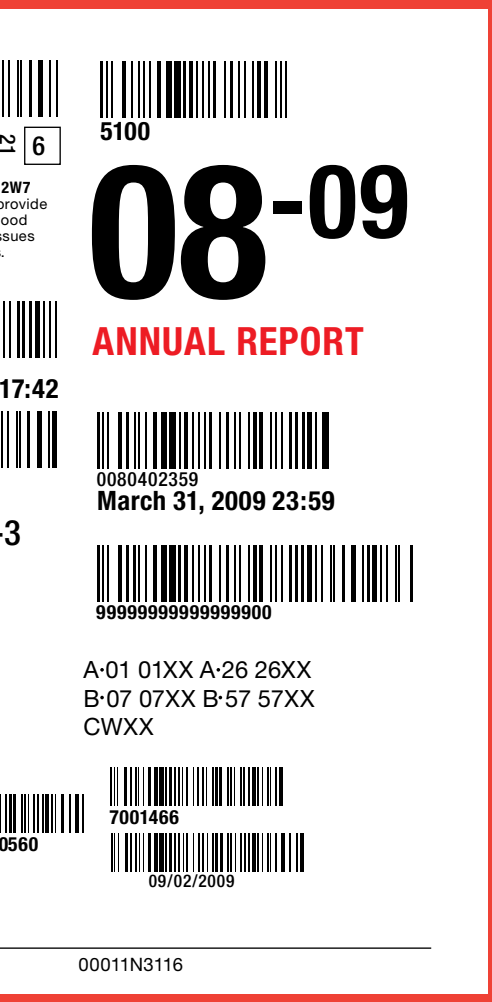

HÉMA-QUÉBEC

Blood Products
Stem Cells
Human Tissues

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

On September 28, 1998, Héma-Québec replaced the Red Cross as the organization responsible for managing Québec's blood supply. At the time, a mere 38% of people asked had faith in the blood collection and distribution system. Today, the situation is dramatically different: 9 out of 10 Québecers say they have confidence in Héma-Québec. This annual report shows that the population indeed views our organization in a positive light, with 92% of respondents expressing a favourable opinion of it.

JEAN-PIERRE ALLAIRE, F.C.A., ICD.D
Chair of the Board of Directors

FRANCINE DÉCARY, M.D., PH.D., M.B.A., O.Q.
President and CEO

We owe this success to everyone who worked hard to help Québec build up a reliable collective blood supply. First and foremost, we must underline the invaluable contributions of hundreds of thousands of individuals who gave blood or blood components, or who volunteered their time. And of course we must recognize the crucial role played by Héma-Québec staff members.

Today, Héma-Québec's role extends far beyond that of supplying stable and labile blood products. Building and maintaining the supply of hematopoietic stem cells (from umbilical cord blood and bone marrow) and human tissues, both of which are used in transplants, have become an increasingly important part of our mandate, as described in this report.

These developments are part of a specific framework set out in our 2007-2010 strategic plan. The presentation of this annual report is modeled after and directly inspired by the eight strategic goals defined for the same period. The aim is to emphasize the importance of these objectives in our daily activities.

Regaining the public's confidence and, more specifically, that of blood donors and recipients, was our main goal in our first decade of existence. Safety is and will continue to be the cornerstone of our operations, as demonstrated by the many measures taken over the years, such as the implementation of exclusion criteria to reduce the potential spread of variant Creutzfeldt-Jakob disease (mad cow disease), the introduction of nucleic acid testing for earlier detection of the HIV, hepatitis B and West Nile viruses, and the addition of a bypass pouch to the blood collection device to reduce bacterial contamination. Last year was no exception, with new measures being applied to ensure the safe supply of blood products for distribution. The implementation of new measures for Chagas disease and the broadening of exclusion criteria to prevent TRALI are examples of this ongoing initiative.

Control tests performed by Quality and Standards ensure an optimal level of safety and attest to our constant concern to ensure that the blood products, human tissues and hematopoietic stem cells that Héma-Québec collects, transforms and distributes meet the highest standards.

It is easy to explain why safety is of utmost importance to Héma-Québec. Over 485,000 labile blood products were shipped to Québec hospitals last fiscal year. In addition, the number of grafts distributed continues to grow, as does the number of cord blood samples collected. These blood components, human tissues and hematopoietic stem cells are used to improve the health, or even save the lives, of tens of thousands of recipients.

For this reason, safety plays a major role in our operations. The same can be said of research and development, since the development and implementation of innovative techniques have proven vital to improving the quality and performance of our products and processes.

Launched in 2007, our mass frequent-donor genotyping project made tremendous progress last year. To date, some 15,000 donors have been genotyped and entered in the database, thereby simplifying the search for compatible packed red cells, particularly for recipients who have developed antibodies to blood group antigens.

Innovation is also evident in the human tissues sector, where the Operational Testing Group (OTG) is leading efforts to optimize the process for disinfecting heart valves, with the aim of qualifying as many as possible, given their rarity.

Our actions have been fruitful. A rigorous management approach has led to a reduced cost per capita of blood products in Québec. Our performance, both operational and financial, has made us one of Québec's most successful organizations.

At Héma-Québec, we are aware that the public confidence we have earned over the years is very fragile and must be maintained through daily actions that demonstrate our desire to remain a model of quality and innovation with respect to the safe supply of blood products, human tissues and stem cells. Trust is strengthened by building and sustaining the satisfaction of our clients and partners, including donors, volunteers, hospitals and, ultimately, recipients.

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 BLOOD AND LABILE BLOOD PRODUCTS

1.1.1.1 IMPLEMENTATION OF NEW MEASURES FOR CHAGAS DISEASE

Further to assessing the risk associated with Chagas disease, new measures were put in place to minimize the potential contamination of labile blood products stemming from blood drives.

While rare in Canada, Chagas disease, caused by the parasite *Trypanosoma cruzi*, transmitted by a blood-feeding insect, is widespread in Latin America. The infection is chronic and can be fatal.

Since late March 2009, the following three questions have been added to the blood donor form given to donors to determine their risk for Chagas disease:

- Were you born outside of Canada?
- Was your mother or maternal grandmother born outside of Canada?
- Have you travelled to or resided in Latin America (including Mexico) for 30 consecutive days or more?

In the event of a positive response to any of these three questions, a blood sample is sent to the laboratory for screening. If the result is positive, the donation is destroyed, and the blood sample undergoes further testing to confirm the infection. The donor is then notified and directed to an outside medical resource for clinical follow-up.

1.1.1.2 BROADENING THE CRITERIA FOR TRALI TO INCLUDE PLATELETS DERIVED FROM WHOLE BLOOD DONATIONS

TRALI (transfusion-related acute lung injury) is a complication associated with the transfusion of blood products containing donor HLA-antigen antibodies, mainly found in blood plasma and platelets. Studies have shown that women with a history of pregnancy are susceptible to developing these antibodies.

C 0003 09 001466 21 6

Héma-Québec
4045 Côte-Vertu, St-Laurent, QC H4R 2W7
Héma-Québec's mission is to efficiently provide adequate quantities of safe, optimal blood components, substitutes and human tissues to meet the needs of all Quebecers.

Prélevé le
Collected on

00733070949
April 09, 2009 17:42

E0361V00

Culot globulaire AS-3
AS-3 RED BLOOD CELLS
partiellement déleucocyté
leukocytes reduced

Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
Conserver à/Store at 1-6°C

5100

0

Rh NÉGATIVE

JUSTIN, RECIPIENT

0080402359

2008-2009 ANNUAL REPORT

THANKS TO THE BLOOD PRODUCTS HE RECEIVES EACH WEEK, JUSTIN CAN GO TO SCHOOL, HAVE FUN WITH HIS FRIENDS, PLAY HOCKEY AND, ABOVE ALL, ENJOY LIFE.

In addition to the host of measures implemented last year for women donors of platelets by apheresis, the criteria for TRALI were broadened in October 2008 to include platelets derived from whole blood.

This set of measures aims to prevent this rare but serious complication arising in certain patients through the transfusion of blood components.

In conjunction with Quality and Standards, the Operations sector put measures in place to ensure that only platelets derived from whole blood products donated by women with no history of pregnancy and by men would henceforth be used for transfusion purposes.

Applying this measure to all blood drives is logistically complex and therefore labour-intensive. Note that women with a history of pregnancy can continue to donate whole blood and plasma by apheresis, which will be used to manufacture stable blood products.

1.1.1.3 REDUCING THE RISK ASSOCIATED WITH THE PRESENCE OF LEAD IN BLOOD

In the wake of further initiatives taken to study results announced in the last fiscal year, a project was launched to reduce the theoretical risk associated with excessive levels of lead in transfusions given to infants and young children.

A study by the Institut national de santé publique du Québec (INSPQ), in conjunction with Héma Québec, found that the percentage of donors with levels of lead exceeding the safe upper limit was only 2.6% in people under age 30, compared to 15.5% for the overall population.

The chosen solution was to use packed red blood cells from young donors in transfusions given to infants and young children. This program will take effect in fall 2009.

1.1.1.4 INTEGRATION OF ISBT 128 STANDARD IN QUÉBEC HOSPITALS

Last year, Héma-Québec adopted the ISBT 128 international standard for labelling labile blood products. As part of this initiative, all Québec hospitals updated their version of Traceline in order to read the new labels.

The temporary label will be removed from products in May 2009.

1.1.1.5 QUALITY CONTROL: LABILE BLOOD PRODUCTS

1.1.1.5.1 CONTROL TESTS

To ensure an optimal safety level for all labile blood products, compliance with current standards is an absolute priority. Many quality control tests are performed to ensure that products 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 PERCENTAGE OF TESTED BAGS
PACKED RED CELL AS-3	RESIDUAL LEUKOCYTES	2,330	100%	< 5.0 x 10^6/BAG	100 %
	STERILITY	2,561	100%	NO CONTAMINATION	100 %
WASHED PACKED RED BLOOD CELLS	% OF HEMOLYSIS	48	100%	< 0.8 %	100 %
	STERILITY	48	100%	NO CONTAMINATION	100 %
DEGLYCEROLIZED PACKED RED BLOOD CELLS	% OF RECOVERY	26	92.31% [1]	≥ 80 %	100 %
	STERILITY	26	100%	NO CONTAMINATION	100 %
PLATELET CONCENTRATE	RESIDUAL LEUKOCYTES	445	99.8% [2]	≤ 8.3 x 10^5/BAG	100 %
	PLATELET COUNT	468	90.2%	≥ 5.5 x 10^{10}/BAG	75 %
	PH	644	99.7% [3]	≥ 6.2	100 %
	STERILITY	644	100%	NO CONTAMINATION	100 %
APHERESIS PLATELETS	RESIDUAL LEUKOCYTES	415	100%	< 5.0 x 10^6 / BAG	100 %
	PLATELET COUNT	3,968	91.2%	≥ 3.0 AND ≤ 5.1 x 10^{11} BAG	90 %
	PH	339	100%	≥ 6.2	100 %
	STERILITY	340	100%	NO CONTAMINATION	100 %
GRANULOPHERESIS	WHITE BLOOD CELL COUNT	49	69.4% [4]	≥ 1.0 x 10^{10} / BAG	75 %
	STERILITY	68	100%	NO CONTAMINATION	100 %
CRYOPRECIPITATE	FIBRINOGEN	159	100%	≥ 150 MG / BAG	100 %
FROZEN PLASMA	FACTOR VIII	492	97.4%	≥ 0.52 IU / ML	75 %
FRESH FROZEN PLASMA BY APHERESIS	FACTOR VIII	156	97.4%	≥ 0.70 IU / ML	75 %
	STERILITY	157	100%	NO CONTAMINATION	100 %

1 Problem related to the weighing of products.
2 Non-compliant platelet concentrates, cause unknown.
3 Two non-compliant platelet concentrates, cause unknown.
4 Stimulated donors in adjustment phase of wait period due to the use of medication, compliant since May 2008.

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

POST-DONATION INFORMATION

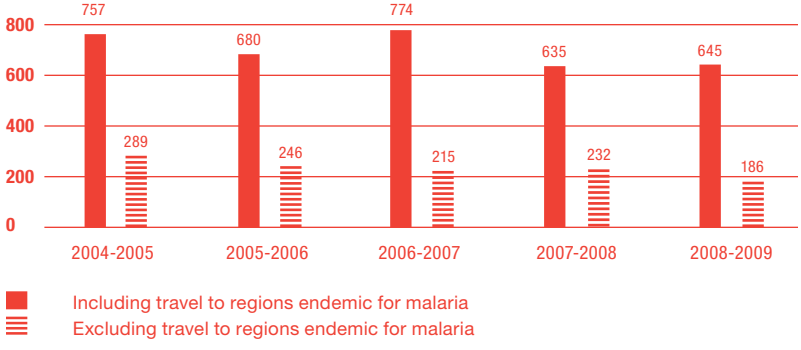
According to the Canadian Standards Association (CSA), post-donation information is information for which Héma-Québec is not responsible and over which it has no control. This information can identify situations or conditions that are likely to affect the safety and/or quality of donations of whole blood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

1.1.1.5.2 POST-DONATION INFORMATION

For quality assurance purposes, the information provided post-donation is crucial, as it may identify situations or conditions likely to affect the safety of the blood donated, including infections, use of medications, or the practice of activities that could compromise the safety of blood products. As a result, the donation and any derived products may be withdrawn from the supply.

A product withdrawal and destruction process is applied systematically if information that could compromise product quality is provided after the donation has taken place.

INFORMATION PROVIDED POST-DONATION

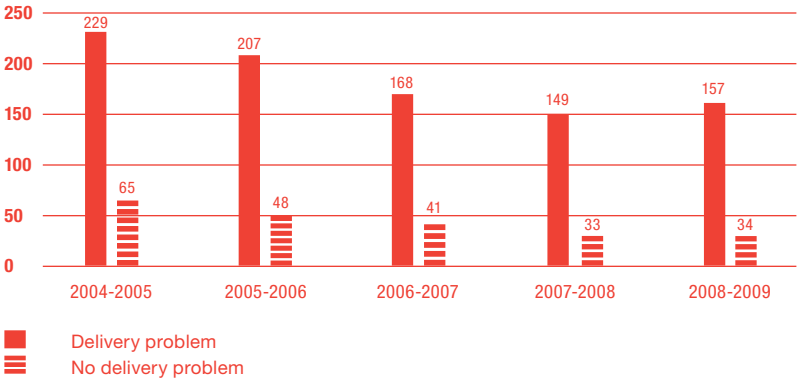


Post-donation information is mainly associated with donors who travelled to countries at risk for malaria. This trend is evident once again in 2008-2009. For cases with no risk of malaria, changes to certain practices have yielded a slight decrease in the number of products withdrawn after distribution.

1.1.1.5.3 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 from which, whether due to human error or another source, is recorded and analyzed in order to evaluate its potential to compromise product safety and efficacy. Should this be the case, the deviation is considered to be an error and the products in question will be immediately withdrawn and destroyed. Accidents are situations that can occur at any time during the process, even when standards and procedures are observed.

ERRORS AND ACCIDENTS



A total of 157 errors and accidents resulting in delivery problems were reported in 2008-2009 for all labile and stable blood products shipped by Héma-Québec (8 more than the previous year). This slight increase is mainly due to a change in freight carrier in August 2008. A monthly follow-up is done with the carrier to assess all incidents that occurred during that period. In addition, each time a delivery problem arises, a complaint letter is immediately sent to promptly implement solutions to the problems. The results for errors and accidents with no delivery problem are similar to those of the previous year.

1.1.1.5.4 PERCENTAGE OF DONATIONS THAT TESTED POSITIVE FOR VIRAL MARKERS

There have been no statistically significant changes in the number of infections identified in donors over the past four years, as seen in the table below.

