

ANNUAL REPORT

2009–2010



Blood Products
Stem Cells
Human Tissues

MISSION

HÉMA-QUÉBEC'S MISSION IS TO
EFFICIENTLY PROVIDE ADEQUATE
QUANTITIES OF SAFE, OPTIMAL BLOOD
COMPONENTS, SUBSTITUTES, HUMAN
TISSUES AND CORD BLOOD TO MEET THE
NEEDS OF ALL QUEBECERS; PROVIDE
AND DEVELOP EXPERTISE ALONG WITH
SPECIALIZED AND INNOVATIVE SERVICES
AND PRODUCTS IN THE FIELDS OF
TRANSFUSION MEDICINE AND HUMAN
TISSUE TRANSPLANTATION.

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MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS AND FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER



Jean-Pierre Allaire
JEAN-PIERRE ALLAIRE, F.C.A., IAS.A
Chair of the Board of Directors

For Héma-Québec, achieving and maintaining the highest standards is not just a goal but also a vision inspired by necessity. Quality is at the heart of our daily operations and is key to successfully fulfilling our primary mission—to ensure a safe and sufficient supply of blood, blood products, human tissues, cord blood and stem cells for all Quebecers.

In fall 2009, this focus on quality was recognized with a “Grande Mention” in the Public Organization category at the Grands Prix québécois de la qualité gala. This honour—the second most important awarded at this prestigious event—is rarely presented to a first-time candidate and underscores the outstanding overall performance of the organization.

In our eyes, this honour rewards all the efforts made in the continuous improvement of our processes and a risk management approach that has proven its value time and again.

During the past year, Héma-Québec has initiated major changes to its organizational structure. A new department, Stem Cells, Human Tissues and Reference Laboratory Operations, was created to oversee all non-blood-product-related activities. As part of this change, Medical Affairs in Hematology and Medical Affairs in Microbiology have been combined within a single department, Medical Affairs. The purpose of these changes is to reflect the increasing importance of the stem cells, human tissues and reference laboratory area within the organization and to regroup all of its physicians into a single structure that will enable them to carry out their advisory roles more effectively.

In other matters, the Human Tissues sector has continued to grow, especially the Eye Bank. For its part, the Public Cord Blood Bank continues to experience rapid growth, with a significant increase again this year in the number of stored units.

Regarding labile blood products, the absolute priority remains to ensure a safe and sufficient supply. A major achievement this year was the implementation of a risk management strategy to reduce the presence of lead in blood. As of now, young children requiring blood transfusions are assured of receiving blood products that are low in lead. The results of various audits and quality controls have once again demonstrated the organization’s ability to reduce risks to a minimum.

There were also major innovations aimed at improving the efficiency of the supply. Double red cell and multiple blood component collection methods, which hold the promise of sizeable gains in productivity in coming years, were implemented successfully in GLOBULE Blood Donor Centres. In addition, all steps have been completed toward the automation of processing methods using the new ATREUS® devices, which should be operational by the end of 2010. In taking a proactive approach, Héma-Québec is ensuring that it remains on the leading edge of innovative technologies that will increase its efficiency.

THE END RESULT IS A TRIBUTE TO THE ENERGY
DEVOTED TO OPTIMIZING OUR PERFORMANCE:
NO SHORTAGE OF BLOOD OR SAFETY PROBLEM
HAS OCCURRED SINCE 1998. IN SPITE OF THE
CONTINUAL RISE IN THE AMOUNT OF BLOOD
PRODUCTS DELIVERED TO HOSPITALS. THE
SUSTAINED INCREASE IN THE LEVEL OF TRUST
AMONG QUEBECERS IN THEIR BLOOD COLLECTION
AND DISTRIBUTION SYSTEM IS ALSO TESTIMONY
TO THE SUCCESS OF OUR EFFORTS.



Francine Décary
FRANCINE DÉCARY, M.D., PH.D., M.B.A., O.Q.
President and Chief Executive Officer

THE QUALITY CHALLENGE

As a result of receiving the "Grande Mention" at the Grands Prix québécois de la qualité gala, Héma-Québec has decided to make quality the underlying theme of this annual report. Like the two previous editions, its contents are structured around the eight major goals identified in the organization's current strategic plan. Quotes taken from the evaluation report given to us by the Grands Prix québécois de la qualité team have been added to support the various sections of the report and are identified throughout the following pages under the heading "Comment on quality."

Adding these state-of-the-art technologies would be pointless without the vital support of blood donors and the recruitment efforts used to reach them. Mindful of the evolving demographics of Québec's population, Héma-Québec has redoubled its efforts to raise awareness about blood donation among various cultural communities, which continue to be underrepresented in the blood donor pool, beginning with the Haitian community. This strategy is all the more important because donations from these communities help replenish the reserves of certain specific blood groups that may be needed to treat diseases that require regular blood transfusions, such as sickle-cell anemia, which mainly affects the Black community.

We would be remiss if we failed to mention the importance of the gesture made by each and every blood donor whose volunteer contribution helps save lives. Many Quebecers give the gift of life on a regular basis so that Héma-Québec can maintain a sufficient supply of blood. One such selfless individual who deserves special mention is Michel Thérien, the first blood donor in Canada to surpass the impressive mark of 1,000 donations. The enthusiastic welcome received by the BLOOD RED! educational kit in schools is a reassuring sign of the rich possibilities that await from this new generation of blood donors.

In tandem with the goals set out by the Québec government, Héma-Québec has developed a strategic plan aimed at incorporating sustainable development within all its operations. The various initiatives undertaken not only go beyond environmental conservation but also serve to strengthen the social and community impact of all our activities.

As we begin our second decade, Héma-Québec is pursuing development from a perspective of continuity, relying on the solid assets it has built up over the years, in particular the confidence of the public and its many partners, as well as the excellence and commitment of its staff. Our special thanks to all these individuals for their renewed contribution. Thank you, as well, to the directors as well as the advisory committee and management committee members whose ongoing involvement will ensure our future success.

FIRST GOAL
**A SAFE AND SUFFICIENT SUPPLY OF BLOOD,
BLOOD PRODUCTS, HUMAN TISSUES, CORD
BLOOD AND STEM CELLS**



1.1 LABILE BLOOD PRODUCTS

1.1.1 ENSURING A SAFE SUPPLY OF LABILE BLOOD PRODUCTS

1.1.1.1 APPLICATION OF THE RISK MANAGEMENT STRATEGY RELATED TO BLOOD LEAD CONCENTRATION

For several years now, Héma-Québec has been working to fine-tune a strategy aimed at reducing the theoretical risk associated with the presence of an excessive level of lead in the blood used in transfusions for infants and young children.

The findings of research conducted by the Institut national de santé publique du Québec, in collaboration with Héma-Québec, showed only 2.6% of donors under the age of 30 have blood lead concentrations that exceed safe limits, while this percentage rises to 15.5% in the general population. In light of this information, a strategy was adopted to implement a process that would enable the exclusive identification and use of packed red blood cells collected from donors under the age of 30 in transfusions administered to very young children.

This new procedure was implemented in February 2010 and Héma-Québec is now in a position to provide hospitals with packed red blood cells that meet the specific lead concentration criteria. The Labelling Department team tracks these products using PROGESA software and attaches a special “young donor” label to identify them. The Shipping Department then sends the products out using distribution orders that also carry the mention “young donor,” thus providing an additional level of safety in respect to such products.

COMMENT ON QUALITY

Regarding Héma-Québec's risk management policy, the evaluation team found a properly implemented, systematic and effective approach, as well as a propensity for improvement through cyclical training programs.

1.1.1.2 PLANNED IMPLEMENTATION OF THE NEW TAN MULTIPLEX KIT

Screening for the presence of viruses, such as hepatitis C and HIV-AIDS, is part of the measures in place to maximize the safety of labile products. Implementation of the TAN Multiplex (TAN MPX) kit from Roche Diagnostics—a new technology for performing multiple nucleic acid tests—will add HVB (hepatitis B) to the viruses that can be detected using TANs. Another objective in carrying out this complex project is to group together tests for HVB, HVC (hepatitis C) and HIV-AIDS that are entirely automated and can now be done simultaneously. This new measure joins tests that have long been in use to screen for the presence of the S antigen and antibodies to HVB. Among other things, these improvements will reduce the period during which the presence of the virus is still undetectable.

During 2009–2010, the preparatory steps for implementing TAN MPX were completed, including the validation and drafting of standardized manufacturing procedures (SMP).

Introduction of the TAN MPX technology is planned for May 2010. By combining the various tests in one and the same instrument, these operations will now be able to be carried out in one open laboratory instead of four different rooms, as was previously required.

1.1.1.3 CHAGAS DISEASE: NO POSITIVE SAMPLE FOUND

Following implementation last year of measures to screen for Chagas disease, including adding three questions to the donor questionnaire and testing in the event of a positive response to one of these questions, more than 2,500 blood samples were tested this year.



1.1.1.4 TRANSITION TO THE ISBT 128 STANDARD COMPLETED

Two years ago, Héma-Québec adopted the ISBT 128 international standard for identifying labile blood products. This past year, ISBT 128 use was standardized across the entire Québec hospital network, making it easier to exchange products between blood bank inventories. Héma-Québec was therefore able to discontinue the use of the transitional label on labile blood products.



COMMENT ON QUALITY

The organization has focused on computerizing blood drive site data and using bar codes to ensure better traceability of blood products. [...] This efficient approach has been properly deployed and undergone several successive improvements. This demonstrates a high level of integration with the basic needs of the organization.

1.1.1.5 QUALITY CONTROL OF LABILE BLOOD PRODUCTS

1.1.1.5.1 CONTROL TESTS

To maintain an optimal safety level for all labile blood products, many quality control and compliance tests are regularly performed to ensure that products comply with regulatory requirements and meet the highest standards.

QUALITY CONTROL FOR LABILE BLOOD PRODUCTS					
TYPE OF PRODUCT	TESTS PERFORMED	NUMBER OF PRODUCTS TESTED	PERCENTAGE OF COMPLIANCE	ACCEPTABLE VALUES	ACCEPTABLE PERCENTAGES
PACKED RED CELLS AS-3	Residual leukocytes	2,279	99.96% ¹	< 5.0 x 10 ⁶ /bag	100% of tested bags
	Hemoglobin (total packed red cells)	306	100%	≥ 40 g/bag	90% of tested bags
			100%	≥ 35 g/bag	100% of tested bags
	Hemoglobin (packed apheresis red cells)	136	100%	> 42.5 g/bag	95% of tested bags
			100%	Average ≥ 51 g/bag	–
	Hematocrit	361	100%	≤ 0.80 L/L	90% of tested bags
	Hemolysis	759	99% ¹	< 0.8%	100% of tested bags
	Sterility	2,724	100%	No contamination	100% of tested bags
WASHED PACKED RED BLOOD CELLS	Hemoglobin	7	100%	≥ 35 g/bag	90% of tested bags
	Hematocrit	7	100%	≤ 0.80 L/L	90% of tested bags
	Hemolysis	47	98%	< 0.8%	90% of tested bags
	Sterility	48	100%	No contamination	100% of tested bags
DEGLYCEROLIZED PACKED RED BLOOD CELLS	Hemoglobin	7	100%	≥ 35 g/bag	90% of tested bags
	Hematocrit	7	86% ¹	≤ 0.80 L/L	90% of tested bags
	Hemolysis	7	86% ¹	< 0.8%	90% of tested bags
	Sterility	31	100%	No contamination	100% of tested bags
PLATELET CONCENTRATE	Residual leukocytes	514	99% ¹	≤ 8.3 x 10 ⁵ /bag	100% of tested bags
	Platelet count	514	93%	≥ 5.5 x 10 ¹⁰ /bag	75% of tested bags
	pH	506	100%	6.4–7.8	95% of tested bags
	Sterility	522	100%	No contamination	100% of tested bags
APHERESIS PLATELETS	Residual leukocytes	430	100%	< 5.0 x 10 ⁶ /bag	100% of tested bags
	Platelet count	4,487	92%	≥ 3.0 et ≤ 5.1x10 ¹¹ /bag	90% of tested bags
	pH	417	99.7%	6.4–7.8	95% of tested bags
	Sterility	436	100%	No contamination	100% of tested bags
FRESH FROZEN PLASMA BY APHERESIS	White blood cell count	134	79%	≥ 1.0 x 10 ¹⁰ /bag	75% of tested bags
	Sterility	164	100%	No contamination	100% of tested bags
FRESH FROZEN PLASMA BY APHERESIS	Factor VIII	167	97%	≥ 0.70 U.I./mL	75% of tested bags
	Sterility	170	100%	No contamination	100% of tested bags
FROZEN PLASMA	Facteur VIII	579	95%	≥ 0.52 U.I./mL	75% of tested bags
CRYOPRECIPITATE	Fibrinogen	169	100%	≥ 150 mg/bag	75% of tested bags

¹ Non-compliant results were found in 16 products, cause unknown.

Quality Control conducts certain tests on labile blood products to check the quality and compliance of the processing methods.

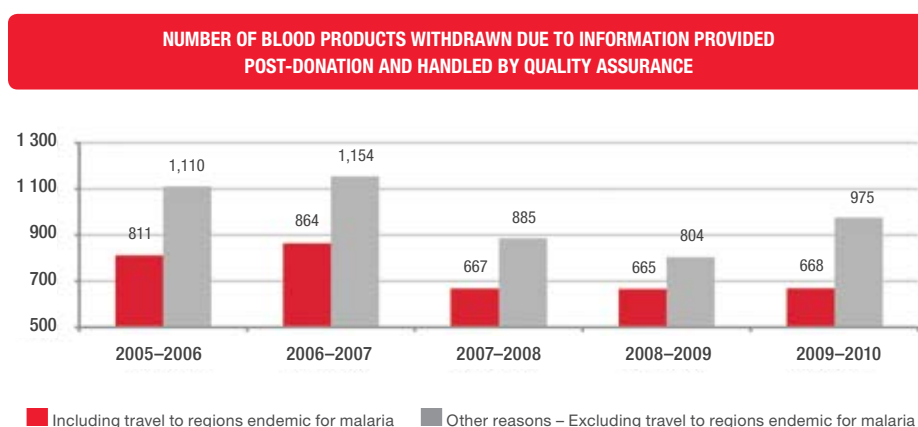
1.1.1.5.2 HBsAg CONFIRMATION TEST DONE ON PRISM

Previously subcontracted to a third party, tests to confirm the presence of the hepatitis B surface antigen (HBsAg) have been carried out on the PRISM device by the Qualification Department since the end of February 2010. This change allows for greater flexibility in how tests are done and reduces the wait time to obtain results.

1.1.1.5.3 POST-DONATION INFORMATION

For quality assurance purposes, information provided post-donation is crucial, as it may identify situations or conditions likely to affect the safety of blood donated, including infections, use of certain medications or risky behaviour that could compromise the safety of blood products. If there is the least suspicion that safety may have been compromised, a product withdrawal and destruction process is applied systematically to the donated blood and any components made from it.

According to the Canadian Standards Association (CSA), post-donation information is information for which Héma-Québec is not responsible and over which it has no control. This information can identify situations or conditions that are likely to affect the safety and/or quality of donations of whole blood and labile blood products.



The increase in the number of withdrawals for the criteria "Other reasons" is due mainly to a new criterion "history of pregnancy", which came into effect in April 2009 as part of TRALI (Transfusion-Related Acute Lung Injury), as well as an increase in withdrawals for "infectious signs and symptoms."

1.1.1.5.4 DECLARATION OF ERRORS AND ACCIDENTS

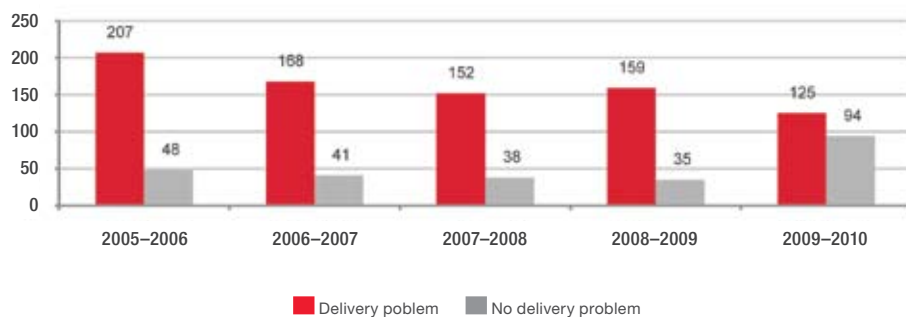
All activities related to the collection, processing, analysis and delivery of products are regulated by strictly documented standards and procedures. Any unplanned deviation, whether due to human error or another source, is recorded and analyzed in order to evaluate its potential to compromise product safety and efficacy. Such deviation is considered to be an error, and the products in question are immediately withdrawn from the inventory and destroyed.

For the purposes of this report, accidents are defined as situations that can occur at any time during the process, even when procedures are observed.

COMMENT ON QUALITY

Héma-Québec is constantly striving to achieve excellence in terms of client-focused services and client satisfaction, in particular through the ongoing reduction of failures and errors.

ERRORS AND ACCIDENTS



Over the five past years, a consistent decrease in the number of errors and accidents has been noted, indicating the effectiveness of work done in this area. A decrease in delivery problems was also noted during the same time period. The implementation of corrective measures seems to have practically resolved this type of problem.

1.1.1.5.5 PERCENTAGE OF DONATIONS THAT TESTED POSITIVE FOR VIRAL MARKERS

Between 2005 and 2010, there were no statistically significant changes in the number of infections identified in donors, as can be seen in the table below.

PERCENTAGE OF DONATIONS THAT WERE POSITIVE FOR EACH MARKER					
	2005-2006 *	2006-2007	2007-2008	2008-2009	2009-2010
HIV	0.0004	0.001	0.0004	0.0004	0.001
HVC	0.005	0.007	0.006	0.005	0.005
HVB	0.010	0.007	0.006	0.004	0.008
HTLV	0.001	0.002	0.001	0.001	0.002
SYPHILIS	0.009	0.009	0.006	0.008	0.007
TOTAL DONATIONS TESTED	248,386	259,376	270,388	274,237	275,890

* Whole blood donations only. Donations by apheresis began in 2006-2007. Since then, apheresis donations account for a consistently rising proportion of all donations. In a five-year period, 2005-2006 is the only year in which only whole blood donations appear.

1.1.1.5.6 BACTERIAL CULTURE

PLATELET TYPE	PRODUCTS COLLECTED	NUMBER OF CULTURES	CULTURES TESTING POSITIVE
PLATELETS FROM APHERESIS	29,686	20,302	0
PLATELETS FROM WHOLE BLOOD	43,313	40,600	4
TOTAL	72,999	60,902	4

The four platelet concentrates that tested positive were withdrawn and destroyed prior to transfusion.



1.1.1.6 AUDITS

1.1.1.6.1 INTERNAL AND SUPPLIER AUDITS

The Audit Department helps to ensure the safety of the supply of blood products, human tissues and cord blood by monitoring the compliance of the various activity sectors during internal audits. Auditing suppliers of critical materials and services also ensures that this objective is met. Depending on the level of risk of the products and services provided, the Héma-Québec team either conducts an on-site supplier audit or administers detailed questionnaires to the supplier.

In 2009–2010, the Audit Department conducted 32 internal audits, two supplier audits and sent out 71 detailed questionnaires. All suppliers obtained or maintained their “approved supplier” status.

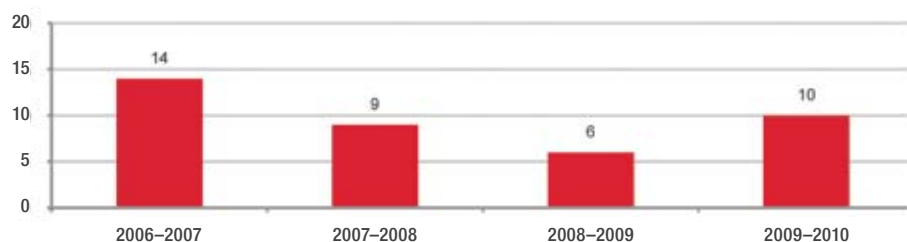
1.1.1.6.2 HEALTH CANADA AUDIT RESULTS

Every year, Health Canada representatives conduct inspections of the manufacturing procedures at Héma-Québec’s two facilities in Montréal and in Québec City, and every two years in the three GLOBULE Blood Donor Centres. The purpose of these inspections is to verify that Québec’s supplier of blood products complies with the strictest quality and safety standards and meets its licensing requirements.

As planned, Héma-Québec’s facilities were inspected by Health Canada’s Health Products and Food Branch Inspectorate in 2009–2010. These inspections took place in Montréal in October, and in Québec City in November and December.

Over the past four years, Health Canada inspectors have issued a total of some 10 observations on average for the two facilities and the GLOBULE Blood Donor Centres.

OBSERVATIONS MADE BY HEALTH CANADA OVER THE PAST FOUR YEARS



All observations were risk level 3, which indicates low risk for both donors and recipients of blood and blood components.

Two GLOBULE Blood Donor Centres were inspected during 2009–2010, and they both obtained a renewal of their establishment licence. They were the GLOBULE Blood Donor Centres at Centre Laval and Laurier Québec shopping centre. No observation was made in respect to Centre Laval, while one observation was made in relation to the Laurier Québec facility.

Corrective action has been or is about to be taken in regard to each observation.

COMMENT ON QUALITY

All processes are described in detail in the form of standardized manufacturing procedures (SMP). Strict procedures are provided to detect and implement any change affecting them. In certain situations, the organization also involves regulatory authorities. This attention to the transfer of knowledge fits in well with the organization’s compliance requirements.

1.1.1.6.3 INSPECTION BY AABB

After a first, unannounced visit of our facilities in October 2008, the AABB (Advancing Transfusion and Cellular Therapies Worldwide, formerly known as the American Association of Blood Banks) returned for a second, again unannounced, visit this year to review Héma-Québec's operations and practices. Conducted every two years, the objective of these inspections is to reconfirm AABB accreditation. AABB is an internationally recognized North American association operating in fields relating to blood, transfusion, transplants and cellular therapies.

No observation was made and the organization's accreditation was renewed until the end of 2011. Following the audit, Héma-Québec once again received praise from AABB inspectors for the quality of its practices and organization.

COMMENT ON QUALITY

We observed a strong and steadily upward trend in the rate of Quebecers' confidence in the blood collection and distribution system, which has risen from 38% in 1999 to 94% in 2008.

1.1.1.7 REGULATORY TRAINING

Regulatory training is overseen by Quality and Standards and is an essential component of the mission of Héma-Québec, which must ensure that staff is adequately trained in order to keep up to date with changes to various compliance procedures.

Regulatory training is part of the requirements that must be met to comply with best practices. It is also key to maintaining the optimal quality and safety of our products.

During 2009–2010, the Regulatory Training Department held 1,627 training sessions in which 1,003 staff members familiarized themselves with the new procedures in effect. Moreover, 730 recertifications ensured that staff refreshed their knowledge about current standards and procedures.

1.1.2 ENSURING A SUFFICIENT SUPPLY OF LABILE BLOOD PRODUCTS

1.1.2.1 AWARENESS CAMPAIGN DIRECTED AT CULTURAL COMMUNITIES

To succeed in its mission, Héma-Québec must maintain a blood reserve of six days or more to meet the needs of patients requiring transfusions. The current blood donor pool consists mainly of white donors, while other cultural communities represent an increasingly larger proportion of the Québec population. Raising awareness among members of cultural communities about blood donation has become vital to meeting the needs of blood groups specific to certain publics.

In addition to the ABO system, which is well represented in all human blood types, there are some 30 other blood groupings on the surface of red blood cells. Each of these can be found in proportions that vary from one ethnic group to another, but that are more similar within the same group. The chances of quickly finding a compatible donor increase substantially if the search is directed toward the blood of individuals who belong to the same ethnic group. Since a better match can be found, this type of information leads to more effective and safer transfusions.

Faced with this situation, Héma-Québec initiated an action plan, which was drawn up after consultation with cultural communities. The first group targeted was Montréal's Black Francophone community, more specifically the Haitian community, which is the largest, in order to meet the needs of those suffering from sickle-cell anemia. This blood disease is the most widespread in the world and affects members of the Black community in particular. While little known in the general population, sickle-cell anemia has a major impact on the quality of life of those who have the disease and that of their families, especially since the most serious cases necessitate numerous and frequent transfusions. The chances of finding blood with similar characteristics shared by both recipient and donor will be much higher if both individuals are from the same community.



As part of Héma-Québec's awareness efforts, several actions were undertaken to increase the recruitment of Haitian blood donors. Following a survey of leaders in this community, several meetings were organized to provide better information on the importance of blood donation.

Héma-Québec also added an optional question regarding ethnic background to the questionnaire given to all donors. Blood drives targeted specifically at the Haitian community were organized with satisfactory results. However, because of the earthquake that hit Haiti in early January, the ongoing program necessarily slowed somewhat, but gradually regained its pace by fiscal year-end.

Several of Héma-Québec's divisions and departments were involved in this major project, which generated, among other things, a significant increase in phenotyping by the Stem Cell and Reference Laboratory. Since December 2009, 85 new individuals have been added to the list of donors with the phenotypes targeted by the project.

The longer-term goal is to be able to rely on a Black donor registry to find compatible blood reserves more quickly for those people with sickle-cell anemia. As part of the program's second stage, awareness efforts will be extended to the Black Anglophone community.

An awareness campaign was also launched by Public Affairs and Marketing to reach out to all the various cultural communities that make up Québec society. Part of this initiative involved the preparation and dissemination of a promotional flyer to targeted communities. A call also went out to recruit ambassadors in the various communities and targeted media to encourage them to use their influence to promote blood donation and, possibly, to become future organizers of blood drives in their respective populations.

