



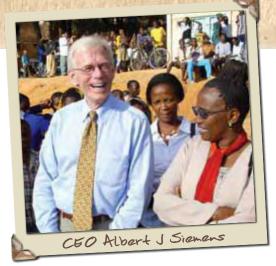
POWERFULL APPROACH

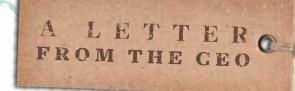
FHI
ANNUAL REPORT

2009









FHI IS APPROACHING FOUR DECADES

of leadership in global health and development. As we forge ahead to define sustainable solutions to the world's most pressing problems, we continue to focus on bringing evidence-based approaches to our work and rigorously measuring results to assure impact and accountability. We also continue to form strong relationships with our many implementing partners, and with governments, foundations, the private sector, and the generous individuals who share our vision of building stronger communities for a healthier world.















Building healthy communities requires much more

than confronting a single disease or health issue. Since joining FHI in 1983, I have seen firsthand that it requires a combination of efforts—collaborative and concerted work—to engage decisionmakers, conduct the research and apply the evidence to real-world settings, improve management and technical capacity, and address the underlying contributors to poor health, whether they be poverty, gender inequity, food insecurity, or lack of access to education, clean water, or adequate sanitation.

This is what I mean when I talk about FHI's "more powerful approach to improving lives worldwide."



A MORE POWERFUL APPROACH

We need a more powerful approach to address the world's broad spectrum of health and development challenges in sustainable ways.

This is nowhere more evident than in Haiti, which recently suffered a devastating earthquake. Our

> activities in Haiti— where we the earthquake. In late 2009, we embarked on the Community Health and HIV/AIDS Program (CHAMP), an ambitious project designed to expand HIV and TB services to and empower families and communities to participate in their own care. Beyond comprehensive HIV/AIDS services, beneficiaries

gain access to a full range of basic health and social services in their own communities, including family planning and reproductive health, maternal and child health, and nutrition.

At the time of the earthquake, four of CHAMP's planned "community service delivery points" were operating at full capacity. Only one survived the disaster. Today, our country team and partners are working around the clock to get all the service delivery sites back on line and new ones opened. Although FHI is not a relief organization, we have been able to draw upon our health and development experience to assist the relief and recovery efforts. Through CHAMP's health-focused platform, we are



FHI programs reach out to the hard-to-reach including women and girls.



have been working for many years—have become even more important in light of Haiti's poorest communities, support local health systems,

and communities.

also forging new partnerships to provide support in areas such as food security, delivery of relief supplies, psychosocial support, and creating safe places for vulnerable children.

Coordinating with our partners to address a larger set of needs, we are helping the Haitian people and their government rebuild in ways that promote long-term health and prosperity.

I was in Haiti just a year ago and was impressed by the value and impact of our partnerships. Our local partners range from the Ministry of Health and health-service providers to microfinance banks and faith and community-based organizations. Our international sponsors include the US Agency for International Development (USAID), the US Centers for Disease Control and Prevention (CDC), and the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund). We are honored to be working with this wide range of collaborators to help improve the health and wellbeing of Haitians for the long term.

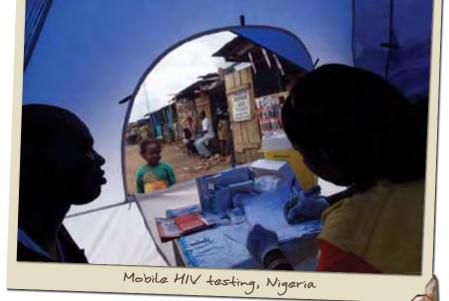
I have been privileged during my years with FHI to visit many of the countries where we work. These opportunities have allowed me to observe directly how our committed, creative, and highly accomplished scientists, public health professionals, and management experts are making a lasting difference in the lives of the most vulnerable people



In Côte d'Ivoire, FHI organizes village "cleaning teams" that remove accumulated trash and standing water where malaria-carrying mosquitoes breed.



FHI training resources are known worldwide for their effectiveness and adaptability.





FHI clinical trials have evaluated the safety, effectiveness, and acceptability of nearly every contraceptive method currently available.

STRENGTHENING HEALTH SYSTEMS

Equally important to our relationships with our funders are our partnerships with national, regional, and local governments,

and with local communities and organizations. These partnerships are central to our work to strengthen national health systems, a priority of many governments worldwide as well as of the US government's Global Health Initiative.