PROPORTION OF DONATIONS THAT WERE POSITIVE FOR EACH MARKER

MARKER	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
HIV	0.002 %	0.000 %	0.001 %	0.0004 %	0.0004 %
HCV	0.011 %	0.005 %	0.007 %	0.007 %	0.005 %
HBV	0.015 %	0.010 %	0.007 %	0.006 %	0.004 %
HTLV	0.001 %	0.001 %	0.002 %	0.001 %	0.001 %
SYPHILIS	0.010 %	0.009 %	0.009 %	0.006 %	0.008 %
TOTAL DONATIONS TESTED	**242,720**	**269,939**	**258,973**	**251,203**	**274,237**

1.1.1.5.5 BACTERIAL CULTURES

BACTERIAL CULTURE FROM PLATELETS

PLATELET TYPE	PRODUCTS COLLECTED	NUMBER OF CULTURES	CULTURES TESTED POSITIVE
PLATELETS FROM APHERESIS	26,656	18,641	2
PLATELETS FROM WHOLE BLOOD	44,667	41,823	6
TOTAL	**71,323**	**60,464**	**8**

The number of positive results for the bacterial culture of platelets is consistent and shows no significant change despite a substantial increase in shipments of platelets to hospitals. This is due to the fact that approximately 80% of platelets are now collected by apheresis. Donations by apheresis require fewer tests and therefore fewer bacterial cultures. The lower number of cultures than donations in the case of apheresis platelets is attributable to the fact that only a single culture is done for double donations of platelets, which account for about 45% of the platelet supply. In the case of whole-blood platelets, the difference between the number of products collected and the number of cultures is mainly due to rejections during production.

1.1.1.6 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 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.

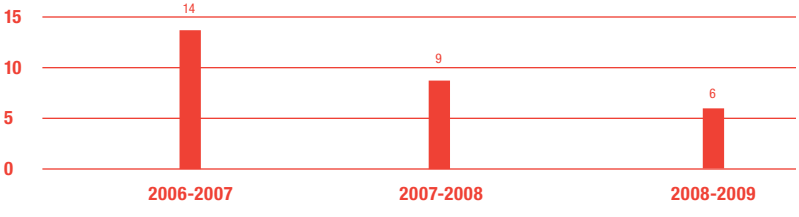
In the 2008-2009 fiscal year, the Audit Department conducted 37 internal audits and 2 supplier audits; both suppliers obtained/maintained their “approved supplier” status.

1.1.1.7 HEALTH CANADA OBSERVATIONS

As in every year, Héma-Québec’s facilities were audited by Health Canada’s Health Products and Food Branch Inspectorate. These audits took place in Montréal in October-November 2008, and in Québec City in January 2009.

The number of observations reported by Health Canada inspectors has steadily decreased over the past three years.

OBSERVATIONS MADE BY HEALTH CANADA



Note that the observations had a lesser impact than they could have had on current procedures. All observations were risk level 3, which is the lowest safety risk for the blood and blood product supply.

In accordance with the Inspectorate's policy 0039, Inspection Strategy for Blood and Source Plasma Establishments, adopted in October 2007, secondary centres (such as Héma-Québec's Globule Blood Donor Centres) are inspected every two years and maintain their own establishment licenses.

Since this policy was implemented, all Globule Blood Donor Centres inspected have earned a perfect score (0 observations). In 2008-2009, three centres were inspected:

- Globule Blood Donor Centre at Place Versailles (October 2008)
- Globule Blood Donor Centre at Centre Laval (December 2008)
- Globule Blood Donor Centre at Place Laurier (January 2009)

1.1.1.8 REGULATORY TRAINING

Regulatory training is overseen by Quality and Standards and plays a pivotal role in Héma-Québec's activities. Each amendment to laws and regulations governing production is likely to affect the current procedures. Based on the changes made, the implementation of relevant training courses is essential and mandatory in order to comply with the new legal framework. Regularly upgrading the staff's skills and abilities is necessary to maintain optimal quality and to ensure the safety of our products.

During the fiscal year, 864 staff members received regulatory training, so as to enable them to work according to current procedures. The Regulatory Training Department held a total of 1,061 training activities. Moreover, 878 recertifications ensured that staff members continue to work in compliance with current standards.

KUDOS!

Héma-Québec was a finalist for the 2009 *Prix Francopub* for its "On a besoin de bras" campaign, which was intended to promote Globule Blood Donor Centres.

1.1.2 MAINTAINING A SUFFICIENT SUPPLY OF LABILE BLOOD PRODUCTS

1.1.2.1 SICKLE-CELL ANEMIA

The implementation of a plan integrating measures to ensure that the needs of transfusion recipients with sickle-cell anemia are met is nearly complete. This hereditary blood disorder, found mainly in Black communities, transforms the shape of red blood cells, resulting in vascular blockage and affecting various organs, including skin and bones.

A program to intensify the recruitment of Black donors is central to this project. The plan involves identifying donors with specific blood types in order to match them with sickle-cell anemia patients. The program is slated to be launched in April 2009.

1.1.2.2 A NEW GLOBULE BLOOD DONOR CENTRE IN LAVAL

Given the increasing reliance on apheresis techniques for blood collection, Globule Blood Donor Centres play a complementary and strategic role within Héma-Québec's supply structure. Therefore, the project to implement a Globule centre in Laval to replace the Côte-Vertu centre, which has ceased operations, became a priority last year.

The new Globule centre at Centre Laval, which opened on December 15, 2008, offers improved services to donors, thanks to its greater accessibility and user-friendly environment, which is adapted to the needs of its clientele. A regional publicity campaign was launched, and the opening ceremony, attended by Laval Mayor Gilles Vaillancourt and some 100 guests, was held on January 20, 2009. The results obtained since the centre's opening are very encouraging.

1.1.2.3 EVOLUTION OF BLOOD DRIVE STRATEGIES

1.1.2.3.1 DIVERSIFYING BLOOD DRIVE STRATEGIES

So as to optimize operations in order to meet client demand (hospitals or donors), the Supply Planning Department has developed a diversified strategy for organizing blood drives:

a) Targeted blood drives

Targeted blood drives use telerecruiting methods to reach donors with a specific blood type or when the inventory of packed red blood cells falls short of objectives. Due to their greater efficiency and performance, targeted blood drives are increasingly being organized to better meet ad hoc supply needs. A total of 219 targeted blood drives were held last year, in which 18,185 people donated blood.

b) Blood donation by appointment

These blood drives enable Héma-Québec to meet the needs of certain groups of donors with specific schedule constraints. More than 553 drives of this type took place, involving a total of 41,506 donors.

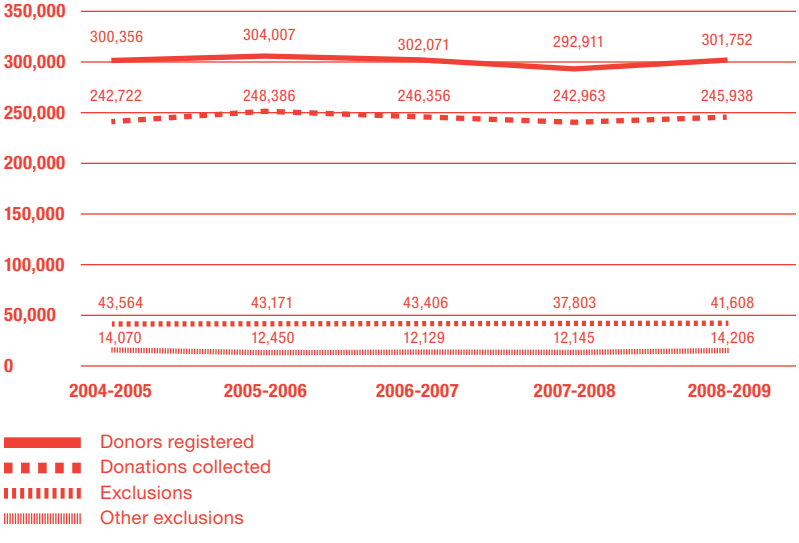
c) Blood drives conducted by the Mobile Blood Donation Unit

Held at businesses and in various public places, blood drives conducted by the Mobile Blood Donation Unit offer the most flexibility. They can be held at locations that do not have the necessary space for a standard blood drive. Last fiscal year, a total of 6,447 donors gave blood during the 165 days the Mobile Unit was operational.

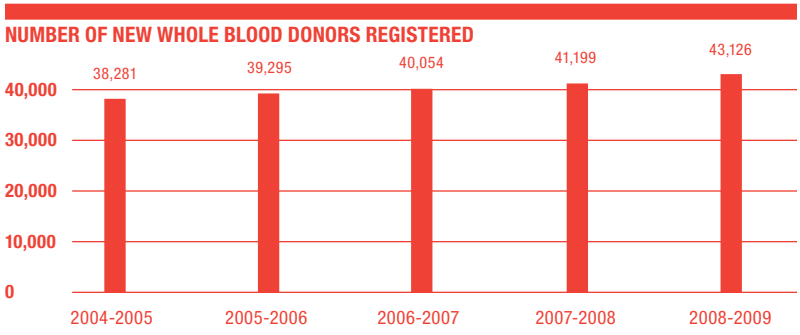
1.1.2.4 RESULTS

Results for whole blood donations, based on all donation sites, are as follows:

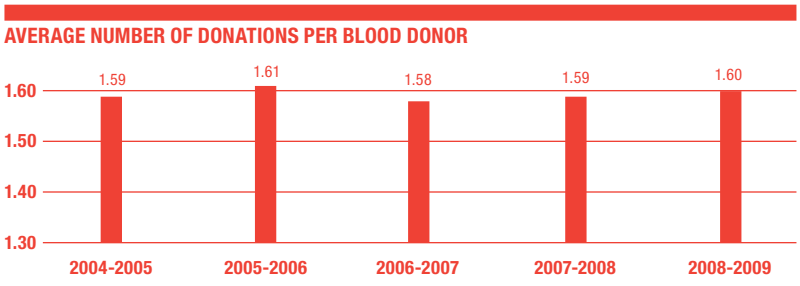
RESULTS FOR WHOLE BLOOD DONATIONS



"Exclusion" means all registrations for which no blood was collected because the donor was deferred the same day or in the 7 days following registration. "Other exclusions" relates to those who registered and were not deferred but did not complete the donation process due to a departure, problem with their veins or discomfort.



The number of new donors increased by 4.7% as a result of Héma-Québec's efforts to attract new donors, specifically at blood drives held in CEGEPs and universities.



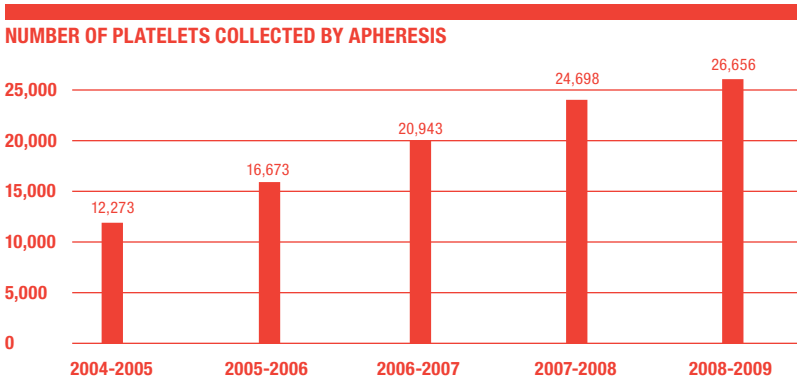
Once again this year, the number of donations per donor remained stable at 1.60. Any variations observed were not statistically significant.

1.1.2.4.1 INCREASE IN DONATIONS BY APHERESIS

1.1.2.4.1.1 Platelet donations by apheresis

For the last 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.

Using apheresis, larger amounts of a blood product can be collected more often from a given donor compared with traditional whole blood donations. A single donation by apheresis produces an amount of platelets equivalent to that generated by five whole blood donations. Given that the same donor can make a "double donation," this figure can increase the amount of platelets collected to the equivalent of 10 regular donations. This creates a significant advantage in terms of blood supply.

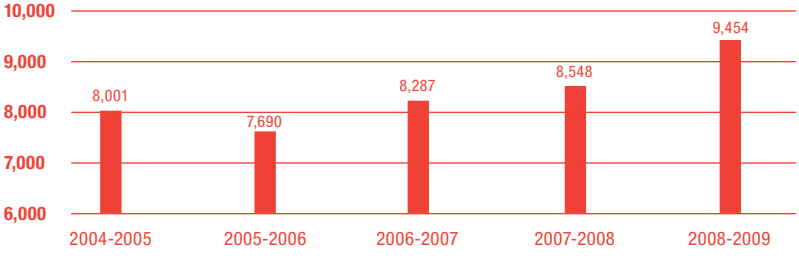


The proportion of platelets obtained by apheresis is close to 80% of the total platelets produced by Héma-Québec. The amount of platelets stemming from "double donations" is on the rise, and 45% of the platelet supply was obtained using this technique, compared with 39% the previous year.

1.1.2.4.1.2 Plasma donations by apheresis

Apheresis is also used to collect plasma. The number of plasma donations by apheresis increased by 10.6%, whereas the number of new donors of plasma by apheresis increased by 8.4% last year, thanks to measures taken for TRALI[1].

PLASMA DONATIONS BY APHERESIS



1.1.2.5 PERFORMANCE

1.1.2.5.1 PROCESS YIELD

Various supply approaches are used to provide hospitals with the blood products and components they require. Targeted blood drives, donations by appointment and blood collection by the mobile unit, as well as blood donations collected at the GLOBULE Blood Donation Centres, are part of the various supply strategies used and complement the mobile blood drives, which themselves generate 86% of all blood donations.

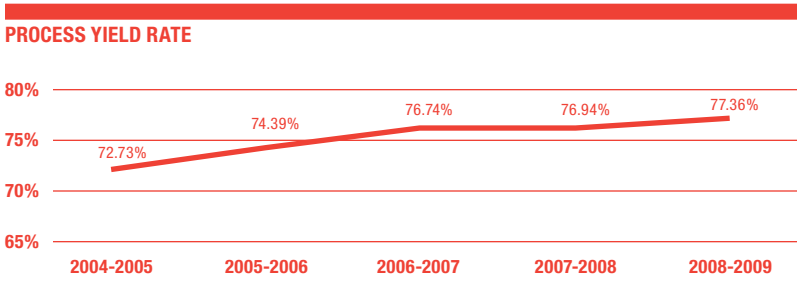
A series of indicators were developed to evaluate the yield of the different supply strategies. A compilation of these indicators provides the overall yield of the processes involved. The process yield rate is calculated using the following indicators:

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

The overall process yield helps to evaluate the results of a blood drive based on the set objectives in terms of the number of donations vs. the number of donors solicited. It reflects a set of relevant variables, i.e., the planning of human resources for the drives, the meeting of donor recruitment objectives, the consequences of donor exclusion, the effect of various rejections on the availability of products and the effect of spoilage on the products collected.

[1] Please see section 1.2, page 25 for further information.

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



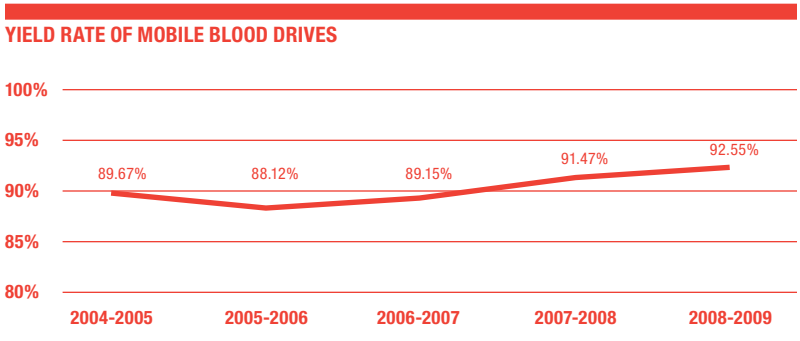
The constant improvement in the process yield rate over the last five years is due to a substantial reduction in the loss rate of packed red cells during production and a marked reduction in losses due to expiration, Héma-Québec's improved process yield rate means it is better able to meet the needs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

KUDOS!

The blood drive held during Québec City's 400th anniversary festivities was a great success.

1.1.2.5.2 YIELD OF MOBILE BLOOD DRIVES

The yield of mobile blood drives is a measure of the number of donors registered on-site vs. the set objectives. In 2008-2009, the yield rate was 92.6%, whereas it was 91.5% the previous year. Better human resource planning, more effective coordination with organizing committees and improved supply planning contributed to this improvement.