1.1.2.2 NEW COLLECTION METHODS

1.1.2.2.1 IMPLEMENTATION OF THE DOUBLE RED CELL COLLECTION METHOD

Héma-Québec has once again innovated by conducting the first apheresis "double red cell" donation in Canada on August 31, 2009 at its Laurier Québec GLOBULE Blood Donor Centre. Since that time, the use of the double red cell collection method has expanded to all GLOBULE Blood Donor Centres in Montréal and Québec City.

Double red cell collection represents a significant gain in productivity since one donor can now make a double donation of red blood cells during a single session. The double red cell method is especially useful in increasing the reserve of packed red cells of blood groups in higher demand, such as O Rh negative.

1.1.2.2.2 IMPLEMENTATION OF MULTIPLE BLOOD COMPONENT COLLECTION

In the wake of the double red cell technology, another method of collecting blood was implemented: apheresis donation of multiple blood components. This new approach to collection option also represents a significant gain in productivity. Using TRIMA[®] technology from the CaridianBCT company, the apheresis process allows the selective collection of blood components (blood cells, platelets and plasma) during a single donation. The multiple blood component donation was first implemented at the Laurier Québec GLOBULE Blood Donor Centre.

1.1.2.2.3 NEW COMPUTERIZED APPOINTMENT SYSTEM

The growth of apheresis platelet, double red cell and multiple blood component donations has resulted in an ever-increasing volume of appointments at the GLOBULE Blood Donor Centres. To respond to this higher volume, the automated appointment management system has undergone major improvements to increase the efficiency of setting and following up on appointments.

1.1.2.3 REFURBISHMENT OF THE PLACE VERSAILLES AND LAURIER QUÉBEC GLOBULE CENTRES

The Place Versailles GLOBULE Blood Donor Centre was completely refurbished, increasing its floor space by nearly 30%. The entire area was rethought and modernized, with work areas for blood donation equipment and apheresis collection. Following these renovations, which were spread out over 12 weeks of uninterrupted service, Place Versailles GLOBULE's refurbished premises were officially inaugurated on February 12 at a special evening attended by permanent staff and volunteers.

This refurbishment was carried out to better meet the strategy of multiple blood component donations by apheresis. Following installation of the new specialized equipment, double red cell collections began in November 2009.

The Laurier Québec GLOBULE Blood Donor Centre also underwent major renovations of its facilities, more specifically in the collection area.

1.1.2.4 MEASURES TAKEN FOR THE INFLUENZA A (H1N1) PANDEMIC

Héma-Québec constantly monitors risks to the blood supply, especially those associated with the influenza pandemic. A contingency plan is in place to respond to these risks.

During the two waves of the influenza A (H1N1) pandemic, which occurred in spring and fall 2009, Héma-Québec once again showed that it could react effectively to maintain a sufficient supply of labile blood products. Once the contingency plan was activated, several measures were implemented to respond to the situation.

- To improve coordination, members of a crisis unit met at regular intervals, up to three times a week during the height of the pandemic.
- With the participation of the internal and external communications teams, a multi-phase communications plan was deployed to disseminate important information to Héma-Québec staff, donors, volunteers and the Québec population at large.
- Thanks to a priority vaccination campaign, more than half of Héma-Québec's staff was vaccinated, helping to prevent an increase in the absentee rate above normal levels.

As to production operations, collection efforts helped increase reserves of blood products to an exceptional level of 14 days without incurring major spoilage. This performance was all the more remarkable because Héma-Québec was able to maintain its regular inventory level at a minimum of eight days throughout the year, an outstanding performance among manufacturers of blood products. It goes without saying, therefore, that no shortages occurred during 2009–2010.

The influenza A (H1N1) pandemic had no noticeable effect on the organization's activities or on the supply of all the products distributed by Héma-Québec. The two waves of the pandemic provided an opportunity, nonetheless, to test *in situ* the effectiveness of the contingency plan and to make certain adjustments to it.

1.1.2.5 IMPROVEMENTS TO THE PROCESSING PROCESS

1.1.2.5.1 IMPLEMENTATION OF THE BUFFY COAT METHOD

The thousands of whole blood donations collected each year are processed into four components: red blood cells, plasma, platelets and cryoprecipitate. For the most part, all these processes were, up until recently, carried out manually. Following a lengthy development and planning process, Héma-Québec this year completed the various stages toward fully automating platelet production.

This operation will now be done with the ATREUS[®] device, which uses the proven buffy coat method. Implementation of this technology, expected to be operational in fall 2010, will significantly increase platelet processing and production volume at a time when the demand for platelets is constantly rising. One of the benefits of this technology is that it will require less handling on the part of hospitals.

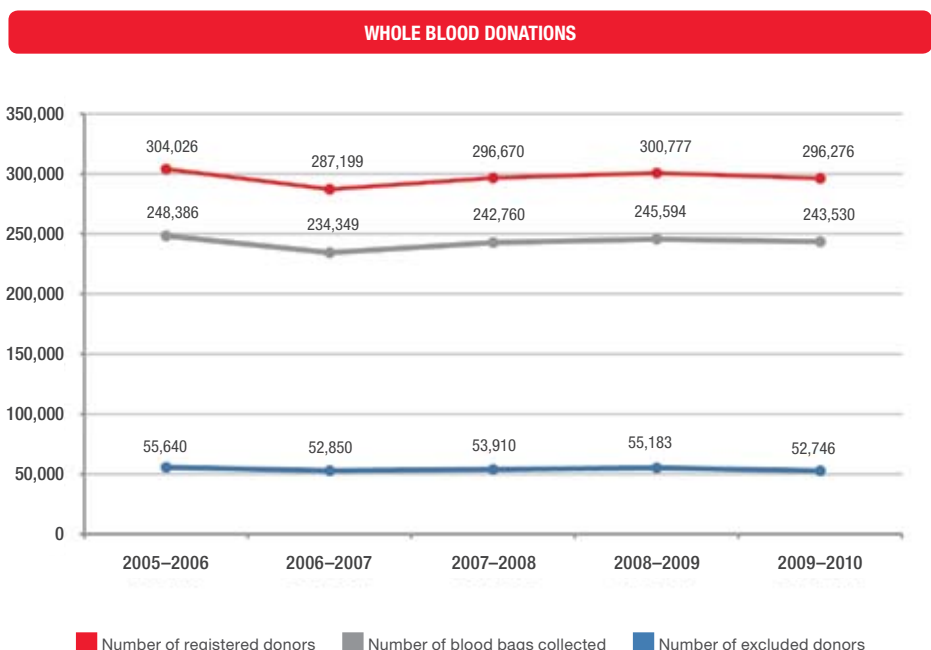
1.1.2.5.2 IMPLEMENTATION OF AUTOMATED EXTRACTORS

Until now, processing of packed red blood cells into red blood cells and plasma was accomplished almost entirely by hand. A new project underway is aimed at simplifying this operation by using fully automated extractors. The extractor project is now at a very advanced stage, with the choice of technology, call for tenders and selection of devices already completed. The equipment is currently in the trial phase and should be operational by the end of this year. This will result once again in an appreciable gain in terms of quality and productivity.

These two complementary projects required a major commitment from various sectors and departments, in particular Operations, Quality Assurance, and Information Technology.

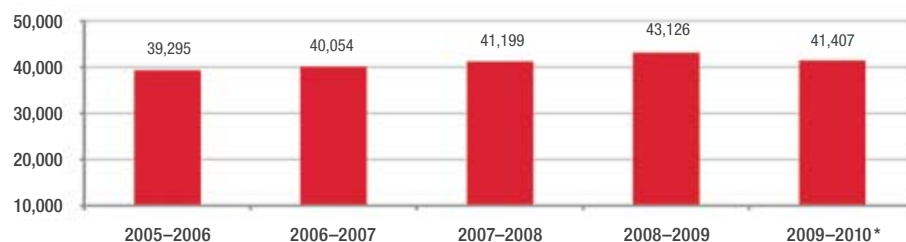
1.1.2.6 RESULTS

1.1.2.6.1 BLOOD DONATIONS



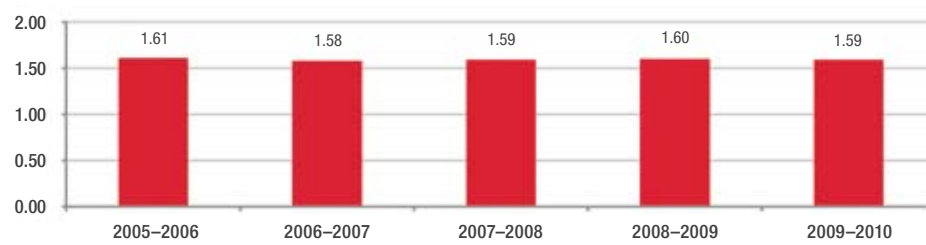
Excluded donors refer to registrations for which no blood was collected but a deferral was issued on the same day or in the seven days following registration. This category also includes donors who were registered and not deferred but who did not complete the donation process due to a departure, problem with their veins or discomfort.

NUMBER OF NEW WHOLE BLOOD DONORS REGISTERED



* Despite an increase in deliveries to our hospitals, the number of new donors registered declined as a result of the improvement in the blood donation collection process which excluded fewer donors and rejected fewer packed red blood cells than last year.

AVERAGE NUMBER OF ANNUAL DONATIONS PER BLOOD DONOR

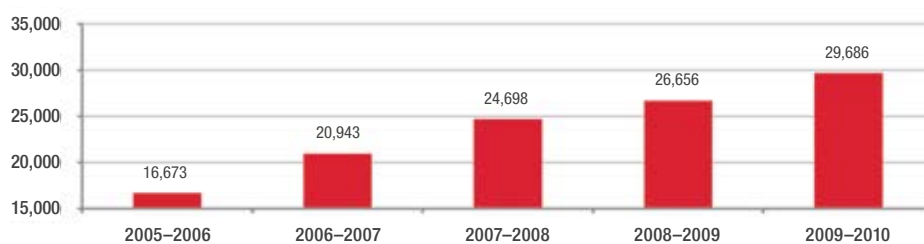


1.1.2.6.2 DEVELOPMENTS IN TERMS OF APHERESIS DONATIONS

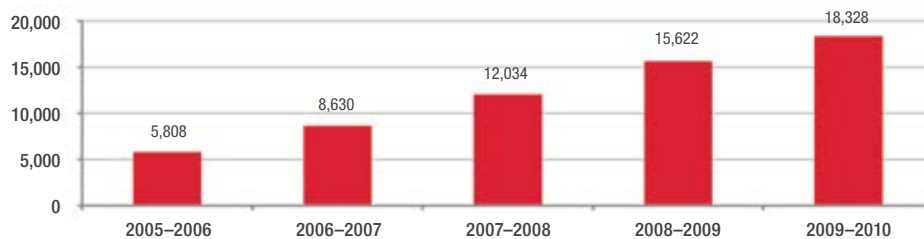
1.1.2.6.2.1 Platelet donations by apheresis

For the past several years, apheresis techniques for blood collection have been central to our platelet supply strategy. Apheresis enables more products to be collected from fewer donors. Given that a donor can make a “double donation”, much greater amounts of blood components can be collected from that same donor than with traditional whole blood donations. This is a significant advantage in terms of blood supply.

NUMBER OF PLATELETS COLLECTED BY APHERESIS

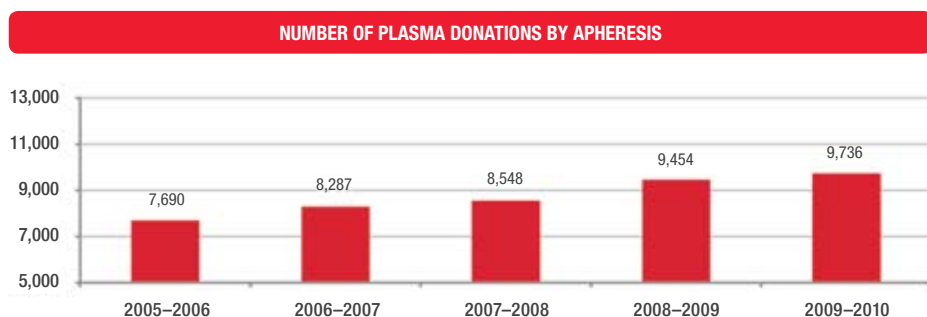


NUMBER OF PLATELETS COLLECTED BY DOUBLE DONATION APHERESIS



1.1.2.6.2.2 Plasma donations by apheresis

Apheresis also offers a significant benefit in terms of the plasma supply. The number of collections by apheresis has been constantly increasing since 2004.



1.1.2.7 PERFORMANCE

1.1.2.7.1 PROCESS YIELD

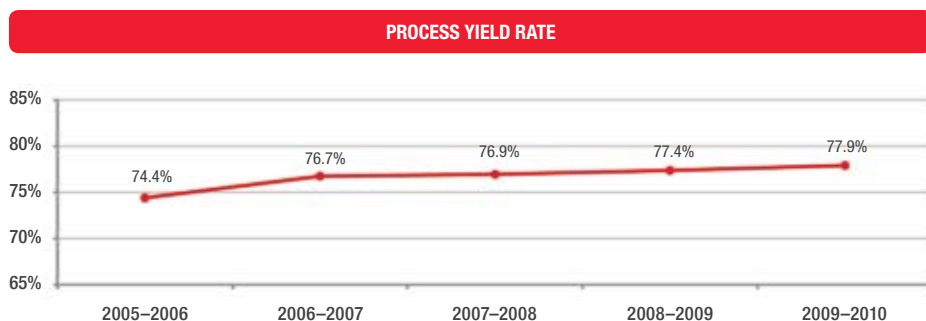
The process yield rate provides an overall view of the efficiency of the various methods used to supply hospitals with the blood products and components they require. Mobile blood drives generate 86% of blood donations and are the main source of supply. Other sources include targeted blood drives, donations by appointment, blood collections by the mobile unit, and blood donations collected at the GLOBULE Blood Donor Centres, which are an important part of Héma-Québec's blood strategy. A major proportion of these donations are specialized (apheresis, double red cell, and multiple products) and made by appointment with dedicated donors.

Several supply strategy performance indicators are compiled to measure the overall yield of the process methods involved. The following indicators are used to calculate the process yield rate:

- Yield rate of mobile blood drives
- Loss rate of packed red cells during production
- Expiry date of packed red cells

The overall process yield rate helps, for example, to evaluate the results of a blood drive based on fixed objectives: number of donations collected vs. number of donors solicited. It reflects a set of relevant variables, i.e., human resources planning for blood drives, donor recruitment objectives met, consequences of donor exclusion, impact of various deferrals on product availability, and effect of spoilage on the products collected.

The table below shows improvements in the yield rate over the last five years.



The constant improvement in the process yield rate over the last five years is due to a substantial reduction in the loss rate of packed red cells during production and a marked reduction in losses due to spoilage. This improved process yield rate means that Héma-Québec is better able to meet the needs of hospitals, at a lower cost.

COMMENT ON QUALITY

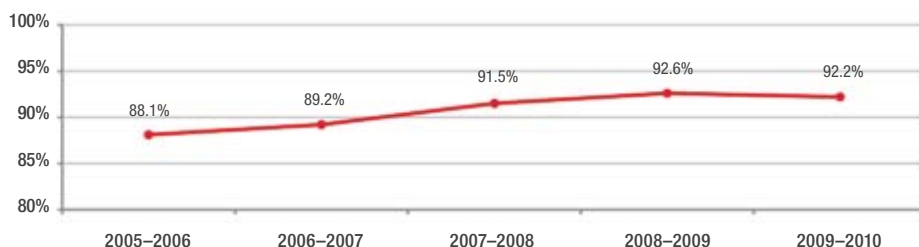
The gathering and systematic analysis of donor opinions has led, among other things, to improvements in the physical layout of blood drive sites.

1.1.2.7.2 YIELD OF MOBILE BLOOD DRIVES

The yield of mobile blood drives is a measure of the number of individuals who actually donated blood vs. the set objectives. The yield rate for 2009–2010 was equal to last year's. (See table below.)

The success of mobile blood drives depends, in large part, on efficient human resources planning, effective coordination with organizing committees and improved supply planning. Thanks to improvements to the computer tool used by the supply planning team, blood drive advisers are now better able to plan for the needs of their various projects.

YIELD RATE OF MOBILE BLOOD DRIVES



1.1.2.7.3 EFFECTIVENESS OF GLOBULE BLOOD DONOR CENTRES

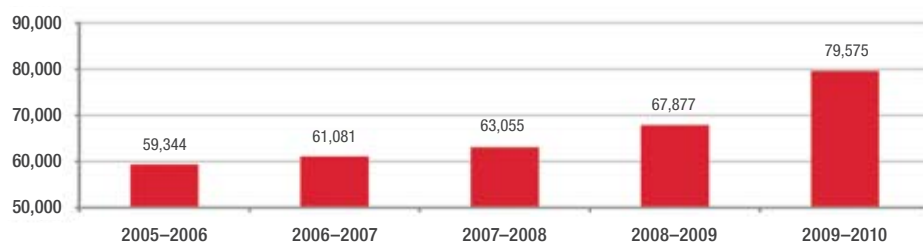
GLOBULE Blood Donor Centres accommodate 1,500 donors per week on average and are an important element of our supply strategy. All types of specialized donations are performed in these centres, including those involving apheresis, double packed red blood cells and multiple products.

GLOBULE BLOOD DONOR CENTRES					
	2005–2006	2006–2007	2007–2008	2008–2009	2009–2010
WHOLE BLOOD (ALLOGENEIC)	32,483	29,920	28,210	30,521	33,602
WHOLE BLOOD (AUTOLOGOUS)	2,035	1,570	1,092	834	745
WHOLE BLOOD (DIRECTED)	163	129	100	76	319
WHOLE BLOOD (DESIGNATED)	207	169	194	267	85
PLATELETS BY APHERESIS	16,673	20,943	24,698	26,656	29,686
PLASMA BY APHERESIS—500 mL	7,690	8,287	8,548	9,454	9,736
PACKED RED BLOOD CELLS BY APHERESIS (INCL. MP *)	—	—	—	—	3,411**
PLASMA BY APHERESIS 250 mL (INCLUDING MP *)	—	—	—	—	1,827**
GRANULOCYTES	93	63	213	69	164
TOTAL AMOUNT COLLECTED	59,344	61,081	63,055	67,877	79,575

*MP: donations by multiple collection.

**This type of collection began in 2009–2010.

INCREASE IN THE NUMBER OF PRODUCTS COLLECTED—GLOBULE BLOOD DONOR CENTRES

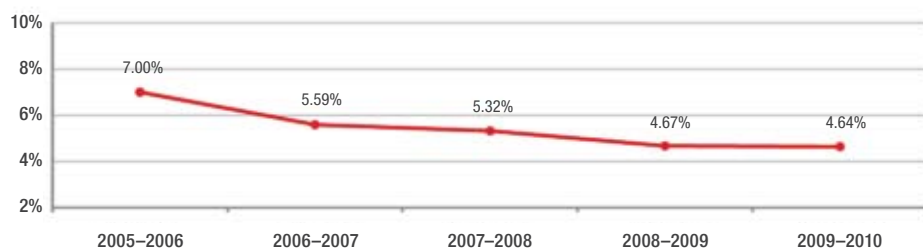


1.1.2.7.4 YIELD OF PROCESSING METHODS

The increase in the yield of processing methods had a direct and significant impact on improving the process yield rate. Implementation of multiple product component collection in all GLOBULE Blood Donor Centres and buffy coat technology using ATREUS® devices will surely contribute to even better results in the future.

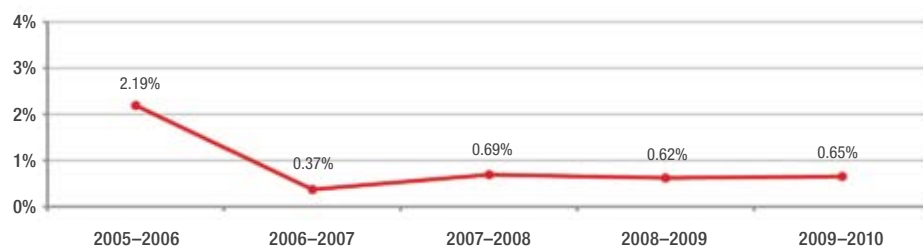
Two indicators that have improved significantly over the last five years are the loss rate of packed red blood cells during production and the expiry rate of packed red cells and equivalent platelets¹.

LOSS RATE FOR PACKED RED BLOOD CELLS DURING PRODUCTION



Further progress was made this year. It is inevitable, however, that improvements in the yield rate will decline from year to year, the loss rate having been reduced in half from 9% in 2003-2004.

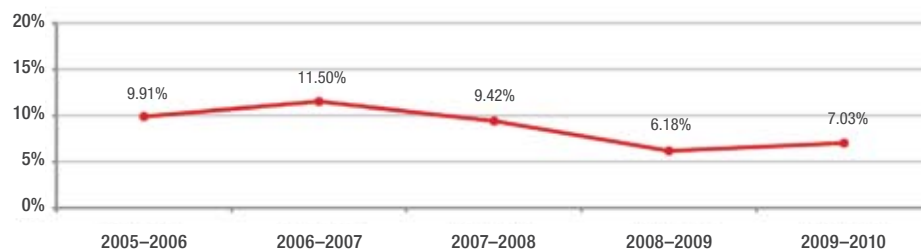
EXPIRY RATE OF PACKED RED BLOOD CELLS



There has been a noticeable and consistent decrease in the expiry rate of packed red blood cells since 2005-2006. This year's rate remains below the 1% mark, at 0.65%. This result is due to the ongoing use of the good inventory management practices implemented in 2006-2007.

¹ "Equivalent platelets" refers to the total of whole blood platelets and platelets by apheresis.

EXPIRY RATE OF EQUIVALENT PLATELETS



Good management practices and a more targeted supply to hospital offices contributed to achieving these results.

1.1.2.7.5 SHIPMENTS TO HOSPITALS

LABILE BLOOD PRODUCTS DELIVERED TO HOSPITALS					
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
PACKED RED CELLS	221,256	223,100	227,581	231,958	233,446
PLATELETS	55,295	46,776	31 631	33,503	31,770
PLATELETS BY APHERESIS ¹	16,189	20,078	23,636	25,153	27,990
EQUIVALENT PLATELETS (BY APHERESIS X5) ²	80,945	100,390	118,180	125,765	139,950
TOTAL PLATELETS ³	136,240	147,166	149,811	159,268	171,720
PLASMA	45,535	47,457	51,045	53,199	53,040
PLASMA BY APHERESIS 250 mL ⁴	—	—	—	—	1,397
PLASMA BY APHERESIS ⁵	7,499	7,727	7,583	6,877	7,341
EQUIVALENT PLASMA (BY APHERESIS X2) ⁶	14,998	15,454	15,166	13,754	14,682
TOTAL PLASMA ⁷	60,533	62,911	66,211	66,953	69,119
GRANULOCYTES	90	60	205	69	164
CRYOPRECIPITATES	13,451	15,793	15,824	17,426	20,508
CRYOPRECIPITATE SUPERNATANTS	8,910	7,792	7,546	9,358	6,742
TOTAL	440,480	456,822	467,178	485,032	501,699

¹ The numbers shown correspond to the number of donors.

² It takes five donors of whole blood to obtain the equivalent amount of platelets provided by a single donation by apheresis. "Equivalent platelets (by apheresis x5)" is therefore the result of the multiplication by five of the number of donors indicated in the line "platelets by apheresis."

³ "Total platelets" corresponds to the total of "whole blood platelets" and "equivalent platelets (by apheresis x5)."

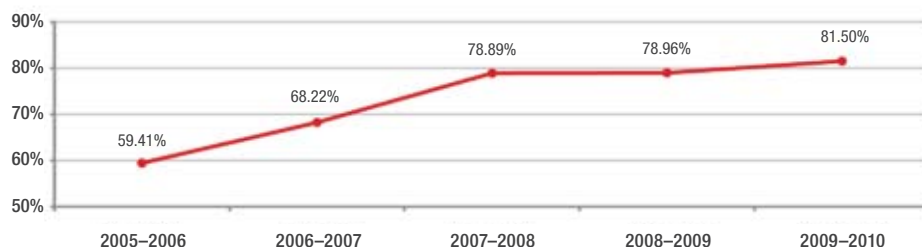
⁴ This type of collection began in 2009-2010.

⁵ The numbers shown correspond to the number of donors.

⁶ The plasmapheresis procedure enables twice as much plasma (500 mL) to be collected as that from a donation of whole blood (250 mL). "Equivalent plasma (by apheresis x2)" is therefore the result of the multiplication by two of the number of donors indicated in the line "plasma by apheresis."

⁷ "Total plasma" is the total of "plasma" and "equivalent plasma (by apheresis x2)."

PROPORTION OF PLATELETS COLLECTED BY APHERESIS



The proportion of platelets from apheresis donations continued to rise, reaching the 80% target. The goal of this supply strategy is to increase the safety of transfused products for recipients and to enable Héma-Québec to better respond to the growth in hospital demand for this blood component.

1.1.2.8 DONOR LOYALTY

1.1.2.8.1 TARGETED ADVERTISING CAMPAIGN

Héma-Québec's advertising campaign continues to be popular with Quebecers. Images of donors wearing one short sleeve and one long sleeve appealed respectively to 88% (TV) and 86% (posters) of respondents in a survey conducted by the firm SOM. In particular, young people between the ages of 18 and 24—an essential group to shore up the donor base—expressed their intention to give blood in the next 12 months (52%).