In Nigeria, I saw how our team is helping improve the country's health system by integrating related services in HIV/AIDS, sexual and reproductive health, sexually transmitted infections, and TB diagnosis and care (HAST) at local levels. As a result, stakeholders, facilities, and communities are making high-quality services more accessible to patients in the most remote and resource-poor settings. The National Primary Health Care Development Agency recently adopted our HAST training curriculum. As more people are trained, we expect more communities will adopt the approach, further broadening its impact. We have evidence that the HAST approach decentralizes care, strengthens management of services through supportive supervision and mentoring, and encourages community participation.

I also saw in Nigeria how our team of over 500 local professionals is helping to strengthen patient management and monitoring systems, providing training on managing and interpreting clinical data, and contributing to the development of LAMIS, an electronic medical record system that informs healthcare management decisions at all levels of the health system.

In settings where there are shortages of qualified nurses, physicians, and other health professionals, we support task-shifting and retraining to help maintain high-quality health services and strengthen health systems.

We have evidence from several countries of how well these approaches can work. In Rwanda, for example, FHI provided training for nurses and showed that they are fully capable of prescribing first-line antiretroviral therapy. In Guyana and Tanzania, we trained "retired but not tired" nurses and clinicians to deliver HIV/AIDS services. Similarly, we have developed training and programs for community volunteers in Zambia and Ethiopia, enabling them to support patients on antiretroviral treatment. The volunteers learn techniques to encourage patients to adhere to the therapy, eat well, stay healthy, and prevent the ongoing transmission of HIV. In many cases, volunteers are able to use these experiences to qualify for paying jobs in healthcare and other community environments.

In addition to building human capital, FHI contributes to stronger health systems by improving facilities and other infrastructure. For example, in virtually every country where FHI supports HIV/AIDS programs, we strengthen laboratory infrastructure through physical renovations, provision of equipment, staff training, and technical assistance. In Nigeria's Cross River State, we partnered with USAID and the Ministry of Health to establish a biosafety level-3 TB culture and drugsensitivity testing lab—the first of its kind in West Africa. Tests performed by local laboratory staff now allow quick diagnosis, monitoring, and control of drugresistant TB.





FHI has provided HIV counseling and testing to over 8 million people.





PROMOTING HEALTHY BEHAVIOR

During my recent visit to Vietnam, I met with our talented country office team who have been pioneering a very successful treatment program for heroin users, working with the Ministry of Health's Administration for HIV/AIDS Control, USAID, the CDC, the Atlantic Philanthropies, and other partners. The program sees drug addiction as a disease rather than a crime, treating heroin addicts with safer alternatives such as methadone, providing psychosocial support and counseling, and linking them to job and vocational training.

The goal is to help recovering addicts reduce their drug use, reintegrate into their families and communities, and lower the likelihood that they will spread or acquire HIV or hepatitis C.

While in Vietnam, I was pleased to help launch a new partnership to discourage tobacco use among youth. This partnership between FHI, the Vietnam National Committee on Smoking and Health, and the Youth Union leverages our expertise in health promotion and behavior change and our close working relationships with governments. We recruited Ha Anh Tuan, a popular young singer, to engage youth and policymakers through social media and events at selected universities and high schools to support stronger tobacco controls. When our Vietnam country office proposed this idea to FHI's board of directors, we agreed it had so much potential that we committed FHI's own funds to the project. We hope we will be able to raise additional funds from private donors who, like us, want to bring more attention to chronic diseases in the developing world. Such support allows us to innovate, test new ideas, and bring successful ones to scale.

APPROACHING OUR WORK HOLISTICALLY

I have also seen two programs in action—Balasahyoga in India and ROADS in Africa—that embody our approach to addressing a wide spectrum of needs by integrating health and development. Balasahyoga, which means "active support to the child," is designed to help 40,000 families remain healthy and productive and sustain improvements in their children's lives. FHI ensures that each family is assigned a case manager who links them to a range of programs that meet their health, economic, and psychosocial needs.

I am particularly impressed by what Balasahyoga has done for people like Sunkari Parvathi and her children. An HIV-positive widow, Sunkari struggled to of malaria and sexually transmitted infections), the ROADS initiative, "LifeWorks," offers vulnerable women in host communities safe alternatives to sex work. These alternatives include living-wage jobs, life skills training, nutrition and food security, and assistance with enterprises that allow them to support themselves and their families. ROADS, which is primarily funded by USAID, has the flexibility to test innovations such as LifeWorks through pilot programs.