3.8%

INCREASE OF SHIPMENTS

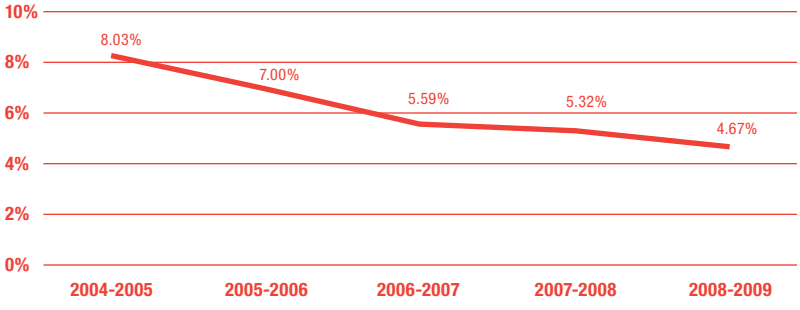
IN LABILE BLOOD PRODUCTS

TO HOSPITALS

1.1.2.5.3 YIELD OF PROCESSING METHODS

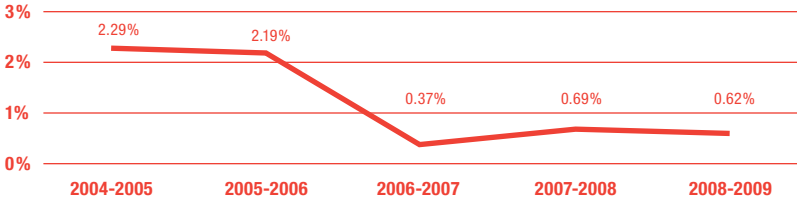
The increased yield rate of processing methods has directly and significantly improved the process yield rate. The loss rate of packed red cells during production and the expiry rate of equivalent platelets[2] are two indicators that improved considerably over the last five years.

LOSS RATE FOR PACKED RED BLOOD CELLS DURING PRODUCTION



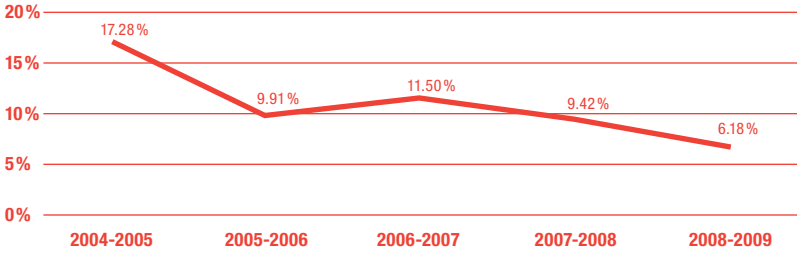
Further progress was made this year to reduce the loss rate during production, improving over the previous year's results (5.32% down to 4.67%). The loss rate is down nearly 50% since 2003-2004, when it was over 9%.

EXPIRY RATE OF PACKED RED BLOOD CELLS



The marked improvement made since 2005-2006 continued in 2008-2009, with the expiry rate remaining under 1% (0.62%). This result is due to the consistent use of the good inventory management practices implemented in 2006-2007.

EXPIRY RATE OF EQUIVALENT PLATELETS



Changes in the platelet supply strategy have enabled Héma-Québec to markedly improve the platelet expiry rate. The implementation of a donor-recruitment strategy that is better suited to the needs of hospitals was instrumental in achieving these results.

[2] Equivalent platelets refer to the total of whole-blood platelets and platelets by apheresis.

1.1.2.5.4 PERFORMANCE OF THE INVENTORY MANAGEMENT SYSTEM

In addition to ensuring a safe and sufficient supply of blood and blood products to hospitals in 2008-2009, Héma-Québec maintained an average of 10.2 days of inventory throughout the year, as well as the same expiry rate. This performance far exceeds the standards of most North American blood banks operating in similar markets.

A conference entitled *How to Build and Maintain an 8-day Inventory*, given by Héma-Québec's Vice-President, Operations at the AABB conference in Montréal last October, aroused a great deal of interest from attendees. On a related topic, the Director of Marketing and International Affairs gave a presentation on the importance of the collective blood supply.

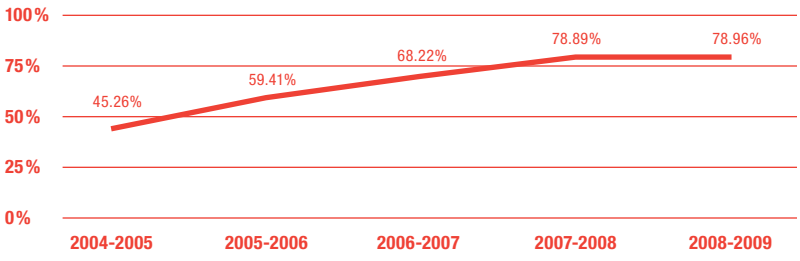
1.1.2.5.5 SHIPMENTS TO HOSPITALS

LABILE BLOOD PRODUCTS DELIVERED TO HOSPITALS

TYPE OF PRODUCT	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
PACKED RED CELLS	220,215	221,256	223,100	227,581	231,958
WHOLE-BLOOD PLATELETS	71,284	55,295	46,776	31,631	33,503
EQUIVALENT PLATELETS BY APHERESIS	58,950	80,945	100,390	118,180	125,765
TOTAL PLATELETS	130,234	136,240	147,166	149,811	159,268
WHOLE-BLOOD PLASMA	46,999	45,535	47,457	51,045	53,199
EQUIVALENT PLASMA BY APHERESIS	14,340	14,998	15,454	15,166	13,754
TOTAL PLASMA	61,339	60,533	62,911	66,211	66,953
CRYOPRECIPITATES	11,568	13,451	15,793	15,793	17,426
CRYOPRECIPITATE SUPERNATANTS	8,768	8,910	7,792	7,546	9,358
GRANULOPHERESIS	36	90	60	205	69
TOTAL	**432,160**	**440,480**	**456,822**	**467,147**	**485,032**

The number of shipments to hospitals increased by 3.8%, a continuation of the trend seen in recent years, whereas the demand for platelets grew 6.7%.

PROPORTION OF SHIPMENTS OF PLATELETS BY APHERESIS



Once again this year, 79% of platelets shipped to hospitals originated from donations by apheresis, meeting Héma-Québec's objective. This supply strategy aims to increase the safety of transfused products for recipients and enables Héma-Québec to better meet the growing demands of hospitals for this blood component.

1.1.2.6 DONOR LOYALTY

1.1.2.6.1 A PERSISTENTLY POPULAR ADVERTISING CAMPAIGN

Héma-Québec's advertising campaign, now in its third year, stands out because it portrays donors wearing one long sleeve and one short sleeve. The concept was used again this year because of its popularity with the public. According to an annual omnibus survey by SOM, close to 70% of Québecers said they had seen the campaign ads, an increase of six percentage points from 2007-2008. Encouragingly, the new generation of donors consists mainly of individuals aged 18-24, the group with the highest intentions of giving blood. Nearly half (47%) of individuals from this age group said their chances of giving blood in the next 12 months were very good or fairly good, a 10% increase over last year.

1.1.2.6.2 THE EFFECTIVENESS OF GLOBULE BLOOD DONOR CENTRES

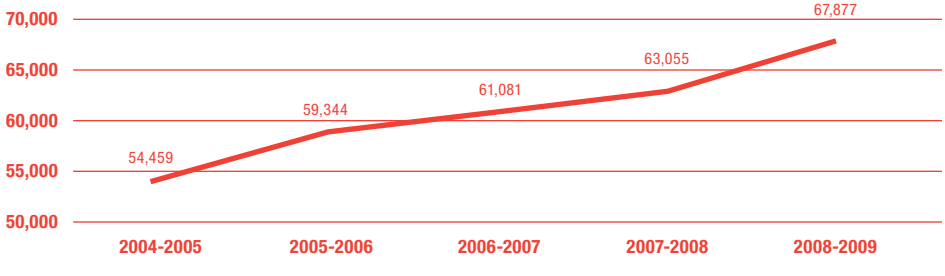
On average, the Globule Centres accommodate 350 donors per week and have proved an effective approach in obtaining donations of plasma and platelets by apheresis, a method currently used in 64% of donations collected at the Globule Centres. Today, this type of donation represents 13% of all donations received.

NUMBER OF BLOOD PRODUCTS COLLECTED – GLOBULE BLOOD DONOR CENTRES

TYPE OF PRODUCT	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
NUMBER OF BAGS OF WHOLE BLOOD COLLECTED (ALLOGENEIC)	31,692	32,483	29,920	28,210	30,521
NUMBER OF BAGS OF WHOLE BLOOD COLLECTED (AUTOLOGOUS)	2,295	2,035	1,570	1,092	834
NUMBER OF BAGS OF WHOLE BLOOD COLLECTED (DIRECTED)	138	163	129	100	76
NUMBER OF BAGS OF WHOLE BLOOD COLLECTED (DESIGNATED)	23	207	169	194	267
NUMBER OF PLATELET DONATIONS COLLECTED BY APHERESIS	12,273	16,673	20,943	24,698	26,656
NUMBER OF PLASMA DONATIONS COLLECTED BY APHERESIS	8,001	7,690	8,287	8,548	9,454
NUMBER OF GRANULOCYTE DONATIONS COLLECTED BY APHERESIS	37	93	63	213	69
TOTAL OF BLOOD PRODUCTS COLLECTED	54,459	59,344	61,081	63,055	67,877

The steady rise in the number of blood products collected at the Globule Blood Donor Centres clearly demonstrates the central role these sites play in the supply strategy for platelets and plasma by apheresis. The number of bags of whole blood collected at the Globule Centres has remained relatively stable over the last five years, the number of platelet donations by apheresis has more than doubled, and plasma donations by apheresis have grown by slightly more than 18% in the same period.

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



1.1.2.6.3 STRONG CREDIBILITY

Héma-Québec continues to enjoy a highly positive image among the population, as shown by the results of another omnibus survey in March 2009, which found that 92% of respondents had a favourable opinion of the organization. The “very favourable opinion” segment grew the most, accounting for 59% of respondents. This segment has increased by 18 percentage points since 2007.

1.1.2.6.4 BLOOD DONOR RECOGNITION

Representing the main links in the supply chain, donors have been central to our success. In recognition of their important contribution, every year Héma-Québec organizes a number of events honouring donors. Two types of events focus specifically on donors and include testimonials from donation recipients to highlight the tangible results of their efforts.

Five events honouring donors of 100+ donations were organized in various regions of Québec last year. Nearly 450 participants took part and received certificates of honour, glass trophies or prestigious awards reserved for donors of 800+ donations.

On a similar note, the research donor recognition gala celebrated the exceptional contribution of donors who, through their donations, help to advance ongoing research projects. Some 100 guests were honoured at last year’s event.

1.1.2.6.5 THE ABDV’S CONTRIBUTION TO NEW DONOR RECRUITMENT

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 with the aim of recruiting new donors.

Héma-Québec specifically targets young donors by emphasizing the importance of integrating them into its contingent of regular donors, and the ABDV provides invaluable help in this respect. Its efforts are particularly evident at blood drives held at CEGEPs and universities. The excellent yield rates obtained at blood drives whenever ABDV members conduct on-site awareness-raising activities attest to the significance of their contribution.

This past year, ABDV volunteers were present at 145 blood drives in CEGEPs and universities, which welcomed nearly 25,000 donors, compared with 125 drives and 20,000 donors the previous year. In 2008-2009, each of these blood drives had a yield rate of nearly 99%, exceeding that of other blood drives (92.5%).

ABDV’S CONTRIBUTION AT CEGEPS AND UNIVERSITIES

	2007-2008	2008-2009
BLOOD DRIVES	125	145
OBJECTIVES	20,680	25,215
DONORS	20,653	24,910
YIELD RATE	99.9%	98.8%

1.1.2.6.6 NATIONAL BLOOD DONOR WEEK AND WORLD BLOOD DONOR DAY

As a result of a motion tabled by Héma-Québec, the first-ever National Blood Donor Week was enacted by Parliament in February 2008. The week coincides with World Blood Donor Day, celebrated on June 14 in over 80 countries worldwide.

The very first National Blood Donor Week, which took place June 9-15, 2008, was marked by a host of promotional and awareness-raising activities across Québec, including the first-ever blood drive at the National Assembly. To celebrate World Blood Donor Day, Héma-Québec executives greeted donors at blood drives and at Globule blood donor centres, handing out t-shirts and reusable water bottles.

KUDOS!
The fall regional public meetings encouraged mobilization and discussions among the over 1,300 organizing committee volunteers.

External Communications honoured the Week by dedicating the 2008 *Info Héma-Québec* newsletter to the event, and a major media relations campaign also took place. Local donors and recipients took part in events held in their respective regions. By the end of the week, more than 70 media outlets had covered the national event.

The Montréal Supply Planning team also took part in the Eureka Science Festival for children and teens, held June 13-15, 2008, at the Montréal Science Centre in the Old Port. Over 480 people visited the Héma-Québec booth.

1.1.2.6.7 EDUCATIONAL KIT FOR ELEMENTARY AND HIGH SCHOOLS

Developed by Public Affairs and Marketing, in conjunction with the Héma-Québec Foundation and Desjardins Financial Security, the new *Blood Red!* educational kit aims to raise awareness about the importance of donating blood among school-aged children.

The development of this tool was finalized last year with the aim of launching it in spring 2009. It comprises two parts: the first is intended to provide students with a basic understanding of blood and its vital role; the second addresses various issues regarding blood donation, including practical information on organizing blood drives in schools.

The kit includes a teacher's guide, activity sheets that can be photocopied, stickers, postcards and a poster to decorate the classroom, as well as a DVD containing testimonials from blood donation recipients.

1.1.2.7 VOLUNTEER RETENTION

1.1.2.7.1 2008 REGIONAL PUBLIC MEETINGS

Each year, Héma-Québec's Board of Directors organizes a series of regional public meetings. Management is deeply involved in these meetings, which involve discussions with organizing committees and local blood drive volunteers.

This past year, these meetings included a retrospective of Héma-Québec's 10 years of operation, aptly entitled *Héma-Québec 1998-2008: une histoire de confiance* [a tradition of trust].

Thanks to the help of Operations, as well as Public Affairs and Marketing, close to 1,340 people attended one of the 10 meetings held across Québec.

1.1.2.7.2 THE IMPORTANCE OF VOLUNTEERS

Volunteerism comes in different shapes and forms within the daily operations of an organization such as ours. Thousands of volunteers work in tandem with members of the Héma-Québec team, devoting their time, energy and drive to maintaining the collective blood supply. They play a key role in promoting blood donation and organizing mobile blood drives, and Héma-Québec relies heavily on their commitment in order to effectively fulfill its mandate.

1.1.2.7.3 EVENTS RECOGNIZING BLOOD DRIVE VOLUNTEERS AND ORGANIZERS

Activities are organized to celebrate the contributions of volunteers, who play a crucial role in achieving our blood supply objectives.

For the first time last year, events recognizing blood drive volunteers and organizers were held during the regional public meetings, in addition to similar types of activities that have been taking place for several years in Montréal and Québec City during National Volunteer Week. Last year, a total of 12 gala events honoured the thousands of Héma-Québec volunteers. In addition, new awards were designed and handed out to organizing committee members, volunteers and retirees.

1.2 STABLE PRODUCTS

1.2.1 ENSURING A SAFE AND SUFFICIENT SUPPLY OF STABLE BLOOD PRODUCTS

1.2.1.1 SAFE AND ADEQUATE LEVEL OF INVENTORY

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 proportion of stable products distributed by Héma-Québec are manufactured using 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. Accordingly, Héma-Québec has long-term agreements with eight main suppliers.

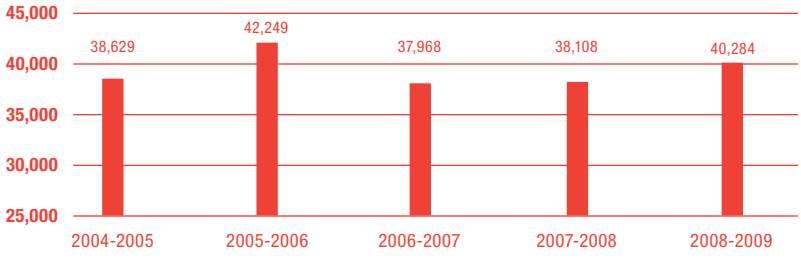
The mandate of the Stable Products sector is to ensure that all products approved by Québec's Ministère de la Santé et des Services sociaux and appearing on the list of blood products approved for distribution in Québec are stored in sufficient amounts by Héma-Québec and acquired at the best overall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

Héma-Québec's objectives include maintaining its inventory at optimal levels, ensuring the availability of all product formats and minimizing product waste.

Héma-Québec must keep sufficient inventory to meet the immediate needs of hospitals, as well as a safe level of inventory to avoid a supply shortage, in the event of a disruption in the supply chain (requiring the use of an alternative source). The inventory level therefore provides protection against uncertainty due to demand fluctuations and delivery delays due to product unavailability.

Optimal inventory levels are generally determined by the projected needs of hospitals and past distribution levels.