1.1.2.8.2 CONTINUING POSITIVE PUBLIC PERCEPTION

An omnibus survey, conducted each spring for the past 11 years, gauges public perception of Héma-Québec. Among the variables measured are the organization's reputation and the level of public trust in how the collective blood reserve is managed. The 2010 edition of the survey once again confirmed a high degree of positive perception by the public. Concerns about giving or receiving blood products, trust in how blood is managed and distributed in Québec, and the organization's ability to react in an emergency continue to be very well perceived. The only indicator that showed significant variation was a perceived shortage of blood in Québec. Twenty-five percent of Quebecers believed there was a shortage in 2010, while close to four in ten respondents believed this was true in 2009. For its part, the confidence index remains very high, with nine out of ten Quebecers reiterating that they have a very good opinion of the organization.

1.1.2.8.3 BLOOD DONOR RECOGNITION

The generosity and commitment of donors has been central to Héma-Québec's success in fulfilling its primary mission. To thank them and to underscore their vital contribution, each year the company organizes a series of donor recognition evenings.

Five events honouring donors of 100+ donations were held in various regions of Québec. A total of 522 donors took part and were presented with certificates of honour, glass trophies or prestigious awards reserved for donors of 200+ donations.

A research donor recognition gala was also held to honour the contribution of 70 donors who, through their donations, have helped advance various research projects. These are generally donors who cannot or are no longer eligible to give blood but who wish, nonetheless, to contribute to improving the quality and effectiveness of Héma-Québec's services.

COMMENT ON QUALITY

Héma-Québec has implemented four donor loyalty programs, which consist in awarding certificates and rewards after a given number of donations. This process is systematic, runs smoothly and demonstrates good internal alignment with priorities.

1.1.2.8.4 A CANADIAN FIRST: A DONOR HONOURED FOR 1,000+ DONATIONS

This year, Michel Thérien achieved a Canadian first, reaching the incredible milestone of 1,000+ blood component donations. This remarkable citizen has been donating on a weekly basis since the early 1980s, specializing in apheresis plasma donations.

During a ceremony attended by a young blood recipient and his family, Héma-Québec President and CEO Dr. Francine Décary presented Mr. Thérien with a special medal to honour his outstanding contribution. On this same occasion, Mr. Thérien was also named *La Presse/Radio-Canada's* Personality of the Week.

1.1.2.8.5 SUCCESS OF THE BLOOD RED! EDUCATIONAL KIT

The first distribution to elementary and high schools of the BLOOD RED! educational kit, developed last year by Public Affairs and Marketing and Operations, in conjunction with the Héma-Québec Foundation and Desjardins Financial Security, was a resounding success this year.

The purpose of this kit, which comprises two parts, is to inform and raise awareness among students about the importance of giving blood, to foster the development of the next generation of donors and blood drive organizers, and to help train responsible and committed future citizens. Only 3% of the population gives blood and 67% of today's donors are 40 years of age or older, so preparing the next generation of donors is especially important.

In its first year of implementation, the BLOOD RED! kit was well received by schools and students, who showed a keen interest in this educational tool. In 2009–2010, a total of 302 kits were distributed to schools and other educational organizations and associations; 185 of these were elementary schools and 123 were high schools. A total of 168 activities were performed in the information/awareness section, and 140 blood drives were organized in the development section, including 39 drives specifically undertaken after the kit was sent out.

In order to evaluate the effectiveness and reach of the kit, Héma-Québec teamed up with the Centre – Urbanisation Culture Société of the Institut national de la recherche scientifique (INRS) to monitor its deployment in the various regions of Québec and to measure its continued impact over the long term.



1.1.2.8.6 NATIONAL BLOOD DONOR WEEK

The purpose of National Blood Donor Week, which coincides with World Blood Donor Day, is to remind the public of the importance of giving blood and of blood donors across Canada. This annual event is also a way of thanking all those who contribute to maintaining our blood reserves, which are so vital to saving lives.

Several activities took place as part of this second edition, which was held from June 8 to 14, 2010. The National Assembly introduced a special motion to recognize the event and held its annual blood donor clinic to mark the occasion. Héma-Québec representatives also took part in the Eureka! Science Festival at the Old Port of Montréal, where they distributed information on blood and blood groups.

Finally, actor and director Denis Bouchard, the musical group Mes Aïeux and host Isabelle Racicot accepted to appear on summer ad campaign posters to promote blood donation.

1.1.2.8.7 BLOOD DRIVES IN CÉGEPS AND UNIVERSITIES

Since its inception, Héma-Québec has relied on the support of the Association of Blood Donation Volunteers (ABDV), a group representing blood donors and volunteers in all 12 regions of Québec. In addition to liaising between the regions and Héma-Québec, the ABDV actively promotes blood donation, especially among college and university students, time and again demonstrating its effectiveness in recruiting new donors.

The presence and awareness-raising efforts of ABDV volunteers during campus blood drives achieved excellent results. In the wake of a major reorganization that affected its activities, the ABDV trimmed its goals by half last year. In spite of constraints during this transition period, the ABDV was involved in 101 blood drives that welcomed a total of 12,706 donors during the year. The valued contribution of its members once again made the difference on campuses, where blood drives recorded a 97.1% performance rate, clearly exceeding the average for regular mobile blood drives (92.2%).

BLOOD DRIVES IN UNIVERSITIES AND CÉGEPS			
	2007–2008	2008–2009	2009–2010
BLOOD DRIVES	173	221	202
GOALS	21,985	27,240	26,025
DONORS REGISTERED	21,936	26,694	25,264
OVERALL PERCENTAGE OF GOALS ACHIEVED	99.8%	98.0%	97.1%

Note: The slight decrease in the percentage of goals achieved can be explained by various factors, in particular the cancellation of blood drives on certain university campuses and the Association of Blood Donation Volunteers' (ABDV) reorganization.

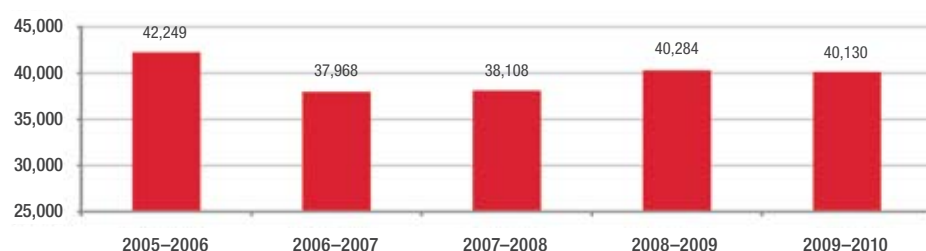
1.2 STABLE PRODUCTS

The Stable Products sector, under the authority of Administration and Finance, oversees the supply and distribution of stable products, which are key links in the supply chain. A small portion of stable products distributed by Héma-Québec are manufactured with plasma extracted from blood donations and shipped to fractionation plants in the U.S. However, the vast majority of these products, are purchased from various international suppliers.

The mandate of the Stable Products sector is to ensure that all products approved by Québec's Ministère de la Santé et des Services sociaux and appearing on the list of blood products approved for distribution in Québec are stored in sufficient amounts and acquired at the best overall price.

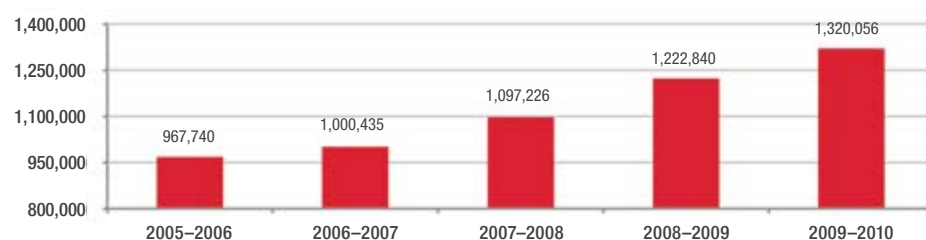
Héma-Québec must rigorously plan to maintain sufficient inventory to meet the everyday needs of hospitals, as well as deal with unexpected events that can affect demand. To this end, this year the Stable Products sector took steps to find an alternate supplier for Type A and B antitoxin in order to avoid a potential shortage in inventory.

1.2.1 LITRES OF PLASMA SHIPPED FOR FRACTIONATION



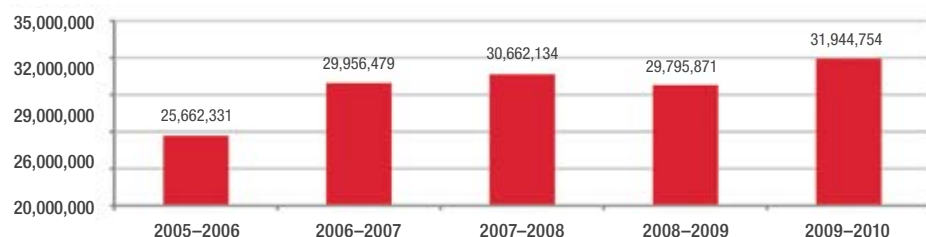
1.2.2 DELIVERIES OF STABLE PRODUCTS TO HOSPITALS

DISTRIBUTION OF NON-SPECIFIC IMMUNOGLOBULINS (IVIG AND SCIG) (IN GRAMS)



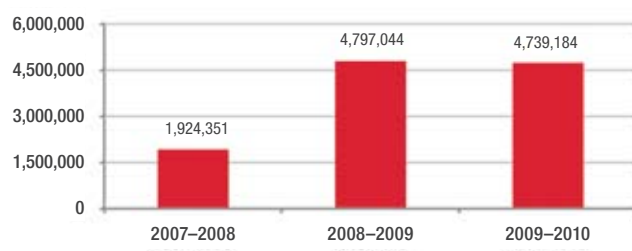
In 2009-2010, the demand for intravenous and subcutaneous immunoglobulins reached 1,320,056 grams, an 8% increase over the previous year.

DELIVERIES OF RECOMBINANT ANTIHEMOPHILIC FACTOR VIII (AMOUNT IN IU)



In 2009-2010, the demand for FVIIIr was 31,944,754 IU (international units), a 7.2% increase over the previous year.

DELIVERIES OF PLASMA FACTOR VIII (AMOUNT IN IU)



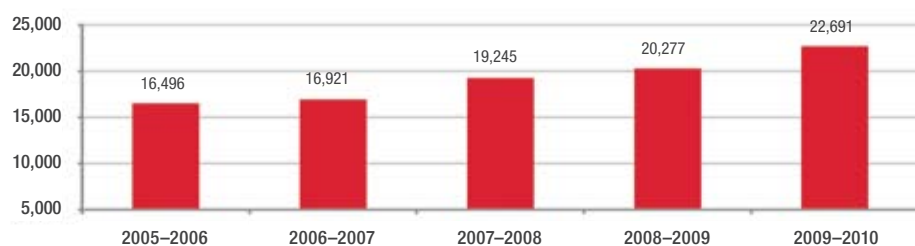
In 2009-2010, the demand for plasma FVIII was 4,739,184 IU, a 1.2% decrease from the previous year.

1.3 REFERENCE AND STEM CELL LABORATORY

1.3.1 THE REFERENCE AND STEM CELL LABORATORY CONTINUES TO GROW

In the wake of survey responses about hospital satisfaction (see 3.4.1), the Reference and Stem Cell Laboratory is meeting ever-increasing requests for phenotyped blood (+12%), erythrocytic immunology case studies (+29%), erythrocytic genotyping studies (+54%) and HLA typing (+18%). These increases are in addition to those of past years.

PHENOTYPING INVOICED TO QUÉBEC HOSPITALS



NUMBER OF SPECIALIZED ANALYSES PERFORMED

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
ERYTHROCYTIC IMMUNOLOGY	1,405	1,229	1,519	1,261	1,621
PLATELET IMMUNOLOGY	215	236	267	344	333
ERYTHROCYTIC GENOTYPING	1,150	1,237	1,324	2,103	3,243
HLA A, B, C, DR, DQ TYPING ¹	—	—	—	4,434	5,224

¹ Results are only provided for the 2008-2009 and 2009-2010 fiscal years because of a change in the method of compilation from previous years.

1.4 HUMAN TISSUES

1.4.1 TISSUES OTHER THAN OCULAR

1.4.1.1 ENSURING A SAFE SUPPLY OF HUMAN TISSUES

1.4.1.1.1 RENEWAL OF ISO 13485 CERTIFICATION

As a producer of human valve grafts for allogeneic transplantation, Héma-Québec requires ISO 13485 certification to be licensed by Health Canada for this medical material. An audit of the quality management system was done in March 2010; no observation was made and, consequently, the lead auditor recommended renewing the certification.

1.4.1.1.2 AATB (AMERICAN ASSOCIATION OF TISSUE BANKS) ACCREDITATION

AATB audits take place every three years. The next audit will be in 2010–2011. Each year, the STAR (Self-assessment Tool/Audit Report) questionnaire is sent out, as required by the AATB.

1.4.1.1.3 QUALITY CONTROL

To ensure that the human tissues prepared by Héma-Québec comply with current safety standards, samples are taken during their recovery and undergo sterility tests. In addition, samples are taken after treatment to check for quality and compliance with tissue treatment and disinfection techniques.

QUALITY CONTROL OF HUMAN TISSUES			
TYPE OF PRODUCT	TESTS PERFORMED	NUMBER OF PRODUCTS TESTED	% UNACCEPTABLE MICRO-ORGANISMS
SKIN TISSUE	Pre-treatment microbiological culture	127	1.6%
	Post-treatment microbiological culture	124	0.8%
MUSCULOSKELETAL TISSUE	Pre-treatment microbiological culture	401 ¹	1.0%
	Post-treatment microbiological culture	264 ¹	0.0%
HEART TISSUE	Pre-treatment microbiological culture	91	14.3%
	Post-treatment microbiological culture	91	26.4% ²

Quality control conducts certain tests on human tissues. These tests help to verify the quality and compliance of treatment techniques.

¹ For this type of human tissue, treatment is staggered.

² Work to optimize the process of disinfecting heart valves was done by the Operational Testing Group, in conjunction with the Human Tissues team, in order to reduce the rejection rate for heart valves.

1.4.1.2 ENSURING A SUFFICIENT SUPPLY OF HUMAN TISSUES

1.4.1.2.1 DISTRIBUTION OF HUMAN TISSUES

Distribution of human tissues continued to rise in 2009–2010. The total number of human tissues other than ocular, including imported tissues, was 2,225 in 2009–2010, compared with 1,966 in 2008–2009, an increase of 13%.

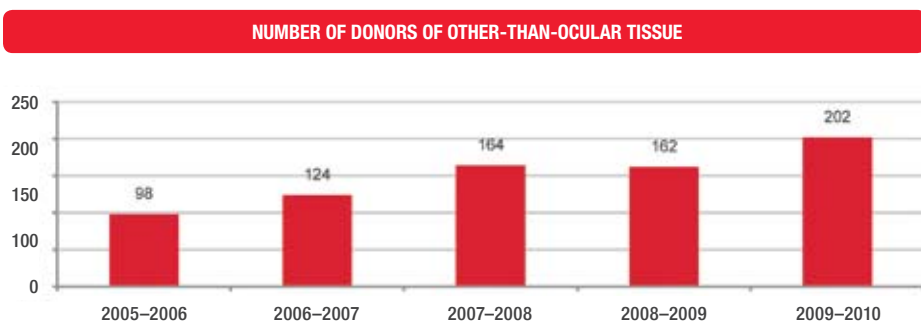
DISTRIBUTION OF HUMAN TISSUES					
	2005–2006	2006–2007	2007–2008	2008–2009	2009–2010
DISTRIBUTION OF HUMAN TISSUES					
HEART VALVES AND VEIN ALLOGRAFTS WITHOUT VALVES	–	13 *	33	35	58
SKIN TISSUE	–	–	337 *	948	926
TENDONS	–	–	1 *	125	108
SPONGY BONES INCLUDING LYOPHILIZED	128	249	245	299	299
COMPACT BONES AND FEMORAL HEADS	115	102	114	183	170
SUB-TOTAL DISTRIBUTION HUMAN TISSUES—H-Q	243	364	730	1 590	1 561
IMPORTED	–	–	146 *	376	664
TOTAL DISTRIBUTION HUMAN TISSUES	243	364	76	1,966	2,225
DISTRIBUTION OCULAR TISSUES					
CORNEAS FROM HÉMA-QUÉBEC	–	–	–	–	151 *
CORNEAS IMPORTED	–	–	–	–	255 *
TOTAL DISTRIBUTION CORNEAS					406
GRAND TOTAL DISTRIBUTION	243	364	876	1,966	2,631

* Corresponds to the year during which the distribution began.

The number of heart valves distributed increased by 66%, from 35 last year to 58 this year. This is an excellent performance, given the world shortage of this type of product and the difficulty of obtaining referrals.

1.4.1.2.2 INCREASE IN THE NUMBER OF DONORS

Thanks to effective efforts to raise awareness among front-line workers and families, the number of donors of human tissue other than ocular rose from 162 to 202, an increase of 25% over last year. Now in its second year of operation, the telephone referral line, 1-888-DONS DE VIE, was also instrumental in this increase.



1.4.1.3 OCULAR TISSUE

Following the partnership agreement reached in 2008 with Maisonneuve-Rosemont Hospital for the management of the Eye Bank, Héma-Québec assumed responsibility last year for donor qualification and eye recovery, as well as the regulation of these activities. This year, in addition to these responsibilities, Héma-Québec added the follow-up of the allocation process of corneas to surgeons, a role that naturally falls within the scope of the existing activities managed by the organization.

1.4.1.3.1 INCREASE IN REFERRALS AND RECOVERIES

This first full year of activity saw excellent growth in the number of referrals and recoveries, with 764 donors referred and a total of 491 recoveries performed. Much credit goes to the efficiency of the recovery team, which was formed last year.

1.4.1.3.2 IMPLEMENTATION OF AN IMPORT STRUCTURE

To ensure that Héma-Québec is able to meet the high demand for ocular tissues, most of these products must be imported. Following last year's announcement, improvements were brought to the import structure to make it more diversified, in particular by adding new suppliers. An agreement was reached with Vision Share, the American consortium of suppliers, whose products meet current Canadian standards and criteria.

1.4.1.3.3 VISIT AND TRAINING AT AN AMERICAN EYE BANK

Héma-Québec has established excellent relations with Seattle's SightLife eye bank. In spring 2010, two representatives from Héma-Québec's ocular tissues team visited the eye bank and received training in new recovery techniques.



1.4.1.4 HEMATOPOIETIC STEM CELLS

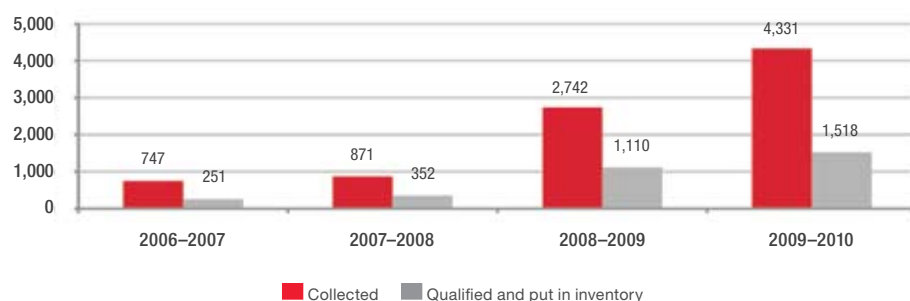
1.4.1.4.1 ENSURING A SAFE AND SUFFICIENT SUPPLY OF HEMATOPOIETIC STEM CELLS

1.4.1.4.2 THE PUBLIC CORD BLOOD BANK SEES RAPID GROWTH

Thanks to the many efforts to raise awareness among expectant mothers and obstetrics personnel at participating hospitals, the Public Cord Blood Bank continues to grow at a rapid pace. While the target goal for this year was 1,000 new cords, results exceeded expectations with a total of 1,518 units added to the bank, up 37% over last year.

Today the bank contains more than 3,000 cord blood units.

ACTIVITIES OF THE PUBLIC CORD BLOOD BANK IN QUÉBEC



The goal is a compliance rate of over 40%, which corresponds to the international standard. To achieve this, Héma-Québec provides ongoing training to delivery room staff on the procedures to follow in handling umbilical cords.

1.4.1.4.3 QUALITY CONTROL

CORD BLOOD QUALITY CONTROL					
	TEST DONE	NUMBER OF PRODUCTS	PERCENTAGE OF COMPLIANCE	ACCEPTABLE VALUE	ACCEPTABLE PERCENTAGE
CORD BLOOD (POST-TREATMENT)	Sterility*	1,607	98%	No contamination	100% of bags tested

Quality control involves specific testing of the cord blood. These tests check the quality and compliance of processing techniques.

While the procedure used to collect cord blood is more susceptible to contamination, the result observed is fully comparable with that obtained by other cord blood banks.

* Since November 2008, sterility has been done on post-treatment samples only.

1.4.1.4.4 DELIVERY OF THE FIRST CORD BLOOD UNITS

Thanks to the new SCOR (*système pour le sang de cordon* [cord blood system]) computerized research tool, for the first time Héma-Québec delivered cord blood units that were compatible with three recipients. This achievement was a feather in the cap of the Stem Cell Laboratory and Stem Cell Donor Registry teams.

Before the potential of the Public Cord Blood Bank can be fully exploited, Héma-Québec will need to obtain international accreditation for eventual export from Canada. Steps are already under way to work through this complex process.

1.4.1.4.5 A FIRST INSPECTION FOR THE PUBLIC CORD BLOOD BANK

For the first time since its creation in 2006, the Public Cord Blood Bank was inspected by Health Canada in accordance with the regulations governing the safety of human cells, tissues and organs for transplantation. Following this inspection, which took place in September 2009, six observations were made and corrective actions were accepted and implemented.

1.4.1.4.6 RECOGNITION OF STEM CELL AND HUMAN TISSUE DONORS

A special evening for non-related stem cell donors was held in September in Québec City to honour their outstanding generosity and altruism. A total of 175 participants took part in the 2009–2010 edition of this annual event, which alternates between Montréal and Québec City.

At the same event, and for the first time, recognition was made of the contribution of hospital staff involved in the tissue donation process.

SECOND GOAL
**THE NEED TO LEAD EMPLOYEES WHILE PROMOTING
THEIR COMMITMENT, SUPPORT AND RECOGNITION
SO AS TO INCREASE THEIR MOBILIZATION**



When blood arrives at Héma-Québec, a race against the clock begins. The reason is simple: blood is perishable and it can only be kept for a limited amount of time. Here, laboratory technical assistant Monique Pépin receives blood samples that she will send to the qualification laboratory, where all blood donations are tested.

2.1 PROMOTE SUPPORT, COMMITMENT AND RECOGNITION

2.1.1 REMOTE CONSULTATION OF BLOOD DRIVE EMPLOYEE SCHEDULES

Blood drive staff can now check their work schedules remotely, thanks to the development of a computer application. Information Technology and Planning and Work Assignment joined forces to implement this new support tool that has proven very popular with staff. Previously, blood drive employees had to go on-site to check their schedules. The main challenge in implementing these types of tools obviously remains compliance with the strict safety standards governing protection of Héma-Québec's computer network.

2.1.2 INTERNAL COMMUNICATIONS IN ACTION

The attention given to internal communications is in line with the overall human resources approach at all levels of the organization. As such, the Internal Communications team plays a proactive role by consulting on each major project to ensure employees are adequately informed and are given a comprehensive view of Héma-Québec's operations.

This year, the Internal Communications team was called upon more than ever to respond to the influenza A (H1N1) pandemic. In collaboration with External Communications, the team activated a communications plan. Twenty-seven *Express d'Héma* information pamphlets were issued on the pandemic alone.

Throughout 2009–2010, the Internal Communications team issued a total of 80 *Express d'Héma* pamphlets and published three issues of the *Les Mots d'Héma* internal newsletter.

2.1.3 EMPLOYEE SERVICE RECOGNITION ACTIVITIES

In March 2010, employee service recognition ceremonies were again held in Montréal and Québec City to resounding success. This year, 234 employees were celebrated for their years of service.

SERVICE RECOGNITION ACTIVITIES			
YEARS OF SERVICE	QUÉBEC CITY	MONTRÉAL	TOTAL
5 years	15	62	77
10 years	44	64	108
15 years	2	17	19
20 years	2	4	6
25 years	2	10	12
30 years	3	5	8
35 years	0	4	4
TOTAL	68	166	234

COMMENT ON QUALITY

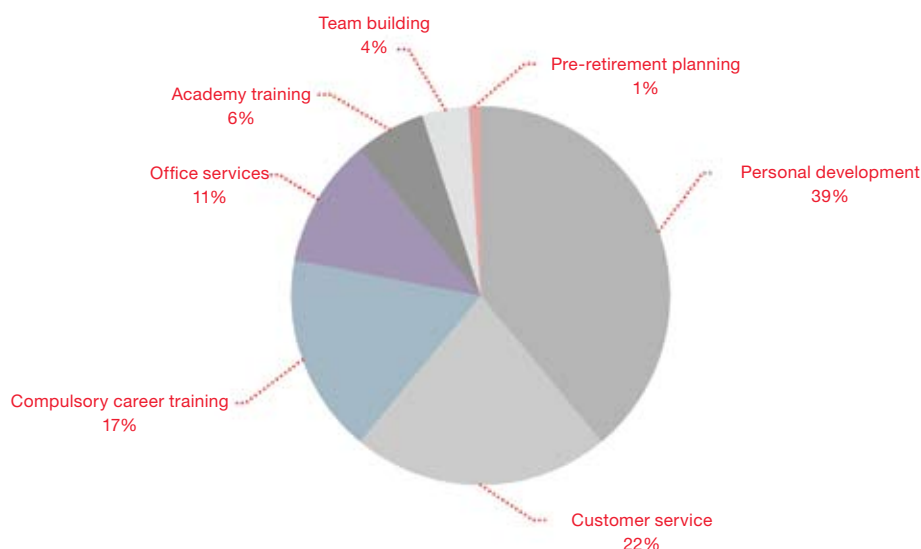
The value placed on employees and their partners, especially blood drive volunteers, is evident. In order to mobilize them and to gain their commitment in the pursuit of its mission, the organization has made it a goal to listen to them, providing them with skills development programs and encouraging their growth through various approaches, many of which are targeted to their well-being.