The key to sustainability for LifeWorks and other initiatives of its kind is public-private partnerships. Unilever Kenya, General Motors East Africa, and other companies support LifeWorks by serving on its



LifeWorks production room, Kenya

OUR MORE POWERFUL APPROACH To Improving Lives IS HAVING AN IMPACT.

meet her family's basic needs. Her Balasahyoga case worker helped her access housing, education support, food security, and income-generating opportunities. She, her daughter, and two sons have now moved into a small house and planted a kitchen garden that supplements their diet of plain rice. The improvement in the lives of people like Sunkari is underpinned by the support and collaboration of our Balasahyoga funder, the Children's Investment Fund Foundation, which shares our commitment to connecting people with the resources they need to make positive, sustainable changes in their lives.

In Kenya, I observed how ROADS (Regional Outreach Addressing AIDS through Development Strategies) is catalyzing change along major transportation corridors in Africa by linking mobile populations to a range of services and other opportunities. In addition to "SafeTStop" centers that provide services along these routes (including condom distribution, HIV testing and counseling, and diagnosis and treatment

board of directors, offering in-kind contributions, and providing management advice on a range of business functions, including business plan development, marketing, pricing, and accounting. Mabati Rolling Mills, a major East African business, donated factory space where 40 women and older orphans are now creating home and fashion accessories that are sold in upscale tourist hotels and retail outlets in Africa, the United States, and Europe. Private-sector experts in textile and business development are advising the company, and recently some prominent Kenyan companies have begun outsourcing work to LifeWorks, helping expand and strengthen the business. LifeWorks staff attest to their healthier lives and the living wage they earn that decreases their dependence on others for income. Our data indicate the lives of these women have improved: they report fewer multiple concurrent sexual partnerships, visit health facilities more often, and experience lower rates of sexually transmitted infections and gender violence.





In Ethiopia, FHI partners with Procter & Gamble to provide clean drinking water to schools.



Gender considerations are woven into every aspect of FHI's work.

Health outreach volunteer, Papua New Guinea

EMPHASIZING PREVENTION AND TESTING **NEW TECHNOLOGIES**

I am proud of FHI's scientific leadership in exploring promising new technologies in reproductive health and ideas to increase the availability of low-cost, effective, and acceptable contraceptives.

For example, our scientists showed that trained volunteers in sub-Saharan Africa can safely and effectively administer injectable contraceptives, encouraging countries across the region to scale up access to this safe, long-lasting, and inexpensive technology.

We are thrilled to have received a prestigious Grand Challenges Explorations grant from the Bill & Melinda Gates Foundation that supports the development of a "nipple shield" that may prevent transmission of HIV from mothers to infants during breastfeeding. Another Gates Foundation grant is giving us the opportunity to partner in Kenya with healthcare providers, the Ministry of Public Health, and others to improve and expand voluntary male circumcision services, acting on compelling evidence that circumcision greatly reduces the risk for men of acquiring HIV.

Since 2001, FHI programs have placed nearly 400,000 HIV-positive people on antiretroviral therapy. While continuing to increase access to this effective and to increasing prevention by promoting behavior change and developing new prevention technologies. Through our facilitation of the HIV Prevention Trials Network (HPTN) and the Microbicide Trials Network (MTN), we support global efforts to prevent HIV by developing vaccines, microbicide gels, and other technologies intended to reduce acquisition and transmission. We are also leading a clinical trial to test the safety and effectiveness of a daily dose of an antiretroviral pill called Truvada to protect women from acquiring HIV.

REMAINING STRONG AND **FUTURE-FOCUSED**

We are fortunate to have robust executive leadership as well as talented leaders throughout the organization. They keep our projects moving forward, maintain our global scientific and research excellence, and ensure that findings are applied on the ground. As a result, FHI will remain at the forefront of global efforts to promote access to safe and affordable family planning and to integrate family planning with HIV/AIDS and maternal and child health services. We will also build upon our global platform and our unparalleled record of bringing public health programs that address HIV/AIDS, tuberculosis, and other communicable diseases to scale.

Further, we are assessing the best approaches to preventing noncommunicable diseases in the developing world. We want to ensure that emerging epidemics of cardiovascular disease, cancer, and diabetes are addressed as priorities in low- and middleincome countries. With our research and public health expertise, we can help reduce contributory risk factors such as smoking, obesity, inactivity, and poor diet.