LITRES OF PLASMA SHIPPED FOR FRACTIONATION

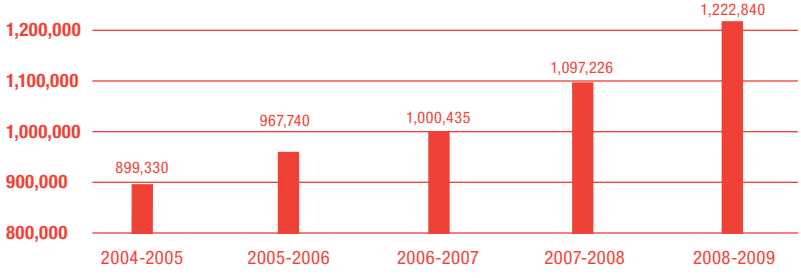


In 2008-2009, 40,284 litres of plasma were sent to Talecris Biotherapeutics to be fractionated and transformed into intravenous immunoglobulin and albumin, a 5.7% increase, which is similar to that recorded the previous year.

1.2.1.2 SHIPMENTS OF STABLE PRODUCTS TO HOSPITALS

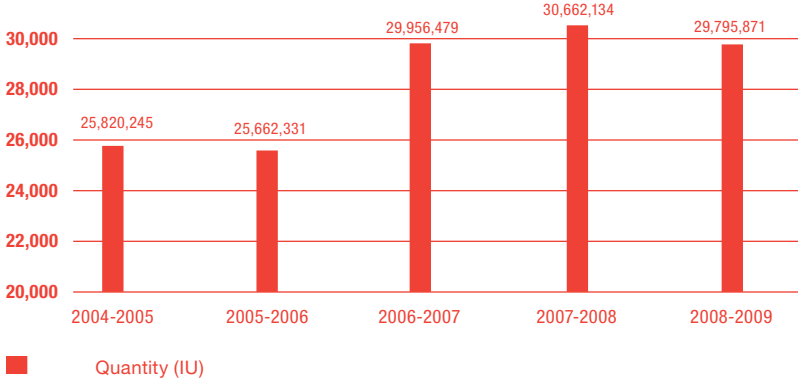
In 2008-2009, distributions of stable products to Québec hospitals totalled CA$156 million.

DISTRIBUTION OF NON-SPECIFIC IMMUNOGLOBULINS (IVIG AND SCIG)

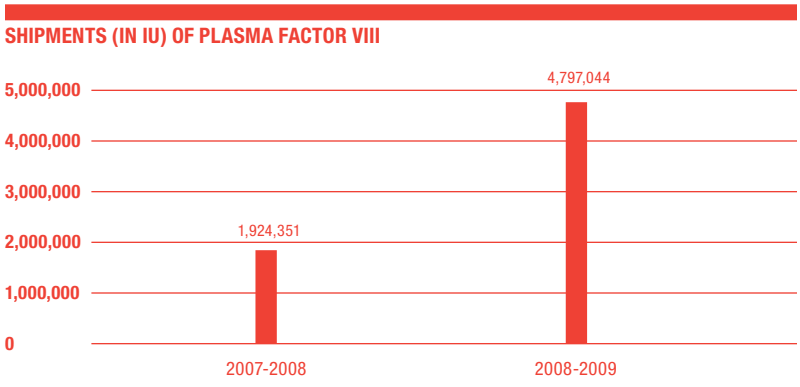


In 2008-2009, the demand for intravenous and subcutaneous immunoglobulins reached 1,222,840 grams, a 11.4% increase over the previous year.

SHIPMENTS (IN IU) OF RECOMBINANT ANTIHEMOPHILIC FACTOR VIII



In 2008-2009, the demand for FVIIIr was 29,795,871 IU (international units), a 2.8% decrease from the previous year. However, this decrease was mitigated by the demand for plasma FVIII, which stood at 4,797,044 IU, a 149.3% increase compared with the previous year.



1.3 HUMAN TISSUES

1.3.1 ENSURING A SAFE SUPPLY OF HUMAN TISSUES

1.3.1.1 MAINTAINING CERTIFICATION

1.3.1.1.1 ISO 13485 RECERTIFICATION

Héma-Québec renewed its ISO 13485 certification this year. Further to the certification inspection, there were no observations to report.

This certification is required to be able to recover, process and distribute heart valves. It is renewable every three years and is required in order to obtain approval from Health Canada.

1.3.1.1.2 AATB ACCREDITATION

Further to an audit last year, Héma-Québec's certification by the American Association of Tissue Banks (AATB) was renewed. The AATB audits take place every three years.

1.3.1.2 QUALITY CONTROL

To ensure that the human tissues prepared by Héma-Québec are safe and comply with current standards, samples are taken during their recovery and undergo sterility tests. The sampling of donations after treatment enables the quality and compliance of treatment and tissue-disinfection methods to be monitored.

1.3.2 MAINTAINING A SUFFICIENT SUPPLY OF HUMAN TISSUES

1.3.2.1 INCREASED RATE OF TISSUE DISTRIBUTION

The number of musculoskeletal tissues distributed increased by 168%, for a total of 607 grafts. This result far exceeds the objective set at the beginning of the period. For example, the number of tendinous tissues distributed jumped from 1 to 125 in the past 12 months.

The infrastructure for importing human tissues is now fully functional, and efforts are being made to establish an effective distribution system. Products are now distributed to certain hospitals through a centralized service, set up last year following the positive results of a pilot project. This new approach has led to significant advancements, with the number of human tissues distributed increasing almost 95% in comparison with the previous year.

QUALITY CONTROL OF HUMAN TISSUES

TYPE OF PRODUCT	TESTS PEFORMED	NUMBER OF PRODUCTS TESTED	% UNACCEPTABLE MICRO-ORGANISMS
SKIN TISSUE	PRE-TREATMENT MICROBIOLOGICAL CULTURE	77	1.0%
	POST-TREATMENT MICROBIOLOGICAL CULTURE	77	3.0%
MUSCULOSKELETAL TISSUE	PRE-TREATMENT MICROBIOLOGICAL CULTURE	416[1]	2.8%
	POST-TREATMENT MICROBIOLOGICAL CULTURE	375[1]	0.5%
HEART TISSUE	PRE-TREATMENT MICROBIOLOGICAL CULTURE	64	9.0%
	POST-TREATMENT MICROBIOLOGICAL CULTURE	64	36.0%[2]

Quality Control conducts certain tests on human tissues to check the quality and compliance of treatment methods.

[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 Human Tissues, to reduce the rejection rate for heart valves.

DISTRIBUTION OF GRAFTS PRODUCED BY HÉMA-QUÉBEC

TYPE OF PRODUCT	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
HEART VALVES			13	33	35
SKIN TISSUE				337	948
MUSCULOSKELETAL TISSUE					
CRUSHED BONE		128	249	245	299
FEMORAL HEADS	24	55	35	36	72
OTHER BONE GRAFTS	43	60	67	78	111
TENDINOUS TISSUE				1	125
TOTAL	**67**	**243**	**364**	**730**	**1,590**

INCREASE IN DISTRIBUTION OF MUSCULOSKELETAL TISSUES BY HÉMA-QUÉBEC

PRODUCT ORIGIN	2007-2008	2008-2009
IMPORTED	146	376
HÉMA-QUÉBEC	359	607

In 2008-2009, Héma-Québec distributed a total of 376 grafts obtained from an external supplier, including 315 of lyophilized bone and 23 tendinous tissues.

1.3.2.2 DONORS AND REFERRALS

A telephone referral line, operating 24/7, had a major impact on the number of grafts, with over 450 calls received this past year.

Whereas the number of grafts distributed increased, the number of donors recovered remained stable compared to the previous year.

1.3.2.3 EYE BANK READY TO LAUNCH OPERATIONS

The outsourcing agreement with Maisonneuve-Rosemont Hospital regarding management of the eye bank, announced at the end of the 2007-2008 fiscal year, was made official last October, and the bank began operations on January 26, 2009. According to the agreement, Maisonneuve-Rosemont Hospital will continue to evaluate, prepare and preserve eye tissues, since these activities require a certain technical expertise that already exists at the hospital. For its part, Héma-Québec will oversee donor qualification and eye recovery, as well as the regulation of these activities. As part of this partnership, our organization used its regulatory and financial expertise to ensure the successful long-term development of the eye bank.

The implementation of a four-member team assigned to recoveries in the Montréal area is a key element in the strategy to increase our supply of these products. In addition to their main mandate, the members of this new team visit hospital care units to remind hospital staff of the importance of referring potential donors. These efforts have already resulted in a rise in the number of eye tissues recovered. In March 2009, 371 referrals for eye donations were received, 225 of which led to recoveries. These results exceed the objective set by the Human Tissues sector for 2008-2009.

Whereas the first targets were set with the aim of eventually achieving self-sufficiency in this field, Héma-Québec may have to import a certain number of these products for the foreseeable future. Accordingly, a project to establish the logistics of importing corneas was launched in December 2008.

1.4 HEMATOPOIETIC STEM CELLS

KUDOS!

The Public Cord Blood Bank took a major step in its development by making its inventory available to transplant physicians in Québec and across Canada.

1.4.1 ENSURING A SAFE AND SUFFICIENT SUPPLY OF HEMATOPOIETIC STEM CELLS

1.4.1.1 INCREASE IN CORD BLOOD DONORS

Further to the addition of two new hospitals involved in recruiting and recovery—LaSalle Hospital (Montréal) and St-François d'Assise Hospital (Québec City)—the number of cord blood donors has continued to grow. For the first time since its inception, Héma-Québec's Public Cord Blood Bank surpassed a landmark 1,000 cords deposited in the bank in a single year. In total, 1,110 cords were added to the bank in 2008-2009.

ACTIVITIES OF THE PUBLIC CORD BLOOD BANK IN QUÉBEC

TYPE OF PRODUCT	2006-2007	2007-2008	2008-2009
COLLECTED	747	871	2,742
QUALIFIED AND PUT IN INVENTORY	251	352	1,110

Héma-Québec's Public Cord Blood Bank surpassed a landmark 1,000 cords deposited in the bank in a single year. In total, 1,110 cords were added to the bank in 2008-2009.

1.4.1.2 QUALITY CONTROL: CORD BLOOD

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

CORD BLOOD QUALITY CONTROL

TYPE OF PRODUCT	TESTS PERFORMED	NUMBER OF PRODUCTS	% COMPLIANCE	ACCEPTABLE VALUES	% ACCEPTABLE
CORD BLOOD (PRE-TREATMENT)	STERILITY	619	99%	No contamination	100%
CORD BLOOD (POST-TREATMENT)	STERILITY	1,189 *	99%	No contamination	100%

Quality Control conducts certain tests on cord blood to check the quality and compliance of transformation methods.

* Sterility testing of post-treatment samples began in November 2008.

1.4.1.3 SCOR: AN EFFECTIVE NEW TOOL

In conjunction with the stem cell team, Information Technology developed a new on-line tool to monitor the inventory and distribution of cord blood bags. The tool, dubbed SCOR (*système pour le sang de cordon*) [cord blood system], enables the user to speed up the search for compatible stem cells for potential recipients. As at March 31, 2009, the bank had received three requests from transplant surgeons to reserve products required for stem cell transplants.

The algorithm behind SCOR, developed by the IT department, helps identify the most compatible cords based on HLA typing. The program is updated automatically, according to new information provided by the NMDP (National Marrow Donor Program)—a distinct advantage over other similar tools.

1.4.1.4 RECOGNITION OF HEMATOPOIETIC STEM CELL DONORS

An event specifically organized to honour unrelated stem cell donors was held in September 2008 to recognize their extraordinary generosity and altruism. The 2008-2009 event paid tribute to 11 stem cell donors in the presence of over 175 guests, including hospital and Héma-Québec staff members.

BECOMING A HEMATOPOIETIC STEM CELL DONOR

Anyone aged 18-50 who is in good health and has no history of cancer (with the exception of basal cell skin cancer) can donate stem cells. Héma-Québec has developed an information kit for interested candidates. After learning about the procedures and implications, these candidates can add their name to the donor registry. A blood test will be performed to analyze their genetic profile. If a patient with the same HLA type as the registered donor requires a donation, Héma-Québec will contact the donor to ensure that he/she is still willing to make the donation. If so, the donation process will be initiated.

SECOND GOAL

THE NEED TO LEAD EMPLOYEES WHILE PROMOTING THEIR COMMITMENT, SUPPORT AND RECOGNITION SO AS TO INCREASE THEIR MOTIVATION

2.1 PROMOTE SUPPORT, COMMITMENT AND RECOGNITION

2.1.1 HÉMA-QUÉBEC'S 10TH ANNIVERSARY

Several activities have been organized to mark Héma-Québec's 10th anniversary and strengthen the sense of pride and belonging among employees. In collaboration with all the other sectors, Human Resources played a key role in planning and organizing these events by effectively communicating relevant information to employees.

KUDOS!
Vice-Presidents' participation in the *Bouffe-santé* events held during Héma Québec's 10th anniversary celebrations.

Organized under the theme of *Depuis 10 ans… pour la vie*, celebration activities included:

a) An invitation to staff to participate in the SSQ Québec City Marathon or the Montréal Oasis Marathon. Both events offered activities for everyone, including 5- and 10-km walks. The Québec City and Montréal events drew 75 and 150 participants, respectively.

b) *Bouffe-santé* days were held in late September in Montréal and Québec City, and the President and Chief Executive Officer along with the Vice-Presidents had the pleasure of serving a healthy breakfast to staff members. These well-attended and fun-filled meetings attracted 400 people in Montréal and 200 in Québec City.

2.1.2 A NEW FORMAT FOR THE *LES MOTS D'HÉMA* INTERNAL NEWSLETTER

Following concerns expressed in the 2007 staff opinion poll, the *Les Mots d'Héma* newsletter was overhauled to better meet the communication needs of our employees. An editorial committee was formed consisting of representatives from each sector of the company who are responsible for submitting articles and information on the organization's activities.

The first issue of the revamped newsletter, published in May 2008, saw readership surge. An in-house survey revealed that 95% of respondents reported being very satisfied with the new version of *Les Mots d'Héma*.

2.1.3 IMPORTANCE OF INTERNAL COMMUNICATIONS

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 overview of Héma-Québec's operations.

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Héma-Québec
4045 Côte-Vertu, St-Laurent, QC H4R 2W7

Héma-Québec's mission is to efficiently provide adequate quantities of safe, optimal blood components, substitutes and human tissues to meet the needs of all Quebecers.

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April 09, 2009 17:42

E0361V00

Culot globulaire AS-3

AS-3 RED BLOOD CELLS
partiellement déleucocyté
leukocytes reduced

Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
Conserver à/Store at 1-6°C

CG3DELAL

00361

08 POSITIVE

510

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Rh POSITIVE

MARC, 123 DONATIONS

0080402359

2008-2009 ANNUAL REPORT

MARC HAS FOLLOWED IN HIS FATHER'S FOOTSTEPS: FROM THE AGE OF 18, HE HAS BEEN DONATING BLOOD ON A REGULAR BASIS. YOU NEVER KNOW WHEN YOU MAY NEED A BLOOD TRANSFUSION!

7001466

09/02/2009

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2.1.4 FIRST-EVER LEADERSHIP FORUM

The President and Chief Executive Officer launched the first-ever Leadership Forum, an initiative to enable participants to share and discuss their respective everyday approaches to motivating employees. Alongside a similar initiative designed for directors, this forum is consistent with the organization's management philosophy.

Held in Montréal and Québec City, the new forum was well attended and brought together leaders, supervisors, senior advisors and other first-level managers. A survey conducted after these meetings revealed that 95% of participants were very satisfied with the activity. The Leadership Forum is expected to meet three times a year, on a flexible schedule.

KUDOS!

A manager and supervisor forum, established by Human Resources, significantly improves the sharing of information between first-level management staff.

2.1.5 EMPLOYEE SERVICE RECOGNITION ACTIVITIES

Over the years, employee service recognition ceremonies held in Montréal and Québec City have met with tremendous success. This year, the careers of 217 employees were celebrated, with twice the number of people honoured at our Québec City facility as compared to last year.

RECOGNITION OF YEARS OF STAFF SERVICE

YEARS OF SERVICE	MONTRÉAL	QUÉBEC CITY	TOTAL
35	0	1	1
30	2	7	9
25	8	1	9
20	10	4	14
15	6	2	8
10	52	44	96
5	48	32	80
TOTAL	**126**	**91**	**217**

Employees with 10 years of service now represent the largest cohort.