2.2 TRAINING STAFF MEMBERS

2.2.1 NON-REGULATORY TRAINING

As part of its comprehensive human resources strategy based on the principles of Commitment, Support and Recognition, Héma-Québec promotes employee access to training throughout the various operating sectors. The aim is to promote personal development by providing staff with opportunities to gain the skills required to effectively grow within the organization.

PERCENTAGE BREAKDOWN OF THE NUMBER OF NON-REGULATORY TRAINING ACTIVITIES BY TYPE



In 2009–2010, some 4,210 hours of non-regulatory training were provided, reflecting the relevance of this initiative and the level of employee appreciation. The overall rate of satisfaction for all training activities was 94%.

2.2.1.1 CUSTOMER SERVICE TRAINING FOR BLOOD DRIVE STAFF

A major customer service training program for blood drive staff was completed this year. A total of 393 employees received training designed to help them better serve donors by adopting an approach based on respect and collaboration. Fourteen other individuals, who are part of the teams that work on blood drive preparation, received training on telephone communications.

COMMENT ON QUALITY

Héma-Québec has implemented a customer service training program for all blood drive staff and volunteers. Moreover, the organization offers a program that enables supervisors to mentor mobile drive volunteers, in groups of 20 volunteers per supervisor. This practice, which is made available to all volunteers, demonstrates the organization's proper integration of ongoing concerns.

COMMENT ON QUALITY

The organization has developed several ways of improving its staff's well-being, including a work-life balance policy, employee assistance program, pre-retirement planning, an anti-harassment policy and a workplace health and safety policy, as well as programs to recognize employee service and outstanding achievements and initiatives. Some of these practices are quite innovative, and they are applied throughout the entire organization.

2.3 FOSTERING A PRODUCTIVE, WELL-BALANCED WORK ENVIRONMENT

2.3.1 UPDATING THE HAZARDOUS PRODUCTS MANAGEMENT SYSTEM

A full inventory of products was done in fall 2009 to update our practices and ensure that they complied with the *Système d'information sur les matières dangereuses utilisées au travail* (SIMDUT). Some 1,000 products currently in use were indexed. Material safety data sheets for these products were then updated and incorporated into a database that all employees can access on the Web. This has made it possible to better control the storage and handling of these hazardous materials. Under this initiative, a review was done of procedures and policies related to the purchasing, use and disposal of hazardous products.

2.3.2 RAISING AWARENESS ABOUT SAFEGUARDING PERSONAL INFORMATION

Under the impetus of the Information Security Committee and in collaboration with the Human Resources team, a campaign was launched to raise awareness among staff about the importance of safeguarding their personal information and confidential documents. Posters and other communication tools were used to remind staff in particular of the importance of using secure passwords and coded USB keys in the management of confidential information.





2.3.3 OPTIMIZING HUMAN RESOURCES BUSINESS PROCESSES

After initiating a review of business processes and regulations last year, Human Resources completed the work this year. In collaboration with Information Technology, these processes and regulations were then optimized and incorporated into a computer program as part of the Optimum project. Human resources data for each business sector of the organization can now be consulted for specific statistics on absenteeism, hours worked and other relevant data.

2.3.4 WORK-LIFE BALANCE MEASURES

An increase in the popularity of managing working hours was noted in 2009–2010. The number of employees who took advantage of this option rose from 120 in 2008–2009 to 151 in 2009–2010, an increase of 25%.

In December 2009, in an effort to encourage a better balance between work and home life, the Management Committee mandated the Work-Life Balance Advisory Committee (WLBAC) to conduct a feasibility study of a work time reduction project.

This resulted in the introduction of a program of institutional discounts and refunds of 50% of the cost of an annual membership in a physical fitness program (up to a maximum of \$100 per employee).

2.3.5 DIVERSITY AND EQUAL ACCESS TO EMPLOYMENT

During the past year, Héma-Québec initiated activities aimed at raising awareness and informing its supervisory staff about the organization's equal access to employment program and policies relating to multiculturalism.

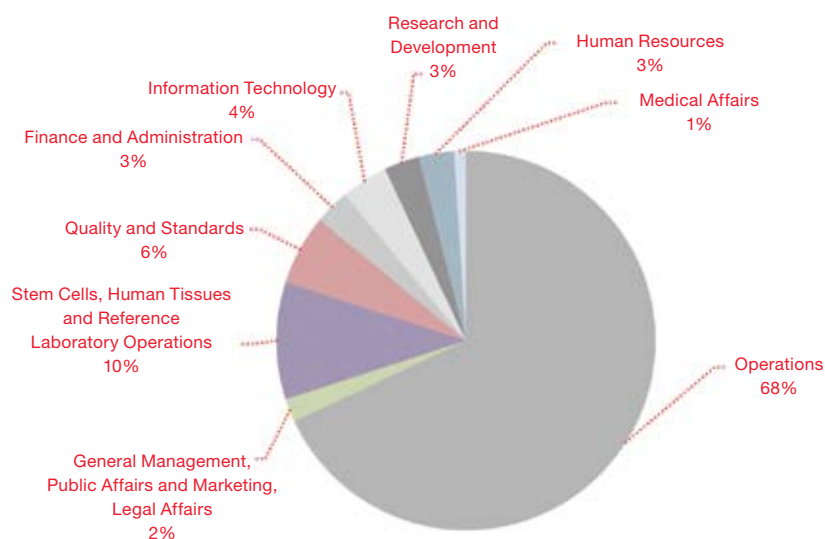
To attract more members from the groups concerned and improve the rate of compliance with the program and policy, 47% of vacant positions were advertised through targeted recruitment sources, as well as in the media ordinarily used.

2.3.6 DEVELOPING A SENSE OF BELONGING AND TEAM SPIRIT

Following the initiative of one employee, a first hockey game played between two teams made up of employees from Montréal and Québec City, respectively, was held in Trois-Rivières on January 30. The interest generated by this intracompany sports activity was shared by management, which enthusiastically agreed to supply jerseys to both teams. This highly successful sports and social gathering helped strengthen ties between the various staff members. A second game is planned for the fall in what promises to become a new tradition.

During the year, the various operational sectors also invited their staff to team-building exercises aimed at encouraging synergy, communication and team spirit.

BREAKDOWN OF EMPLOYEES BY DIVISION



Note: As at March 31, 2010, Héma-Québec had a total of 1,339 employees.

THIRD GOAL
**DEVELOPING AND MAINTAINING OUR
CREDIBILITY, AS WELL AS THE TRUST AND
SATISFACTION OF OUR CLIENTS AND PARTNERS**



Héma-Québec evaluates the eligibility to donate of every person who comes to a blood drive or GLOBULE Blood Donor Centre. In this photo, nurse Sylvain Morin registers donor Isabelle Lajoie.



3.1 MAINTAINING THE TRUST AND SATISFACTION OF HOSPITAL CLIENTS

3.1.1 USER COMMITTEES

User committees meet every three months to encourage constructive discussions between Héma-Québec staff and staff from hospitals that use our products and services. These highly valued meetings provide users with the opportunity to update skills related to new products and techniques. The meetings are intended primarily for blood bank and hospital laboratory staff.

The user committees are indispensable avenues for sharing new knowledge and updating previously acquired skills at targeted training sessions. Héma-Québec is currently developing online training modules to make this task simpler and more efficient.

3.1.2 HOSPITAL SATISFACTION SURVEY

Three years ago, Héma-Québec conducted a major survey to gauge satisfaction rates among our front-line clients, the hospitals. As a result of this consultation, a good number of observations were made regarding some less satisfactory aspects of the services offered.

Following implementation of a series of corrective measures over the last two years, the Reference and Stem Cell Laboratory conducted a more narrowly focused survey, limited to problems raised in the first study. The results were excellent, with hospitals on the whole strongly approving the changes made.

Similar surveys were also conducted specifically by the Stable Products and Human Tissues sectors.

In the case of Stable Products, the survey topic was “Stable Products and Communications.” The results were very positive. Regular meetings between Héma-Québec staff and users were cited as a major factor in maintaining satisfaction.

In the case of Human Tissues, individual interviews were conducted with some 30 front-line hospital users. The rate of response was excellent, and the findings will be unveiled in May 2010.

3.1.3 OPEN HOUSE FOR NEW TRANSFUSION SAFETY TECHNICIANS

During the user meetings in May, the Hospital Relations Department invited blood bank staff to visit the Québec City and Montréal facilities. More than 60 laboratory technicians from various blood banks took advantage of the opportunity to learn about the work done in our laboratories and the various stages of the processing process. Some technicians came from as far away as Sherbrooke and the Lower St. Lawrence region and all were very appreciative of the visit.

3.1.4 TRAINING SUPPORTED BY THE HÉMA-QUÉBEC FOUNDATION

Thanks to the support of the Héma-Québec Foundation, which covered travel and accommodation expenses for those arriving from outside the region, 36 laboratory technicians were able to come to Québec City for basic training in erythrocytic serology or to refresh previously acquired skills.



3.2 MAINTAINING THE TRUST AND SATISFACTION OF DONORS

3.2.1 REVISION OF THE DONOR SELECTION CRITERIA MANUAL (DSCM) AND BLOOD DONOR FILE

In an effort to simplify its staff's work, Héma-Québec completely redesigned its donor selection criteria manual (DSCM). This indispensable tool is used to verify the eligibility of each blood or blood component donor.

After numerous consultations, 400 changes were made to the DSCM, including 339 minor ones. Ten criteria were eased while six were tightened. The information in the new DSCM is presented in a more compact and practical format and has been completely reorganized to make finding information faster and easier.

In use since the end of March 2010, the new DSCM makes it easier to apply the criteria and increases staff efficiency while reducing deferrals and non-compliance related to poorly applied criteria. Users of the manual were provided with training in order to help familiarize themselves with this new tool.

Along the same lines, the blood donor file was also completely revised. Numerous changes were made to the questionnaire to make it faster and easier for staff to fill out.

Each year, close to 300,000 people make a blood donation in Québec. Each time, they are required to answer a detailed questionnaire to determine their eligibility to give blood.

3.2.2 REDESIGN OF THE BLOOD DONOR INFORMATION BROCHURE

Entitled What You Should Know, this brochure plays an essential role in providing future donors with all the information they need about blood donation. The graphics and content of the pamphlet were revised to improve clarity and make it a more effective communications tool.

3.2.3 DONORS APPRECIATIVE OF DOUBLE RED CELL COLLECTION

Following implementation of double red cell collection in the various GLOBULE Blood Donor Centres, a survey was conducted to assess user satisfaction. Donors welcomed the new collection method, which doubles the donation made in a single visit.

3.2.4 TESTING OF HEMOGLOBIN LEVELS EXTENDED TO STUDENT BLOOD DRIVES

Introduced last year for blood drives with an objective of 200 donors and more, triage by hemoglobin level testing is now done during blood drives of 125+ donors at CÉGEPs and universities. The test is administered immediately after registration and applies specifically to women. This measure speeds up the wait time needed to qualify female donors.

3.2.5 IMPROVEMENT TO SNACKS SERVED AT BLOOD DRIVES

Light snacks are served to donors in the GLOBULE centres and at mobile blood drives to encourage proper recuperation after donating blood. The menu of these snacks has been completely revised to offer healthier foods. Environmental concerns were also taken into consideration and steps have been taken to reduce the waste generated by this activity.



3.3 MAINTAINING THE TRUST AND SATISFACTION OF VOLUNTEERS

3.3.1 REGIONAL PUBLIC MEETINGS

Each year, Héma-Québec's Board of Directors organizes an annual tour of Regional Public Meetings. Senior management is firmly involved in these meetings, in which information exchange sessions are planned with local blood drive organizing committees and volunteers.

Thanks to the work of Operations, as well as of Public Affairs and Marketing, 1,485 individuals took part in one of the 10 meetings held in every region of Québec.

Each year, the organizing committees and their teams of volunteers hold numerous blood drives and thus contribute to maintaining Québec's blood supply at a healthy level. These meetings are an opportunity to highlight the invaluable contribution of volunteers and, in particular, to provide a forum for people concerned about the state of the blood supply. At these meetings, members of various committees, as well as Héma-Québec staff, share information about the events of the past year and discuss upcoming projects.

This year's Regional Public Meetings also provided an opportunity to thank all the volunteers and organizing committees. As part of the volunteer recognition program, many dedicated partners in each of the regions were honoured for their continued support of blood donation.

3.3.2 RECOGNITION EVENING FOR BLOOD DRIVE VOLUNTEERS AND ORGANIZERS

In addition to recognition activities held during the Regional Public Meetings, several recognition evenings, specifically intended for blood drive volunteers and organizers, were held in Montréal and Québec City during Volunteer Action Week. At two such evening events, 538 volunteers were honoured for their contribution.

3.4 MAINTAINING THE TRUST AND SATISFACTION OF THE REFERENCE AND STEM CELL LABORATORY

3.4.1 SURVEY OF HOSPITALS' SATISFACTION

In response to the needs and expectations expressed by its hospital clients, the Reference and Stem Cell Laboratory (RSCL) made a commitment in 2008 to reduce response times and to improve access to its services. Several corrective measures have since been applied to methods and procedures to improve lab test response times.

RESULTS OF THE SEPTEMBER 2009 SURVEY ON CUSTOMER SERVICE	
SERVICES	IMPROVEMENT IN RESPONSE TIME
ERYTHROCYTIC IMMUNOLOGY—MONTRÉAL	72%
ERYTHROCYTIC IMMUNOLOGY—QUÉBEC CITY	57%
HLA IMMUNOLOGY	44%
PLATELET IMMUNOLOGY	40%

Following these improvements, the RSCL conducted a survey of hospital users to gauge their level of satisfaction with the changes made. The findings of this consultation, held in September 2009, were excellent. The proactive customer service strategy resulted in an up to 72% improvement in response times, a performance that was much appreciated by survey respondents.

3.4.2 GRANTING OF ISO 15189 ACCREDITATION

On January 25, 2010, the Reference and Stem Cell Laboratory (RSCL) was granted ISO 15189 accreditation, also designated as Medical biology testing laboratories—Particular requirements for quality and competence. After a lengthy process that began with the filing of the request for accreditation in November 2008, followed by the prescribed inspection and related corrective actions, the RSCL became one of the few Québec laboratories to hold this accreditation.

The RSCL is currently in the process of completing the necessary steps to obtain ASHI (American Society for Histocompatibility and Immunogenetics) certification in 2010.

COMMENT ON QUALITY

Overall, we believe that Héma-Québec can rely on the dynamism of its staff to pursue its quality approach, improve its results and compare itself favourably to world-class organizations.

3.5

MAINTAINING THE ORGANIZATION'S CREDIBILITY

3.5.1 HÉMA-QUÉBEC RECEIVES A “GRANDE MENTION” AT THE GRANDS PRIX QUÉBÉCOIS DE LA QUALITÉ

Following a process that required major efforts on the part of all its operational sectors, Héma-Québec received a “Grande Mention” at the Grands Prix québécois de la qualité gala, which was held on November 12, 2009. Only three Québec companies were awarded this prestigious honour at this year’s event, confirming the outstanding quality of our organization and of its practices.

Shepherded by the External Communications team, which is part of Public Affairs and Marketing, this complex process began with a submission that included specific answers to 77 questions on all aspects of development within the organization.

Following the submission of its candidacy, Héma-Québec was selected for a visit by the members of the jury of the Grands Prix québécois de la qualité. This visit was the equivalent of an audit of the entire organization and required a great deal of preparation on the part of all the sectors involved. During the visit, which took place in July 2009, staff responded admirably to the jury’s information requirements and requests.

After reviewing the information on the basis of specific criteria, the jury of the Grands Prix québécois de la qualité returned with its decision, which was revealed at the awards ceremony attended by Clément Gignac, Minister of Economic Development, Innovation and Export Trade. During the ceremony at the Palais des congrès de Montréal, Héma-Québec’s President and CEO, Dr. Francine Décary, gladly accepted the 2009 certificate of “Grande Mention” from the minister.

“Grande Mention” is the second highest award presented at this annual event. It is rare for an organization to be so honoured the first year it submits an entry for consideration by the Grands Prix québécois de la qualité. This honour is a tribute to all Héma-Québec staff and volunteers and a confirmation of the quality of the services provided by our organization.



3.5.2 CONTRIBUTION OF THE EXTERNAL COMMUNICATIONS TEAM

3.5.2.1 ELECTRONIC COMMUNICATIONS GAINING GROUND

Emails are becoming increasingly important and Héma-Québec must take this into consideration in its communications. Over the years, email requests for information have steadily grown.

In 2009–2010, the External Communications team personally followed up on more than 100 emails per month, for a total of 1,431 items of correspondence. Each request for information receives a personal reply as soon as possible. The External Communications team is in the process of developing a procedure to ensure systematic follow-up of all requests within 24 hours on weekdays.

This form of communication is used by many donors, partners and volunteers and supports the organization's various operations, especially Supply Planning. Most of the email requests that were handled in 2009–2010 came from donors inquiring about their eligibility for donating blood or wanting to make a change to their donor file (41%).

3.5.2.2 COMMUNITY COMMUNICATIONS

The External Communications team has also worked to ensure ongoing communications with media partners, donors and recipients.

A FEW 2009–2010 STATISTICS

140 media interviews given

32 corporate press releases issued

On average, 16,000 hits a month on Héma-Québec's website

3.5.2.3 TOURS OF THE MONTRÉAL AND QUÉBEC CITY FACILITIES

The External Communications team welcomed 470 visitors from 58 delegations on tours of the facilities in Montréal and Québec City. For most visitors, this was their first introduction to the blood product processing and qualification work done within the walls of Héma-Québec.

3.5.3 ADOPTION OF A BILL CREATING A NO-FAULT COMPENSATION PLAN

Following its tabling in 2007, the bill creating a no-fault compensation plan for individuals who might be harmed by blood transfusions, grafts of human tissues or stem cells distributed by Héma-Québec was adopted by the Government of Québec in November 2009. The entry into force of this legislation marked a major change for Héma-Québec and Québec society as a whole. Under the plan proposed by the Québec government, eligible individuals will be compensated without having to go through the judicial process. Access to compensation will be universal, easy and accelerated. Québec is the first Canadian province to adopt such a plan, whose main objective is to ensure fair compensation for all.

This measure will also result in substantial savings in terms of insurance premiums. In fact, Héma-Québec has paid several tens of millions of dollars to insurers since it was founded in 1998, although it has not faced a claim related to a defective blood product to date.

The procedures for applying for compensation under the plan will be outlined in draft regulations in the coming months.

COMMENT ON QUALITY

Héma-Québec demonstrates concern for the environment. It has a Green Committee in place whose objective is to propose and coordinate projects aimed at reducing the organization's environmental footprint.

3.5.4 EFFECTIVENESS OF COMPUTER BACKUP SYSTEMS

Following a power failure that affected the PROGESA data management computer system at the Montréal facilities, the Information Technology team transferred operations to the backup server located in Québec City, in accordance with the contingency plan. During the period between the power failure and backup on the alternate server, the affected departments manually compiled non-recorded data. In less than 12 hours, all the work lost was recovered without compromising the integrity of the data, demonstrating the efficiency of our contingency plans, which regularly undergo simulation testing.

3.5.5 COMPLIANCE WITH THE ACCESS TO INFORMATION ACT

Héma-Québec has taken several steps to implement the new provisions of the *Access to Information Act* that took effect in 2009. Among these measures is the listing on its Web site of all contracts awarded by the organization that are worth over \$25,000. The inventory of files containing personal information and Héma-Québec's purchasing policies are also part of the information now available on the site.

3.6 SUSTAINABLE DEVELOPMENT—A DAILY OBJECTIVE

With the entry into force of Québec's Government Sustainable Development Strategy 2008–2013, Héma-Québec implemented its own strategic plan to comply with the legal requirements to pursue these objectives, which affect society as a whole. This plan focuses on five major directions that will help achieve the six objectives that are vital and relevant to the organization's very nature.

These directions, objectives and actions aimed at improving Héma-Québec's record on sustainable development are summarized below.

GOVERNMENT OBJECTIVE No. 1

Make people better aware of the concept and principles of sustainable development. Promote the sharing of knowledge and experience in this area and the integration of knowledge and know-how facilitating its implementation.

Two major actions were taken to achieve this objective:

- The development of a communications plan aimed at disseminating the contents of Héma-Québec's 2009–2013 sustainable development action plan to all the organization's employees and retired staff. This plan included an internal communications campaign and awareness-building and information activities organized by the Green Committee. This action achieved its goal of reaching 80% of staff.
- The implementation of specific training plans to help integrate the concept of sustainable development within daily activities. This included the presentation of the sustainable development action plan to members of the Management Forum and the participation of several Héma-Québec managers in various training initiatives offered by the Ministère du Développement durable, de l'Environnement et des Parcs. This action achieved its goal of reaching 90% of targeted staff.

GOVERNMENT GOAL No. 4

Continue developing and promoting a culture of prevention and define conditions that are beneficial for health, safety and the environment.

Given the unique situation of the influenza A (H1N1) pandemic this year, Héma-Québec concentrated its prevention activities on this major health issue, as well as held regular Health and Safety Department meetings. A crisis unit was formed to respond to employee questions about influenza A (H1N1) and to oversee the vaccination of 883 individuals, which represented more than half of Héma-Québec's staff. All staff members at risk were also vaccinated against hepatitis. A poster campaign was also launched to raise awareness about the importance of hand washing and the prevention of viral and bacterial infections.

On the health and safety front, a computerized database of all chemical products was created. (Refer to section 2.3.1 of this report.)

GOVERNMENT OBJECTIVE No. 6

Apply environmental management measures and an eco-responsible procurement policy within government departments and agencies.

ACTION 6.1

Identify potential markets in which sustainable development criteria can be applied and use these criteria in calls for tenders and in the marketplace.

Several actions were taken to better incorporate sustainable development criteria in all Héma-Québec activities. Sustainable development clauses were added to all calls for tenders and contracts issued by the various departments. LEED-CI* elements were also included in estimates related to the master development plan. Finally, sustainable development clauses are now mandatory in contracts dealing specifically with recycling and the environment.

* The Canada Green Building Council's rating system for interior renovations to commercial spaces.

GOVERNMENT OBJECTIVE No. 7

Promote reduction in the amount of energy, natural resources and materials used to produce and market goods and services.

Two actions were taken to meet this objective:

- A market review was performed to explore various options for upgrading an energy consumption monitoring tool to provide results on a monthly basis.
- In keeping with the objective of reducing energy consumption in relation to the reference year, an energy audit was conducted to provide an overall picture of the organization's energy consumption. Increased use of compact fluorescent bulbs, incorporation of LEED-CI concepts in newly built areas, and the replacement of the vehicle fleet with more energy-efficient models are some of the initiatives taken to reduce energy consumption.

GOVERNMENT OBJECTIVE No. 14

Focus on family life and facilitate balance between work, study and personal life.

Various measures have been implemented to give a greater number of employees access to measures that facilitate the reconciliation of work and personal life. The popularity of these measures increased 25% this year. (To learn more, refer to section 2.3.4 of this report.)

GOVERNMENT GOAL No. 24


Increase citizens' involvement in their communities.

To meet this objective, among other things Héma-Québec increased its blood donor promotion activities within the educational community with the distribution of the BLOOD RED! kit in schools and an awareness campaign targeted at CÉGEP and university students in conjunction with the Association of Blood Donation Volunteers. In all, 16,533 donors took part in 118 blood drive days at elementary schools and high schools, while 25,211 donors did the same during blood drives at CÉGEPs and universities.

Maintaining the number of active volunteers at blood drives and in all of Héma-Québec's activities is also a priority. The goal is to keep this number at around 16,000. The total number of permanent volunteers rose by 2,037 this year.

FOURTH GOAL

THE NEED TO UPDATE OUR SYSTEMS AND TECHNOLOGIES



On average, the human body contains some five litres of blood. When you give blood, around 450 mL are collected. Here laboratory technical assistant, Benedicta Gaba, ensures that the blood bag is the correct weight.

4.1.1 MAJOR PROGRESS IN THE IMPLEMENTATION OF THE COMPUTERIZED QUALITY MANAGEMENT SYSTEM

Following the completion of the first phase last year, there has been major progress in the project to develop a computerized quality management system. Following ongoing efforts, a solicitation of interest was issued to pre-qualify potential suppliers. Implementation of this system will involve the operations of the five departments in Quality Standards: Compliance and Licensing—Blood Products, Compliance and Licensing—Human Tissues, Stem Cells and the Reference Laboratory, Quality Assurance, Audit and Regulatory Training.

4.2.1 ANOTHER STEP TOWARD COMPUTERIZATION OF LABORATORY INFORMATION SYSTEMS AT MEDICAL AFFAIRS

The goal of the SILAM (*Système d'information des laboratoires aux affaires médicales* [Medical Affairs Laboratories' Information System]) project is to provide Héma-Québec with a computerized system to more efficiently manage all the operations of its Reference and Stem Cell Laboratory, which now falls under the new Stem Cells, Human Tissues and Reference Laboratory Operations sector. Still in the development stage, several crucial stages in this project were completed this year, including the design and selection of suppliers phases. Implementation is planned for the end of 2010.

COMMENT ON QUALITY

The main computer servers are located in rooms with limited access, which also reduces potential damage from fire. Moreover, Héma-Québec archives data off-site. This approach has been properly deployed and has benefited from the improvements incorporated over the years.



A unique bar code is applied to each bag and optically scanned into the system. Every donation can be identified and traced at all times. Laboratory technician Omar Eli Rojas Limon is shown here busily at work.

