

In Barcelona, it being 4 p.m. on 22 April 2015, at the Hotel Gallery located in Carrer Roselló, 249 in Barcelona, under the presidency of Mr. Josep Carreras Coll and acting as Secretary the holder of that post, Mr. Calixto Mut Terrés-Camaló, the Board of Trustees of the Josep Carreras International Leukemia Foundation met with the personal attendance of the Trustees listed below.

**Present:**

**Mr. Josep Carreras i Coll**  
**Prof. Evarist Feliu i Frasnado**  
**Mr. Albert Carreras i Coll**  
**Dr. Clarence Dean Buckner**  
**Dr. Rainer Storb**  
**Mr. Ramiro Giménez i Labrador.**  
**Mr. Marcel Pascual i Fornes**  
**Mr. Arcadi Calzada i Saavedra**  
**Dr. Joan Uriach i Marsal**  
**Mr. Albert Carreras i Pérez,**  
**Dr. Alvaro Urbano i Izpizua**  
**Prof. Jordi Sierra i Gil**  
**Mr. Joaquim Folch-Rusiñol**

Also attending:

**Mr. Antoni García i Prat (Administrator)**  
**Dr. Enric Carreras i Pons (REDMO Director)**  
**Mr. Calixto Mut i Terrés-Camaló (Secretary of the Board and legal advisor)**

With the justified absence of the following:

**Mr. Lluís Bassat i Coen – who delegated his vote to the President**  
**Prof. Rafael Jiménez de Parga i Cabrera**

The meeting was duly convened in accordance with Articles 20 and 21 of the Foundation's Statutes with the following Agenda:

1. Reading of the minutes of the previous meetings, held on 5 May 2014 and 17 March 2015, which had been approved and signed at the close of those meetings.
2. Renewal of posts on the Board. Renewal of the Trustee Dr. Joan Uriach Marçal
3. Proposed extension to Article 9 of the Statutes
4. Proposed approval of the Code of Good Governance and the Code of Ethics

5. Information on scientific programs and grants. Annual Report
6. Josep Carreras International Leukemia Institute. Status Report
7. Reception apartments
8. Information regarding REDMO
9. Fund-raising activities
10. Strategic Plan update
11. Proposed closure of the financial year 2014  
Annual report and accounts (appendix)
12. Proposed budget for the year 2015
13. Activities report 2014
14. Temporary financial investments in 2014
15. Any further business

The meeting having begun, and declared validly constituted by the Chair, who greeted all those present, and after various deliberations, of which no record was requested in the Minutes, the following agreements were approved unanimously:

FIRST: Approval of the definitive version of the Minutes of the meetings of the Board of Trustees held on 5 May 2014 and 17 March 2015, which had already been approved at the close of those meetings.

SECOND: The following Trustee was renewed in his post for a period of five years: Mr. Joan Uriach Marsal, of Spanish nationality, of the age of majority, married, doctor and businessman with National Identity Number 37393352K who, being present at the meeting, accepted the appointment and declared himself not to be in a situation of legal incompatibility and that his unchanged personal details were already registered at the Foundations Registry.

THIRD: Modification to Article 9 of the Statutes of the Foundation which now reads as follows:

1.- "Article 9 - The Foundation's Assets and economic activities

The Foundation's assets are tied to fulfillment of the foundational aims.

These assets consist of:

- a) The foundational fund as declared in the foundational charter.
- b) All the goods and rights of a financial nature the Foundation accepts and

- receives to further increase the fund and
- c) all the returns, benefits, rents and products and other goods forming part of the Foundation's assets whatever they may be.

The Foundational Fund stands at €22,593,524.15. The Board may not undertake any act of disposition or commit to any economic undertaking that would imply a reduction to the Foundational Fund. These assets are reserved for the long-term preservation and continuity of the Foundation.”

2.- The consolidated text of the Statutes, duly signed by the Secretary and the President, shall be included in the public deeds containing the above-mentioned modification.