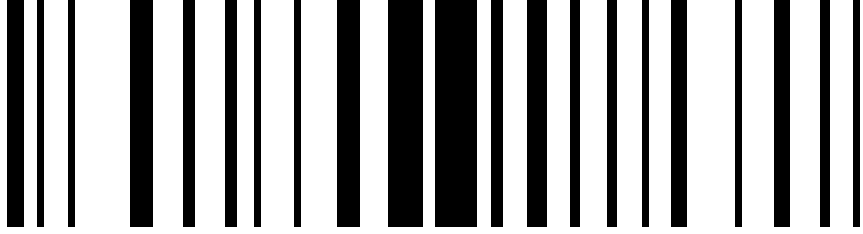
2.1.6 EXIT INTERVIEWS

To develop a better understanding of the organization's strengths and weaknesses, exit interviews are now conducted with departing employees to gather their comments and better understand their reasons for leaving. The information is collected for the purposes of continuous improvement and increased employee retention.

2.2 TRAINING STAFF MEMBERS

2.2.1 TRAINING PROVIDED TO STAFF

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. Excluding regulatory training, over 370 requests for training were considered in 2008-2009, 50 of which were for group training activities and over 320 for individual training sessions. Some 10,000 non-regulatory training hours were given, reflecting the relevance of this initiative and the level of employee appreciation.



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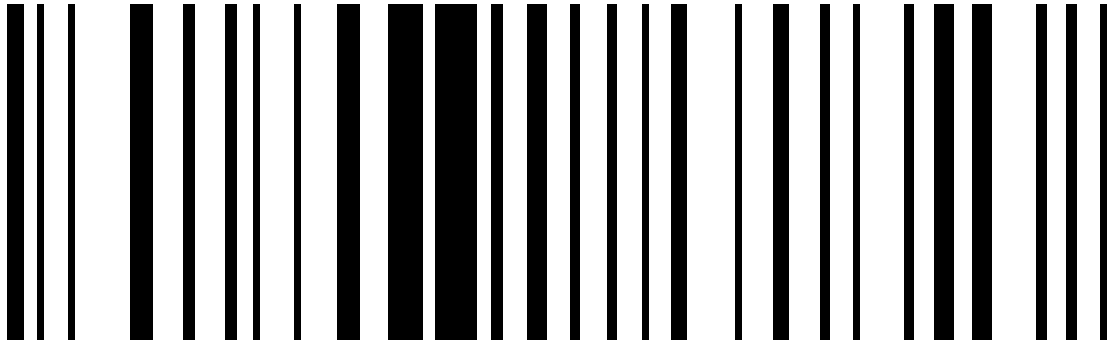


92,6 %

Compliance rate

with the equal access to employment PROGRAM

Volume: 234 mL

Do/From 450 mL ST/WB

Several key actions were taken this year:

a) **A new computerized database**
Executive, management, professional and support staff now have intranet access to an electronic portal that allows them to consult a database listing of preselected training and development activities.

b) **Efforts to better equip managers**
With the President's support, the development of a culture of training among management staff is a priority for the company. To this end, a management training and development plan was adopted as part of the 2007-2010 strategic plan and is supported by a visual reinforcement campaign under the theme *Quand gestion rime avec vision*.

c) ***Oser être heureux au travail*** **training**
Some 350 people participated in this training, which was a major success in terms of employee motivation.

KUDOS!
Dr. Gilles Delage, Vice-President, Medical Affairs in Microbiology, led approximately 40 information sessions on a potential flu pandemic for Héma-Québec staff.

In 2008-2009, a number of development activities were organized and presented to 90 leaders and supervisors. The aim of training sessions such as *La gestion de l'appréciation de la contribution individuelle* and *La gestion des comportements difficiles* was to enable these staff members to acquire or enhance certain skills.

Similarly, all new management staff must follow a mandatory training program. In 2008-2009, twenty newly promoted or hired managers participated in training activities designed to help them better motivate, support and recognize members of their team.

2.3 FOSTER A PRODUCTIVE, WELL-BALANCED WORK ENVIRONMENT

2.3.1 WORK-LIFE BALANCE ADVISORY COMMITTEE

A pilot project was launched to give mobile drive staff one set day off per week. Due to the nature of their work, these employees have to deal with irregular and unpredictable work schedules; therefore, being able to enjoy a set weekday off represents a significant benefit in this activity sector. On completion of the pilot project, the Management Committee recommended that this project be implemented on a larger scale within the mobile drive group. This will enable us to confirm the long-term viability of such a measure and its impact on daily operations. Depending on the results, a decision will be made regarding permanent implementation.

Management renewed the mandate of the Work-Life Balance Advisory Committee, which will continue to explore new opportunities in this regard.

2.3.2 PAY EQUITY

After resuming their duties in March 2008, the pay equity committees worked long hours on their respective files to get the organization up to speed in this regard. At the end of this fiscal year, 70% of the files were completed and the remaining 30% were in the process of being finalized.

2.3.3 DIVERSITY AND EQUAL ACCESS TO EMPLOYMENT

Héma-Québec has committed to improving the representation of designated groups by 2011, in accordance with the *Act respecting equal access to employment in public bodies* (women, Aboriginal peoples, visible minorities, ethnic minorities, disabled persons). Compliance with the equal access to employment program has risen steadily since 2002, increasing from 88.8% to 92.6%.

To continue this positive trend and ensure optimal management of this file, specific recruitment initiatives were launched for each of the groups concerned. The decision was also taken to create a Diversity Advisor position, which will be filled in the coming year.

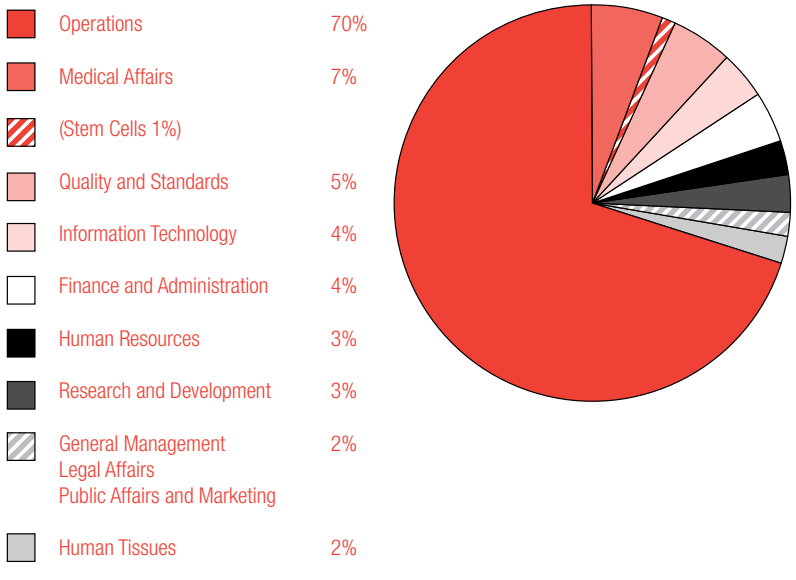
2.3.4 STRATEGY FOR RECRUITING NURSES

To recruit nurses, attraction strategies that emphasize the advantages of the work environment are needed. In order to effectively meet the needs in this field, nursing staff recruitment requires constant planning. Accordingly, several actions have been instituted, beginning with a targeted advertising campaign that successfully attracted new candidates. Our recruitment teams also took part in the Salon Emploi Formation and the Ordre des infirmières et infirmiers du Québec annual conference, where some 1,300 nurses and 700 aspiring nurses dropped by our information booth.

2.3.5 HUMAN RESOURCES REVIEW OF BUSINESS PROCESSES AND REGULATIONS

In collaboration with the Management Information Systems group, the Human Resources sector began drafting its business processes and procedures. These processes will subsequently be inputted into a computerized management program, which will allow the Human Resources team to offer employees better service and to improve administrative efficiency.

BREAKDOWN OF EMPLOYEES BY DIVISION AS AT MARCH 9, 2009



Note: Héma-Québec had 1,323 employees as at March 31, 2009.

THIRD GOAL

DEVELOPING AND PRESERVING OUR CREDIBILITY, AS WELL AS THE TRUST AND SATISFACTION OF OUR CLIENTS AND PARTNERS

3.1 PRESERVING THE TRUST AND SATISFACTION OF HOSPITAL CLIENTS

3.1.1 MEETING WITH USERS

To solidify relations with hospital clients, a day of meetings was set up with blood bank staff to promote discussions on various subjects regarding everyday management issues. Some 40 hospitals sent staff members to this much-anticipated event, which has now become a part of the user committee meetings held regularly throughout the year.

3.2 PRESERVING THE TRUST AND SATISFACTION OF DONORS

3.2.1 SATISFACTION SURVEY ON THE BLOOD DONATION EXPERIENCE

Under the supervision of Marketing and International Affairs, donor satisfaction levels are measured through an ongoing evaluation process. Using monthly statistics, an annual satisfaction profile was established based on observations reported by over 6,000 respondents per year, a significant proportion of whom (51%) gave Héma-Québec a perfect score of 10/10. This excellent result reflects the relevance of the numerous measures implemented to improve the client experience at blood drive sites.

3.2.2 A SPECIFIC TEST FOR HEMOGLOBIN LEVELS

Among the most recent measures for improving the blood donation experience at blood drive sites is the testing of hemoglobin levels. The test is now administered immediately after the registration step at blood drives with an objective of over 200 donors. It applies specifically to women, since they are more likely to occasionally have hemoglobin levels below that required for donating blood. This new initiative improves the qualification times for female donors.

3.2.3 PROJECT FOR REINCORPORATING FALSE POSITIVES

Previously banned for life from donating blood, people who are classified as false-positives on second testing could potentially be reincorporated into the blood donor registry. Further to a series of studies showing that these donors represent no risk to the safety of the blood supply, Héma-Québec submitted a request to Health Canada in February 2009 to amend existing policies with the aim of allowing reintegration. A positive response would satisfy a long-standing request made by donors disappointed about having been banned from giving blood. This change would clearly improve the quality of donor services.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SUET FAN, 17 DONATIONS
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2008-2009 ANNUAL REPORT
SUET FAN HAS BEEN GIVING BLOOD REGULARLY SINCE SHE TURNED 18. FOR HER, IT'S AN ACT OF COMPASSION THAT ALLOWS HER TO HELP OTHERS.
7001466
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3.3 PRESERVING THE TRUST AND SATISFACTION OF VOLUNTEERS

3.3.1 AABB INTERNATIONAL AWARD

Each year, the organizing committees and their team of volunteers organize numerous blood drives and thus contribute to maintaining Québec's blood supply at high levels. Since the inception of Héma-Québec 10 years ago, the Order of the Knights of Columbus has successfully organized more than 1,530 blood drives, in which more than 236,000 donors gave blood.

In October 2008, the Order of the Knights of Columbus received a prestigious international award, as part of the AABB conference held in Montréal, for the extraordinary contribution of its volunteers in support of blood donation.

KUDOS!

The AABB awarded a prestigious prize to the Knights of Columbus. The various committees of this organization have successfully organized more than 1,500 blood drives since 1998, at which more than 230,000 donors gave blood.

3.3.2 FACILITY TOURS

External Communications organized tours of the Montréal and Québec City facilities for all volunteer coordinators of blood drive organizing committees. Several hundred people had a first-time opportunity to witness on-site how their work contributes to Héma-Québec's mission.

3.3.3 BETTER MANAGEMENT OF VOLUNTEERS AT BLOOD DRIVES

Following last year's training on managing mobile clinic waiting times and on customer service, a new session entitled "Communication and Team Management" was created specifically for volunteer group leaders. This training is intended to improve communication with team members, manage resistance to change and promote the integration of new members.

3.4 PRESERVING THE TRUST AND SATISFACTION OF RECIPIENTS

3.4.1 A PRODUCTIVE PARTNERSHIP FOR IMPLEMENTING HELITRAX

Subsequent to a request for proposals, a new supplier and its Helixate product were selected to supply recombinant antihemophilic factor VIII. The change, which became effective in April 2008, required the implementation of HeliTrax, a new monitoring device used by hemophilia A patients. This system offers interesting possibilities, particularly in terms of safety.

The transition to the new system, performed in collaboration with the Canadian Hemophilia Society (CHS) and hemophilia treatment centres, required significant participation by the Stable Products and Hospital Relations departments.

The major efforts made within this project were acknowledged in a letter of congratulations from the CHS.

3.4.2 PLANTING A COMMEMORATIVE TREE OF LIFE

On its 10th anniversary, Héma-Québec participated in the program launched by the CHS to commemorate the tainted blood tragedy. As part of this initiative, a commemorative Tree of Life was planted at Héma-Québec's Montréal facility, in the presence of the Québec Minister of Health and Social Services, Dr. Yves Bolduc, the President of the Canadian Hemophilia Society Québec Chapter (CHSQ), François Laroche, the President and Chief Executive Officer of Héma-Québec, Dr. Francine Décary, as well as members of the executive committee and representatives of the national and Québec offices of the CHS.

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

3.5.1 PLAN TO IMPROVE RESPONSE TIME

As part of its action plan, the Reference and Stem Cell Laboratory has committed to improving response times and access to its services, according to the needs and expectations expressed by its clients. A response-time measurement tool has been in place since April 2008 to evaluate improvements resulting from the new measures.

GENOTYPING COSTS BILLED TO HOSPITALS

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
GENOTYPING BILLED	16,067	16,496	16,921	19,245	20,277

NUMBER OF SPECIALIZED TESTS PERFORMED

PRODUCT	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
RED CELL SEROLOGY	1,350	1,405	1,229	1,519	1,261
PLATELET SEROLOGY	226	215	236	267	344
RED CELL GENOTYPING	948	1,150	1,237	1,324	2,103[1]
HLA ABC, DR AND DQ TYPING					4,434[2]

[1] This value is based on 217 cases treated, with several genotyping analyses performed for each.
[2] Results are provided for this fiscal year only due to a change in the compilation method.

3.5.2 ISO 15189 CERTIFICATION

The steps to obtain ISO 15189 certification for the Reference and Stem Cell Laboratory have been completed. Several departments banded together in preparation for the audit by the Bureau de normalisation du Québec. The figures clearly speak to the scope of the work performed: 38 procedures created and 4 revised; 43 specifications created and 6 revised; 81 forms created and 37 revised. With the successful completion of this crucial step, accreditation will be granted this upcoming year.

3.5.3 A MAJOR STEP TOWARDS ASHI CERTIFICATION

The Scientific Director, Reference and Stem Cell Laboratory, has passed the American Society for Histocompatibility and Immunogenetics (ASHI) exam. This achievement is particularly impressive given the fact that the exam pass rate is below 40% and passing the exam is a requirement for obtaining the highly sought-after certification for the Reference and Stem Cell Laboratory.

KUDOS!

The National Institute for Biological Standards and Control gave Héma-Québec a perfect grade on the Platelet Immunology Exercise.

3.5.4 A PERFECT SCORE FOR THE PLATELET SEROLOGY LABORATORY

Following its participation in the international qualification tests of the National Institute for Biological Standards and Control (NIBSC), the Platelet Serology Laboratory earned a grade of 100%, ranking first, tied with two other laboratories, among the 32 registered. There are only about 50 such laboratories worldwide. With this impressive result, Héma-Québec now ranks among the world's best in this sector of activities.

3.6 MAINTAINING THE ORGANIZATION'S CREDIBILITY

3.6.1 NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

As a result of Canada's adoption of International Financial Reporting Standards (IFRS), a work group was created to ensure Héma-Québec's compliance with these new requirements. Many changes must be made before applying these rules, which differ significantly from current Canadian standards. Significant resources will be dedicated to supporting these efforts in the coming years, since transition to the new standards must be completed by 2011.

KUDOS!

For its responsible waste management practices, Héma-Québec achieved the highest level of RECYC-QUÉBEC's ICI ON RECYCLE! program in May 2008.

3.6.2 FINANCIAL ADMINISTRATION ACT

Following recent changes to the *Financial Administration Act*, a review of the file is ongoing to determine how the organization should adapt. Since the summer of 2008, efforts have been dedicated to reviewing the financial framework and the impacts caused by the adoption of these new rules.

3.6.3 CONDITIONS FOR AWARDING SUPPLY, SERVICE AND BUILDING CONTRACTS

Last year, Héma-Québec was informed that it was not subject to the contract awarding rules stipulated by the Conseil du trésor du Québec, and that it should instead establish its own conditions for awarding supply, service and building contracts. Therefore, internal rules were defined, based largely on those of the Conseil du Trésor. They will be published on the website and applied to all purchases and call for tenders.