FIFTH GOAL
THE ONGOING PURSUIT OF GREATER EFFICIENCY





5.1

ENSURE THAT THE PRICES OF PRODUCTS AND SERVICES REMAIN COMPETITIVE

5.1.1 THE MASTER DEVELOPMENT PLAN IS NEARING COMPLETION

Developed in response to the growing need for space in several vital areas of the organization, the master development plan entered the completion stage this year. Designed by Operations' Project and Technical Services team, this comprehensive plan is aimed at making optimal use of existing space in the Montréal and Québec City facilities.

Since work began in May 2009 at the Montréal facility, several steps have been completed. The Reference and Stem Cell Laboratory will now be housed within a much larger area with its move to new premises on the second floor. In addition, as part of this major project, the area formerly occupied by the Côte-Vertu GLOBULE Blood Donor Centre will be fully transformed into office space. Completion of the master development plan will finally end the use of temporary offices by the Regulatory Training team and the Stem Cell Donor Registry team.

Completion of the master development plan will bring about gains in efficiency throughout the entire organization.

5.1.2 IMPROVED ACCESS TO PRODUCT DELIVERY DATA

With implementation of dedicated indicators in the SAS-SPM accounting data system, the Management Committee now has access to specific data on the volume of deliveries for each of Héma-Québec's product lines. During Management Committee meetings held every two weeks, decision makers can consult this crucial information in real time and quickly identify potential problems.

COMMENT ON QUALITY

According to the data provided, since 1998 Héma-Québec has maintained a balance budget and even recorded a favourable surplus, thus exceeding objectives and indicating positive trends toward improvement that result from its striving for greater efficiency.

SIXTH GOAL **THE SUSTAINABILITY AND TRANSFER OF THE** **ORGANIZATION'S KNOWLEDGE AND EXPERTISE**



A pilot training project was initiated in November 2009 with the objective of encouraging the transfer of knowledge from Héma-Québec's transfusion medicine experts to other staff members less well versed in the area. Shown here is Dr. Marc Germain, Vice-President, Medical Affairs, with his assistant, Manon Savard.



6.1 DEVELOPING THE NEXT GENERATION

6.1.1 COACHING UNIVERSITY STUDENTS

Héma-Québec plays an active role in educating master's and doctoral students, as well as training hematology residents.

TRAINING OF STUDENTS AND INTERNS		
CATEGORY OF STUDENT/INTERN	TOTAL	SCHOLARSHIP STUDENTS
MASTER'S (M.SC.)	6	4
DOCTORAL (PH.D.)	5	3
POSTDOCTORAL INTERNS	3	3
OTHER INTERNS	14	8

6.2 CREATION OF AN INTERNAL SUCCESSION PLAN

6.2.1 PILOT TRAINING PROJECT IN TRANSFUSION MEDICINE

A pilot training project was initiated in November 2009 with the objective of encouraging the transfer of knowledge from Héma-Québec's transfusion medicine experts to other staff members who are less well versed in this area. Twenty-one employees are currently taking part in this development activity, which consists of seven 2-hour sessions.

6.2.2 CO-DEVELOPMENT WORKSHOPS

Held in fall 2009, the 3rd forum of department heads and supervisors has led to the implementation of one of the activities provided in the 2007–2010 Management Training and Development Plan, i.e., the creation of co-development groups. The co-development process and the tools needed to practice it were presented to all first-level managers. The objectives of this process are to:

- Make group coaching better known and more frequently practised;
- Enable managers to incorporate all the tools provided during the Management Training and Development sessions into their professional practice;
- Foster the sharing of knowledge of the most experienced managers.

COMMENT ON QUALITY

The evaluation team has noted a good ability to pool learning and capitalize on it to move forward.

SEVENTH GOAL **THE NEED TO PURSUE INNOVATIVE INITIATIVES**



Héma-Québec recognizes the importance of research and development activities in developing new products, methods and technologies to meet the needs of the blood system. Shown here is research assistant Annie Roy.

7.1.1 USE OF ORAL SWABS TO EXTRACT DNA

In order to do the genotyping required to determine the potential compatibility of stem cells with a given recipient, the Reference and Stem Cell Laboratory must obtain DNA samples from potential donors. DNA is currently extracted from blood samples, but from now on will be able to be collected using oral swabs.

Much simpler and more convenient for the donor, this new technique consists in collecting oral cells by swabbing the inside of the mouth with a sterile cotton tip. This quick and inexpensive procedure has been proven effective and is already being used by several international stem cell registries. Not only do donors benefit, but the use of oral swabs also reduces the wait time in matching a recipient. Implementation is planned for 2010.

7.1.2 NEW STEM CELL VOLUME REDUCTION PROCESS

Currently under study, the use of a new stem cell processing process will significantly reduce the amount of space needed for their storage. Cord blood cells are currently stored in special cartridges inside liquid nitrogen-refrigerated steel vessels. The new stem cell volume reduction method would mean that these cells could be stored in much smaller containers, thus freeing up space in the storage vessels. With the continued growth of the Stem Cell Donor Registry, this technological advance will make optimum use of existing storage space and avoid the purchase of additional vessels. The supplier has already been chosen and Héma-Québec plans to start using this new technology in fall 2010.

7.1.3 HÉMA-QUÉBEC GRANTS A PRODUCTION LICENCE TO A FRENCH COMPANY

For several years now, Héma-Québec has been supplying an antibody to identify red blood cells to a French company specializing in this field. While the antibody was previously manufactured in Québec for delivery to France, an agreement was reached this year to allow the client to manufacture the product under licence in its own facilities. More and more, Héma-Québec is successfully transferring its expertise to other national and international organizations.

7.2.1 IMPROVEMENTS TO BIOPRODUCTION PROCESSES

The Bioproduction Group has been very busy this year. The group continued its support activities and its collaboration with the Reference and Stem Cell Laboratory, especially in the preparation of genotyping strips and post-screening tests to confirm the presence of the West Nile virus in blood donations. It also re-evaluated all the activities and services it provides to internal and external clients in an effort to improve internal processes and efficiency. Following this internal review, the group decided to terminate certain contracts with external clients. This realignment is part of a consolidation of Bioproduction's primary mission, which is first and foremost to meet the organization's internal needs.



7.2.2 TWO PROCESSES PATENTED BY THE RESEARCH AND DEVELOPMENT TEAM

In a reflection of the relevance and quality of the projects undertaken by the Research and Development team, two patents were obtained this year. In August, a Canadian patent was awarded to Héma-Québec for a new cord blood cell expansion process. This invention is of clinical interest in stem cell transplantation and improves the *in vitro* expansion of hematopoietic stem cells, as well as the *in vitro* differentiation of blood platelet-producing cells using stem cells.

In September, a European patent was obtained for an immunoglobulin fractionation process. This patent describes a method of purifying immunoglobulins capable of forming immune complexes with human serum proteins using commercial preparations of therapeutic immunoglobulins.

7.2.3 EXTERNAL ASSESSMENT OF RESEARCH AND DEVELOPMENT METHODS AND PRACTICES

Three scientists specializing in research and development visited Héma-Québec's facilities to assess the relevancy and stringency of its current practices in this area. While this was not an audit *per se*, the assessment was very constructive. The experts expressed satisfaction following their visit.

7.2.4 VISIBILITY OF RESEARCH PROGRAMS

7.2.4.1 A MAJOR GRANT OBTAINED FROM TALECRIS

Renée Bazin, Director of Cellular Engineering in the Research and Development sector, was awarded a research grant under the Talecris New Trials Support (Talents) Program established by Talecris Biotherapeutics. Worth US\$182,158 over two years, this grant will finance a project entitled "Preclinical investigation of intravenous immunoglobulin therapy in the triple transgenic mouse model of Alzheimer's disease." The objective of this research project is to assess the safety, immunomodulator effects, effectiveness and mechanisms of the action of therapeutic human immunoglobulins in a mouse model of Alzheimer's disease. Dr. Bazin will act as this project's lead investigator, in collaboration with an associate professor in the Faculty of Pharmacy at Université Laval.

7.2.4.2 NATIONAL BLOOD FOUNDATION SUPPORT FOR OUR CELLULAR ENGINEERING RESEARCH

Nicolas Pineault, a cellular engineering scientist in the Research and Development sector was awarded a US\$72,765 research grant over two years by the National Blood Foundation, which is associated with the AABB. The objective of the funded project, entitled "A cellular-based therapy to prevent or reduce thrombocytopenia," is to develop methods to culture hematopoietic stem cells intended to foster the proliferation and differentiation of megacaryocytic precursors for eventual therapeutic use in thrombocytopenic patients.

OUTPUT OF RESEARCH AND DEVELOPMENT WORK				
PROGRAM	PUBLISHED ARTICLES AND CHAPTERS OF MONOGRAPHS	PATENTS GRANTED	PRESENTATIONS AND CONFERENCES ON INVITATION	GRADUATING STUDENTS
CELLULAR ENGINEERING				
IMMUNOGLOBULINS	9	1	13	1 (M. Sc.)
PLATELETS	2	1	5	–
TOTAL	11	2	18	1
OPERATIONAL RESEARCH				
OPERATIONAL TESTING GROUP	1	–	5	–
SCREENING GROUP	1	–	6	–
TOTAL	2		11	

7.2.5 OPERATIONAL RESEARCH

7.2.5.1 EVALUATION OF NEW PROCESSING SYSTEMS

Prior to implementing double red cell and multiple product technology in the GLOBULE Centres, major efforts were made to evaluate the devices that would be used for these new procedures. The Operational Testing Group (OTG) team was asked to evaluate the equipment.

7.2.5.2 EVALUATION OF COLLECTION DEVICES

Héma-Québec began the evaluation of collection devices by issuing a call for proposals to suppliers. The devices that were selected as part of the call for tenders were then evaluated by the Operational Testing Group (OTG) team and a users' operational committee to determine the best available option. The OTG played a major role in this project by carrying out a stringent evaluation of the various proposed systems.

7.2.6 SCREENING GROUP

7.2.6.1 ADVANCES IN MASS GENOTYPING

In collaboration with the Reference and Stem Cell Laboratory, the decision was made to increase the number of registered frequent donors on the Genotyped Donor Registry from 21,000 to 28,000 in order to better meet the needs of our hospital clients. The genotyping of 7,000 additional frequent donors should be completed by the end of summer 2010. In addition, demand continues to grow for the blood typing expertise developed by the Reference and Stem Cell Laboratory, with hospital clients entrusting the testing of an ever-increasing number of complex cases of patients requiring transfusions.

The Genotyped Donor Registry is simplifying the search for compatible packed red blood cells, particularly for recipients who have developed antibodies against certain blood group antigens.

EIGHTH GOAL
**THE PURSUIT OF OPPORTUNITIES
FOR PARTNERSHIP DEVELOPMENT**

LES GRANDS PRIX QUÉBÉCOIS
*Grande
Mention*
2009
DE LA QUALITÉ





8.1 BROADENING HÉMA-QUÉBEC'S INFLUENCE

COMMENT ON QUALITY

Ongoing attention to the future ensures provincial leadership in the supply of blood products and a concomitant influence on the national and international level.

8.1.1 PARTNERSHIP AGREEMENT WITH THE SAFE BLOOD FOR AFRICA FOUNDATION

Since 1999, the Safe Blood for Africa Foundation (SBFA) has worked extensively on the African continent to help implement blood donor recruitment programs and to raise awareness in African countries of the importance of safe blood products. In 2005, Héma-Québec joined in SBFA's efforts by providing expertise in the field of volunteer blood donor recruitment and blood donation relationship marketing.

In June 2009, Héma-Québec and SBFA signed a formal agreement to promote blood product safety and to develop blood donor programs in the Francophone countries of Africa. Through this agreement, which recognizes our organization's expertise, Héma-Québec will act as a facilitator and offer short-term training in Africa to the extent of our ability.

The agreement signed with Safe Blood for Africa is based on our common objective to improve the African public's access to a safe and adequate supply of blood products, particularly in Francophone countries.

8.1.2 PARTICIPATION IN INTERNATIONAL FORUM: CLUB 25 AND HEALTH PROMOTION

Héma-Québec took part as a co-facilitator and co-leader at workshops that brought together representatives from more than 40 countries during the first International Forum: CLUB 25 and Health Promotion held in Nairobi, Kenya in June 2009. This forum, aimed at promoting blood donation and health among young people, was organized by the International Federation of Red Cross and Red Crescent Societies, in collaboration with the Africa Society for Blood Transfusion, in parallel with their Fifth International Conference.

8.1.3 HÉMA-QUÉBEC JOINS IN THE EFFORT TO HELP HAITI

Following the earthquake that devastated Port-au-Prince and neighbouring areas on January 12, 2010, Héma-Québec took part in various activities to help the people of Haiti. The organization was a partner in the benefit shows "L'union fait la force" and "Tous unis pour Haïti" organized by Montréal's Haitian community of Montréal, which raised \$93,000 and \$38,500 respectively for Québec-based humanitarian organizations working with earthquake victims in Haiti. Hyperlinks were also added to Héma-Québec's Web site so that concerned individuals could send a donation directly to various aid organizations.

Pamphlets were also produced and distributed at mobile blood clinics and in GLOBULE Blood Donor Centres to remind people of the importance of donating to Haitian relief and explaining how to make a donation to the Canadian Red Cross Society—Québec Division.

8.1.4 COLLABORATION IN IMPLEMENTING AN IDENTIFICATION STANDARD FOR STABLE PRODUCTS

To promote the safety and better management of stable product inventories internationally, Information Technology collaborated with a joint working group set up between ICCBBA (responsible for managing the ISBT 128 standard) and Global Standard One (GS1—the organization overseeing the use of bar codes internationally) to set up an identification standard for stable products. The new standard should be implemented in the near future.

8.1.5 NATIONAL ORGAN AND TISSUE DONATION WEEK

Héma-Québec once again partnered with Québec-Transplant to promote National Organ and Tissue Donation Week, which was held from April 19–26, 2010. This event is aimed at raising public awareness of the many Quebecers who require human organ and tissue donations in order to stay alive or remain healthy.

8.1.6 UNVEILING OF AN ARTWORK AT THE MONTRÉAL FACILITY

In a ceremony held on September 28, 2009, President and CEO Dr. Francine Décary unveiled a sculpture, entitled *Arayaks* (four), by internationally renowned artist Pierre Bourgault. The work of art is installed in the main entrance of Héma-Québec's Montréal facility. Attending the unveiling were the artist, members of the selection committee and Héma-Québec employees. A noontime lecture by the artist was also organized to give staff an opportunity to learn more about the concept and meaning behind the sculpture, which is now an integral part of their workplace.

The addition of this work of art falls within the Québec government's policy to integrate art into the architecture and environment of government and public buildings and sites, which encourages organizations to set aside part of such buildings or sites' construction or expansion budgets for the purchase of artwork specifically designed for them.



8.2.1 GRANDE MENTION FOR HÉMA-QUÉBEC AT THE GRANDS PRIX QUÉBÉCOIS DE LA QUALITÉ

At a gala evening held at the Palais des congrès de Montréal on November 12, 2009, Clément Gignac, Minister of Economic Development, Innovation and Export Trade, presented a plaque to President and CEO Dr. Francine Décary marking Héma-Québec's receiving a Grande Mention at the 2009 Grands Prix québécois de la qualité. (To learn more about this award, refer to section 3.5.1 of this report.)

8.2.2 DR. FRANCINE DÉCARY RECEIVED THE THOMAS F. ZUCK LIFETIME ACHIEVEMENT AWARD

In March 2010, President and CEO Dr. Francine Décary received an exceptional honour by receiving the prestigious Thomas F. Zuck Lifetime Achievement Award, presented by the North American organization America's Blood Centers (ABC).

8.2.3 DR. FRANCINE DÉCARY HONOURED BY THE CANADIAN HEMOPHILIA SOCIETY-QUÉBEC CHAPTER

In November 2009, President and CEO Dr. Francine Décary was awarded another prestigious honour by being named Grand Ambassador of the Canadian Hemophilia Society-Québec Chapter.

8.2.4 AN INFOPRESSE PRIX MÉDIA FOR HÉMA-QUÉBEC

Héma-Québec's advertising campaign "On a besoin de bras" [We need arms] garnered a 2009 *Infopresse* Prix Média in the Magazine category.

8.2.5 THREE AWARDS OF EXCELLENCE FOR THE INTERNAL COMMUNICATIONS TEAM

During the Canadian Public Relations Society Awards of Excellence gala, held in Vancouver in June 2009, Héma-Québec's Internal Communications team received national recognition with a Bronze in the Internal Communications category for the campaign entitled "L'éthique au quotidien!" in support of the launch of the staff ethics code.

The quality of the redesign of the internal newsletter *Les Mots d'Héma*, which included the creation of an editorial committee and the rework of graphic standards, also received recognition with a Gold award (2nd prize—1st prize is Platinum) in the Société québécoise des professionnels en relations publiques' Prix d'Excellence competition and a Silver from the Canadian Public Relations Society in the Print Projects category.

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INSTITUTIONAL AND SCIENTIFIC PRESENTATIONS

96TH ANNUAL MEETING OF THE AMERICAN ASSOCIATION OF IMMUNOLOGISTS (AAI), SEATTLE, UNITED STATES, MAY 8–12, 2009

Posters

Aubin É, Paquin Proulx D, Lemieux R, Bazin R. “IVIg decrease antigen-dependent T cell activation by reducing the Fc {gamma} R-dependent antigen presentation ability of APC”

Paquin Proulx D, Aubin É, Lemieux R, Bazin R. “Intravenous immunoglobulins (IVIg) inhibit B cell-mediated antigen presentation”

27TH ANNUAL MEETING OF THE CANADIAN BIOMEDICALS SOCIETY QUÉBEC CITY, CANADA, MAY 20–23, 2009

Poster

Çelebi B, Pineault N, Mantovani D. “The effect of different extracellular matrix proteins on megakaryocyte differentiation”

9TH ANNUAL SYMPOSIUM OF PROTEO, QUÉBEC CITY, CANADA, MAY 21, 2009

Posters

Aubin É, Paquin Proulx D, Trépanier P, Lemieux R, Bazin R. “L'efficacité des IVIg dans le traitement de l'auto-immunité: une question de compétition antigénique ?” [The effectiveness of IVIg in autoimmune treatment: A question of antigenic competition?]

Paquin Proulx D, Aubin É, Lemieux R, Bazin R. “Intravenous immunoglobulins (IVIg) inhibit B cell-mediated antigen presentation”

Toukara K, Boyer L, Pineault N. “Étude des effets de l'hyperthermie légère sur la prolifération et la différenciation des cellules érythroïdes à partir des cellules CD34+ issues de sang de cordon ombilical.” [Study on the effects of slight hyperthermia on the proliferation and differentiation of erythroid cells using CD34+ cells from umbilical cord blood]

Trépanier P, Aubin É, Bazin R. “Identification d'un lien direct entre l'internalisation des IVIg et l'inhibition de la présentation antigénique.” [Identifying a direct link between IVIg internalization and inhibition of antigen presentation]

CONGRÈS DE GYNÉCOLOGIE-PÉRINATALITÉ, MAGOG, CANADA, MAY 29, 2009

Guest speaker

Lebrun A. “Les cellules souches.” [Stem cells]

CONGRÈS DE L'ORDRE PROFESSIONNEL DES TECHNOLOGISTES MÉDICAUX DU QUÉBEC (OPTMQ), SAINT-HYACINTHE, CANADA, MAY 30, 2009

Oral presentation

Fortin C. “Les analyses réglementaires à Héma-Québec: Du prélèvement jusqu'à la mise en inventaire.” [Regulatory analysis at Héma-Québec: From donation to placing in inventory]

CANADIAN SOCIETY FOR TRANSFUSION MEDICINE CONFERENCE, OTTAWA, CANADA, JUNE 3–6, 2009

Guest speaker

St-Louis M. “Blood Group Genotyping in Pregnancy.” (replacing Greg Denomme)

St-Louis M. “Implementation of Blood Donor Genotyping in Québec, First Results.”

Posters

Jacques A, Thibault L, Rivard GE, Long A, Robillard P. “Low concentrations of bradykinin in platelet concentrates collected by apheresis.”

Proulx M, Cayer MP, Drouin M, Jung D. “Pax5 overexpression induces multiple myeloma cell death.”

Robert A, Boyer L, Pineault N. “Some platelet-like-particles produced in ex vivo cultures share morphological and functional properties with normal platelets.”

Thibault L, Jacques A, Ducas É, Beauséjour A, de Grandmont MJ, Bourgeois R, Rousseau MC. “Persistence of high levels of bradykinin in leukoreduced red cell concentrates during storage.”

Tremblay T, Lemieux R, Bazin R. “Monomeric IVIg are as efficient as dimmer-enriched IVIG for prevention of thrombocytopenia in mice.”

CANADIAN SOCIETY FOR TRANSFUSION MEDICINE (CSTM), OTTAWA, CANADA, JUNE 4–7, 2009

Oral presentation

Germain M. “Human Tissues for Transplantation: The Héma-Québec Experience.”

LUNCHTIME LECTURES, SACRÉ-CŒUR HOSPITAL, MONTRÉAL, CANADA, JUNE 17, 2009

Guest speaker

Lebrun A. “La transfusion sanguine: passé, présent, futur” [Blood transfusion in the past, present, and future]

2ND SYMPOSIUM OF CYTOMETRY, CANADIAN CYTOMETRY ASSOCIATION (CCA), MONTRÉAL, CANADA, JUNE 18–20, 2009

Posters

Boyer L, Toukara K, Pineault N. “Use of cytometry tools to detect the early effects of mild hyperthermia on the growth and differentiation kinetics of cord blood hematopoietic stem cells.”

Roy A, Dumont N, Tremblay-Rochette J, Neron S. “Flow cytometry: A quick tool to monitor the evolution of long-term cultured human B lymphocytes.”

Trépanier P, Aubin É, Paquin Proulx D, Bazin R. “Use of flow cytometry and fluorescence microscopy to characterize the spontaneous internalization of therapeutic immunoglobulins inside living cells.”

XXIVTH CONGRESS OF THE SOCIÉTÉ FRANÇAISE DE TRANSFUSION SANGUINE, STRASBOURG, FRANCE, JUNE 22–25, 2009

Oral presentation

St-Louis M, Lavoie J, Painchaud P, Dubuc S, Lemieux R, Perreault J. “Le génotypage de masse des donneurs fréquents au Québec.” [Mass genotyping of frequent donors in Québec]

CENTRE HOSPITALIER AFFILIÉ UNIVERSITAIRE DE QUÉBEC (CHAUQ) —HÔPITAL DE L'ENFANT-JÉSUS, QUÉBEC, CANADA, JULY 2, 2009

Oral presentation

Germain M. “Les tissus humains destinés à la greffe—Pensez-y!” [Human tissues for transplant—Think about it!]

MEETING OF L'ÉTABLISSEMENT FRANÇAIS DU SANG COMMUNICATIONS MANAGERS, PARIS, FRANCE, AUGUST 2, 2009

Guest speaker

Pepin, M. “Promotion et marketing du don de sang: Processus de gestion de proximité.” [Blood donation promotion and marketing: A community-based management process]

ANNUAL MEETING OF THE CENTRES D'HÉMOFILIE DU QUÉBEC, LONGUEUIL, CANADA, SEPTEMBER 11, 2009

Oral presentation

Turcotte, S. “Produits stables.” [Stable products]

ANNUAL MEETING OF THE AMERICAN ASSOCIATION OF TISSUE BANKS (AATB), LAS VEGAS, NEVADA, SEPTEMBER 13–17, 2009

Oral presentation

Germain M. “Remote Q Fever in a Potential Tissue Donor.”

ANNUAL MEETING OF THE BLOOD TRANSFUSION RESEARCH GROUP (GRTS), SAINTE-JUSTINE HOSPITAL, MONTRÉAL, CANADA, OCTOBER 5, 2009

Guest speaker

Thibault L. “Generation of Bradykinin During Processing and Storage of Blood Products: Myth or Reality?”

USER COMMITTEE, MONTRÉAL AND QUÉBEC CITY, CANADA, OCTOBER 2009, NOVEMBER 2009 AND MARCH 2010

Oral presentations

Lebrun A. “Anémie hémolytique auto-immune Physiopathologie et modalités de transfusion.” [Autoimmune hemolytic anemia Physiopathology and transfusion procedures], October 6, 2009 (Québec City, Canada) and October 20, 2009 (Montréal, Canada).

Blais, Y. “Nouveau procédé d'expansion de cellules de sang ombilical.” [New expansion procedure for umbilical cord blood cells] October 6, 2009, Québec City, Canada.

Perreault, J. “Le génotypage de masse des donneurs fréquents à Héma-Québec.” [Mass genotyping of frequent donors at Héma-Québec] October 6, 2009 (Québec City, Canada) and October 20, 2009 (Montréal, Canada).

Pineault, N. “Nouveau procédé d'expansion de cellules de sang ombilical.” [New expansion procedure for umbilical cord blood cells] October 20, 2009, Montréal, Canada.

Lebrun A, Long A. “Anémie falciforme.” [Sickle-cell anemia] November 20 and 25, 2009, Montréal and Québec City, Canada.

Lebrun A. “Coombs direct—TDA: test direct antiglobuline.” [Direct Coombs test (TDA): Direct antiglobulin test] March 9, 2010 (Québec City, Canada) and March 16, 2010 (Montréal, Canada).

Lebrun A. “Sang de cordon dirigé.” [Directed cord blood] March 9, 2010 (Québec City, Canada) and March 16, 2010 (Montréal, Canada).

Thibault L. “Compatibilité des dispositifs d'infusion avec les poches de produits sanguins du système ATREUS®/ORBISAC® de CaridanBCT.” [Compatibility of infusion devices with CaridanBCT's ATREUS®/ORBISAC® system blood bags] March 9, 2010 (Québec City, Canada) and March 16, 2010 (Montréal, Canada).

