after Hurricane Katrina struck the Gulf States, we were among the first to reveal the role of Iraq war profiteers, the Shaw Group, Bechtel and Fluour in the spending bonanza that ensued.

**The CorpWatch team includes:** Pratap Chatterjee, executive director; Erica Marcus, associate director; Brooke Biggs, editor, and Sakura Saunders, administrative coordinator, as well as numerous hardworking writers, consultants and volunteers including: Khalil Bendib, resident cartoonist; Fariba Nawa, Afghanistan correspondent; David Phinney, military correspondent; Terry Allen, features editor; Ben Clarke and Twilight Greenaway, past features editors; Tonya Hennessey, Manami Kano and Heather Whitehead, development support; Margot Brennan and David Taylor, our web consultants; Nadia Khastagir and Innosanto Nagara, graphic designers; Yvette Diaz, our Tides' Project Services Coordinator. Special thanks also to our great interns and volunteers: Katherine Gladwin, Marian Berges, Cristina Kim, Liam O'Donahue, Mienah Sharif, Steven Valentino, Lee Wang and Katie

## CorpWatch.org

CorpWatch regularly publishes new stories about the environmental and human rights abuses of multinational corporations as well as articles on corporate fraud and corruption. During the second half of 2004 and the year 2005 we published more than 70 original investigations on subjects ranging from how the International Olympic Committee licensed its logo out to companies that underpay and abuse their workforce to stories on soy plantations in the Amazon, oil exploration in the Western Sahara, logging in Australia and meatpacking in the American Midwest. Our work is used by activists as well as policymakers and is picked up by the mainstream and alternative media. For example, we collaborated on a series of video reports with *Democracy Now!* on the corporate sponsors of the Democratic and Republican conventions in Boston and New York, which earned us a profile in the *Wall Street Journal*. And, a story on how the religious right uses shareholder activism put CorpWatch on CNN.

Our biggest hit was our new book: *Iraq Inc.; A Profitable Occupation* published by Seven Stories Press in New York, which won praise from newspapers like the *Guardian* and the *Observer* in the United Kingdom, resulted in a lengthy 100 minute talk on C-SPAN television that was broadcast four times, and even got executive director, Pratap Chatterjee, an invitation to speak to the *New York Times* editorial board!



Several members of Congress used our material, including the Democratic Policy Committee in the United States Senate, which drew from our book for two hearings into corporate malfeasance in 2005.

Winters. We bid goodbye to the fabulous Jennifer Borden, our past administrative coordinator, who went on to seek a Masters degree in nursing. Thanks also to Wada, Walid, Gharib and Istifan in Iraq.

## Executive Committee:

China Brotsky, Vice-President, Tides Shared Spaces

Antonio Diaz, Project Director, PODER (People Organized to Demand Environmental Rights)

Joshua Karliner, CorpWatch's founder and executive director from 1996-2002; International Team Coordinator, Health Care Without Harm

Mele Lau Smith, San Francisco Tobacco Free Project

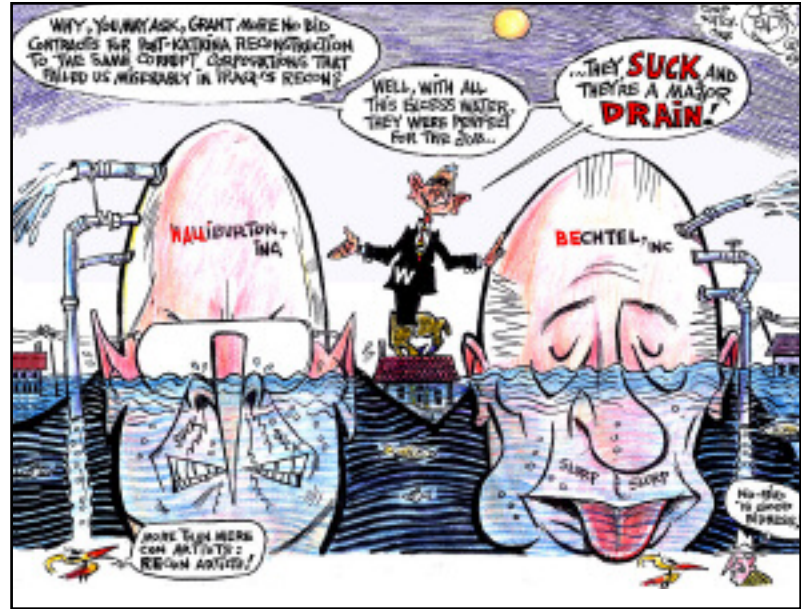
*Note: As a project of the Tides Center, CorpWatch is fiscally and legally accountable to the Tides Center's Board of Directors.*

## Friends of the Earth International

CorpWatch was unanimously voted in as an affiliate member of the Friends of the Earth International Network at its last biannual meeting in Croatia. Since then we have taken an active part in the corporate accountability campaign, acting as North American coordinators, and attending meetings in Brazil, the Netherlands and Hong Kong.

