

We will win.

PAI is part of a global movement for women.

A movement that stands up in defense of women's reproductive rights and resists the attacks we are currently facing.

A movement that will win.

We are ready.

We have laid the groundwork for continued resistance. Our prescient and bold leadership has prepared us for this moment. In short, we are ready.

Just three days after taking office, the Trump-Pence administration imposed an expanded Global Gag Rule, ushering in a new era of attacks on women's rights.

Trump's Global Gag Rule is just one of many recklessly enacted, expansive and damaging policies that ignore the facts, deny the evidence and infringe upon basic freedoms-including women's reproductive rights.

Yet, in the face of these challenges, we have also seen something incredible: a rising tide of opposition with courageous acts of resistance and outspoken advocates refusing to let these attacks continue.

This is a global movement for women.

A movement that has existed for decades, but is now stronger, more diverse and resolute in its defense of women's rights.

PAI is part of this movement.

We marched with hundreds of thousands in the unprecedented Women's March on Washington. We watch as communities big and small mobilize on every continent in daily acts of bravery and humanity.

We witness protests at the White House, blocks from PAI's offices, and hear the repeated refrains: Stand up. Fight back. Resist. At PAI, that is exactly what we are doing: standing up, fighting back and resisting.

For decades, PAI has shown up, standing for and with women and girls to ensure they have access to the reproductive health care they need. And now, we are leading the call to resist President Trump's attacks on global reproductive rights-on global human rights.

In the past year, we partnered with nearly 200 organizations in the United States and around the world to advocate for better policies and critical funding for reproductive health.

Our international partners are some of the strongest champions for women's reproductive rights in their respective countries, and we are proud to call them our colleagues and to support their work as they prepare for the fights we face now and in the future.

We have laid the groundwork for continued resistance. Our prescient and bold leadership has prepared us for this moment.

In short, we are ready.

We are ready to keep fighting and to keep standing up for women's reproductive rights.

Because together: We are ready. We will win.

Sincerely,

SUZANNE EHLERS President & CEO

JACKIE PAYNE Board Chair

Letter from PAI. PAI

This is our fight.

Small victories. Huge gains. PAI shows up to win. Even in the face of the biggest challenges, we have achieved incredible successes and championed policies to expand reproductive rights for women across the globe. And right now, we are confronting some of our greatest challenges yet. Under the Trump-Pence administration, women's rights are under attack.

We are ready.

Reproductive health and family planning services in communities around the world are facing damaging restrictions and drastic funding cuts thanks to policies put forth by the Trump-Pence administration and a consolidated conservative Congress. Trump's expanded Global Gag Rule, combined with extensive cuts in U.S. foreign assistance funding, will cause extreme harm to women and girls in the global South.

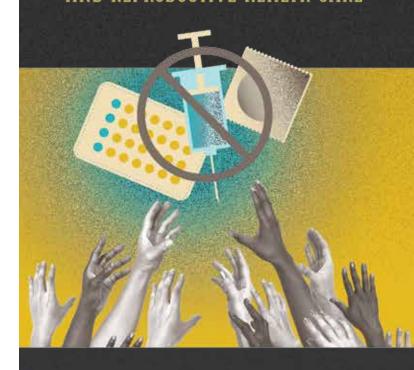
Not only will access to abortion information and services be restricted, so too will access to basic reproductive health services and supplies-like contraceptives-that reduce unplanned pregnancies and save women's lives. In some cases, health clinics will be forced to shut their doors completely, cutting off what is often the only source of healthcare for entire communities.

The Trump-Pence administration's attempts to roll back women's reproductive freedoms are farreaching and unprecedented. What we've seen is only the beginning. These attacks will surely continue for the entirety of the Trump-Pence administration. But PAI is ready.

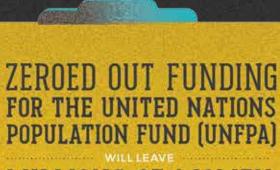
We are part of a global movement of reproductive rights champions that is standing up in opposition to attacks on women and girls everywhere. Everything we have done in our more-than-50-year history has prepared us for this moment.

The policies of the Trump-Pence administration will have devastating consequences for women around the world.