Thibault L. “Les particules blanches dans les culots globulaires.” [White particles in packed red blood cells] March 9, 2010 (Québec City, Canada) and March 16, 2010 (Montréal, Canada).

PUBLIC FORUM OF THE QUÉBEC HEMOVIGILANCE COMMITTEE, QUÉBEC CITY, CANADA, OCTOBER 16, 2009

Oral presentation

Delage G. “Infections en émergence: implications pour la sécurité transfusionnelle.” [Emerging infections: Implications for transfusion safety]

62ND ANNUAL MEETING OF THE AABB AND TXPO 2009, NEW ORLEANS, UNITED STATES, OCTOBER 24–27, 2009

Guest speakers

Delage G. “Pandemic Influenza Contingency Plan at Héma-Québec.”

Delage G. “Selective Testing for WNV and Chagas Disease.”

Thibault S. “TRALI and Managing AB Plasma.”

Oral presentations

Basquiat Edmond R. “Transfusion des patients atteints d'anémie falciforme—Programme en développement d'Héma-Québec.” [Transfusion for sickle-cell anemia patients—Program in development at Héma-Québec]

Long A. “Rare Blood Donor Program in Canada.”

Thibault L, Jacques A, Rivard GÉ, Long A, Robillard, P. “Apheresis-derived Platelets Contain Low Concentrations of Bradykinin.”

Posters

Thibault L, Jacques A, Tremblay M, Bourgeois R, Ducas É, Rousseau MC, Côté C, Boyer G, Boisclair P. “Evaluation of the CaridianBCT ATREUS® whole blood processing and ORBISAC® systems for preparation of platelet concentrates made by pooling four buffy coats.”

St-Louis M, Richard M, Perreault J. “The MAIPA protocol revisited.”

St-Louis M, St-Laurent J, Perreault J, Long A, Richard M. “A new SEMA7A variant in four native Americans with anti-JMH.”

Padet L, St-Amour I, Aubin É, Lemieux R, Bazin R. “Mechanism of IVIg-mediated inhibition of IL-2 secretion by PHA-stimulated T cells.”

XXTH REGIONAL CONGRESS OF THE ISBT (INTERNATIONAL SOCIETY OF BLOOD TRANSFUSION), NAGOYA, JAPAN, NOVEMBER 14–18, 2009

Posters

Décary F, Thibault S, Sarappa C. “TRALI: Managing AB plasma: a constant challenge.”

Décary F, Sarappa C, Labelle R. “Platelet inventory management.”

Décary F, Charbonneau J, Désilets F, Hébert K, Lacroix G. “Will blood drive volunteers be available in the future?”

8TH SCIENTIFIC DAY AT THE CENTRE DE RECHERCHE EN RHUMATOLOGIE ET IMMUNOLOGIE (CRRI), CENTRE DE RECHERCHE DU CHUQ, QUÉBEC CITY, CANADA, NOVEMBER 9, 2009

Guest speaker

Bazin R. “Héma-Québec, beaucoup plus que le don de sang!” [Héma-Québec, much more than simply blood donation!]

SACRÉ-CŒUR DE MONTRÉAL HOSPITAL, NOVEMBER 12, 2009

Oral presentation

Germain M. “Greffes de tissus humains: De quoi on parle au juste?” [Human tissue transplantation: What exactly does that mean?]

CONFERENCE ON THE MANAGEMENT OF MEDICAL LABORATORIES ORGANIZED BY CSA STANDARDS, BOUCHERVILLE, CANADA, NOVEMBER 24 AND 25, 2009

Guest speaker

Boutin D. “Nouveaux défis, choisir, développer, maintenir et retenir les compétences requises.” [New challenges in choosing, developing, maintaining and retaining necessary competencies]

TRANSFUSION MEDICINE ADVISORY COMMITTEE, MONTRÉAL/ TRANSFUSION MEDICINE ADVISORY COMMITTEE, QUÉBEC CITY (CCMTM/CCMTQ), MONTRÉAL AND QUÉBEC CITY, CANADA, DECEMBER 1 AND 3, 2009

Oral presentations

Lebrun A. “Banque de sang de cordon.” [Cord Blood Bank]

Lebrun A. “Anémie falciforme et donneurs de race noire.” [Sickle-cell anemia and Black donors]

Lebrun A. “Coombs direct.” [Direct Coombs testing]

49TH ANNUAL MEETING OF THE AMERICAN SOCIETY FOR CELL BIOLOGY, SAN DIEGO, UNITED STATES, DECEMBER 5–9, 2009

Posters

Jung D, Cayer MP, Drouin M, Proulx M. “XBP-1 and Blimp-1 are not essential for the conversion of human peripheral blood memory B lymphocytes into plasma cells induced by 2-methoxyestradiol.”

Toukara K, Boyer L, Pineault N. “Fever like temperature increases and accelerates erythroid differentiation through normal regulatory circuitry.”

MEETING ORGANIZED BY THE RÉSEAU D'ÉCHANGES DU PREMIER PLAN STRATÉGIQUE DE DÉVELOPPEMENT DURABLE DE LA COLLECTIVITÉ MONTRÉLAISE ET LE DÉFI CLIMAT: PROJET DE NOUVELLE POLITIQUE DE GESTION DES MATIÈRES RÉSIDUELLES, MONTRÉAL, CANADA, JANUARY 19, 2010

Guest speaker

Sarappa C. “Gestion des matières résiduelles—Expérience d'Héma-Québec.” [Managing waste—The Héma-Québec experience]

MASTER'S THESES

Proulx, M. “Étude des effets de l'expression forcée de PAX5 sur les cellules issues de myélome multiple.” [Effects of forced expression of PAX5 on multiple myeloma cells] Thesis presented to the Faculté des études supérieures at Université Laval as part of the Master's program in microbiology toward a Master's of Science (M.Sc.). Faculty of Sciences and Engineering, Université Laval, Québec City, December 2009.

PATENTS

Lemieux R, Lamoureux J. Purification of polyreactive autoantibodies and uses thereof. European patent No. 1394183, issued August 12, 2009. Héma-Québec, assignee.

Proulx C, Dupuis N.

New expansion process for umbilical cord cell blood. Canadian patent No. 2562760, issued July 14, 2009. Héma-Québec, assignee.

SCIENTIFIC AWARDS AND DISTINCTIONS

PROTEO

First Prize for the best poster presented during the 2009 PROTEO Symposium (Québec City, May 21, 2009), given to Dominic Paquin Proulx, postgraduate student working under Renée Bazin. The award includes a \$200 grant.

PARTICIPATION IN EXTERNAL COMMITTEES

Dr. Francine Décary, President and Chief Executive Officer

Member of the Ethics Advisory Committee and Governance of Biobanque Génomique Québec-CAURC (2008–)

Member of the Board of Directors of the Friends of the Foundation of the International Society of Blood Transfusion (ISBT) (2009–)

Chair of the ABC Strategic Planning Task Force (2009–)

Member of the Council of Grand Ambassadors of the Canadian Hemophilia Society—Québec Chapter (SCHQ) (2009–)

Member of the Institut des administrateurs et des sociétés/Institute of Corporate Directors (ICD) (2010–)

Secretary of the Board of Directors of America's Blood Centers (ABC) (2010–2011)

Renée Bazin, Director, Cell Engineering

Member of the Evaluation Committee for grant applications to the 2009–2010 Canadian Blood Services' transfusion science research program, Toronto, Canada (2009–2010)

Member of the Scientific Committee, Canadian Society for Transfusion Medicine Conference. Ottawa, Canada (2009–)



**Yves Blais, Vice-President,
Research and Development**

Member of the BEST
Collaborative (2010–)

Member of the Scientific
Advisory Committee at the
National Research Council's
Biotechnology Research
Institute (NRC-BRI)
(2008–2010)

Member of the Evaluation
Committee for grant
applications to the Talecris
Biotherapeutics Inc.
Talents Program (2009–)

**Dr. Marc Germain, Vice-
President, Medical Affairs**

Associate Professor,
Department of Social and
Preventive Medicine, Université
Laval (2009–2010)

CSA: Chair of the Technical
Committee, Safety of Human
Cells, Tissues and Organs for
Transplantation (2009–2010)

Public Health Agency of
Canada: Member of the
CTOSS (Cells, Tissues and
Organs Surveillance System)
Working Group (2009–2010)

Accreditation Canada:
Member of the committee
that developed standards for
organ and tissue donation and
for human tissue and organ
transplantation (2009–2010)

**Jean-François Leblanc,
Scientific Information
Advisor, Research and
Development**

Member of the editorial board
of *Transfusion Today*, the
newsletter of the International
Society of Blood Transfusion
(ISBT) (2007–2009)

**Nicolas Pineault, Scientist,
Cell Engineering**

Member of the Réseau de
thérapie cellulaire et tissulaire
(ThéCell) of the Fonds de
la Recherche en Santé du
Québec (FRSQ) (2009–)

**Maryse St-Louis, Scientist,
Operational Research**

Member of the Consortium for
Blood Group Genes (CBGG),
a grouping of international
specialists concerned with the
genotyping of antigens and
red blood cells, platelets and
neutrophils (2005–)

Member of the AABB
Standards for Molecular
Biology Committee (2008–)

**Louis Thibault, Director,
Operational Research**

Member of the BEST
Collaborative (2010–)

Member of the Scientific
Committee of the Canadian
Society for Transfusion
Medicine, Ottawa, Canada
(2009–)

**Manon Pepin, Vice-President,
Public Affairs and Marketing**

Member of the Board of
Directors of the Foundation
for America's Blood Centers
(2009–)

President of the Selection
Committee for the Prix Zénith
(2009)

GRANTS

**NATURAL SCIENCES AND
ENGINEERING RESEARCH COUNCIL
OF CANADA (NSERC)**

Postdoctoral Industrial
R&D Fellowship (IRDF)
awarded to Philippe Nadeau,
postdoctoral intern working
under Sonia Néron, Scientist,
Cell Engineering.

**NATURAL SCIENCES AND
ENGINEERING RESEARCH COUNCIL
OF CANADA (NSERC)**

Postdoctoral Industrial R&D
Fellowship (IRDF) awarded
to Mélanie Samson,
postdoctoral intern working
under Daniel Jung, Scientist,
Cell Engineering.

**NATURAL SCIENCES AND
ENGINEERING RESEARCH COUNCIL
OF CANADA (NSERC) AND FONDS
QUÉBÉCOIS DE LA RECHERCHE SUR
LA NATURE ET LES TECHNOLOGIES
(FQRNT).**

NSERC-FQRNT Industrial
Innovation Scholarship (IIS)
awarded to Lauriane Padet,
doctoral student working under
Renée Bazin, Director, Cell
Engineering.

**NATURAL SCIENCES AND
ENGINEERING RESEARCH COUNCIL
OF CANADA (NSERC) AND FONDS
QUÉBÉCOIS DE LA RECHERCHE SUR
LA NATURE ET LES TECHNOLOGIES
(FQRNT).**

NSERC-FQRNT Industrial
Innovation Scholarship (IIS)
awarded to Josiane Tremblay
Rochette, master's student
working under Sonia Néron,
Scientist, Cell Engineering.

**NATIONAL BLOOD FOUNDATION,
AABB.**

US\$72,765 grant over two
years awarded to Nicolas
Pineault, Scientist, Cell
Engineering to fund the project
entitled "A cellular-based
therapy to prevent or reduce
thrombocytopenia."

**TALENTS PROGRAM,
TALECRIS BIOTHERAPEUTICS INC.**

US\$182,158 grant over two
years awarded to Renée Bazin,
Director, Cell Engineering
to fund the project entitled
"Preclinical investigation of
intravenous immunoglobulin
therapy in the triple transgenic
mouse model of Alzheimer
disease."

**EXTERNAL TRAINING
ACTIVITIES**

TRAINING PROVIDED AT A SEMINAR
HELD IN CONJUNCTION WITH THE
5TH INTERNATIONAL CONFERENCE
OF THE AFRICA SOCIETY FOR BLOOD
TRANSFUSION (AFSBT), NAIROBI,
KENYA, JUNE 2009

Daigneault S. "Promotion du
don de sang et de la santé
auprès des jeunes." [Promoting
blood donation and healthy
living to young people]

TRAINING PROVIDED TO HEMORIO
BLOOD BANK PHYSICIANS, RIO DE
JANEIRO, BRAZIL, SEPTEMBER 2009

Delage G. "Prévention du
TRALI." [TRALI prevention]

TRAINING PROVIDED TO BLOOD
BANK TECHNICIANS IN CLIENT
HOSPITALS (IN CO-OPERATION
WITH MEDICAL AFFAIRS) QUÉBEC
CITY, CANADA, OCTOBER 9, 2009,
NOVEMBER 20, 2009, JANUARY 29,
2010, FEBRUARY 12, 2010,
MARCH 26, 2010

St-Louis M. "Biologie
moléculaire des groupes
sanguins." [The molecular
biology of blood groups]

Thibault L. "Préparation
et utilisation d'anticorps
monoclonaux pour la banque
de sang." [Preparation and use
of monoclonal antibodies for
blood banks]

DEPARTMENT OF BIOCHEMISTRY
AND MICROBIOLOGY, UNIVERSITÉ
LAVAL, QUÉBEC CITY, CANADA

Néron, S. BCM-1002:
Biochemistry techniques.
"Techniques immunochimiques:
les anticorps et leurs cibles, les
antigènes." [Immunochemistry
techniques—Antibodies and
their targets: Antigens] Two-
hour course offered to first-year
B.Sc. in biochemistry students,
April 3, 2009.

Néron S, Roy A. MCB-3006:
Immunology Laboratory.
Suggested laboratory work
assignments and developing
experiments for four laboratory
courses, March 1, 2010.

Néron S. MCB-3006:
Laboratory work: Immunology
Laboratory. "La cytométrie
en flux: voir les cellules sous
toutes les couleurs." [Flow
cytometry: Looking at cells
from every angle] Two-hour
course offered to students in
their third year of a B.Sc. in
microbiology, March 15, 2010.

Néron S. MCB-3006:
Laboratory work: Immunology
Laboratory. Flow cytometry
workshop. Two-hour course
offered to students in their
third year of a B.Sc. in
microbiology, March 29, 2010.

TRAINING PROVIDED TO THIRD-YEAR
NURSING STUDENTS AT CÉGEP DE
SOREL-TRACY, JANUARY 30, 2009,
SOREL-TRACY, CANADA

Lamothe G. "Un don de tissus
humains... Un choix qui fait
toute la différence." [Human
tissue donation... A decision
that makes all the difference]

TRAINING PROVIDED TO THE
REGROUPEMENT DES INFIRMIÈRES
ET INFIRMIERS EN SOINS INTENSIFS
DU QUÉBEC (RIISQ), MARCH 16 AND
26, 2010, MONTRÉAL AND QUÉBEC
CITY, CANADA

Lamothe G. "Comprendre
le rôle et la mission d'Héma-
Québec." [Understanding the
role and mission of Héma-
Québec]

Lamothe G. "Comprendre
les différentes étapes entre
l'identification, la référence
et la prise en charge du
donneur par Héma-Québec."
[Understanding the various
stages between identification,
referral and management of
the donor by Héma-Québec]

Lamothe G. "Ce qu'il faut
savoir sur les prélèvements
versus l'utilisation des
allogreffes dans le domaine de
la transplantation des tissus."
[What you need to know
about collection vs. use of
allografts in the field of tissue
transplantation]

Lamothe G. "Favoriser de
bonnes pratiques en lien avec
la demande de consentement
auprès d'une famille éprouvée
par la perte d'un être cher
et assurer un bon support."
[Promoting good practices
in relation to requesting the
consent of a family grieving
the loss of a loved one and
ensuring proper support]

Lamothe G. "Démontrer la
rareté du don et la nécessité
de faire toutes les demandes
de consentement auprès
des familles, car le nombre
de références n'égale
pas le nombre de dons."
[Demonstrating the rarity of
donation and the need to
request consent from every
family, because the number
of referrals does not equal the
number of donations]

OTHER ACTIVITIES

Lafrenière G, Labelle R.
Participation in the ABC
Financial Management
Workshop, Denver, United
States, September 10 and 11,
2009.

Pineault N. "La route du sang
et la recherche sur les cellules
souches hématopoïétiques
chez Héma-Québec."
[The course of blood and
hematopoietic stem cell research
at Héma-Québec] Talk
given to CÉGEP de Sainte-
Foy students, Québec City,
Canada, September 23, 2009.

Pineault N. Presentation of his
team's research work as part
of the 2009 Information and
Recruitment Day, Department of
Biochemistry and Microbiology,
Université Laval, Québec,
Canada, November 19, 2009.

Nadeau P. Introduction of
the team and presentation of
research work by Sonia Néron,
Scientist, Cell Engineering as
part of the 2009 Information
and Recruitment Day,
Department of Biochemistry
and Microbiology, Université
Laval, Québec, Canada,
November 19, 2009.

Lebrun A. "La transfusion
sanguine: passé, présent,
futur." [Blood transfusion in the
past, present, and future] Talk
given during an information
and exchange meeting with
the Haitian community as
part of the campaign to raise
awareness among cultural
communities, Montréal,
Canada, November 21, 2009.

Bazin R. "Le cheminement
menant à une carrière
scientifique." [The road to a
scientific career] Talk given
to students in Secondary 4
and 5 at Collège Marie de
l'Incarnation, Trois-Rivières,
Canada, March 17, 2010.

BOARD OF DIRECTORS AS AT MARCH 31, 2010

BUSINESS COMMUNITY

Chair

**Jean-Pierre Allaire, FCA,
IAS.A**

Corporate Director

André Légaré

Président

André Légaré & Associés inc.

HÉMA-QUÉBEC

Secretary

Dr Francine Décary

President and CEO

Héma-Québec

HOSPITALS

Vice-Chair

René Carignan, CA

Chief Financial, Administrative
and Clinical Support Officer

McGill University Health Centre

Suzanne Turmel

Executive Director

West Island HSSC

RECIPIENTS

Martine Carré

Director

Leucan

TRANSFUSION MEDICINE

Dr Sylvain Bélisle

Anesthesiologist,

Montréal Heart Institute

Intensivist

CHUM

Dr Martin A. Champagne

Hematologist-Oncologist

Centre hospitalier de Verdun

DONORS

Hélène Darby

Regional President

Association of Blood

Donation Volunteers—Eastern

Townships Chapter

PUBLIC HEALTH

Dr Marc Dionne

Scientific Director

Institut national de santé

publique du Québec

ACADEMIA

Dr Serge Montplaisir

Professor

Department of Microbiology

and Immunology

Université de Montréal

Dr Patricia Pelletier

Assistant Professor

Department of Medicine

McGill University

HAEMOVIGILANCE

COMMITTEE OBSERVER

Wilson Sanon

President, Association de

l'anémie falciforme du Québec

ADMINISTRATION

1. BOARD OF DIRECTORS

1.1 STRUCTURE

The Board of Directors is made up of 12 members and one observer. Directors represent all phases of the transfusion chain, from donor to recipient. There were a few changes to the structure of the Board over the last fiscal year.

After occupying the positions of Chair, Vice-Chair and Chair of the Audit Committee, as well as serving as a member on various committees since 1999, Cheryl Campbell Steer stepped down from board duties. Ms. Campbell Steer has been actively involved with Héma-Québec since its beginnings and has played a major role in the organization's strategic development. The Board of Directors would like to express its most sincere thanks for all her work. Dr. Pierre Ouellet, who represented academia, also stepped down this year.

With the departure of Dr W.K. Li Pi Shan, which was announced last year, three positions remained to be filled this year. Dr. Patricia Pelletier, assistant professor in the Department of Medicine at McGill University replaces Dr. Ouellet as representative of academia; Dr. Sylvain Belisle, anesthesiologist at the Montréal Heart Institute and intensivist at CHUM, replaces Dr. Li Pi Shan as representative of transfusion medicine practitioners; and André Légaré, President of André Légaré & Associés Inc., replaces Ms. Campbell Steer.

Finally, Ms. Carole Deschambault, representative for the health facilities, has been replaced by Ms. Suzanne Turmel, General Manager of the West Island HSCC. Ms. Deschambault served on the Board for almost seven years. She also founded the human resources and remuneration committee, which she chaired until she was replaced in February 2010.

1.2 THE BOARD'S MANDATE

The Board of Directors adopts the strategic plan, budget and financial statements. It also oversees the implementation of effective control and risk management systems. The Board is supported by a Governance Committee, an Audit Committee and a Compensation and Human Resources Committee.

1.2.1 STRATEGIC PLANNING

Along with senior management, the Board revised the strategic plan and extended it for another year. The plan, which came into force in 2007, was extended until 2011. This year directors once again took part in the planning session with senior management.

1.2.2 FINANCIAL RESULTS, INTERNAL CONTROL AND MANAGEMENT SYSTEM

During every meeting, the Board reviews the financial results and management statistics. The Audit Committee oversees the implementation of internal control mechanisms.

1.2.3 RISK MANAGEMENT AND SAFETY

Implemented in 2003, the risk management policy, which underwent a review in the last fiscal year, is integrated into the management cycle and influences all activities related to strategic planning. Under this policy, during every meeting the Board reviews the monitored pathogens trend chart.

This year, the Board approved the joint recommendations of the Safety Advisory Committee and Recipient Representatives Advisory Committee regarding changes to the exclusion criteria for the variant of Creutzfeld-Jacob disease. It also began the regulatory process to eventually change the exclusion criteria *Man having had sexual relations with another man* from permanent to five years of abstinence.

1.2.4 GOVERNANCE

Although Héma-Québec is not subject to the *Act respecting the governance of state-owned enterprises*, the Board has decided to comply with its main principles

2. COMMITTEES OF THE BOARD OF DIRECTORS

The committees of the Board of Directors are formed by the Board and made up of directors. They are the Executive Committee, Governance Committee, Audit Committee, and Compensation and Human Resources Committee.

2.1 EXECUTIVE COMMITTEE

If necessary, this committee meets between regular Board meetings to make decisions for which it is responsible. The committee met twice this year.

2.2 GOVERNANCE COMMITTEE

The Governance Committee makes recommendations to the Board regarding principles of governance and codes of ethics for directors and employees, and ensures that directors are properly trained and evaluated. Every two years, the committee submits an evaluation on how the Board operates.

This evaluation is done using an anonymous questionnaire that is supervised and processed by an outside firm. This self-assessment of Board members was performed this year. The overall results were very positive, especially regarding the application of the 2007–2011 strategic plan and the directors' involvement in the planning process.

2.3 AUDIT COMMITTEE

The Audit Committee monitors the organization's financial management, internal controls and risk management. The committee examines the budget and pricing for products annually and recommends approval to the Board. It also supervises the external audit and drafting of financial statements. Its functions specifically include responsibility for verifying compliance with existing legislation, drawing attention to any financial irregularities, and evaluating the various contingency plans put in place by the organization.

On the recommendation of the Audit Committee, the Board this year authorized the development and implementation of a computer system (SIGQ project) for Quality and Standards operations, as well as the launch of the second phase of the SILAM project to computerize the Reference and Stem Cell Laboratory's systems.

A new policy governing contracts, specific to Héma-Québec, was adopted by the Board and also implemented this year.

BOARD OF DIRECTORS AS AT MARCH 31, 2010

Jean-Pierre Allaire FCA,
IAS.A, *Chair*
René Carignan, CA,
Vice-Chair
Dr. Francine Décary,
Secretary
Dr. Marc Dionne, *Director*
Hélène Darby, *Director*

GOVERNANCE COMMITTEE AS AT MARCH 31, 2010

Chair
Hélène Darby
Martine Carré
André Légaré

AUDIT COMMITTEE AS AT MARCH 31, 2010

Chair
René Carignan, CA
Dr Serge Montplaisir
Vacant position

COMPENSATION AND HUMAN RESOURCES COMMITTEE AS AT MARCH 31, 2010

Interim Chair
Jean-Pierre Allaire FCA,
IAS.A
Martine Carré
André Légaré
Dr Serge Montplaisir

**RECIPIENT
REPRESENTATIVES
ADVISORY COMMITTEE
AS AT MARCH 31, 2010**

Chair

Michel Morin
COCQ-Sida

Vice-chair

Wilson Sanon
Association d'anémie
falciforme du Québec

Martine Allard
Jacques Dagnault
Canadian Immunodeficiencies
Patient Organization–Québec
Chapter

Marius Foltea
Pascal Mireault
Canadian Hemophilia Society–
Québec Chapter

Jean-Pierre Juneau
Association des grands brûlés

Gaston Martin
Transplant recipients

Marika Mouscardy
Association d'anémie
falciforme du Québec

Claudette Pitre-Robin
Leucan

Hélène Darby
Martine Carré
Observer from the Board
of Directors

2.4 COMPENSATION AND HUMAN RESOURCES COMMITTEE

This committee examines trends and strategies in human resource management. It recommends evaluation criteria for the President and CEO, evaluates the CEO annually and makes recommendations to the Board regarding the position, as well as the CEO's compensation. It also evaluates the succession plan for vice-presidents, as well as their performance evaluations and compensation.

In addition to the above activities, the committee follows up on the performance of employee pension funds, negotiations regarding collective agreements for the Montréal facility, and the implementation of pay equity.

2.5 ADVISORY COMMITTEES

The Board's advisory committees are made up of members independent of Héma-Québec. They include the Recipient Representatives Advisory Committee, the Safety Advisory Committee, the Scientific and Medical Advisory Committee, and the Research Ethics Committee.

2.5.1 RECIPIENT REPRESENTATIVES ADVISORY COMMITTEE

The mandate of the Recipient Representatives Advisory Committee is to develop effective communications between Héma-Québec and the various groups that represent product recipients, and to ensure that their specific interests are brought to the Board's attention. It looks at the recommendations of the Safety Advisory Board before they are brought before the Board.