To further strengthen our rigorous, evidence-based approach to public health and development, we created the position of Chief Operating Officer. Marjorie Newman-Williams has shown over the past 30 years with UNICEF and the Children's Defense Fund that she is a dynamic leader who can help us transform public health and development. We are looking to Marjorie to drive the quality of our work and to help our 2,500 staff in 55 countries achieve greater accountability and efficiency. Her experience will be invaluable as we further integrate our scientific, programmatic, and community-based operations to deliver innovation and maximum impact.







FHI averages over a hundred scientific

publications every year.





FULFILLING OUR MISSION

To fulfill our mission, we rely on the generous support of our funders, including the US and other governments, multilateral donors, foundations, corporate clients, and individual contributors. We also rely on over 1,000 implementing partners, ranging from large international organizations to hundreds of smaller local community groups that operate incountry. The trust and support of all these partners allow us to offer hope, inspire real change, and achieve enduring results. This year, we were delighted to become a full member of the Global Business Coalition on HIV/AIDS, Tuberculosis, and Malaria. This partner network includes members of the corporate sector, governments, and civil society and is committed to "turning business assets into disease-fighting assets."

We appreciate that our funders drive us to evolve: they inspire our creativity, push us to expand our impact, and encourage us to sharpen our vision. By working and learning together with our partners, we extend our reach and purpose ever outward. Our supporters insist that we seek out, test, and implement innovative solutions to the most difficult health and development problems, and they challenge us to find new and better ways to increase efficiencies, lower costs, and measure impact. We are deeply grateful for this support over the last 40 years and for the opportunities to improve the lives of individuals, families, and communities around the world.

I end my letter with a story that underscores the importance of our mission to improve lives, and to address the needs of people and communities holistically.

Several years ago, I was in Ethiopia—a brief guest in the simple home of a young woman. Along with her mother and some close neighbors, we shared coffee in the Ethiopian tradition of hospitality. The woman's two-year-old daughter had been born with HIV, and her husband had recently died of AIDS. However,



FHI develops quantitative and qualitative scientific methodologies, including clinical trial reporting guidelines.

thanks to one of our programs, her one-year-old son had been born HIV free. She was healthy and overjoyed to be on antiretroviral therapy.

But I was floored when she told me she had made the heart-wrenching decision to give her son up for adoption to offer him the possibility of a better life. Adding to my distress, she said to me, "What shall we do now? I can't find work!" This experience

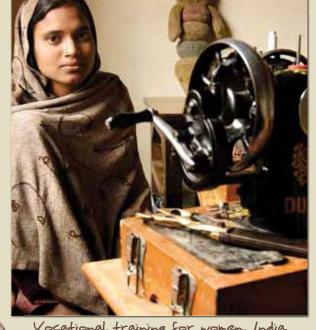
underlined for me how crucial it is to address the *comprehensive* needs of individuals and families who are dealing with HIV and living in poverty, including the right to live free of stigma and discrimination.

The next day, I visited an FHI partner that works with traditional burial societies to develop training programs that help people like this young mother gain life skills and support themselves by, for example, sewing handicrafts.

We must remember that those whose health has been improved through our efforts may still need further support to sustain their gains, raise and educate their children, and take control of their health and wellbeing. This holistic vision is what drives me and FHI to work tirelessly to pursue a more powerful approach to improving lives.

FHI conducted the first randomized clinical trials on the effectiveness of HIV counseling and testing in Kenya, Tanzania, and Trinidad.

Promoting family communication, Botswana



Vocational training for women, India



With warm personal regards,



OUR IMPACT-IN 2009

523,949,000 male condoms quality tested

869,000 received HIV testing and counseling and test results 526,000 most at-risk for HIV reached with evidence-based prevention 10,100 HIV-positive patients in care or treatment began TB treatment 10,900 HIV-positive pregnant women received antiretroviral therapy 92 articles published in peer-reviewed scientific journals 200 laboratory professionals in 11 countries trained in laboratory quality systems 374,000 children and adults with HIV infection ever started on antiretroviral therapy 500,000 mosquito nets quality tested 36 oral and long-acting contraceptive methods quality tested



Financial Summary

TWELVE MONTHS TO SEPTEMBER 30, 2009 REVENUE AND SUPPORT US DOLLARS

 US Government
 271,035,000

 Other Governments
 16,664,000

 Foundations & Individuals
 25,183,000

 Corporations
 6,292,000

 Multilaterals
 6,251,000

| SUBTOTAL | 325,425,000 |
|-----------------|-------------|
| *Other Revenues | 2,134,000 |