TRUMP'S GLOBAL GAG RULE FORCES FOREIGN NGOS TO CHOOSE BETWEEN RECEIVING US GLOBAL HEALTH ASSISTANCE AND **PROVIDING COMPREHENSIVE SEXUAL** AND REPRODUCTIVE HEALTH CARE



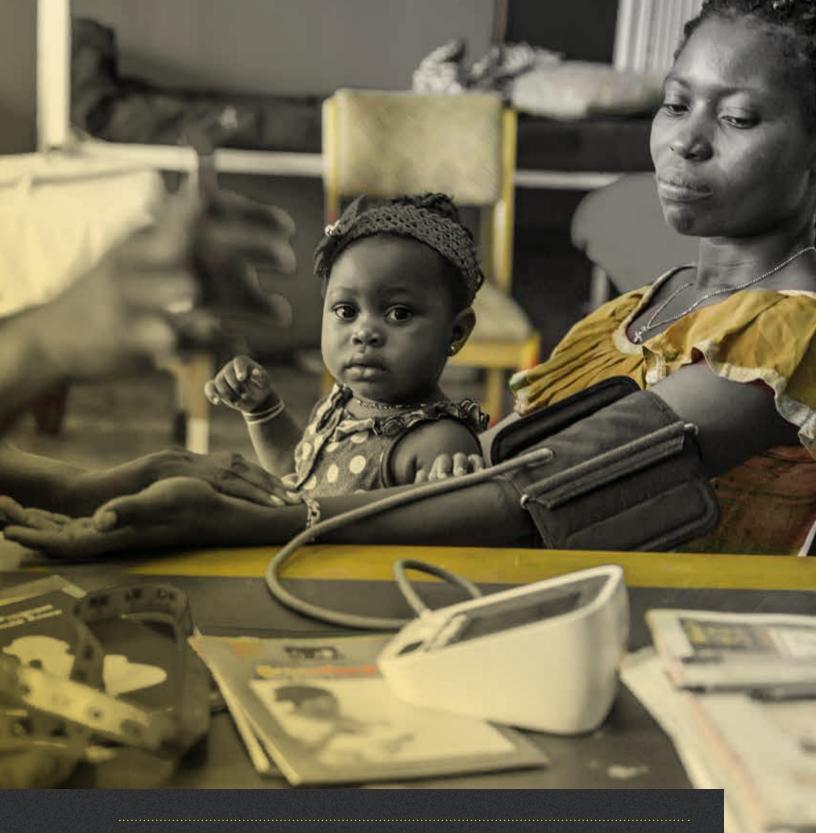
CUTS IN U.S. FOREIGN ASSISTANCE WOMEN AND GIRLS IN **COMMUNITIES WITH THE LEAST** ACCESS TO FAMILY PLANNING



JONS OF WITHOUT ACCESS TO THE CONTRACEPTIVES AND FAMILY PLANNING METHODS

4813

PAI



What PAI does in the U.S. is exactly what we support our partners to do in their own countries: lead the fight for better policies and critical funding for international reproductive health.



How we win.

At PAI, we believe that all women and girls, no matter where they live, should have access to highquality, effective and affordable family planning and reproductive health services.

PAI challenges the U.S. government to advance global reproductive rights and we support our partners overseas to do the same, whether with local elected officials in the Philippines, national members of Parliament in Zambia or communitybased religious leaders in Benin.

What PAI does in the U.S. is exactly what we support our partners to do in their own countries: **lead the fight for better policies and critical funding for international reproductive health.**

PAI's complementary efforts at home and abroad are effective because of their strong foundation– a sound evidence base produced by PAI's expert research and analysis. We know that real facts and data provide the best base of support for any policy solution. PAI provides expert research and analysis to help advocates and champions better understand reproductive health policies and their implications. Our reports, publications and newsletters help make the case for defending reproductive rights worldwide.

This two-pronged approach–leading the fight for better policies and critical funding, and producing expert research and analysis–supports the global movement to protect and advance women's reproductive rights.

It is how PAI wins.

Better Policies and Critical Funding for Reproductive Health.

Better policies and critical funding are key to ensuring women's access to comprehensive reproductive health services. That's why PAI's leadership for policy change is one of the most effective strategies for securing women's reproductive rights.

Fighting for better policies.