KUDOS!

The constant support and assistance provided by the staff in Administration and Finance during the budget process.

3.6.4 CREATION OF AN INFORMATION SECURITY COMMITTEE

A new committee responsible for information security was created this year. It is co-managed by the Legal Affairs and Information Technology sectors and reports directly to the President. Its mandate is to review the organization's overall information security policy. Accordingly, it will address several issues such as the protection of confidential information, risk management, the security of digital and physical information, as well as safety guidelines.

3.6.5 SUSTAINABLE DEVELOPMENT ACTION PLAN

A sustainable development initiative encompassing social, economic and environmental aspects has been launched. It involves numerous practices and integrates new initiatives aimed at decreasing Héma-Québec's environmental footprint.

In fall 2008, the Green Committee obtained the status of Sustainable Development Advisory Committee. In parallel to this priority status designation, it also developed its first environmental policy—the 2009-2011 sustainable development action plan—which was submitted to the Ministère du Développement durable, de l'Environnement et des Parcs. The plan emphasizes the importance of individual and collective responsibility when it comes to incorporating ecological issues into everyday activities.

As part of the action plan, the Green Committee created, or promoted the creation of several concrete and diverse measures that affect the following:

- Recycling, reuse and enhancement
- Eco-responsibility
- Efficient management of energy resources
- Management of hazardous waste
- Eco-responsible purchasing policy
- Employee awareness and support
- Search for and implementation of technical solutions
- Support for the government's sustainable development policies

The Green Committee's accomplishments include the promotion of recycling throughout the organization's sectors; the addition of a first hybrid vehicle in the fleet; the development of an alternate transportation policy following an employee survey; the presentation of an Équiterre conference on responsible consumption; a follow-up of the Level III certification by RECYC-QUÉBEC for the Montréal facility; and the LEED certification for the construction of a new Globule Centre in Laval.

As part of its mandate, the Green Committee also drafted and finalized numerous internal communications, including awareness-raising articles, posters and other vehicles.

3.6.6 TOUR OF THE QUÉBEC CITY FACILITY BY THE FIRE DEPARTMENT

As it has done for several years now, Héma-Québec sent a revised copy of the emergency measures plans for its various facilities to the relevant fire departments. Consequently, the Québec City facility organized a tour for some 35 firefighters from Station 13, including several hazardous materials specialists. That day, the fire department acknowledged the appropriateness and quality of the safety measures implemented at the facility.

FOURTH GOAL

THE NEED TO UPDATE OUR SYSTEMS AND TECHNOLOGIES

4.1 IMPLEMENT AN INFORMATION SYSTEM FOR QUALITY MANAGEMENT

4.1.1 IMPLEMENTATION OF A COMPUTERIZED QUALITY MANAGEMENT SYSTEM

The first phase in the development of a computerized quality management system was finished this year. Following the completion of an assessment of needs and potential suppliers, this major project is now entering a new phase that will have an impact on several sectors of the organization. Among other things, all our standard operating procedures (SOP) will need to be digitized. The new system will affect operations in the four departments under the Quality and Standards Division: Compliance and Licensing, Quality Assurance, Audit and Regulatory Training.

KUDOS!

The Information Technologies Quality System (SQTI), developed by the IT and Quality and Standards teams, represents a big step toward integrated risk management. Héma-Québec was one of the finalists in the FiQ's 2008 OCTAS contest, in the "Transformation of organizational processes" category.

4.2 ENSURE THE ORGANIZATION'S SUSTAINABILITY BY KEEPING ALL SYSTEMS UP TO DATE

4.2.1 AN EFFECTIVE TOOL FOR WORKFORCE PLANNING

In order to optimize shift planning for the blood drive staff, we developed a new version of our computerized SPC schedule management module to support production activities. The workforce planning group now has an effective tool to meet its specific needs.

KUDOS!

The Certified Information Systems Auditor (CISA) certification is intended to help employees develop good audit practices in relation to information systems. This certification, which is difficult to obtain, was awarded to a member of the IT staff.

4.2.2 AN EMERGENCY PREPAREDNESS PLAN IN THE EVENT OF AN INFLUENZA PANDEMIC

To prepare for all contingencies in the event of an influenza pandemic, the Vice-President, Information Technology, moved forward with the implementation of a more robust infrastructure to ensure greater access to teleworking, if necessary. As such, in accordance with the emergency measures plan, key people will be able to continue performing essential tasks remotely, thereby decreasing the risk of contamination.

4.2.3 A PREVENTIVE EQUIPMENT MAINTENANCE SYSTEM

A computerized tool for managing biomedical equipment was developed to ensure follow-up of various maintenance schedules with regard to standardization, calibration and instrument updates. The aim of this new system is to reduce breakdowns and operating incidents that could lead to non-conformities.

4.2.4 PURCHASE OF A NEW FLOW CYTOMETRY SYSTEM

The Research and Development division has purchased a new flow cytometer. Although the investment was substantial, this new, highly efficient system will open up new fields of research.

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Héma-Québec
4045 Côte-Vertu, St-Laurent, QC H4R 2W7

Héma-Québec's mission is to efficiently provide adequate quantities of safe, optimal blood components, substitutes and human tissues to meet the needs of all Quebecers.

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Prélevé le
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April 09, 2009 17:42

JEAN, 405 DONATIONS

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2008-2009 ANNUAL REPORT

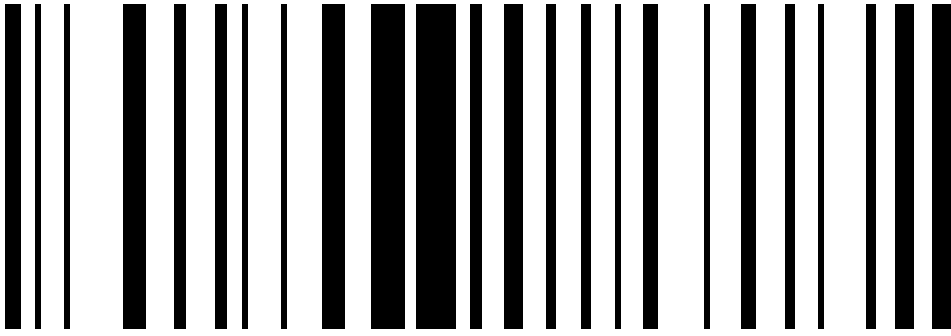
Culot globulaire AS-3

AS-3 RED BLOOD CELLS
partiellement déleucocyté
leukocytes reduced

Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
Conserver à/Store at 1-6°C

JEAN NEVER MISSES AN OPPORTUNITY TO GIVE BLOOD, A GOOD HABIT THAT REMINDS HIM HOW LUCKY HE IS TO BE HEALTHY.

CG3DELAL



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Number of new blood donors registered in 2008-2009

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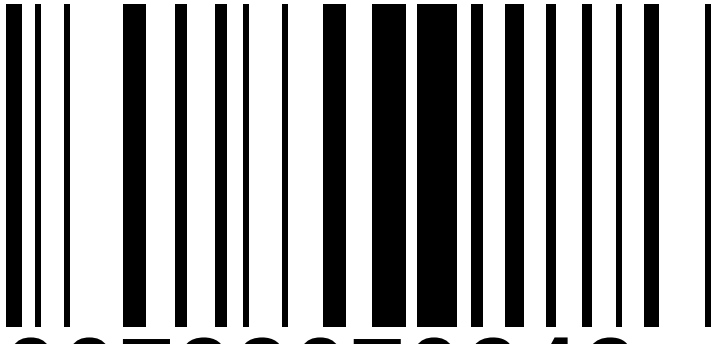

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March 21, 20

4.3 IMPLEMENT AN INFORMATION SYSTEM FOR HUMAN TISSUES PRODUCTION

4.3.1 REVIEW OF THE IT SOLUTION FOR MANAGING HUMAN TISSUES

Due to sustained growth in the human tissues sector, an inventory and distribution management software (SITH) application was developed. The IT team designed a program to efficiently process product volumes anticipated in the short and medium terms.

4.4 MAINTAIN A HIGHLY SECURE DATA AND INFORMATION SYSTEM

4.4.1 THE CREATION OF AN IT VALIDATION TEAM

A new team was specifically assigned to the validation of computerized production systems. The existence of this group of specialists combined with the use of risk analysis techniques will ensure thorough and consistent IT systems validation.

FIFTH GOAL

THE ONGOING PURSUIT OF GREATER EFFICIENCY

5.1 ENSURE THAT THE PRICES OF PRODUCTS AND SERVICES REMAIN COMPETITIVE

5.1.1 MASTER DEVELOPMENT PLAN APPROVED

Reflecting the needs outlined in the 2007-2010 strategic plan, the 2008-2010 master development plan sets out an efficient and comprehensive plan for the existing floor space at the Montréal facility. This approach takes into account development needs beyond 2010. The needs identified concern the following sectors:

- Hematopoietic Stem Cell sector, which is rapidly expanding;
- Stable Products sector, which manages a product inventory valued at over $100 M, currently stored at a single site. The master development plan will rectify this situation;
- Human Tissues sector, which will, in the long term, include spaces for collection and distribution; and
- Labile Products sector, our main field of activity, which needs space for the development of new technologies for processing and testing blood products.

5.1.2 ACCESS TO A MANAGEMENT TOOL FOR PERFORMANCE INDICATORS

Initiated in 2007-2008, the implementation of a balanced scorecard to manage strategic indicators continued throughout this past year with the introduction of operational indicators per sector. Indicators have been finalized and issued for the Administration and Finance sectors, and the work is ongoing for the other sectors, in particular Human Resources. This project will continue through 2009-2010.

This tool, which is accessible via the intranet, will give managers access to current data on the some 40 indicators defined to date.


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SIXTH GOAL

THE SUSTAINABILITY AND TRANSFER OF THE ORGANIZATION'S KNOWLEDGE AND EXPERTISE

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. In 2008-2009, Héma-Québec welcomed five such residents from Maisonneuve-Rosemont, CHUM Notre-Dame (Montréal) and CHU Sainte-Justine.

STUDENTS AND INTERNS TRAINING

	TOTAL	SCHOLARSHIP STUDENTS
MASTER'S STUDENTS (M.Sc.)	4	2
DOCTORAL STUDENTS (Ph.D.)	5	2
POSTDOCTORAL INTERN	1	1
OTHER INTERNS	15	6

6.1.2 CREATION OF AN INTERNAL SUCCESSION PLAN

The development of qualified successors and the identification of vulnerabilities in certain key positions are carefully planned initiatives, which are firmly rooted in the organization's management philosophy.

As part of a succession planning program, certain staff members who want to advance and move into senior management positions are given new mandates within various departments, where they are assigned functions that differ significantly from their field of expertise. The goal is to ensure that these individuals develop a global view of the organization. This year, several candidates acquired new skills after participating in this transfer program.

An analysis of vulnerabilities in key positions, which was completed last year for senior management positions, was resumed in 2008-2009 for director-level positions. Advance knowledge of which sectors will need key replacements in the near future simplifies the recruitment of a new generation of qualified leaders.

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E0361V00

Culot globulaire AS-3

AS-3 RED BLOOD CELLS
partiellement déleucocyté
leukocytes reduced

Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
Conserver à/Store at 1-6°C

MAXIME, 6 DONATIONS

0080402359
2008-2009 ANNUAL REPORT

MAXIME HAS BEEN GIVING BLOOD REGULARLY SINCE HE TURNED 18. FOR HIM, MAKING A GESTURE THAT SURELY SAVES LIVES GIVES HIM THE SATISFACTION OF KNOWING HE HAS HELPED OTHERS.

CG3DELAL
00361
08 POSITIVE
510
.0560
7001466
09/02/2009

00011N3116

SEVENTH GOAL

THE NEED TO PURSUE INNOVATIVE INITIATIVES

7.1 INNOVATION IN PRODUCTION

7.1.1 PROCESSING OPTIMIZATION PROJECT

The processing optimization project, which was announced at the end of the fiscal year, will have a major impact on the production of blood components. This project essentially involves the gradual automation of the processing process for packed red blood cells and the production of platelets from whole blood using the buffy coat method. These processes currently require a high degree of manual intervention; however, the new operating techniques and the addition of highly automated devices will soon allow for much faster and more efficient processes. The requests for proposals were completed in March 2009, and the implementation phase will be able to begin, depending on the devices selected.

In addition to the efficiency gains obtained, this program aims to improve production quality to provide hospitals with better customer service.

7.1.2 NEW RECOVERY TECHNIQUES FOR DONORS REGISTERED IN THE UNRELATED STEM CELL DONOR REGISTRY

Currently in the feasibility study stage, a new simplified recovery method is being proposed in order to facilitate DNA analysis of donors registered in the Stem Cell Donor Registry. Instead of the standard blood test, saliva would be used to determine compatibility between donor and recipient. This innovative approach will be implemented in 2009-2010 and provides significant advantages to donors since it will simplify the registration process.

7.1.3 TOUR OF THE TISSUE BANK FACILITIES OF COMMUNITY TISSUE SERVICES

A team was sent to tour the tissue bank facilities of Community Tissue Services in Dayton, Ohio. The main purpose of this visit was to gain knowledge about the methods currently used to prepare demineralized bone extracts at this facility, which is renowned for its expertise in the field. The knowledge gained will enable a better assessment of the possible uses of this new, highly promising product.

7.2 INNOVATION IN RESEARCH AND DEVELOPMENT

7.2.1 CELLULAR ENGINEERING

The projects and efforts undertaken in the previous fiscal year were carried over into 2008-2009. At the international AABB meeting held in Montréal last October, the results of our work were presented through five oral presentations and four posters.


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Héma-Québec
4045 Côte-Vertu, St-Laurent, QC H4R 2W7
Héma-Québec's mission is to efficiently provide adequate quantities of safe, optimal blood components, substitutes and human tissues to meet the needs of all Quebecers.
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Culot globulaire AS-3
AS-3 RED BLOOD CELLS
partiellement déleucocyté
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Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
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LOUISE, RECIPIENT
0080402359
2008-2009 ANNUAL REPORT
FOR 15 YEARS, LOUISE HAS BEEN RECEIVING BLOOD PRODUCTS REGULARLY TO STABILIZE HER NEURODEGENERATIVE DISEASE. THIS TREATMENT HAS ALLOWED HER TO REGAIN HER INDEPENDENCE.
7001466
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A NEW VICE-PRESIDENT, RESEARCH AND DEVELOPMENT

Following the departure of Réal Lemieux, Ph.D., Yves Blais, Ph.D., M.B.A., was appointed Vice-President of Research and Development in April 2008. He brings with him solid experience acquired in the biotechnology industry as the head of numerous teams.

7.2.1.1 VISIBILITY OF RESEARCH PROGRAMS

Following the considerable efforts invested in IgIV research, the work carried out on the development of IgIV substitutes led to the publication of eight scientific papers.

For its part, the research program on platelets encouraged further work to be conducted on the production of human platelets in vivo in animals. The work being carried out as part of this program has led to the publication of one scientific paper and a book chapter.

Work on the development of production strategies for human polyclonal antibodies using a culture of B lymphocytes led to the filing of a provisional patent application.

7.2.1.2 A HIGHLY PRODUCTIVE NEXT GENERATION

The master's and doctoral students working within the various cellular engineering teams stood out this year, earning a total of three post-graduate industry bursaries from National Research Council Canada and the Fonds québécois de recherche sur la nature et les technologies.

OUTPUT OF RESEARCH AND DEVELOPMENT WORK

PROGRAM	PUBLISHED RESEARCH ARTICLES AND CHAPTERS	PATENTS GRANTED	PRESENTATIONS & CONFERENCES ON INVITATION	GRADUATING STUDENTS
CELLULAR ENGINEERING				
IMMUNOGLOBULINS	6	1	16	
PLATELETS	2	1	8	1 (M.Sc.)
TOTAL	**8**	**2**	**24**	**1**
OPERATIONAL RESEARCH				
OPERATIONAL TESTING GROUP			7	
SCREENING GROUP	4		12	
BIOPRODUCTION			1	
TOTAL	**4**		**20**	

7.2.1.3 PATENT WATCH

A patent watch system was established to enable the team to keep abreast of any patent applications published and international patents granted that may be of interest to Héma-Québec.

7.2.2 OPERATIONAL RESEARCH

7.2.2.1 DISINFECTION OF HEART VALVE ALLOGRAFTS

Together with the Human Tissues sector, the Operational Testing Group (OTG) of the Research and Development sector continued work on the optimization of the heart valve disinfection process by demonstrating the improved efficiency of higher disinfection temperatures.