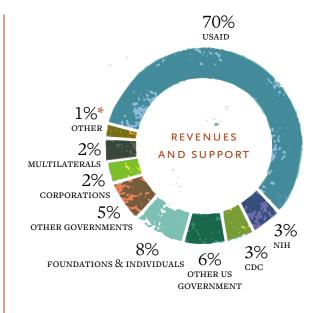
TOTAL REVENUES, 327,559,000
GAINS, AND SUPPORT

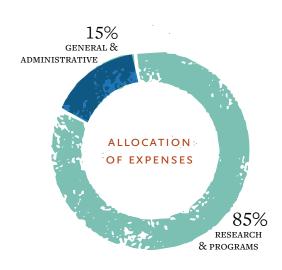
EXPENSES

| Total Operational Use of Funds | 275,186,000 |
|--------------------------------|-------------|
| General and Administrative | 48,956,000 |
| Fundraising | 498,000 |
| | |

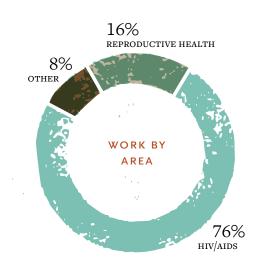
| TOTAL EXPENSES 324,640,000 |
|----------------------------|
|----------------------------|

| Net Assets, Beginning of Year | 15,688,000 |
|-------------------------------|------------|
| Change in Net Assets | 2,919,000 |
| Net Assets, End of Year | 18,607,000 |









^{*} Interest, investment, and lab services income.



Meeting the needs of the developing world can only be achieved through collaboration

across continents, between countries, among communities, and within families.

FHI is fortunate to be joined by many governments, multilateral organizations, associations, foundations, nongovernmental organizations, community- and faith-based organizations, research institutions, universities, and individuals.

Their partnership makes our work possible.

Our 2009 Funders

Abbott Fund Abt Associates **AiCuris** amfAR, The Foundation for AIDS Research Asia-Pacific IATEC CRO Co., Ltd Asian Development Bank The Atlantic Philanthropies Australian Agency for International Development The Barry Charitable Foundation Inc The Bill & Melinda Gates Foundation Boehringer Ingelheim Pharmaceuticals, Inc. Center for AIDS Research, the University of North Carolina Centers for Disease Control and Prevention Children's Investment Fund Foundation Columbia University The Community Foundation of New Jersey, Duffy Family Fund Crucell DAI Danone The David & Lucile Packard Foundation Deloitte Consulting LLP The Drosos Foundation **Duke University** Durham Technical Community College EDC The Elton John AIDS Foundation **Emory University** EngenderHealth

Fondation Sogebank

The Ford Foundation The Funders' Collaborative for Children Futures Group Ghana AIDS Commission Gilead Sciences, Inc. GlaxoSmithKline Global Environment & Technology Foundation The Global Fund to Fight AIDS, Tuberculosis, and Malaria Government of France Government of the Netherlands Government of Pakistan GRM International Pty Ltd GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit) Hasbro, Inc. The Hershey Company Ibis Reproductive Health IHS Herold, Inc. International Centre for Diarrhoeal Disease Research, Bangladesh International Organization for Migration International Partnership for Microbicides International Resources Group **Jhpiego** John Snow, Inc. Johns Hopkins Bloomberg School of Public Health Johns Hopkins University **KNCV** Tuberculosis Foundation Laboratoire HRA Pharma

Magee-Women's Research Institute

Management Sciences for Health

The McGraw-Hill Companies **Employee Giving Campaign** Medical Research Council Medicines for Malaria Venture Ministry of Health, Cambodia Ministry of Health, Republic of Indonesia Ministry of Health, Suriname National AIDS Commission of Malawi National AIDS Control Program of Suriname National Center for HIV/AIDS. Dermatology & STD, Cambodia National Center for Tuberculosis & Leprosy Control, Cambodia National Confectioners Association National Institutes of Health National Malaria Control Programme, Nigeria Nigerian National Action Committee on AIDS **Novartis** Pact The Parsemus Foundation PATH Pathfinder International Pfizer Pfizer Foundation Population Reference Bureau PSI Procter & Gamble Rockefeller Brothers Fund The Royal Netherlands Embassy RTI International SAIC-Frederick, Inc. Save the Children Shell