This year, the committee was involved, in particular, in recommending changes to the criteria for Creutzfeld-Jacob Disease and the exclusion criteria *Man having had sexual relations with another man* mentioned in 1.2.3.

2.5.2 SAFETY ADVISORY COMMITTEE

The mandate of the Safety Advisory Committee is to provide the Board with a reasonable opinion on product safety and to assist the Board in assessing risks. It also monitors all existing and emerging pathogens.

This year, the committee followed up on the situation in respect to Chagas disease, dengue fever and babesiosis, as well as recommended changes to the criteria described in 1.2.3.

2.5.3 SCIENTIFIC AND MEDICAL ADVISORY COMMITTEE

The Scientific and Medical Advisory Committee is mandated to advise the Board of Directors about the scientific relevance of research and development programs, and scientific and medical advances that can have an impact on product supply.

This year, the Scientific and Medical Advisory Committee reviewed the multi-year plan for the research and development sector. The committee also organized a visit of some R&D sectors by independent experts to assess the quality of current practices.

The composition of the committee also came under review and changes were made.

2.5.4 RESEARCH ETHICS COMMITTEE

The mandate of the Research Ethics Committee (REC) is to assess the compliance of research projects with ethical regulations, monitor ethics and ensure the protection of the rights, safety and well-being of all research subjects. This year, the committee approved 10 new projects and renewed 17 others.

SAFETY ADVISORY COMMITTEE AS AT MARCH 31, 2010

PUBLIC HEALTH

Chair

Dr. Bryce Larke
Medical Virologist
Virology, ProVLab
Alberta, Canada

INFECTIOUS DISEASES

Dr. Susan Stramer
Executive Scientific Officer
National Confirmatory Testing
Laboratory
American Red Cross
Gaithersburg, United States

EPIDEMIOLOGY

Dr. Steven Kleinman
Biomedical Consultant
Victoria, Canada

TRANSFUSION MEDICINE AND PRACTICES

Dr. Luiz Amorim
Medical Director
HEMOBRAS
Brasilia, Brazil
Dr. Georges Andreu
Official Representative of the
Director General
Institut National de la
Transfusion Sanguine
Paris, France
Dr. James P. Aubuchon
President and Chief
Executive Officer
Puget Sound Blood Center
Seattle, United States
Dr. Paul Holland
Consultant
Elk Grove, United States
**Dr. Christopher Verrall
Prowse**
Research Director
SNBTS National Science
Laboratory
Edinburgh, Scotland
Dr. Henk W. Reesink
Associate Professor
Department of Hepatology
Academic Medical Center
Amsterdam, Netherlands

TISSUES

Dr. Douglas Michael Strong
Research Professor,
Department of Orthopaedics
and Sports Medicine and
Department of Surgery
University of Washington
School of Medicine
Seattle, United States

SOCIÉTÉ CANADIENNE DU SANG

Dr. Margaret Fearon
Executive Medical Director,
Medical Microbiology
Canadian Blood Services
Toronto, Canada

PUBLIC REPRESENTATIVE

David Page
Executive Director
Canadian Hemophilia Society
Montréal, Canada

REPRESENTATIVE OF THE RECIPIENT REPRESENTATIVES ADVISORY COMMITTEE

Marius Foltea
Canadian Hemophilia Society–
Québec Chapter
Montréal, Canada

OBSERVER FROM THE BOARD OF DIRECTORS

Dr. Marc Dionne
Scientific Director
Institut national de santé
publique
Québec City, Canada

SCIENTIFIC AND MEDICAL ADVISORY COMMITTEE AS AT MARCH 31, 2010

IMMUNOLOGY

Chair

Dr. Yves St-Pierre
Professor
INRS–Institut Armand Frappier
Laval, Canada
Dr. Srinivas V. Kaveri
Director
Centre de Recherche des
Cordeliers
Team 16–INSERM–U 872
Paris, France

DIAGNOSTIC TECHNOLOGIES

Dr. Michel Houde
Expert in diagnostic
products and biomarkers
Montréal, Canada

TRANSFUSION MEDICINE

Dr. Glen Michael Fitzpatrick
President and Director, Clinical
Research and Development
Cellphire Inc.
Rockville, United States
Dr. Jean-François Hardy
Transfusion Medicine
ABDV–Héma-Québec–Bayer
Chair
Université de Montréal
Professor,
Department of Anesthesiology,
Université de Montréal
Montréal, Canada

Dr. Vincent Laroche

Hematologist and Blood Bank
Director
Associate Director of Clinical
Research–Centre hospitalier
affilié universitaire de Québec
Hematologist and Blood Bank
Director–Institut universitaire
de cardiologie et pneumologie
de Québec
Québec City, Canada

BIOTECHNOLOGY

Dr. Bernard Massie
Director, Bioprocess Centre,
National Research Council
of Canada
(Biotechnology Research
Institute)
Montréal, Canada

INDUSTRIAL RESEARCH

Dr. Denis Riendeau
Scientific Consultant and
Associate Professor
Department of Biochemistry
Université de Montréal
Montréal, Canada

HEMATOPOIESIS

Dr. Julie Audet
Assistant Professor
Institute of Biomaterials and
Biomedical Engineering
University of Toronto
Toronto, Canada

CANADIAN BLOOD SERVICES

William P. Sheffield
Associate Director, Research,
and Senior Scientist, R&D
Canadian Blood Services
Toronto, Canada
Professor, Pathology and
Molecular Medicine
McMaster University
Hamilton, Canada

REPRESENTATIVE OF THE RECIPIENT REPRESENTATIVES ADVISORY COMMITTEE

Marius Foltea
Canadian Hemophilia Society–
Québec Chapter
Montréal, Canada

OBSERVER FROM THE BOARD OF DIRECTORS

Dr. Serge Montplaisir
Professor
Department of Microbiology
and Immunology
Université de Montréal
Montréal, Canada

RESEARCH ETHICS COMMITTEE AS AT MARCH 31, 2010

LAW

Chair

Suzanne Courchesne
Attorney
Borden Ladner Gervais

LAW, SUBSTITUTE LEGAL ADVISER

Mélanie Champagne
Attorney
Borden Ladner Gervais

RESEARCH SPECIALISTS

Dr. Clermont Dionne
Population Health Research
Unit
Centre de recherche du CHA
de Québec
Dr. Michel Vincent
Centre de recherche sur la
fonction, structure, ingénierie
protéines
Université Laval
Dr. Jacques J. Tremblay
Centre de recherche du CHUQ
(CHUL) Ontogenesis and
Reproduction

BLOOD DONORS

Pierre McDuff
Association of Blood
Donation Volunteers

RECIPIENT REPRESENTATIVES ADVISORY COMMITTEE, SUBSTITUTE ETHICIST

Michel Morin
COCQ–Sida
Montréal, Canada

ETHICS

Johane de Champlain
Attorney
Fonds de la recherche en santé
du Québec
Montréal, Canada

MANAGEMENT COMMITTEE



Executive Management Committee Members (from left to right):

SMARANDA GHIBU, BCL, LLB

Vice-President, Legal Affairs

YVES BLAIS, PHD, MBA

Vice-President, Research and Development

FRANCINE DÉCARY, MD, PHD, MBA, O.Q.

President and Chief Executive Officer

ANDRÉ LEBRUN, MD, CSPQ

Vice-President, Medical Affairs in Hematology

GUY LAFRENIÈRE, MBA, CMA

Vice-President, Finance and Administration

SIMON FOURNIER, DEC

Vice-President, Information Technology

MANON PEPIN, BA

Vice-President, Public Affairs and Marketing

YVAN CHARBONNEAU, ENG.

Vice-President and Chief Operating Officer

GILLES DELAGE, M.D., M. SC.

Vice-President, Medical Affairs in Microbiology

SUZANNE RÉMY, MSC, MBA

Vice-President, Quality and Standards

MARCO DÉCELLES, CMA

Vice-President, Stem Cells, Human Tissues
and Reference Laboratory Operations

ROGER CARPENTIER, CRIA

Vice-President, Human Resources

MARC GERMAIN, MD, PHD

Vice-President, Medical Affairs

GOVERNANCE FRAMEWORK AND DIRECTOR CODE OF ETHICS

PREAMBULE

Héma-Québec's mission is to efficiently provide adequate quantities of safe, optimal blood components and substitutes, human tissues, and cord blood to meet the needs of all Quebecers as well as to provide and develop expertise along with specialized and innovative services and products in the fields of transfusion medicine and human tissue transplantation.

This mandate is pursuant to the *Act respecting Héma-Québec and the Haemovigilance Committee* and to the recommendations of the Commission of Inquiry into the Blood System in Canada, headed by the Honourable Horace Krever.

As public administrators in the meaning of the *Act respecting the Ministère du Conseil exécutif* (R.S.Q. M-30), Héma-Québec's directors are held to the highest ethical and professional standards, fostering and preserving public trust and transparency in the management of Québec's blood system.

GOVERNANCE FRAMEWORK

In making decisions and setting policies, Héma-Québec privileges the following principles and values:

1. SAFETY OF THE BLOOD SUPPLY

Supply safety involves finding a balance between product safety and sufficiency. An inadequate supply could also have consequences for recipients. Decisions are primarily based on safety, but an adequate supply also factors into the method used to apply decisions.

2. TRANSPARENCY

The success of a blood supply system depends on its credibility, and the trust and commitment it inspires. Transparency is the underlying attitude. Transparency calls for authenticity and an accessible decision-making process.

3. GIVING BLOOD IS A PRIVILEGE

Giving blood is a uniquely selfless act that must remain free. Blood donation is not a right and must not be used for other purposes.

4. RESPECT FOR DONORS AND VOLUNTEERS

Donors are the starting point of all Héma-Québec's operations. As donation is a selfless act, Héma-Québec must show donors respect and not undermine their integrity and dignity. Volunteers are also an essential part of Héma-Québec's mission. Volunteers must be treated with respect.

5. EFFICIENCY

When appropriate, a review of benefits and expenses, including a cost/benefit analysis and decision analysis, may be carried out.

CODE OF ETHICS

1. GENERAL PROVISIONS

DEFINITIONS

In this code of ethics, unless the context dictates otherwise, the terms and expressions below are used as follows:

- 1.1 "Director or member of the Board of Directors": Person appointed to the Héma-Québec Board of Directors by the government, as well as the President and Chief Executive Officer, who is an ex officio member of the Board of Directors and acts as Secretary;
- 1.2 "Conflict of interest": Any real, apparent, potential or future situation in which a director may be inclined to give preference to his or her personal interest, or the interest of a related party, to the detriment of Héma-Québec;
- 1.3 "Board": Héma-Québec's Board of Directors;
- 1.4 "Related party": Individuals related by blood, adoption or marriage, or who have been living in a conjugal relationship for at least one (1) year, as well as any organization, partnership or other entity in which the director or his/her friends and family may have a controlling interest.

APPLICATION AND INTERPRETATION

- 1.5 This code of ethics applies to Héma-Québec's directors.
- 1.6 The code of ethics is not a substitute for any statutory, regulatory or ethical provision applicable to Héma-Québec directors, including those set out in the *Regulation respecting the ethics and professional conduct of public office holders*.

Where such provisions differ, Héma-Québec directors shall abide by the more stringent provision. Moreover, in case of doubt, they must act in the spirit of the principles described in the provisions.
- 1.7 The code of ethics in no way rules out the drafting of additional guidelines or rules pertaining to certain more specific sectors of activity or situations.

2. MANAGEMENT DUTIES

2.1 Directors are appointed to contribute to the fulfilment of Héma-Québec's mission as part of their mandate. In carrying out their duties, they must adhere to the obligations imposed upon them by the law, the constitution and the rules and regulations, and act within the limits of the power conferred upon them.

2.2 THE DIRECTOR MUST PERFORM HIS/HER DUTIES WITH CARE AND RESERVE:

- 2.2.1 The director must be rigorous and independent, and act in the best interests of Héma-Québec.
- 2.2.2 The behaviour of a director must be impartial.
- 2.2.3 The director must act within the limits of his/her mandate.
- 2.2.4 The director must be courteous, his/her relationships must be characterized by good faith, so as to maintain the trust and consideration required by his/her role.
- 2.2.5 The director must not in any way participate in illicit activities.
- 2.2.6 In the carrying out of his/her duties and responsibilities, the director must make decisions without regard for any partisan political consideration. Moreover, he/she must demonstrate restraint in the public expression of personal opinions in matters directly concerning the activities of Héma-Québec and in which the Board of Directors has been involved.

2.3 THE DIRECTOR MUST ACT WITH HONESTY, LOYALTY AND SOLIDARITY:

- 2.3.1 The director must act with integrity and impartiality in the best interests of Héma-Québec.
- 2.3.2 The director must actively take part in the development and implementation of the general directions of Héma-Québec, which in no way precludes his or her right to dissent.
- 2.3.3 The director must be loyal and upstanding to his/her colleagues and honest in his/her dealings with them.
- 2.3.4 The director must dissociate the fulfilment of his/her duties from the promotion or exercise of his/her professional or business activities, save for the President and Chief Executive Officer, who is at the exclusive service of Héma-Québec.

2.4 THE DIRECTOR MUST ACT WITH SKILL, DILIGENCE AND EFFICIENCY:

- 2.4.1 The director must exercise his/her skills and abilities, demonstrating diligence and effectiveness in carrying out his/her mandate. He/she must also demonstrate independent professional judgment.
- 2.4.2 The director is responsible and accountable for all his/her actions taken in the performance of his/her duties.
- 2.4.3 The director must make informed decisions, taking into account any necessary expertise if need be and considering each file in its entirety.

2.4.4 All members of the Board of Directors must actively participate in the Board's work and attend meetings regularly. They must also be assiduous when taking part in Board committees.

2.4.5 The director must show discernment in the courses of action and choices he/she favours.

2.5 THE DIRECTOR MUST ACT ACCORDING TO THE RULES OF CONFIDENTIALITY:

2.5.1 The director must respect the confidential nature of any information that comes to his/her attention in the course of his/her duties or by virtue of his/her position.

The first clause is not intended to restrict necessary communications between Board members.

2.5.2 The director must not use confidential information that comes to his/her attention during the course of his/her duties for the purpose of obtaining a direct or indirect advantage, now or in the future, for him/herself or a related party.

3. CONFLICTS OF INTEREST

GENERAL PROVISIONS

- 3.1 The director must at all times maintain a high level of independence and avoid any situation in which there could be a personal advantage, direct or indirect, either now or in the future, which could jeopardize his/her independence, integrity or impartiality.
- 3.2 The director must prevent any conflict of interest or appearance thereof and avoid putting him/herself in a position that could ultimately prevent him/her from fulfilling his/her duties.
- 3.3 The director must avoid any situation which could compromise his/her capacity to fulfil his/her duties in an impartial, objective, professional and independent manner.
- 3.4 The director shall not commingle the assets of Héma-Québec with his/her own; he/she shall not use the assets of Héma-Québec for his/her personal gain or the gain of a related party.
- 3.5 The director may not use Héma-Québec's services or information for his/her personal benefit or for the benefit of a related party.
- 3.6 The director may not exercise his/her duties in his own interest or in the interest of a related party.
- 3.7 The director must not accept a current or future advantage from anyone if he/she has knowledge, evidence or reason to believe that this current or future advantage is granted to him/her for the purpose of influencing his/her decision.
- 3.8 The director shall not make a commitment to a third or related party nor grant that party any guarantee with regard to a vote he/she may be required to cast or to any decision whatsoever that may be made by the Board of Directors.

3.9 THE DIRECTOR MUST AVOID ANY SITUATION IN WHICH HE/SHE COULD BE IN A CONFLICT OF INTEREST. WITHOUT LIMITING THE SCOPE OF THE FOREGOING, THE DIRECTOR:

- 3.9.1 Is in a conflict of interest when the interests in question are such that he/she may be brought to show preference for some of them to the detriment of Héma-Québec, or where his/her judgment and loyalty could be negatively affected.
- 3.9.2 Is not independent from a given decision if there is a personal advantage or advantage to a related party, now or in the future, as described in article 3.1.

PREVENTIVE MEASURES

- 3.10 At the start of each meeting, the director must declare any existing conflict of interest to the Chair and see that it is recorded in the minutes.
- 3.11 The President and Chief Executive Officer may not, under penalty of dismissal, have a direct or indirect interest in a corporate body, partnership or other entity which could lead to a conflict of interest between him/herself and Héma-Québec. However, dismissal shall not be invoked if the interest is devolved upon the President and Chief Executive Officer by succession or gift, provided he/she renounces it or disposes of it promptly. Any other director having a direct or indirect interest in a corporate body, partnership, or other entity which could lead to a conflict of interest between him/herself and Héma-Québec must, under penalty of dismissal, declare this interest in writing to the Chair of the Board as well as to the Minister and, if need be, abstain from participating in any deliberation or decision related to said corporate body, partnership, or other entity in which he/she has an interest. The director must also withdraw from the meeting for the duration of the deliberations and vote concerning the matter.

3.12 THE DIRECTOR MUST DEMONSTRATE IMPARTIALITY:

- 3.12.1 The director shall not solicit, accept or demand any gift, favour, other advantage or consideration, for him/herself or a related party, either directly or indirectly, now or in the future, which could compromise his/her independence, integrity or impartiality; such is the case of gifts, favours, advantages or considerations other than what is customary and of modest value.
- 3.12.2 The director must not award, offer to award or promise to award to a third party a gift, favour or other advantage or consideration that could compromise his/her independence, integrity or impartiality.

4. POLITICAL ACTIVITIES

- 4.1 Any director who intends to run for public office must inform the Chair of the Board of Directors.
- 4.2 A Chair of the Board of Directors or President and Chief Executive Officer who wishes to run for public office must tender his/her resignation.

5. POST-MANDATE MEASURES

- 5.1 After his/her mandate expires, the director must maintain confidentiality and refrain from disclosing any non-public data, information, debate or discussion to which he/she was privy by virtue of his/her position at Héma-Québec.
- 5.2 In the year following the expiration of his/her mandate, the director may not participate, either on his/her own behalf or that of a third party, in a procedure, negotiation or other operation to which Héma-Québec is a party and with regard to which he/she has information that is not available to the public.

As well, the director must refrain from offering advice based on information that is not publicly available regarding Héma-Québec or another corporate body, partnership or entity with which he/she has had significant direct dealings in the course of the year preceding the conclusion of his/her mandate.

- 5.3 A director who has relinquished his/her duties must act in such a way so as not to reap undue advantage from his/her previous duties in the service of Héma-Québec.

6. RESPONSIBILITIES AND SANCTIONS

- 6.1 Compliance with the code of ethics is an integral part of the duties and obligations of directors.
- 6.2 The Chair of the Héma-Québec Board of Directors has the duty to ensure that the code of ethics is complied with and applied.
- 6.3 A director who infringes upon any of the provisions in the code of ethics leaves him/herself open to the sanctions outlined in the Regulation respecting the ethics and professional conduct of public office holders, in accordance with the procedure established in said regulation.
- 6.4 Héma-Québec's Board of Directors shall revise this code of ethics on an annual basis to ensure that it adequately reflects changes in the laws, rules, regulations and situations specific to Héma-Québec.
- 6.5 Each director undertakes to sign the code of ethics agreement form appended hereto at the start of his/her mandate and every year thereafter.

This version was adopted by the Board of Directors on October 4, 2006.

Since Héma-Québec was founded in 1998, no case has ever had to be dealt with under the Governance Framework and Code of Ethics for Directors; 2008–2009 was no exception.

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2010

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MANAGEMENT'S REPORT

The financial statements of Héma-Québec were drawn up by management, which is responsible for their preparation, presentation and the significant judgments and estimates included therein. This responsibility involves the selection of appropriate accounting policies that comply with Canadian generally accepted accounting principles. All other financial information contained in this annual activity report is consistent with that presented in the financial statements.

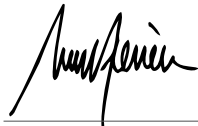
To fulfil its mandate, management maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded and that transactions are duly approved and properly recorded on a timely basis and in a manner suitable for preparing reliable financial statements.

Héma-Québec recognizes that it is responsible for conducting its affairs in accordance with the statutes and regulations governing it.

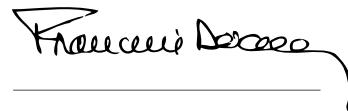
Actuaries from the firm Morneau Sobeco have been appointed as consultants for the Héma-Québec employee pension plans.

The Board of Directors is required to monitor the manner in which management carries out its financial reporting responsibilities and has approved the financial statements.

The Auditor General of Québec has audited the financial statements of Héma-Québec in accordance with Canadian generally accepted auditing standards. His report states the nature and scope of the audit and expresses his opinion. The Auditor General has full and unrestricted access to the Board of Directors to discuss any matter related to his audit.



GUY LAFRENIÈRE
Vice-President, Administration and Finance



FRANCINE DÉCARY
President and Chief Executive Officer

Montréal, May 25, 2010

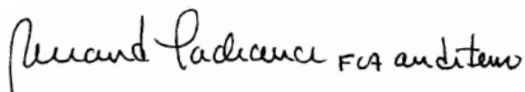
AUDITOR'S REPORT

To the National Assembly

I have audited the statement of financial position of Héma-Québec as at March 31, 2010 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the management of Héma-Québec. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement preparation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of Héma-Québec as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Auditor General Act* (R.S.Q., chapter V-5.01), I report that, in my opinion, these principles have been applied, except for the accounting changes resulting from the adoption of public sector accounting standards, on a basis consistent with that of the previous year.



RENAUD LACHANCE, FCA, AUDITOR
Auditor General of Québec

Québec City, May 25, 2010

FINANCIAL STATEMENTS

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31 [IN THOUSANDS OF DOLLARS]

	2010	2009 RESTATED [NOTE 2]
REVENUES		
BLOOD PRODUCTS SOLD TO QUÉBEC HOSPITAL CENTRES	\$ 292,195	\$ 260,223
GRANTS FROM THE GOVERNMENT OF QUÉBEC	30,925	29,846
HUMAN TISSUE SOLD TO QUÉBEC HOSPITAL CENTRES	1,981	1,128
INTEREST ON BANK DEPOSITS	95	595
OTHER	2,856	3,052
	328,052	294,844
EXPENSES [NOTE 4]	325,149	289,791
EXCESS OF REVENUES OVER EXPENSES (BEFORE UNDERNOTED)	2,903	5,053
CREDITS ISSUED TO QUÉBEC HOSPITAL CENTRES PERTAINING TO PREVIOUS YEAR	(3,351)	(2,069)
NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (448)	\$ 2,984

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31 [IN THOUSANDS OF DOLLARS]

	2010	2009 RESTATED [NOTE 2]
NET ASSETS AT BEGINNING OF YEAR		
AS PREVIOUSLY REPORTED	\$ 10,325	\$ 8,405
CHANGES TO ACCOUNTING POLICIES [NOTE 2]	(6,059)	(7,123)
AS RESTATED	4,266	1,282
NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(448)	2,984
NET ASSETS AT END OF YEAR	\$ 3,818	\$ 4,266

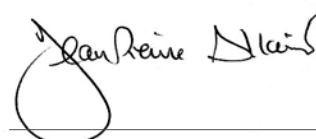
The accompanying notes are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31 [IN THOUSANDS OF DOLLARS]

	2010	2009 RESTATED [NOTE 2]
ASSETS		
CURRENT ASSETS		
CASH [NOTE 11]	\$ 19,458	\$ 1,870
ACCOUNTS RECEIVABLE [NOTE 5]	2,499	2,147
GRANTS FORTHCOMING FROM THE GOVERNMENT OF QUÉBEC	2,522	—
INVENTORIES [NOTE 6]	36,340	36,860
PREPAID EXPENSES [NOTE 7]	2,474	2,365
	63,293	43,242
CAPITAL ASSETS [NOTE 8]	36,671	32,299
DEFERRED CHARGES [NOTE 9]	1,455	1,515
	\$ 101,419	\$ 77,056
LIABILITIES		
CURRENT LIABILITIES		
BORROWING UNDER LINE OF CREDIT [NOTE 10 AND 11]	\$ 15,004	\$ —
LONG-TERM BORROWING [NOTE 10 AND 12]	3,000	—
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES [NOTE 13]	32,650	30,635
NON-INTEREST BEARING ADVANCE FROM THE GOVERNMENT OF QUÉBEC	5,113	2,349
PAYMENT ON LONG-TERM DEBT [NOTE 14]	3,882	4,368
	59,649	37,352
LONG-TERM DEBT [NOTE 14]	30,491	28,091
ACCRUED BENEFIT LIABILITY [NOTE 15]	7,461	7,347
	97,601	72,790
NET ASSETS	3,818	4,266
	\$ 101,419	\$ 77,056

COMMITMENTS [NOTE 17]

ON BEHALF OF THE BOARD OF DIRECTORS,



JEAN-PIERRE ALLAIRE
Director



RENÉ CARIGNAN
Director

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31 [IN THOUSANDS OF DOLLARS]

	2010	2009 RESTATED [NOTE 2]
OPERATING ACTIVITIES		
NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (448)	\$ 2,984
ITEMS NOT AFFECTING CASH AND CASH EQUIVALENTS		
AMORTIZATION OF CAPITAL ASSETS	4,570	5,839
AMORTIZATION OF DEFERRED CHARGES	60	60
LOSS ON WRITE-OFF AND DISPOSAL OF CAPITAL ASSETS	15	539
UNREALIZED EXCHANGE LOSS	303	317
DECREASE IN ACCRUED BENEFIT ASSET	—	1,330
INCREASE (DECREASE) IN ACCRUED BENEFIT LIABILITY	114	(1,489)
	4,614	9,580
CHANGES IN NON-WORKING CAPITAL ITEMS		
DECREASE (INCREASE) IN ACCOUNTS RECEIVABLE	(352)	3,396
DECREASE (INCREASE) IN INVENTORIES	520	(10,881)
INCREASE IN PREPAID EXPENSES	(109)	(333)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2,015	(1,134)
INCREASE IN GRANTS FORTHCOMING FROM THE GOVERNMENT OF QUÉBEC	(2,522)	—
INCREASE (DECREASE) IN ADVANCE FROM THE GOVERNMENT OF QUÉBEC	2,764	(10,677)
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	6,930	(10,049)
INVESTING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(8,959)	(3,931)
PROCEEDS FROM DISPOSAL OF CAPITAL ASSETS	2	2
CASH FLOWS USED IN INVESTING ACTIVITIES	(8,957)	(3,929)
FINANCING ACTIVITIES		
INCREASE IN LONG-TERM DEBT	6,108	3,072
INCREASE IN LONG-TERM BORROWING	3,000	—
REPAYMENT OF LONG-TERM DEBT	(4,194)	(5,198)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	4,914	(2,126)
UNREALIZED EXCHANGE LOSS ON CASH AND NON-CASH WORKING CAPITAL ITEMS DENOMINATED IN FOREIGN CURRENCIES	(303)	(317)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,584	(16,421)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,870	18,291
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 4,454	\$ 1,870
CASH AND CASH EQUIVALENTS ARE AS FOLLOWS:		
CASH [NOTE 11]	\$ 19,458	\$ 1,870
BORROWING UNDER LINE OF CREDIT [NOTE 10 AND 11]	(15,004)	—
	\$ 4,454	\$ 1,870
INTEREST PAID	\$ 1,282	\$ 1,737

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

1. INCORPORATION AND ACTIVITIES

Héma-Québec, constituted on March 26, 1998 by letters patent issued under Part III of the *Companies Act* (R.S.Q., chapter c-38), is continued in accordance with the provisions of the *Act respecting Héma-Québec and the Haemovigilance Committee* (S.Q. 1998, chapter 41). Héma-Québec is a legal person not established for pecuniary gain (not-for-profit organization) whose mission is to efficiently provide adequate quantities of safe, optimal blood components and substitutes, human tissue and cord blood to meet the needs of all Quebecers; to provide and develop expertise, services and specialized and innovative products in the fields of transfusion medicine and human tissue transplantation. Héma Québec operates in a regulated environment in compliance with the requirements of the *Food and Drug Act* (Canada) and under a licence from the Biologics and Genetic Therapies Directorate of Health Canada. Héma-Québec is not subject to the *Income Tax Act*.