7.2.2.2 QUALITY OF BLOOD AND STORAGE CONDITIONS

Efforts to maintain blood quality during prolonged pre-processing storage of blood units continued this year with the development of a packaging method for blood packs that is better adapted to our climate's temperature fluctuations.

In collaboration with researchers at CHU Sainte-Justine, the OTG team studied the impact of production and storage processes on the generation of bradykinin in blood products and the role it may play in the incidence of hypotensive transfusion reactions in patients.

7.2.3 SCREENING GROUP

7.2.3.1 MASS GENOTYPING

Started in 2007, the mass genotyping project for frequent donors progressed significantly this year. To date, nearly 15,000 donors have been genotyped, with the goal being 21,000 by September 30, 2009. The database of genotyped donors is already simplifying the search for compatible packed red blood cells, particularly for recipients who have developed antibodies against certain blood group antigens. This project was recently published in the *Vox Sanguinis* scientific journal.

7.2.3.2 CONTRIBUTION TO SOLVING COMPLEX CLINICAL CASES

The screening group's expertise in the molecular biology of blood groups was used to solve certain complex clinical cases being handled by the Reference and Stem Cell Laboratory (RSCL). Over the last year, the team assisted the RSCL in solving over 170 complex cases.

7.2.3.3 FINALIZATION OF THE MAIPA TEST

Improvements to the MAIPA test (Monoclonal Antibody Immobilization of Platelet Antigens) will facilitate handling by technicians and reduce the overall test time from 18 hours to 6 hours. The new protocol will be transferred to the RSCL in the next few months.

7.2.4 BIOPRODUCTION

Once again this year, the Bioproduction team has provided the Product Certification Laboratory with a timely supply of West Nile virus screening tests. The team also produced molecular primer blends and solutions for over 16 blood group genotypes for the Reference and Stem Cell Laboratory. This specialized material, which is not commercially available, enabled the RSCL to effectively support our hospital blood banks.

EIGHTH GOAL

THE PURSUIT OF OPPORTUNITIES FOR PARTNERSHIP DEVELOPMENT

8.1 BROADENING HÉMA-QUÉBEC'S REACH

8.1.1 AABB CONFERENCE

KUDOS!
Dr. Francine Décary, President and Chief Executive Officer, was named an Officer of the Ordre national du Québec for her contribution as a scientist and a manager.

For the first time in its history, the AABB held its annual conference outside of the United States, choosing Montréal to host nearly 7,000 specialists from around the world on October 4-7, 2008.

Over 210 people from 21 different organizations around the world toured the Montréal and Québec City facilities.

The company was also involved in several activities organized for the conference.

The AABB conference was the venue for several industry meetings in which Héma-Québec also participated:

- Consortium for Blood Group Genes meeting;
- ISBT WPIT – Validation Task Force meeting; and
- Annual meeting of the International Mak Users Group (IMUG).

During the conference, Héma-Québec also hosted the America's Blood Centers' (ABC) Blood Establishment Computer Software (BECS) Committee meeting, which brought some 15 specialists together at the Montréal facility.

8.1.2 NATIONAL ORGAN AND TISSUE DONATION WEEK

KUDOS!
Suzanne Rémy, Vice-President, Quality and Standards, was a recipient of the *Prix Femmes d'affaires du Québec 2008*, in the "executive or professional, public or parapublic organization" category.

Héma-Québec partnered with Québec-Transplant to promote National Organ and Tissue Donation Week from April 21-27. This event aimed to raise public awareness of the Québecers who require human organ and tissue donations in order to stay alive or remain healthy.

8.1.3 PARTNERSHIP WITH THE ÉTABLISSEMENT FRANÇAIS DU SANG (EFS)

Representatives from Héma-Québec and the Établissement français du sang (EFS) met in Montréal to explore the possibility of sharing expertise and knowledge. Dr. Décary was invited to speak at the EFS's 10th anniversary conference in November 2008.

In addition, the Vice-President, Public Affairs and Marketing gave a presentation on "promoting and marketing blood donation" at the 2nd *Colloque sur l'organisation de la transfusion sanguine dans les pays d'Afrique francophone*. This event took place on May 16-17, 2008 in Hammamet, Tunisia and was co-organized by the EFS and the World Health Organization (WHO).

8.1.4 INTERNATIONAL FEDERATION OF RED CROSS SOCIETIES

The Director of Marketing and International Affairs participated in the "Youth Donor Training Camp Workshop" that took place in Singapore in December 2008 and brought together some 100 young people representing nine different Asian countries. This activity, co-organized with the International Federation of Red Cross Societies, inspired the development of a similar workshop in Africa that will be facilitated by the Héma-Québec representative and will take place in June 2009 as part of the Africa Society for Blood Transfusion (AfSBT) conference.

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Héma-Québec
4045 Côte-Vertu, St-Laurent, QC H4R 2W7

Héma-Québec's mission is to efficiently provide adequate quantities of safe, optimal blood components, substitutes and human tissues to meet the needs of all Quebecers.

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Culot globulaire AS-3

AS-3 RED BLOOD CELLS
partiellement déleucocyté
leukocytes reduced

Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
Conserver à/Store at 1-6°C

MÉLISSA, RECIPIENT

0080402359

2008-2009 ANNUAL REPORT

MÉLISSA RECEIVES THE GIFT OF LIFE EVERY TWO MONTHS. THESE TRANSFUSIONS ALLOW HER TO FIGHT SICKLE-CELL ANEMIA AND LIVE HER LIFE TO THE FULLEST.

KUDOS!

Héma-Québec earned the best prize for oral presentation at the joint congress of the European and British Association of Tissue Banks, held in Edinburgh from November 12-14, 2008. The Human Tissues department reported that it is now possible for Héma-Québec to almost entirely eliminate bacteria in cardiac valves by soaking them in an antibiotic bath at 37°C.

8.1.5 KNOWLEDGE TRANSFER TO HEMOMINAS

As part of the partnership developed several years ago with Hemominas, Héma-Québec's equivalent for the state of Minas Gerais in Brazil, the Vice-President, Human Tissues and the Director of the Reference and Stem Cell Laboratory went to Brazil in April 2008 to share knowledge about human tissues and management tools developed by Héma-Québec.

8.2 AWARDS AND DISTINCTIONS

8.2.1 DR. FRANCINE DÉCARY RECEIVED THE ORDRE NATIONAL DU QUÉBEC

Dr. Francine Décary, President and Chief Executive Officer, received the distinction of Officer of the Ordre national du Québec—the most prestigious honour bestowed by the province of Québec—during a ceremony held at the National Assembly building in Québec City.

She was awarded this distinction for her contribution as a scientist and a manager. "In just a few years, she has succeeded in establishing Héma-Québec as one of the safest and most reliable blood product producers in the world. As a result, the organization now attracts specialists from across the globe who are interested in learning more about its business model, which unites both scientific and business cultures," stated Premier Charest.

8.2.2 DR. FRANCINE DÉCARY HONOURED BY THE INTERNATIONAL SOCIETY OF BLOOD TRANSFUSION

On June 10, 2008, Dr. Francine Décary, President and Chief Executive Officer, received a certificate of merit from the International Society of Blood Transfusion (ISBT) for her contribution as Vice-President from 1998-2002, and President-Elect, President and Outgoing President from 2002-2008.

8.2.3 SUZANNE RÉMY HONOURED WITH A *PRIX FEMMES D'AFFAIRES DU QUÉBEC*

Suzanne Rémy, Vice-President, Quality and Standards was awarded a *Prix Femmes d'affaires du Québec* in the "executive or professional, public or parapublic organization" category during the 8th annual gala organized by the Réseau des femmes d'affaires du Québec.

KUDOS!

Appointment of Yves Blais, Vice-President, Research and Development, as member of the Scientific Advisory Committee at the Biotechnology Research Institute.

Note:
Guest speaker: a speaker who is specifically invited by a conference.
Conference with selection committee: the speaker is selected by a jury.

8.3 PUBLICATIONS, PARTICIPATIONS, COMMITTEES

MONOGRAPH CHAPTERS

St-Louis M. (2009) PCR-ELISA for high-throughput blood group genotyping.In Bugert, DNA and RNA Profiling in Human Blood: Methods and Protocols. Methods in Molecular Biology, Vol. 496. Walker, JM, series editor (New York: Humana Press, 341 pp.): 3-13.

Cortin V, Pineault N, Garnier A. (2009) Ex vivo megakaryocyte expansion and platelet production from human cord blood stem cells. In Audet, J, Stanford, WL, Stem Cells in Regenerative Medicine. Methods, in Molecular Biology, Vol. 482. Walker, JM, series editor (New York: Humana Press, 439 pp.): 109-126.

PUBLICATIONS

Cayer M-P, Proulx M, Ma X-Z, Sakac D, Giguère J-F, Drouin M, Néron S, Branch DR, Jung D. (2009) c-Src tyrosine kinase co-associates with and phosphorylates signal transducer and activator of transcription 5b which mediates the prolifertion of normal human B lymphocytes. Clinical and Experimental Immunology (on press; published on-line February 18, 2009; DOI: 10.1111/j.1365-2249.2009.03917.x).

Ducas É, Dussault N, Roy A, Dumont N, Néron S. (2009) Estimation of the amount of CD154 molecules in membrane extracts used as a source of CD40 for the stimulation of human B lymphocytes. Journal of Immunological Methods 344 (2): 133-137.

Dumont N, Aubin É, Paquin-Proulx D, Lemieux R, Bazin R. (2009) Increased secretion of hyperimmune antibodies following lipopolysaccharide stimulation of CD40-activated human B cells in vitro. Immunology 126 (4): 588-595.

Dussault N, Ducas É, Racine C, Jacques A, Paré I, Côté S, Néron S. (2008) Immunomodulation of human B cells following treatment with intravenous immunoglobulins involves increased phosphorylation of extracellular signal-related kinases 1 and 2. International Immunology 20 (11): 1369-1379.

Fecteau JF, Roy A, Néron S. (2008) Peripheral blood $CD27^+$ IgG^+ B cells rapidly proliferate and differentiate into immunoglobulin-secreting cells after exposure to low CD154 interaction. Immunology (on press; published on-line November 7, 2008; DOI: 10.1111/j.1365-2567.2008.02976.x).

Leblanc J-F. (2009) Large-scale genotyping of blood donors for red cell and platelet antigens: Personalized medicine enters the blood bank. Transfusion Today 78: 19, 21.

Lund N, Olsson ML, Ramkumar S, Sakac D, Yahalom V, Levene C, Hellberg A, Ma X-Z, Binnington B, Jung D, Lingwood CA, Branch DR. (2009) The human P^k histo-blood group antigen provides protection against HIV-1 infection. Blood (on press; published on-line January 12, 2009; DOI: 10.1182/blood-2008-03-143396).

O'Brien S-F, Fan W, Xi G, Yi Q-L, Goldman M, Fearon M-A, Infante-Rivard C, Chiavetta J-A, Willems B, Pi D, Fast M, Delage G. (2008) Declining hepatitis C rates in first-time blood donors: Insight from surveillance and case-control risk factor studies. Transfusion 48 (5) : 902-909.

Perreault J, Lavoie J, Painchaud P, Côté M, Constanzo-Yanez J, Côté R, Delage G, Gendron F, Dubuc S, Caron B, Lemieux R, St-Louis M. (2009) Set-up and routine use of a database of 10,555 genotyped blood donors to facilitate the screening of compatible blood components for alloimmunized patients. Vox Sanguinis (on press; published on-line March 16, 2009; DOI: 10.1111/j.1423-0410.2009.01177.x).

Pineault N, Boucher J-F, Cayer M-P, Palmqvist L, Boyer L, Lemieux R, Proulx C. (2008) Characterization of the effects and potential mechanisms leading to increased megakaryocytic differentiation under mild hyperthermia. Stem Cells and Development 17 (3): 483-493.

Polin H, Danzer M, Gaszner W, Broda D, St-Louis M, Pröll J, Hofer K, Gabriel C. (2009) Identification of RHD alleles with the potential of anti-D immunization among seemingly D- blood donors in Upper Austria. Transfusion 49 (04): 676-681.

Traore A-N, Delage G, McCombie N, Robillard P, Heddle N-M, Hyson C, Goldman M. (2009) Clinical and laboratory practices in investigation of suspected trasnsfusion-trasnsmitted bacterial infection: A survey of Canadian hospitals. Vox Sanguinis 96 (2): 157-159.

van der Schoot CE, de Haas M, Engelfriet CP, Reesink HW, Panzer S, Jungbauer C, Schwartz DM, Mayr WR, Castilho L, St-Louis M, Long A, Denomme G, Semple E, Fernandes B, Flegel WA, Wagner F, Doescher A, Poli F, Villa MA, Paccapelo C, Veldhuisen B, Nogues N, Muniz-Diaz E, Daniels G, Martin P, Finning K, Reid ME. (2009) Genotyping for red blood cell polymorphisms. Vox Sanguinis 96 (2): 167-179.

INSTITUTIONAL AND SCIENTIFIC PRESENTATIONS

95TH ANNUAL MEETING OF THE AMERICAN ASSOCIATION OF IMMUNOLOGISTS (AAI), SAN DIEGO, UNITED STATES, APRIL 5-9, 2008

Posters

Aubin É, Paquin Proulx D, Lemieux R, Bazin R. "Intravenous immunoglobulins (IVIg) inhibit in vitro antigen presentation via an FcγR-independent mechanism."

Paquin Proulx D, Aubin É, Lemieux R, Bazin R. "Identification of prohibitin as a target of IVIg on human B cells."

21ST ANNUAL CONFERENCE OF THE CANADIAN SOCIETY FOR IMMUNOLOGY (CSI), MONT-TREMBLANT, CANADA, APRIL 11-14, 2008

Posters

Aubin É, Paquin Proulx D, Lemieux R, Bazin R. "Intravenous immunoglobulins (IVIg) inhibit in vitro antigen presentation via an FcγR-independent mechanism."

Padet L, St-Amour I, Aubin É, Paquin Proulx D, Bazin R, Lemieux R. "Inhibition of BrdU imunological detection by culture medium proteins in a commercial cell proliferation assay."

Paquin Proulx D, Aubin É, Lemieux R, Bazin R. "Identification of prohibitin as a target of IVIg on human B cells."

Proulx M, Cayer M-P, Drouin M, Jung D. "PAX5 overexpression induces multiple myeloma cell death."

CELL CULTURE ENGINEERING XI, COOLUM, AUSTRALIA, APRIL 13-18, 2008

Oral presentation

Garnier A, Leysi-Derilou Y, Duchesne C, Pineault N, Boucher J-F. "3D Dynamic Model of Ex Vivo Megakaryopoiesis: Estimability Analysis and Temperature Effect."

HÉMA-QUÉBEC PUBLIC AFFAIRS LUNCH LECTURES, APRIL 23-24, 2008, QUÉBEC CITY, CANADA; APRIL 29, 2008, MONTRÉAL, CANADA

Guest speakers

St-Louis M, Perreault J. "Génotypage en masse à Héma-Québec." [mass genotyping at Héma-Québec]

AMERICAN ASSOCIATION OF DONOR RECRUITMENT PROFESSIONALS CONFERENCE AND THE 3RD INTERNATIONAL OPERATIONAL EXCELLENCE WORKING GROUP MEETING, HALIFAX, CANADA, APRIL 28-MAY 3, 2008

Oral presentation

Daigneault S, Vinet D. "Partnership for Success."

2ND COLLOQUE SUR L'ORGANISATION DE LA TRANSFUSION SANGUINE DANS LES PAYS D'AFRIQUE FRANCOPHONE, HAMMAMET, TUNISIA, MAY 16-17, 2008

Guest speaker

Pepin M. "Promotion et marketing du don de sang: Processus de gestion de proximité." [promotion and marketing of blood donation: proximity management process]

4TH CANADIAN SYMPOSIUM ON GENE THERAPY AND VACCINES, MONTRÉAL, CANADA, MAY 26-27, 2008

Posters

Boyer L, Cortin V, Pineault N. "Optimization of a cytokine cocktail for the expansion of cord blood (cb) cd34+ cells into megakaryocytes (MK) progenitors."

Cayer M-P, Proulx M, Ma X-Z, Sakac D, Giguère J-F, Drouin M, Néron S, Branch D, Jung D. "c-Src tyrosine kinase co-associates with and phosphorylates STAT5b which mediates the proliferation of normal human B lymphocytes."