Shell Pakistan Shell Petroleum Development Company of Nigeria Social & Scientific Systems, Inc. Society for Family Health StarPharma Holdings Limited Tibotec Tides Foundation UK Department for International Development United Nations Children's Fund United Nations Office on Drugs and Crime United Nations Population Fund University of Alabama at Birmingham University of California, San Francisco University of North Carolina at Chapel Hill University of Oxford University of Pittsburgh University Research Corridor University of Washington US Agency for International Development US Department of Defense US Department of Veterans Affairs VA Medical Center Vietnam Committee for Smoking and Health Wellcome Trust The William and Flora Hewlett Foundation William J. Clinton Foundation The World Bank World Cocoa Foundation World Health Organization



Leadership

EXECUTIVE LEADERSHIP

Albert J Siemens, PhD

Chairman and Chief Executive Officer

Willard Cates Jr, MD, MPH

President, Research

Peter R Lamptey, MD, DrPH

President, Public Health Programs

Marjorie Newman-Williams

Chief Operating Officer

Robert R Price, JD

Executive Vice President and General Counsel, Corporate Administration

Hubert Graves, MBA

Chief Financial Officer

Manisha Bharti, MPH, MBA

Senior Vice President, Strategic Development and Communications

Sheila Mitchell, MBA

Senior Vice President

Pamela Myers, MBA, SPHR

Vice President, Human Resources and Organization Development

Gary West, MPA

Senior Vice President, Capacity Building and Delivery

Tim Mastro, MD

Vice President, Health and Development Sciences

Ed Dennison

Vice President, Business Development

Laura Kayser, MPH, BSN

Vice President, International Program Management



David Mein, MPA

Vice President, Operations Support

Mike Welsh, PhD

Vice President, Centrally Funded Programs and Applied Research

BOARD OF DIRECTORS

Albert J Siemens, PhD, Chair

Chief Executive Officer Family Health International Research Triangle Park, NC

Edward W Whitehorne, AM, Vice Chair

Partner

CI Partners, LLC

Apex, NC

Torrey C Brown, MD

Chairman of the Board

Intralytix, Inc Baltimore, MD

Susan G Dull

Commonwealth of Virginia Agency Head (retired)

Richmond, VA

Luella V Klein, MD

Vice President, Women's Health Issues The American College of Obstetricians and Gynecologists Charles Howard Candler Professor Department of Gynecology and Obstetrics

Emory University School of Medicine

Atlanta, GA

Peter W McClean

Managing Director Gulfstream Advisors, LLC

Rowayton, CT

Martin Mittag-Lenkheym, LLD

Vice President, Sales & Marketing IHS Herold, Inc Norwalk, CT

R Peyton Woodson, III, MBA

Woodson Associates Raleigh, NC

BOARD ADVISORY COMMITTEE

Willard Cates Jr, MD, MPH (Co-chair)

President, Research Family Health International Research Triangle Park, NC

Peter R Lamptey, MD, DrPH (Co-chair)

President, Public Health Programs Family Health International Accra, Ghana

Arthur C Christakos, MD

Professor Emeritus Duke University Medical Center Cary, NC

Donald A Collins, MBA

President Donald A Collins Associates Washington, DC

Fred T Sai, MBBS, FRCPE, MPH

Honorary Professor of Community Health University of Ghana Medical School Accra, Ghana

Pramilla Senanayake, MBBS, DTPH, PhD

International Consultant in Reproductive Health Colombo 2, Sri Lanka

Holly Wise, MA, MPH

President Wise Solutions LLC Arlington, VA



WE APPRECIATE THAT OUR FUNDERS

drive us to evolve:

they inspire our creativity,
PUSH US TO EXPAND OUR IMPACT.

AND ENCOURAGE US TO

SHARPEN OLL! VISIOI).





Improving the lives of the world's most vulnerable people in lasting ways.

FHI HEADQUARTERS

2224 E NC Hwy 54 Durham | NC | 27713 | USA T 1.919.544.7040

WASHINGTON DC OFFICE

4401 Wilson Blvd | Ste 700 Arlington | VA | 22203 | USA T 1.703.516.9779

ASIA-PACIFIC REGIONAL OFFICE

19th Floor | Tower 3 | Sindhorn Bldg 130-132 Wireless Rd Kwaeng Lumpini | Khet Phatumwan Bangkok | 10330 | Thailand T 66.2.263.2300

REGIONAL TECHNICAL HUB

Chancery Bldg | 2nd Floor Valley Rd Nairobi | Kenya T 254.20.271.3913/6