FOURTH: The Code of Good Governance and the Code of Ethics, proposed by the Administrator, Mr. Antoni García Prat, were approved.

FIFTH: Before discussion started on this item of the Agenda the Trustee, Mr. Albert Carreras Coll, informed the other Trustees that the Vice-president, Dr. Evarist Feliu Frasnado, had been appointed as member of the Royal Academy of Medicine of Catalonia. All the Trustees congratulated Dr. Feliu on his appointment.

It was agreed to ratify the award of funds the Foundation provides for the research tasks carried out by the team of the late Dr. Albert Grañena.

SIXTH: Dr. Feliu provided a status report regarding the Institute, mentioning the following points:

**a) Construction:**

University of Barcelona Hospital Clínic Campus (Hospital Clínic/UB Campus): A working group has been set up, comprising representatives of the Josep Carreras International Foundation (FIJC) and the Hospital Clínic Barcelona (HCB) to draw up the agreement between the HCB and the FIJC concerning the extension of the Clinical Trials Unit. The FIJC's contribution towards this Unit will be up to 1 million euros.

The Catalan Institute for Oncology/Germans Trias i Pujol Campus (ICO/GTiP Campus): Award of Block 1 (construction) to the ACR company for €3,245,424.83 and of Block 2 (installations) to the UTE AGEFRED-ADISGRUP company for €3,061,138.45 (TOTAL: €6,306,563.28)

St. Pau Campus: In January 2015 the hospital and its Foundation started construction of the new research building. It is due for completion in December 2016.

**b) Equipment acquired:** Irradiator (€450,000), Fluidigm (€336,698), metaphase scanner (€138,000), two cytometers (€500,000).

**c) Personnel:** Research staff 41 (23 Hospital Clínic-UB Campus, 14 ICO/GTiP Campus, 4 St. Pau Campus); new staff at the Institute for Predictive and Personalised Cancer Medicine (IMPPC) 19; Hospital staff (15 Hospital Clínic/UB Campus, 30 ICO/GTiP Campus, 33 St. Pau Campus); administrative staff 8. TOTAL: 146.

**d) Scientific production:** 75 works (2014) FI av. 6.8, works in first quartile 62.6%, theses presented 12 and in preparation 11, patents 2.

#### **e) Assessment by the Scientific Advisory Board**

#### **f) Budget:**

1. Competitive funds raised (public and private) 2014-2015: €8,039,970
2. Generalitat contribution 2014-2015: €1,220,000
3. Additional contribution by the FIJC towards operating costs €1,650,000
4. Close 2014:

Income: €1,826,068

Expenditure: €1,826,068

Result: 0

5. Budget 2015:

Income: €2,273,290

Expenditure: €2,572,534

Result: - €299,244

**g) Administration:** Mention was made of the meeting held with the Directors of the Accredited Research Institutes at the three Campuses and the agreement reached to establish a trilateral Framework Agreement at the IJC ICO/GTiP Campuis: ICO-IGTiP Campus-IJC, identical to the one established between the Vall d'Hebron Hospital (HVH), the Vall d'Hebron Research Institute (VHIR) and the Vall d'Hebron Institute of Oncology (VHIO). Once signed, the model would be exported to the other two Campuses.

Mention was also made of the meeting held with Generalitat de Catalunya (Government of Catalonia) officials responsible for research who explained that the €300,000 that had been requested by the IJC to balance the budget from 2015 could not be granted, and that neither would it be possible to provide the additional funds

requested for 2016 in order to contract a Scientific Director and Research Director at the St. Pau Campus and to offset maintenance costs at the ICO/GTiP Campus building.

#### **h) Framework and Collaboration Agreements**

**i) Training courses in fluorescence in situ hybridisation (FISH):** Applied to the diagnosis of myelodysplastic syndromes and other malignant blood diseases, carried out at the ICO/GTiP Campus.