## Activist Gatherings and Speaking Engagements

CorpWatch was an active participant in the World Social Forum in Porto Alegre, Brazil, in January 2005. Pratap has also given dozens of talks at Columbia University in New York, the University of Massachusetts at Amherst, San Francisco State University, Stanford University, the University of California at Berkeley, community gatherings in Fort Bragg, Los Angeles, Palo Alto and Houston. We were also invited to give talks in Belgium, as well as at the Perdana Global Peace Forum in Kuala Lumpur,



Malaysia, alongside such heavyweights as the former United Nations humanitarian coordinators in Iraq; Dennis Halliday and Hans von Sponneck, Tariq Ali, Helen Caldicott, and Daniel Ellsberg.



“CorpWatch follows the imperative to follow the money to witness and report directly on their misdeeds. Their muckraking, practiced with diligence and courage is all too timely and far too rare.”

—Amy Goodman, host of *Democracy Now!*

## MEDIA HIGHLIGHTS

Over the last year, we have received hundreds of reporters' queries from media outlets such as:

### Print:

Boston Globe  
 Business Week  
 Guardian and Observer (London)  
 Houston Chronicle  
 Los Angeles Times  
 New York Times  
 Time  
 Wall Street Journal  
 Washington Post

### Television:

CNN  
 Democracy Now!  
 Fox News  
 Free Speech TV  
 MSNBC  
 Local NBC and KRON in San Francisco  
 Italian, Japanese and South Korean stations

### Radio:

BBC  
 Free Speech Radio News  
 Local Pacifica stations in Berkeley, Los Angeles, Houston and New York  
 National Public Radio's Marketplace

CorpWatch accomplished so much in 2004-2005 thanks to its loyal and generous donors. While we greatly appreciate each and every donation, both large and small, space prohibits us from listing everyone.

## \$25,000-100,000

Edna Wardlaw Charitable Trust  
Educational Foundation of America  
Ayman Jallad–Humanitarian Group for  
Social Development  
Lawson Valentine Foundation  
Rockefeller Family Fund  
Veatch Program, Unitarian Universalist  
Congregation at Shelter Rock  
Working Assets

## \$10,000-24,999

Around Foundation  
Perdana Foundation

## \$5,000-9,999

The Concretes  
John Finch  
Joshua Mailman  
John Saunders

## \$1,000-4,999

Anonymous  
China Brotsky  
John Harrington  
Abby Rockefeller & Lee Halprin  
Samuel Tripp–Grace Jones Richardson  
Trust

## \$500-999

Muriel & Allan Brotsky  
Allan Chitlik & Sarah Moore

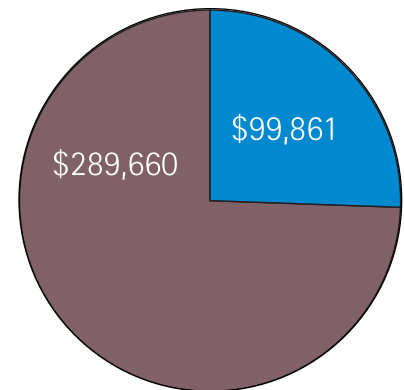
## \$100-499

Nick Allen & Martha Kowalick  
Anonymous  
William Arnold  
Malou Babilonia  
Allan & Marion Hunt Badiner  
Peter Barnes  
Martha Belcher & J. Martin Wagner  
Jello Biafra/Eric Boucher  
Malena Bonnier  
Judith & Thomas Brody  
Natasha Burke  
Edward M. Burns  
Lee Carleton  
Robert Carnevale & Denise DeLeo  
Barry Castleman  
Oysim Chin  
Noam Chomsky  
Antonio Diaz

Amy Domini  
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Joe McDonald  
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Daniel Roth and Karin Ashley  
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David Steichen  
Michael Stein  
Susan Stern  
Margery & Thomas Winter  
Manni Wood  
Nerissa Wu & Guy Zucker

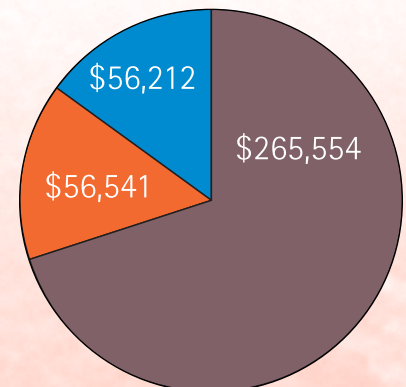
## Monthly Sustainers

Peter Byrne  
Sophia Cleland  
John Colby  
Tonya Hennessey  
David Joki  
Shan Mukhtar  
Tamara Piety



## Income:

Individual donations: \$99,861  
Foundations: \$289,660  
Total \$389,521



## Expenses:

Programs: \$265,554  
Administration: \$56,541  
Fundraising: \$56,212  
Total: \$378,307