In the U.S., we have spent decades advocating for more progressive international reproductive and sexual health policies. We have strengthened support for global reproductive rights on Capitol Hill by working with champions like Senator Jeanne Shaheen (D-NH) and Representative Nita Lowey (D-NY). Last year, we helped pave the way for the introduction of the Global Health, Empowerment and Rights (HER) Act in both chambers of Congress.

Introduced by Senator Shaheen and Representative Lowey in early 2017, the Global HER Act would repeal the Global Gag Rule once and for all and show the Trump-Pence administration that we will not tolerate attacks on women's reproductive rights.

Our policy efforts in the U.S. are made stronger by the work of our advocacy partners overseas. From Colombia to India, we empower our partners to lead the fight for reproductive rights in their own countries. In 2016, we were proud to support the work of STOP-SIDA, PAI's partner in Mauritania. With a grant from PAI, STOP-SIDA successfully advocated for the passage of Mauritania's first-ever national reproductive health law. Approved by the Mauritanian Parliament in January 2017, it states that the right to reproductive health is universally guaranteed throughout the course of citizens' lives.

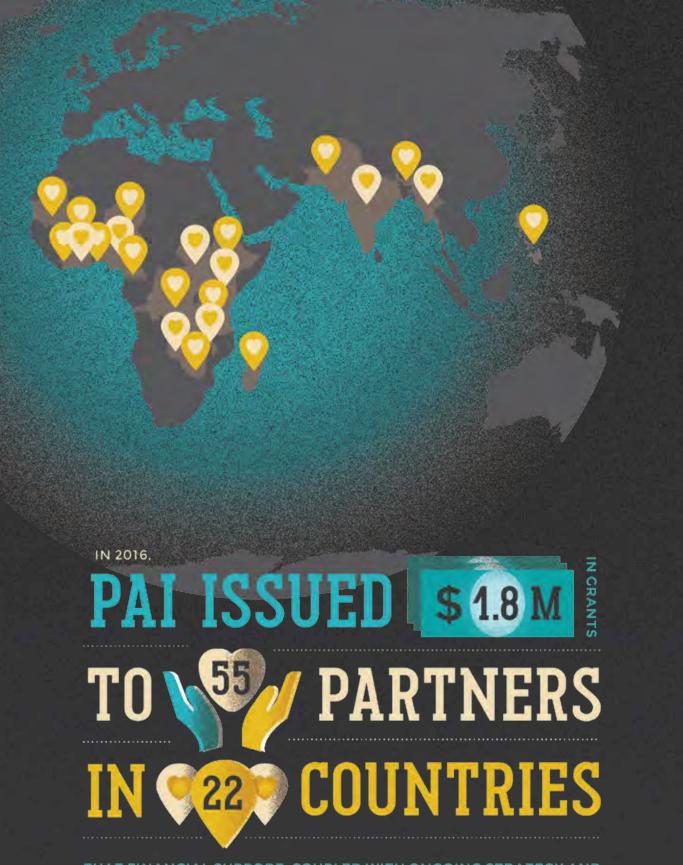
National policy successes like STOP-SIDA's complement advancements we have seen in local communities. For the past two years, we have worked with religious institutions and leaders in sub-Saharan Africa to support family planning in their communities and congregations.

One of our partners in Kenya, the Kenya Muslim Youth Development Organization, published a groundbreaking Muslim guide to family planning last year that is already being used by community health workers, in local clinics and in one major hospital in predominantly Muslim communities.

USE YOUR VOICE

"For me PAI is more than just a partner. I always encourage people to be open to learning. So they really add value a lot, and we cannot work alone. PAI is part of the global family...they also keep lifting us up, and continue lifting us up with other partners with whom we can work."

FADHILI MSURI CEO, Kenya Muslim Youth Development Organization



THAT FINANCIAL SUPPORT, COUPLED WITH ONGOING STRATEGY AND ADVOCACY COACHING, RESULTED IN OUR PARTNERS MOBILIZING OVER

\$600,000 FOR FAMILY PLANNING AND REPRODUCTIVE HEALTH SERVICES



Mobilizing critical funding.

Without adequate funding, health clinics around the world are unable to provide even the most basic reproductive health services and supplies, like contraceptives.