**j) Other matters.** (See appendices.)

SEVENTH: The Administrator, Mr. Antoni García Prat, described the current situation regarding the reception apartments available to patients and their families who might need them and their levels of occupation. Once again this year the President expressed his personal satisfaction with this complementary aspect of the Foundation's work and its importance.

EIGHTH: Dr. Carreras informed the Board about the activities of the Bone Marrow Donor Registry (REDMO) during 2014, placing special emphasis on the total number of donors who have joined, such that by the end of the year there was a total of 165,000 categorized and available donors, an annual growth of 24% for REDMO, which benefitted possibly from the National Donor Plan. Spain is currently the 7th European country in terms of the number of donors. At the present time 54% of donations remain in Spain.

He also provided information concerning the number of units available from Spanish umbilical cord blood banks, 60,437 by the end of 2014 (an increase of 3,084), the quality of the cells having improved a great deal in general. At the present time Spain is the 5th country in the world in terms of the number of umbilical cord blood units. There is currently a 93% chance of finding a donor in less than three months (36 days) although it should be mentioned that the number of transplants has decreased by 6% both for adults and children. Germany is the origin of 42% of the donations.

In May 2015 the agreement with the Ministry of health was renewed.

NINTH: The Foundation currently has 60,000 partners providing an income of some €500,000 per month. Most of these partners are in Catalonia, possibly on account of the fact that it is where the Foundation is based and because of the closer relationship felt with the President, Mr. Carreras. The Administrator, Mr. García Prat, described the

next publicity and fund-raising campaign with the slogan, DON'T STOP ME NOW. Dr. Buckner intervened to comment on an imprecision contained in the promotional material: it is not that there is a cure for the disease, but *many* cures.

Mr. Garcia presented the Trustees with a dossier containing a description of the main areas of activity as well as examples of the material used in publicity campaigns.

TENTH: Mr. Garcia Prat described the update to the Strategic Plan 2012-2017 for the years 2015 and 2016 in accordance with the document previously circulated.

ELEVENTH: The proposed budget closure for the 2014 financial year was approved as was the Annual Accounts Report as detailed in the Appendices presented by the Administrator.

## PROFIT AND LOSS ACCOUNT FOR ACTIVITIES

during the financial year ending on 31 December 2014

In Euros

2014

2013

### INCOMES AND DONATIONS

#### **Donations**

Non-conditional	6.126.451,26	4.718.014,20
Conditioned to Foundation activity	205.745,44	232.345,23
Sponsorship Incomes	458.844,82	173.709,30
Grants, donations and legates allocated to year result	3.293.847,46	795.641,63
	<b>10.084.888,98</b>	<b>5.919.710,36</b>

**REDMO research income** **15.263.021,74** **15.176.144,44**

#### **Extraordinary Incomes**

Financial Incomes	625.501,20	759.559,61
Other Incomes	42.129,87	32.164,03
Extraordinary incomes	49.594,65	37.983,27
Positive exchange differences	26,26	2.586,09
	<b>717.251,98</b>	<b>832.293,00</b>

**26.065.162,70** **21.928.147,80**

### APPLICATIONS AND EXPENSES

#### **Applications of Foundation activities**

Research programmes and grants	4.431.829,37	1.986.020,37
Sheltered accommodation	733.410,93	728.331,51
Program F.Farreras Valenti	14.928,69	26.821,21
Donor Registry (REDMO)	17.147.734,41	16.774.846,19
	<b>22.327.903,40</b>	<b>19.516.019,28</b>

#### **Non-itemised Expenses**

Personnel expenses	438.649,80	321.396,01
Allocations to depreciation	55.689,00	20.605,26
Other fixed expenses	766.467,66	933.482,11
	<b>1.260.806,46</b>	<b>1.275.483,38</b>

#### **Other Expenses**

Financial expenses	158,86	0,00
Negative exchange differences	0,00	890,66
Looses per impairment and othes	121.179,12	189.574,56
Extraordinary expenses	93,16	83.322,66
	<b>121.431,14</b>	<b>273.787,88</b>