2. ACCOUNTING CHANGES

INTRODUCTION TO PUBLIC SECTOR ACCOUNTING STANDARDS

In December 2009, amendments were made by the Canadian Institute of Chartered Accountants ("CICA") to the *Introduction to Public Sector Accounting Standards*, which provides guidance on determining the classification of a public sector organization as well as the basis of accounting to be adopted by the organization. Following these amendments, Héma-Québec is now classified as "another government organization" and has adopted public sector accounting standards.

ADOPTION OF PUBLIC SECTOR ACCOUNTING STANDARDS

During the year, Héma-Québec prepared its financial statements in accordance with the *CICA Public Sector Accounting Handbook* retroactively as at April 1, 2008. Previously, the *CICA Handbook* for the private sector had been used. Héma-Québec elected to maintain the same presentation for the financial statements. The new policies were adopted retroactively with restatement of prior fiscal years. The accounting policies affected by this change in basis of accounting are described below.

Employee benefit plan

Under this basis of accounting, the discount rates used correspond respectively to the expected rate of return on investments for the pension plans and government bond rates for the other plans whereas previously market interest rates for investment-grade corporate bonds were used. In addition, the cost of plan amendments is immediately charged to employee benefit expense rather than being amortized over the expected average remaining service life of active employees. Gains and losses arising from the change in discount rate as at April 1, 2008, past service cost incurred prior to that date as well as the amount of the unamortized transitional obligation as at the same date amounting to \$5,421 have been charged to the prior fiscal years. In 2009, the cost of these amendments amounted to \$638, consisting of \$400 pertaining to plan amendments and \$238 pertaining to the new rates.

Financial instruments

Information regarding financial instruments was withdrawn since the standards governing them are not applicable under public sector standards, which resulted in the retroactive derecognition of the \$1,702 unrealized loss on foreign exchange contracts in 2009.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

2. ACCOUNTING CHANGES [CONT'D]

Summary of financial impact

The cumulative effect of these new policies, applied retroactively with restatement of prior year financial statements, is presented in the following table:

	2009 BEFORE RESTATEMENT	2009 RESTATEMENT	2009 AFTER RESTATEMENT
STATEMENT OF OPERATIONS			
REVENUES	\$ 292,775	\$ –	\$ 292,775
EXPENSES	290,855	(1,064)	289,791
NET EXCESS OF REVENUES OVER EXPENSES	1,920	1,064	2,984
STATEMENT OF CHANGES IN NET ASSETS	10,325	(6,059)	4,266
STATEMENT OF FINANCIAL POSITION			
ACCRUED BENEFIT ASSET	2,213	(2,213)	–
PACCRUED BENEFIT LIABILITY	\$ 3,501	\$ 3,846	\$ 7,347

Capital assets

Capital assets and software applications and packages have been combined into a single line item: Capital assets.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing its financial statements, Héma-Québec primarily uses the *CICA Public Sector Accounting Handbook*. Note 2 reflects the impact of this changeover to public sector standards. The use of any other primary source of generally accepted accounting principles must be coherent with the aforementioned *Handbook*.

The preparation of the financial statements of Héma-Québec in accordance with public sector generally accepted accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the recognition of amounts of revenues and expenses for the financial statement reporting period. Actual results could differ from those estimates. The main estimates consist of the useful life of capital assets and the accrued benefit asset and liability.

REVENUE RECOGNITION

Revenues resulting from the sale of blood, labile and stable products, and human tissue are recognized at the time of delivery provided that collection is reasonably assured.

Revenues derived from Government of Québec grants relating to products and services consisting of human tissue, stem cells, cord blood, reference laboratory and eye bank and Synagis products are accounted for using the deferral method and recognized in the year in which the expenses are incurred.

INVENTORIES

The inventories of blood, labile and stable products, plasma for fractionation, blood drive and laboratory equipment, and human tissue are valued at the lower of cost or net realizable value. Cost is determined using the average cost method. Net realizable value is the estimated selling price less the related variable selling expenses.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

3. SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

CAPITAL ASSETS

Capital assets are recorded at cost. Amortization is calculated on a straight-line basis over their useful lives using the following rates:

BUILDING	4%
BETTERMENT	5% AND 10%
LEASEHOLD IMPROVEMENTS	LEASE TERM
AUTOMOTIVE EQUIPMENT	20%
MACHINERY AND EQUIPMENT	10% AND 20%
OFFICE FURNITURE AND EQUIPMENT	20%
COMPUTER HARDWARE	33 1/3%
SOFTWARE APPLICATIONS	33 1/3%
SOFTWARE PACKAGES	20%

Works of art are not recorded as capital assets: their cost is expensed in the year of acquisition.

DEFERRED CHARGES

Deferred charges are recorded at cost and amortized on a straight-line basis over the term of the lease.

FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are accounted for at the average monthly exchange rate. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate in effect on the statement of financial position date, whereas non-monetary items are translated at the monthly average exchange rate. Exchange gains and losses on the translation of monetary assets and liabilities are included in the calculation of net excess of revenues (deficiency) over expenses for the year.

EMPLOYEE BENEFIT PLANS

Héma-Québec offers its employees defined benefit and defined contribution pension plans. Contributions are made by both Héma-Québec and plan members. Héma-Québec also offers its employees certain benefits that apply after termination of employment but before retirement, and provides certain retirees with health and life insurance benefits.

The cost of retirement benefits and other retirement benefits is determined to attribute the cost of accrued benefits to the fiscal years in which the related services are rendered by participating employees, and it includes prior period service costs arising from plan amendments, as well as the interest expense on the accrued benefit obligation less the expected return on plan assets.

An accrued benefit asset or liability is presented in the statement of financial position to reflect the difference at year-end between the value of accrued benefit obligations and the fair value of plan assets, net of unamortized actuarial gains and losses.

Accrued benefit obligations and other retirement benefits are actuarially determined using the projected benefit method prorated on service and management's best estimate of expected return on plan investments, government bond rates, salary escalation, employee retirement ages and expected health care costs.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

3. SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

The market-related value method is used to calculate the value of assets and expected return on assets.

Actuarial gains or losses arise from, in particular, the difference between the actual long-term rate of return on plan assets and the expected long-term rate of return on plan assets, as well as the difference between plan experience and the actuarial assumptions used to determine the accrued benefit obligation, as well as changes to these assumptions.

Actuarial gains and losses are amortized over the expected average remaining service life for active participating employees, which is 11 years for the unionized employee pension plan, 12 years for the non-unionized employee pension plan, 6 years for the supplemental pension plan, and 14 years for extended health and life insurance plans, 2 years for post-employment benefits and 1 year for the transitional allocation.

CASH AND CASH EQUIVALENTS

Héma-Québec's policy consists in presenting bank balances in cash and cash equivalents including bank overdrafts whose balances fluctuate frequently from being positive to overdrawn, as well as the line of credit used to make up cash deficiencies.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

4. EXPENSES BY ACTIVITY CENTRE

				2010	2009
	LABILE PRODUCTS	STABLE PRODUCTS	OTHER SERVICES	TOTAL	TOTAL
SALARIES AND EMPLOYEE BENEFITS	\$ 71,900	\$ 368	\$ 6,303	\$ 78,571	\$ 74,816
MEDICAL AND BLOOD DRIVE SUPPLIES	27,129	620	5,314	33,063	28,593
STABLE PRODUCTS	—	165,853	—	165,853	161,121
PURCHASED SERVICES	(848)	1,370	4,911	5,433	5,823
LOSS ON WRITE-OFFS AND DISPOSAL OF CAPITAL ASSETS	11	—	4	15	539
EXCHANGE LOSS (GAIN)	190	4,061	—	4,251	(7,293)
AMORTIZATION OF CAPITAL ASSETS	4,424	11	135	4,570	5,839
INTEREST ON LONG-TERM DEBT	1,304	—	—	1,304	1,734
OTHER INTEREST AND BANK CHARGES	286	—	—	286	438
INSURANCE	5,722	—	—	5,722	5,940
OTHER EXPENSES	23,005	93	2,044	25,142	24,051
SUBTOTAL	\$ 133,123	\$ 172,376	\$ 18,711	\$ 324,210	\$ 301,601
PLASMA FOR FRACTIONATION*	(8,794)	8,794	—	—	—
CHANGE IN INVENTORIES OF FINISHED GOODS	(638)	1,699	(122)	939	(11,810)
TOTAL	\$ 123,691	\$ 182,869	\$ 18,589	\$ 325,149	\$ 289,791

* Some expenses related to plasma for fractionation are incurred for labile products and reallocated to stable products on the basis of costs incurred. Costs are allocated based on units shipped.

5. ACCOUNTS RECEIVABLE

	2010	2009
TRADE ACCOUNTS RECEIVABLE	\$ 487	275 \$
SALES TAXES	1,731	1,234
OTHER RECEIVABLES	281	638
	\$ 2,499	\$ 2,147 \$

6. INVENTORIES

	2010	2009
STABLE PRODUCTS	\$ 25,883	\$ 27,570
PLASMA FOR FRACTIONATION	3,442	3,044
LABILE PRODUCTS	3,928	3,290
BLOOD DRIVE EQUIPMENT	2,129	2,023
LABORATORY EQUIPMENT	362	460
HUMAN TISSUE	596	473
	\$ 36,340	\$ 36,860

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

7. PREPAID EXPENSES

	2010	2009
INSURANCE	\$ 949	\$ 778
CSST CONTRIBUTIONS	635	622
OTHER	890	965
	\$ 2,474	\$ 2,365

8. CAPITAL ASSETS

			2010	2009
	COST	ACCUMULATED AMORTIZATION	NET	NET
LAND	\$ 2,140	\$ –	\$ 2,140	\$ 2,140
BUILDING	19,699	6,671	13,028	13,816
BETTERMENT*	14,031	4,684	9,347	5,550
LEASEHOLD IMPROVEMENTS*	2,271	1,115	1,156	937
AUTOMOTIVE EQUIPMENT	54	44	10	17
MACHINERY AND EQUIPMENT*	17,725	9,968	7,757	6,248
OFFICE FURNITURE	3,813	3,270	543	768
COMPUTER HARDWARE*	7,192	6,148	1,044	855
SOFTWARE APPLICATIONS AND PACKAGES*	8,206	6,560	1,646	1,968
	\$ 75,131	\$ 38,460	\$ 36,671	\$ 32,299

* The accumulated cost of work in progress as at March 31, 2010 totalled \$7,344 excluding taxes, of which \$4,608 was included in betterment, \$2,019 in machinery and equipment, \$354 in leasehold improvements, \$341 in software applications and packages and \$22 in computer hardware. Amortization of these capital assets will begin when the projects have been completed and the assets have been commissioned.

9. DEFERRED CHARGES

Under an emphyteutic lease, Héma-Québec initially paid \$1,875 for the right to occupy premises at Université Laval for a thirty-year term expiring in 2034. Amortization for the period was \$60 (\$60 in 2009) and was recognized in the statement of operations under “Other expenses.” Accumulated amortization, determined on a straight-line basis, was \$420 (\$360 in 2009).

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

10. CREDIT FACILITIES

Héma-Québec was authorized by the Minister of Health and Social Services to establish a borrowing plan under section 78 of the *Financial Administration Act*. Under this borrowing plan, Héma-Québec may borrow over the short term or under credit facilities from financial institutions or the Québec Minister of Finance, as manager of the Financing Fund, and over the long term from the Financing Fund up to a maximum of \$77,000 until May 31, 2012 to fund, in particular, bank overdrafts, asset acquisitions and renewals, major work on buildings, loan renewals and product security projects. The amounts borrowed under this plan as at March 31, 2010 were allocated as follows:

	2010
BORROWING UNDER LINE OF CREDIT	\$ 15,004
SHORT-TERM BORROWING	3,000
LONG-TERM BORROWING	19,294
	\$ 37,298

Héma-Québec has a \$15,000 revolving line of credit with a financial institution, bearing interest at the prime rate which may be changed at the bank's option. This line of credit was undrawn as at the end of fiscal 2009 and 2010.

11. CASH AND BORROWING UNDER LINE OF CREDIT

Given that the \$19,458 in cash and \$15,004 in borrowing under line of credit are held with two different financial institutions, these two items are presented separately in the statement of financial position in accordance with public sector generally accepted accounting principles since the requisite conditions for presenting a net amount of \$4,454 were not met. The borrowing under line of credit from the Québec Financing Fund bears interest at the average one-month bankers' acceptance rate plus a 0.30% margin.

12. SHORT-TERM BORROWING

Short-term borrowing from the Québec Financing Fund amounting to \$3,000 maturing on August 31, 2010 bearing interest at a rate of 0.7305% to fund capital asset betterment in progress.

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2010	2009
TRADE ACCOUNTS PAYABLE	\$ 23,655	\$ 20,437
SALARIES AND ACCRUED BENEFITS	8,995	10,198
	\$ 32,650	\$ 30,635

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

14. LONG-TERM DEBT

	2010	2009
LOAN, SECURED BY THE LAND AND BUILDING, WITH A NET CARRYING AMOUNT OF \$3,976, REPAYABLE IN MONTHLY INSTALMENTS OF \$24 (PRINCIPAL ONLY), AT A FIXED RATE OF 4.12%, RENEWABLE IN 2011 AND MATURING IN 2023.	\$ 3,877	\$ 4,160
LOAN, SECURED BY THE LAND AND BUILDING, WITH A NET CARRYING AMOUNT OF \$15,956, REPAYABLE IN MONTHLY INSTALMENTS OF \$54 (PRINCIPAL ONLY), AT A FIXED RATE OF 5.79%, MATURED DURING THE YEAR.	—	11,832
LOANS REPAYABLE IN MONTHLY INSTALMENTS OF \$140 (CAPITAL ONLY), AT FIXED RATES RANGING FROM 2.92% TO 4.67%, MATURING FROM 2012 TO 2015.	5,600	6,212
LOANS REPAYABLE IN MONTHLY INSTALMENTS OF \$163 (PRINCIPAL ONLY), AT FIXED RATES RANGING FROM 3.42% TO 5.17%, RENEWABLE FROM 2011 TO 2016 AND MATURING FROM 2013 TO 2027.	24,896	10,255
	34,373	32,459
CURRENT PORTION	(3,882)	(4,368)
	\$ 30,491	\$ 28,091

The following principal repayments on long-term debt to be made over the next five years are based on the assumption that said debt will be renewed under the same terms and conditions:

2011	\$ 3,882
2012	3,927
2013	2,984
2014	2,904
2015	\$ 2,664

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

15. DESCRIPTION OF EMPLOYEE BENEFIT PLANS

Héma-Québec has several defined benefit plans, funded and non-funded which provide pension benefits, other retirement benefits and post-employment benefits to most employees.

The defined benefit plans are based on number of years of service and average salary at retirement. They also provide for partial indexation of pension benefits based on inflation.

TOTAL CASH PAYMENTS

Total cash payments for future employee benefits for 2010, which consist of Héma-Québec's contributions to its funded pension plans and amounts paid directly to beneficiaries under other non-funded plans amounted to \$7,296 [\$6,652 in 2009].

DATES FOR VALUATION OF DEFINED BENEFIT PLANS

Héma-Québec determines its accrued benefits obligation and the actuarial value of pension plan assets for accounting purposes as at March 31 of each year. The effective dates of the most recent actuarial valuations as well as of upcoming mandatory valuations for funding purposes for the funded plans are as follows:

	DATE OF MOST RECENT ACTUARIAL VALUATION	DATE OF MANDATORY ACTUARIAL VALUATION
UNIONIZED EMPLOYEES' PENSION PLAN	DECEMBER 31, 2007	DECEMBER 31, 2010
PENSION PLAN FOR MANAGEMENT, PROFESSIONAL, TECHNICAL AND ADMINISTRATIVE SUPPORT STAFF	DECEMBER 31, 2007	DECEMBER 31, 2010

DEFINED BENEFIT PLAN OBLIGATION

	2010		2009 RESTATED [NOTE 2]	
	PENSION PLANS	OTHER PLANS	PENSION PLANS	OTHER PLANS
ACCRUED BENEFIT PLAN OBLIGATION AT BEGINNING OF YEAR	\$ 92,962	\$ 5,070	\$ 84,112	\$ 5,278
PRIOR PERIOD BENEFIT COST	7,731	2,283	7,128	1,857
INTEREST EXPENSE ON AVERAGE OBLIGATION	5,714	173	5,144	165
BENEFITS PAID	(2,347)	(2,398)	(3,725)	(1,991)
COST OF PLAN AMENDMENTS INCURRED DURING THE YEAR	—	—	400	—
ACTUARIAL LOSS (GAIN)	56	436	(97)	(239)
ACCRUED BENEFIT PLAN OBLIGATION AT END OF YEAR	\$ 104,116	\$ 5,564	\$ 92,962	\$ 5,070

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

15. DESCRIPTION OF EMPLOYEE BENEFIT PLANS [CONT'D]**DEFINED BENEFIT PLAN ASSETS**

	2010		2009 RESTATED [NOTE 2]	
	PENSION PLANS	OTHER PLANS	PENSION PLANS	OTHER PLANS
ACTUARIAL VALUE OF PLAN ASSETS AT BEGINNING OF YEAR	\$ 87,501	\$ –	\$ 81,884	\$ –
EMPLOYER CONTRIBUTIONS	4,898	2,398	4,661	1,991
EMPLOYEE CONTRIBUTIONS	3,360	–	3,165	–
EXPECTED RETURN ON AVERAGE ASSETS	5,427	–	5,036	–
BENEFITS PAID	(2,347)	(2,398)	(3,725)	(1,991)
LOSS ON PLAN ASSETS	(1,975)	–	(3,520)	–
ACTUARIAL VALUE OF PLAN ASSETS AT END OF YEAR	\$ 96,864	\$ –	\$ 87,501	\$ –

ALLOCATION OF DEFINED BENEFIT PLAN ASSETS

(IN % AS AT MARCH 31)	2010	2009
SHARES	57%	46%
BONDS	37%	49%
OTHER	6%	5%
TOTAL	100%	100%

RECONCILIATION OF FINANCIAL POSITION AND AMOUNTS RECORDED IN FINANCIAL STATEMENTS

	2010		2009 RESTATED [NOTE 2]	
	PENSION PLANS	OTHER PLANS	PENSION PLANS	OTHER PLANS
ACTUARIAL VALUE OF PLAN ASSETS	\$ 96,864	\$ –	\$ 87,501	\$ –
ACCRUED BENEFIT OBLIGATION	104,116	5,564	92,962	5,070
FINANCIAL POSITION – DEFICIT	(7,252)	(5,564)	(5,461)	(5,070)
NET UNAMORTIZED ACTUARIAL LOSSES (GAIN)	5,158	197	3,423	(239)
ACCRUED BENEFIT LIABILITY AT END OF YEAR	\$ (2,094)	\$ (5,367)	\$ (2,038)	\$ (5,309)

CLASSIFICATION OF LIABILITIES RECORDED IN HÉMA-QUÉBEC'S FINANCIAL STATEMENTS

	2010	2009 RESTATED [NOTE 2]
PENSION PLANS	\$ 2,094	\$ 2,038
OTHER PLANS	5,367	5,309
TOTAL ACCRUED BENEFIT LIABILITY	\$ 7,461	\$ 7,347

Accrued benefit obligations exceed plan assets for all Héma-Québec plans.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

15. DESCRIPTION OF EMPLOYEE BENEFIT PLANS [CONT'D]

COST RECORDED FOR THE CURRENT YEAR

	2010		2009 RESTATED [NOTE 2]	
	PENSION PLANS	OTHER PLANS	PENSION PLANS	OTHER PLANS
CURRENT PERIOD NET BENEFIT COST	\$ 4,371	\$ 2,283	\$ 3,963	\$ 1,857
COST OF PLAN AMENDMENTS	—	—	400	—
AMORTIZATION OF ACTUARIAL LOSSES	296	—	—	—
RETIREMENT BENEFIT INTEREST EXPENSE	287	173	108	165
COST RECORDED FOR EMPLOYEE FUTURE BENEFITS	\$ 4,954	\$ 2,456	\$ 4,471	\$ 2,022

SIGNIFICANT ASSUMPTIONS

	2010		2009 RESTATED [NOTE 2]	
	PENSION PLANS	OTHER PLANS	PENSION PLANS	OTHER PLANS
ACCRUED BENEFIT OBLIGATION AS AT MARCH 31				
DISCOUNT RATE	6.00%	4.40%	6.00%	4.60%
RATE OF COMPENSATION INCREASE	3.50%	3.50%	3.50%	3.50%
BENEFIT COST FOR THE YEARS ENDED MARCH 31				
DISCOUNT RATE	6.00%	4.60%	6.00%	4.20%
EXPECTED RATE OF RETURN ON PLAN ASSETS	6.00%	—	6.00%	—
RATE OF COMPENSATION INCREASE	3.50%	3.50%	3.50%	3.50%

ASSUMED HEALTH CARE COST TREND RATES

	2010	2009
INITIAL HEALTH CARE COST TREND RATE AS AT MARCH 31	10.00%	8.50%
COST TREND RATE DECLINES TO	5.00%	5.00%
YEAR THAT THE RATE REACHES THE RATE IT IS ASSUMED TO REMAIN AT	2020	2017

16. FOREIGN CURRENCY RISK MANAGEMENT

In the normal course of operations, Héma-Québec purchases approximately 75% of its stable products, and medical and blood drive supplies in U.S. dollars and is therefore exposed to currency fluctuations. Héma-Québec has established a foreign currency risk management policy and enters into derivative financial instruments for the management of foreign currency risk particularly through foreign exchange contracts. Héma-Québec has entered into 26 foreign exchange contracts to purchase U.S. dollars in the amount of \$136,800 at the rate of 1.06171 for the period from April 1, 2010 to March 8, 2011 to manage the foreign currency risk linked to the purchase of stable products, and medical and blood drive supplies. These contracts cover 90% of expected minimum foreign currency commitments. As at March 31, 2010, unrealized losses on foreign exchange contracts were valued at \$6,280.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2010 [in thousands of dollars]

16. FOREIGN CURRENCY RISK MANAGEMENT [CONT'D]

The statement of financial position includes the following amounts in Canadian dollars with respect to financial assets and liabilities denominated in U.S. dollars:

	2010	2009
U.S. DOLLARS:		
CASH	\$ 8,936	\$ 375
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 11,635	\$ 3,230

17. COMMITMENTS

Héma-Québec has entered into long-term leases expiring at various dates over the next twenty-four years for its operating facilities and administrative premises. In some instances, the leases for the facilities and premises include a renewal option of up to five years.

Lease expense for the year ended March 31, 2010 amounted to \$2,386 (\$2,102 in 2009) for the facilities and premises. Future minimum payments under long-term leases are as follows:

2011	\$ 2,276
2012	2,207
2013	2,207
2014	2,011
2015	1,728
2016 AND THEREAFTER	\$ 29,732

18. RELATED PARTY TRANSACTIONS

In addition to the related party transactions already disclosed in the financial statements and measured at the exchange amount, Héma-Québec is related to all government departments and special funds as well as to all organizations and enterprises controlled directly or indirectly by the Government of Québec or subject to joint control or to significant common influence by the Government of Québec. Héma-Québec has not entered into any business transactions with these related parties other than in the normal course of its activities and subject to business terms that are usual and customary. These transactions are not disclosed separately in the financial statements.

19. COMPARATIVE FIGURES

Certain prior year figures have been reclassified to conform to current-year presentation.



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