The Trump-Pence administration has proposed a 30 percent cut across all foreign assistance programs for fiscal year 2018 and has already zeroed out funding for UNFPA, putting women's health and lives in jeopardy. But our longstanding experience advocating on Capitol Hill has prepared us for these challenges and we will persist in calling on policymakers to stand against President Trump and protect U.S. funding for women's reproductive rights.

2016 ANNUAL REPORT

Our partners overseas also work tirelessly to mobilize critical financial resources for reproductive health in their own countries.

Partners like Impact Health Organization in South Sudan who, with a \$24,000 seven-month grant from PAI, secured the first-ever family planning budget line in Imotong State on the southwestern border of the country.

Expert Research and Analysis.

Facts matter–especially for the women around the world whose health and lives are put at risk by policies that limit their access to comprehensive reproductive health information and services.

Making the case.

In 2016, we released dozens of data-driven publications, like PAI's highly regarded *Washington Memo*, that provide timely, in-depth coverage of U.S. government developments for donors, partners and the public. Most importantly, we equipped our champions on Capitol Hill with analysis, messaging and data to bolster their defense of funding for international family planning in the Congressional appropriations and budget process.

PAI also produced research reports and graphic analyses underscoring the urgent need for countries to invest more of their own money in contraceptives. Our compelling infographic *While Supplies Last: Time for Countries to Invest More in Contraceptives,* presented the facts about the dangers of a UNFPA funding shortfall and the possibility of a contraceptive crisis. This analysis, coupled with our report Towards a Common Framework for Government Spending on Family Planning, made the case for national governments to prioritize funding their own reproductive health programs.

PAI's longstanding position, that countries must mobilize their own resources to become less reliant on external donor funding, continues to be critical, especially now that funding cuts to UNFPA and other family planning assistance mechanisms are no longer a threat, but a reality.

We remain focused on providing data that shows the value and cost-effectiveness of investments to fulfill the global need for family planning, as well as the substantial human impact of cuts to U.S. global health and foreign assistance. We remain focused on providing data that shows the value and cost-effectiveness of investments to fulfill the global need for family planning.



USE YOUR VOICE

"We're telling organizations that they can't use their own money to advocate for supportive and more liberalized [reproductive health] policies. This is an incredible overreach on the part of the U.S. government."

JONATHAN RUCKS

PAI Director of Advocacy on Trump's Clobal Gag Rule NBC News, January 27, 2017



Out in front.

When President Trump imposed his version of the Global Gag Rule, PAI was the first to break the story of the policy's expansion to all global health assistance funding, not just family planning.

Thanks to our early and real-time analysis and documentation, PAI became the primary source for accurate, accessible information. We sounded the alarm for journalists, partners and elected officials in the U.S. and abroad, helping them understand the policy's far-reaching and damaging effects. PAI's media presence in the first months of the Trump-Pence administration allowed us to also inform the general public, including our donors and community, about the devastating effects of Trump's Global Gag Rule.

Together, we will win.

PAI is ready to defend women's reproductive rights around the world against the unprecedented attacks we are facing. These attacks are sure to continue, but PAI will be there, just as we have been for more than 50 years. And we do not do this work alone.

A global movement for women.

The movement for reproductive rights–for women's rights, for human rights–is a global one.

We stand shoulder to shoulder with other advocates and citizens ready to fight back against assaults on women's reproductive freedom. We work in solidarity with activists and organizers around the world to defend women's basic human rights.

We will continue to urge global leaders and donors to provide the critical funding that is needed to make sure women have life-saving reproductive health services and supplies.

We will monitor and document the Global Gag Rule's devastating consequences for communities and health systems to bolster our call on Capitol Hill for a permanent, legislative repeal. And we will help health clinics keep their doors open by making sure they have accurate information about what they can and cannot do under the Global Gag Rule's restrictions.

We will continue to stand with our network of local partners in the global South, providing the financial and technical resources they need to remain leaders for policy change in their own countries. We will work to mitigate the impact of funding cuts and harmful U.S. policies by helping local advocates liberalize their own reproductive health laws and policies and increase government investments in family planning.

USE YOUR VOICE

"PAI is bold and pioneering. It has done, and continues to do, things long before they are fashionable. A gift to PAI will help ensure that we do not lose the hard-fought gains we've had in reproductive rights."