**23.710.141,00** **21.065.290,54**

**Pre-Company Tax Surplus ( Losses)** **2.355.021,70** **862.857,26**

Corporate Income Tax 0,00 0,00

**Surplus (Losses) of the Financial Year** **2.355.021,70** **862.857,26**

## BALANCE SHEET

during the financial year ending on 31 December 2014

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>	<b>9.984.088,67</b>	<b>23.118.635,92</b>
Intangible fixed assets	212.641,20	167.236,38
Tangible fixed assets	1.657.117,14	1.740.089,65
Long-term sureties	396.191,21	352.394,67
Financial Assets	7.718.139,12	20.858.915,22
<b>CURRENT ASSETS</b>	<b>34.183.661,36</b>	<b>21.921.886,24</b>
<b>Non Current Assets hold to sale</b>	<b>733.066,71</b>	<b>986.562,82</b>
Account receivables	6.185.687,17	6.873.981,33
Short term financial investments	23.183.869,62	11.434.492,57
Treasury	10.190,40	10.190,40
Tota Current Assets	4.070.847,46	2.616.659,12
<b><u>TOTAL ASSETS</u></b>	<b><u>44.167.750,03</u></b>	<b><u>45.040.522,16</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>31.917.055,98</b>	<b>31.899.141,18</b>
<b>Foundation Fonds</b>	<b>27.294.192,75</b>	<b>27.451.321,27</b>
Foundation Fonds	18.004.685,31	18.004.685,31
Surpluses (looses) pending application	6.934.485,74	8.583.778,70
Surpluses (looses) from the financial year	2.355.021,70	862.857,26
<b>Value adjustments</b>	<b>490.234,76</b>	<b>330.404,54</b>
<b>Grants, donations and legates received</b>	<b>4.132.628,47</b>	<b>4.117.415,37</b>
<b>NON CURRENT LIABILITIES</b>	<b>6.105.572,27</b>	<b>6.076.679,77</b>
<b>Long term provisions</b>	0,00	0,00
<b>Long term account payables</b>	6.105.572,27	6.076.679,77
<b>CURRENT LIABILITITES</b>	<b>6.145.121,78</b>	<b>7.064.701,21</b>
<b>Short term account payables</b>	<b>6.145.121,78</b>	<b>7.064.701,21</b>
Foundation activity beneficiaries	220.314,21	120.314,21
Accounts payables	2.457.952,51	2.154.479,05
Staff payable	2.989.911,01	4.235.868,30
Tax Authorities	43.820,01	44.395,01
Prepayment adjustments	126.458,35	80.954,75
	306.665,69	428.689,89
<b><u>TOTAL EQUITY AND LIABILITIES</u></b>	<b><u>44.167.750,03</u></b>	<b><u>45.040.522,16</u></b>

TWELFTH: The budget presented by the Administrator for the 2015 financial year, consisting of the following items, was approved:

## **BUDGET**

	<u>2015</u>
<b><u>DONATIONS AND OTHER INCOME SOURCES</u></b>	
<b>Donations</b>	<b>6.186.290,37</b>
Unrestricted	6.155.805,39
Restricted to the Foundation's Activities	30.484,98
Others	0,00
<b>Program Activities</b>	<b>21.582.309,63</b>
Bone Marrow Registry	16.358.309,63
Research Center	5.000.000,00
Financial Income	200.000,00
Other income sources	24.000,00
<b>TOTAL DONATIONS AND INCOME SOURCES</b>	<b>27.768.600,00</b>
<b><u>ORGANIZATIONAL EXPENSES</u></b>	
<b>Foundation's Activities related expenses</b>	<b>22.755.900,00</b>
Programs and Grants for Research	217.000,00
Appartments for patients	106.500,00
Donor Registry (Direct expenses)	17.142.600,00
Support and Assignments	0,00
Programa Docent Farreras Valentí	19.800,00
Research Center	5.270.000,00
<b>Organisational Expenses</b>	<b>4.602.700,00</b>
Personnel	464.000,00
Depreciation	55.000,00
Other (supplies and miscellaneous expenses)	4.083.700,00
<b>Extraordinary Income Related Expenses</b>	<b>0,00</b>
Other expenses	0,00
Negative exchange rate	0,00
<b>TOTAL EXPENSES</b>	<b>27.358.600,00</b>
<b>Result before Corporate Tax</b>	<b>410.000,00</b>
Corporate Tax	0,00
Application reserves 1996	0,00
<b>Net result</b>	<b>410.000,00</b>