DR. POURU BHIWANDI Board Member, PAI



We face enormous challenges, but we know that together we will not be deterred. Our movement is strong and committed, and we will not waver in our defense of women's reproductive rights. Not now, not ever.

We will not stop.

Working in the U.S. and with our partners abroad, PAI remains motivated and inspired by the millions of activists, organizers and advocates who stand with us as part of the global movement for women's reproductive rights.

We work alongside the hundreds of people who have supported PAI for decades and those who have joined our fight for women's reproductive rights more recently. We are proud to stand with you and will continue to provide the information and tools you need to advance our fight together. We face enormous challenges, but we know that together we will not be deterred. Our movement is strong and committed, and we will not waver in our defense of women's reproductive rights. Not now, not ever.

As part of the global movement for women, we know that together, we will win.



Financials

PAI's 2016 Financial Statements show an overall increase in net assets of \$5.3 million due to several multi-year restricted grants received and recognized in 2016.

Accounting standards require restricted grants covering multiple years be recognized in the year in which they are received as temporarily restricted net assets. These net assets are then released from restriction as related program costs are incurred in 2016 and in subsequent years. In 2016, PAI experienced a slight operating deficit of \$183,000 due in part to the timing of the expenditures for these multi-year grants, as well as a decision by the Board to invest additional resources in preparation for the pending Trump-Pence administration.

Overall, unrestricted net assets increased \$290,000 in 2016 due to positive returns on investments and an adjustment related to renegotiation of PAI's facility lease.

PAI is a 501(c)(3) not-for-profit organization that promotes universal access to reproductive health and rights through research, advocacy and innovative partnerships. Achieving this mission will dramatically improve the health and autonomy of women, reduce poverty and strengthen civil society. To receive the complete PAI 2016 Audited Financial Statements, please send your request to finance@pai.org. PAI Financial Statements were audited by Johnson Lambert LLC.

Statements of Financial Position at December 31, 2016 and 2015 (IN THOUSANDS)

6,556 3,851	\$	4,002
3,851		2.970
		2,849
2,289		1,137
566		214
233		407
1,056		293
14,551	\$	8,902
	566 233 1,056	566 233

LIABILITIES & NET ASSETS

TOTAL LIABILITIES & NET ASSETS	\$ 14,551	\$ 8,902
TOTAL NET ASSETS	13,167	7,893
Permanently restricted	 157	 157
Temporarily restricted	8,714	3,730
Total unrestricted	4,296	4,006
Designated	 2,171	 2,246
Undesignated	2,125	1,760
Net Assets		
TOTAL LIABILITIES	 1,384	 1,009
Deferred rent	 421	 430
Capital lease obligation	23	34
Subgrants payable	660	308
Accounts payable and accrued expenses	\$ 280	\$ 237
<u>Liabilities</u>		

Statements of Activities for the Years Ended December 31, 2016 and 2015 (IN THOUSANDS)

SUPPORT & REVENUES	UNRI	ESTRICTED	 IPORARILY STRICTED	 ANENTLY RICTED	TOTAL	2015
Grants and contributions	\$	1,787	\$ 10,020	\$ -	\$ 11,807	\$ 5,104
Service contracts		1,263	-	-	1,263	756
Investment income (net)		69	3	-	72	28
Other		55	-	-	55	92
Net assets released from restriction		5,048	(5,048)	-	-	-
TOTAL SUPPORT & REVENUES		8,222	4,975	-	 13,197	5,980

EXPENSES

ENDING NET ASSETS	\$ 4,296	\$ 8,714	\$ 157	\$ 13,167	\$ 7,893
BEGINNING NET ASSETS	4,006	3,730	157	7,893	9,495
OF INVESTMENTS	175	9	-	184	(171)
CHANGE IN FAIR VALUE					
OTHER CHANGES	298	-	-	298	-
CHANGE IN OPERATIONS	(183)	4,975	-	4,792	(1,431)
TOTAL EXPENSES	 8,405	 -	 -	 8,405	 7,411
Management and general	 927	 -	 -	 927	 1,004
Fundraising	491	-	-	491	406
Program services	6,987	-	-	6,987	6,001

Board of Directors and Executive Team

PAI BOARD OF DIRECTORS

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