THIRTEENTH: The proposed Foundation Activity Report, as included in the appendices by the Administrator, was approved.

FOURTEENTH: The treasurer and the Administrator informed the Trustees about compliance with the instructions in the Bank of Spain's Code of Conduct concerning temporary investments by not-for-profit organizations. The Administrator, Mr. Garcia Prat, drew attention to the negative evolution of rates of interest on bank deposits and other guaranteed financial instruments, the only assets in which the Foundation invests with the exception of portfolios received as inheritance or in legacy, including usufruct, maintained unaltered from the condition in which it was received.

**The Accord of 20 November 2003 of the Spanish Securities & Exchange Commission approved the "Code of Conduct concerning temporary investments by not-for-profit organizations".**

At the ordinary meeting of 27 April 2004 the Board of Trustees approved a Code of Conduct. Since then the Board has been informed, at each of its meetings, about compliance with this Code and has been provided with the relevant documentation concerning the investments made during the financial year.

Similarly, the current General Accounting Plan enables the accurate identification and classification of financial investments, thereby making it possible to predetermine the selection of financial assets that are the property of the Foundation, and the Foundation's intentions for them.

Over recent years, as a result of a number of inheritances and legacies, the Foundation's financial assets have been supplemented through the incorporation of securities portfolios subject to quotation on the stock exchange.

With the aim of bringing the Code of Conduct up to date with this new situation it is proposed to modify it in the following terms:

- 1) The current Code of Conduct refers to temporary financial investments, such investments being understood as those undertaken with assets with a maturity of no longer than one year and also those undertaken with a maturity greater than one year that are acquired or maintained with the aim of obtaining a return in the short term derived from fluctuations in their price.
- 2) In general, the Foundation invests exclusively in bank deposits and assets issued in euros by public issuers, preferably national debt, or by private issuers considered to be of the highest standing by independent assessors of recognized professional solvency. These investments are defined as "investments held until maturity" in Valuation Standard 9a, section 2.2 of the Valuation Standards of the General Accounting Plan (Royal Decree 1514/2007 of 16 November, BOE 20 November 2007).

- 3) The portfolio must keep a balance between profitability, security and diversification. It must be possible to trade all the financial securities and instruments on secondary markets in order to ensure liquidity.
- 4) Securities portfolios consisting of equity instruments in companies quoted on the stock exchange that the Foundation has received as a result of inheritance and legacies shall be kept under the category "Financial assets available for sale" in accordance with the description given in Valuation Standard 9a, section 2.6 of the General Accounting Plan and with the same composition as they were received. Nevertheless, the Foundation's Treasurer is authorized to take whatever decisions as might be necessary to protect the Foundation from any possible deterioration of the securities included in the foregoing section.
- 5) The Foundation shall not engage in operations of a speculative nature, such operations being understood as the sale of securities acquired on loan, day trading, operations on the futures and options markets, except those undertaken with the aim of coverage, or any other operation of a similar nature.
- 6) The Foundation's General Agents are authorized to carry out such operations as may be necessary to implement this Code of Conduct.
- 7) The Board shall analyze and approve, if deemed appropriate, an annual report concerning the degree of compliance with this Code of Conduct.
- 8) This Code of Conduct shall be applied from the date of its approval.

FIFTEENTH: There being no further business to record in the Minutes, it being 8 p.m. the meeting was concluded and these Minutes approved by all those in attendance and signed by the Secretary and the President as proof of their approval.