INSTITUTIONAL AND SCIENTIFIC PRESENTATIONS (CONTINUED)

Leysi-Derilou Y, Duchesne C, Pineault N, Boyer L, Garnier A. "Study of the human megakaryocyte polyploidization process by long-term and large-field live cell imaging."

Proulx M, Cayer M-P, Drouin M, Jung D. "PAX5 overexpression induces multiple myeloma cell death."

XXXTH INTERNATIONAL CONGRESS OF THE ISBT (INTERNATIONAL SOCIETY OF BLOOD TRANSFUSION), MACAU, CHINA, JUNE 7-12, 2008

Oral presentations
Décary F. "Pathogen Reduction/ Inactivation."

Décary F. "Legal Aspects of Transfusion."

Guest speaker
Daigneault S. "Le marketing dans l'univers du don de sang." [marketing in the world of blood donation]

Posters
Lemieux R, St-Louis M, Perreault J, Lavoie J, Caron B, Painchaud P, Côté R, Côté M, Constanzo-Yanez J, Mongrain I, Phillips M. "Successful translation of large-scale donor genotyping to routine operations in Québec."

Long A, St-Louis M, Côté M, Éthier C. "Three cases of weak D type 42."

Polin H, Danzer M, Gassner W, Broda D, St-Louis M, Hofer K, Pröll J, Gabriel C. "Enhanced quality assurance of apparent D-negative RBC units by molecular typing in Austria."

St-Louis M, Mongrain I, Perreault J, Phillips MS, Lemieux R. "Blood donors genotyping: Phase II."

ISEH 37TH ANNUAL SCIENTIFIC MEETING/6TH INTERNATIONAL NEONATAL HEMATOLOGY MEETING, BOSTON, UNITED STATES, JULY 9-12, 2008

Poster
Pineault N, Cortin V, Garnier A, Robert A. "Individual and synergistic cytokine effects controlling the expansion of cord blood CD34+ cells and megakaryocyte progenitors in culture."

32ND ANNUAL MEETING OF THE AMERICAN ASSOCIATION OF TISSUE BANKS (AATB), CHICAGO, UNITED STATES, SEPTEMBER 6-9, 2008

Oral presentation
Décary F. "ISBT 128: A Global Initiative."

Poster
Thibault L, Beauséjour A, Jacques A, de Grandmont MJ, Ducas É, Tremblay J, Germain M. "A re-evaluation of the temperature of heart valve decontamination with antibiotics."

WORKSHOP: 24-HOUR AMBIENT HOLD OF WHOLE BLOOD: WHAT HAVE WE LEARNED?, WASHINGTON, UNITED STATES, SEPTEMBER 9, 2008

Guest speaker
Thibault L. "Impacts on Plasma, Red Blood Cells and Platelets: Héma-Québec's Data."

61ST AABB ANNUAL MEETING AND TXPO, MONTRÉAL, CANADA, OCTOBER 4-7, 2008

Guest speakers
St-Louis M. "DNA-Based Donor Testing: Héma-Québec's Experience."

St-Louis M. "Molecular Biology 101."

Oral presentations
Aubin É, Roberge C, Lemieux R, Bazin R. "Stimulation of Antigen Presentation by Therapeutic Human Albumin: A Role for Immune System Activation in Patients?"

Boyer L, Cortin V, Garnier A, Robert A, Pineault N. "Optimization of a Novel Cytokine Cocktail for the Expansion of Megakaryocyte Progenitors for Transplantation Purposes."

Charbonneau Y, Daigneault S, Delage G, Laroche V. "How to Build and Manage a Stable 8-Day Inventory of Red Blood Cells."

Ducas É, Thibault L, Jacques A, Beauséjour A, de Grandmont MJ. "Influence of Red Blood Cell Processing on Bradykinin Generation."

Néron S, Roy A. "Human B Cells Isolated from Leukoreduction Systems: A Future Starting Material for the Production of IgG."

Roberge C, Tremblay T, Lemieux R, Bazin R. "Towards the Development of an IVIg Substitute: Assay of Human IgG Cross-Linked by Different Subclasses of an Anti-IgG."

Posters
Châteauneuf I, Chevrier M-C, Thibault L, Delage G, Castilloux C, Guérin M, Caron B, Bernier F, St-Louis M. "Switching to single-unit testing: importance of an in-house test for blood donor west Nile virus testing."

Dussault N, Néron S, Boire G, Brum-Fernandes A. "A simplified in vitro model to investigate the effects of IVIg on systemic lupus erythematosus B cells."

Jacques A, Thibault L, Beauséjour A, Boucher G. "Comparison of twobutane-1,4-diol cooling plates designs for overnight storage of whole blood."

Lavoie J, Perreault J, Painchaud P, Côté M, Constanzo-Yanez M, St-Louis M. « Genotyped blood donors register at Héma-Québec. »

Perreault J, Lavoie J, Mongrain I, Marion Gaulin M-J, Painchaud P, Côté M, Constanzo-Yanez J, Dubuc S, St-Louis M. "First six months of blood donors genotyping at Héma-Québec."

Richard M, St-Laurent J, St-Louis M. "Molecular analysis of appearing RhD negative blood donors genotyped RH2 and/or RH3 positive."

Robert A, Boyer L, Pineault N. "Only a limited fraction of the platelets produced in ex vivo static cultures are functional."

Roy A, Néron S, Côté G, Dussault N. "Human B cells isolated from leukoreduction systems proliferate in serum-free medium."

St-Amour I, Laroche A, Tremblay T, Bazin R, Lemieux R. "Increased autoreactivity of human IgG after exposure to the mild denaturing conditions used during plasma fractionation."

Thibault L, Chevrier M-C, Delage G, Long A. "Strategy for long-term maintenance of an IgA-deficient blood donor registry at Héma-Québec."

SECOND ANNUAL INTERNATIONAL CONFERENCE: "PHARMACOGENOMICS NOW," MONTRÉAL, CANADA, NOVEMBER 5-6, 2008

Guest speaker
St-Louis M. "Leçons pour la pharmacovigilance." [lessons for pharmacovigilance]

CRITICAL CARE CANADA FORUM 2008, TORONTO, CANADA, NOVEMBER 11-13, 2008

Oral presentation
Karam O, Tucci M, Toledano B, Lacroix J, Robitaille N, Thibault L, Cousineau J, Le Deist F. "Length of Storage and In Vitro Leukocyte Activation by Leukoreduced Red Cell Concentrates."

17TH INTERNATIONAL CONGRESS OF THE EUROPEAN ASSOCIATION OF TISSUE BANKS (EATB)/17TH ANNUAL MEETING OF THE BRITISH ASSOCIATION OF TISSUE BANKING, EDINBURGH, UNITED KINGDOM, NOVEMBER 12-14, 2008

Oral presentation
Germain M, Tremblay J, Thibault L. "Cold Temperature May not be Optimal for Antibiotic Decontamination of Heart Valve Allografts." This presentation received first prize among the oral presentations at the congress.

COLD SPRING HARBOR LABORATORY MEETING: PHARMACOGENOMICS, COLD SPRING HARBOR, UNITED STATES, NOVEMBER 19-22, 2008

Poster
Mongrain I, Perreault J, Mailloux L, Lavoie J, Lemieux R, St-Louis M, Phillips MS. "The individualized selection of therapy for patients requiring frequent transfusions."

50TH ANNUAL MEETING OF THE AMERICAN SOCIETY OF HEMATOLOGY (ASH), SAN FRANCISCO, UNITED STATES, DECEMBER 6-9, 2008

Oral presentation
Delage R, Dugas-Bourdages E, Roy A, Néron S, Darveau A. "CD19+,CD27+, IgM+ B Cells of Patients with Persistent Polyclonal B Cell (PPBL) Proliferate in a Low Intensity CD40-CD154 Interaction and Show Evidence of Immunoglobulin Isotype Switching."

INSTITUTIONAL AND SCIENTIFIC PRESENTATIONS (CONTINUED)

48TH ANNUAL MEETING OF THE ASCB (AMERICAN SOCIETY FOR CELL BIOLOGY), SAN FRANCISCO, UNITED STATES, DECEMBER 13-17, 2008

Poster

Cayer M-P, Proulx M, Ma X-Z, Sakac D, Giguère J-F, Drouin M, Néron S, Branch D, Jung D. "c-Src tyrosine kinase co-associates with and phosphorylates STAT5b which mediates the proliferation of normal human B lymphocytes."

INTERNATIONAL SOCIETY OF BLOOD TRANSFUSION (ISBT) REGIONAL CONGRESS AND MEETING OF THE DONORS AND DONATION WORKING PARTY, CAIRO, EGYPT, MARCH 21-25, 2009

Guest speaker

Daigneault S. "Blood Donation… More than a Process."

GORDON RESEARCH CONFERENCE ON THE CELL BIOLOGY OF MEGAKARYOCYTES AND PLATELETS, GALVESTON, UNITED STATES, MARCH 15-20, 2009

Oral presentation

Leysi-Derilou Y, Duchesne C, Garnier A, Pineault N. "Long-Term and Large-Field Live Cell Imaging Provide New Unexpected Insights into Megakaryocyte Development and Reveal Major Fate Differences Between Cord Blood and Bone Marrow Derived Megakaryocytes."

Poster

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

MASTER'S THESES

Ste-Marie, A. "Effets du peptide MTPG-43 sur les cellules mégacaryocytaires humaines." [effects of MTPG-43 peptide on human megakaryocytic cells] Thesis presented to the Faculté des études supérieures at the Université Laval as part of the Master's program in biochemistry (M.Sc.). Faculté des sciences et de génie, Université Laval, Québec City, 2008.

PATENTS

Dupuis N, Proulx C. Method of expanding and differentiating cord blood cells by hyperthermic incubation. U.S. patent No.7452662, issued November 18, 2008. Héma-Québec, assignee.

Vézina L-P, Laberge S, Bazin R, Khoudi H, Lemieux R, Allard G. Protein production in transgenic alfalfa plants. Canadian patent No.2220563, issued June 3, 2008. Université Laval, Héma-Québec, and Her Majesty the Queen in Right of Canada, as represented by the Minister of Agriculture and Agri-Food, Canada, assignees.

SCIENTIFIC AWARDS AND DISTINCTIONS

Asmacure Award for the best poster presented during the 10th annual research day held by the Faculté de médecine at the Université Laval (Québec City, May 27, 2008), given to Emmanuelle Dugas-Bourdages, medical student and intern working under Sonia Néron. The award includes a $300 grant.

Association de thérapie génique du Québec and Canadian Gene Therapy Society Award for the best poster presentation during the 4th Canadian Symposium on Gene Therapy and Vaccines (Montréal, May 26-27, 2008) given to Younes Leysi-Derilou, doctoral student under the co-supervision of Nicolas Pineault. The award includes a $500 grant.

PARTICIPATION IN EXTERNAL COMMITTEES

Renée Bazin, Director, Cell Engineering
Member of the Evaluation Committee for grant applications to the Talecris Talents Program (2008-)

Yves Blais, Vice-President, Research and Development
Member of the BEST Collaborative (2008-)

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

Dr. Francine Décary, President and Chief Executive Officer
Chair of the "Women in Transfusion Award," International Society of BloodTransfusion (ISBT) Regional Congress, Macau, China (2008-)

Chair of the "Jean Julliard Prize," International Society of Blood Transfusion (ISBT) Regional Congress, Macau, China (2008-)

Member of the Board of Directors of the Association des MBA du Québec (2008-)

Member of the Board of Directors of the Friends of the Foundation of the International Society of Blood Transfusion Inc. (ISBT) (2008-)

Secretary of the Board of Directors of America's Blood Centers (ABC) (2009-)

Founding Director of Collège Sainte-Anne (2009-)

Simon Fournier, Vice-President, Information Technology
Member of the Global Standards Management Process (GSMP), Blood Derivatives Work Group of the GS1/ICCBBA (2008-)

Member of the America Technical Advisory Group (ATAG) of the ICCBBA (2003-)

Daniel Jung, Scientist, Cell Engineering
Member of the Evaluation Committee for doctoral grant applications from the Fonds de la recherche en santé du Québec (FRSQ) (2006-)

Jean Lapierre, Director, Stable Products
Member of the Board of Directors of the IPFA (International Plasma Fractionation Association) (2005-)

Jean-François Leblanc, Scientific Information Advisor, Research and Development
Member of the editorial board of *Transfusion Today*, the International Society of Blood Transfusion (ISBT) newsletter (2007-)

Sonia Néron, Scientist, Cell Engineering
Member of the Evaluation Committee for master's grant applications from the Fonds de la recherche en santé du Québec (FRSQ) (2005-)

Nicolas Pineault, Scientist, Cell Engineering
Expert external reviser for grant applications for the French program Émergence et maturation de projets de biotechnologies à fort potentiel de valorisation (Émergence-BIO) (2009-)

Maryse St-Louis, Scientist, Operational Research
Member of the Consortium for Blood Group Genes (CBGG), a group of international specialists interested in the genotyping of red blood cells (2005-), platelets, and neutrophil antigens (2005-)

External reviser for a grant application to the R&D internal grant program at Canadian Blood Services (CBS) (2008-)

Member of the AABB Standards for Molecular Biology committee (2008-)

Louis Thibault, Director, Operational Research
Member of the BEST Collaborative (2008-)

GRANTS

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

Industrial Innovation Scholarship (IIS) awarded to Isabelle St-Amour, doctoral student under the supervision of Renée Bazin.

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

Industrial Innovation Scholarship (IIS) awarded to Patrick Trépanier, master's student under the supervision of Renée Bazin.

EXTERNAL TRAINING ACTIVITIES

TRAINING PROVIDED TO BLOOD BANK TECHNICIANS IN CLIENT HOSPITALS (IN CO-OPERATION WITH MEDICAL AFFAIRS), APRIL 11, MAY 9, OCTOBER 24, NOVEMBER 21, 2008; JANUARY 30, FEBRUARY 20, MARCH 27, 2009, QUÉBEC CITY, CANADA

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." [the preparation and use of monoclonal antibodies for the blood bank]

DEPARTMENT OF BIOCHEMISTRY AND MICROBIOLOGY, UNIVERSITÉ LAVAL, QUÉBEC CITY, CANADA, APRIL 18, 2008

Néron S. "Techniques immunochimiques: Les anticorps et leurs cibles les antigènes." [immunochemistry techniques: antibodies and their targets: antigens] Training offered as part of the BCM-21125 course on biochemistry techniques.

OTHER ACTIVITIES

Renée Bazin – Moderator of the discussion group "Novel Mechanisms of Action of IVIg in Autoimmune and Inflammatory Diseases" presented as part of the 61st AABB Annual Meeting and TXPO, Montréal, Canada, October 4-7, 2008.

Dr. Francine Décary – Participation in the roundtable discussion "Don de sang: Qui fait le geste? Pourquoi?: La sociologie du don" [blood donation: who gives and why? The sociology of donation], during the 10th anniversary conference entitled "Don du sang: nécessité, générosité, efficacité," held by the Établissement français du sang (EFS), Paris, France, November 2008.

Dr. Francine Décary – Moderator of the roundtable discussion "Future Solutions for the Patient," presented as part of the International Society of Blood Transfusion (ISBT) Regional Congress, Cairo, Egypt, March 28, 2009.

Dr. Francine Décary – Moderator of the roundtable discussion "Human Resources in Blood Banks," presented as part of the International Society of Blood Transfusion (ISBT) Regional Congress, Cairo, Egypt, March 28, 2009.

Dr. Gilles Delage – Moderator of the discussion group "Donor Motivation: A Research Agenda" presented as part of the 61st AABB Annual Meeting and TXPO, Montréal, Canada, October 4-7, 2008.

5100

63

92%

OF QUEBECERS

now say they have faith

IN HÉMA-QUÉBEC

President and Chief Executive Officer of Héma-Québec, Dr. Francine Décary, was named an Officer of the Ordre national du Québec by Québec Premier Jean Charest. Mr. Charest awarded her Québec's highest distinction at a ceremony held at the National Assembly in Québec City on June 18, 2008.

The Director of Marketing and International Affairs was involved in a training session entitled "Youth Donor Training Camp Workshop," held in Singapore in December 2008, alongside more than 100 young people from nine Asian countries. This activity led up to a similar workshop in Africa, as part of the Africa Society for Blood Transfusion (AfBST) congress, held in Kenya in June 2009.

A regional advertising campaign was organized to mark the opening of a new GLOBULE Blood Donor Centre in Laval in December 2008. The ad campaign, entitled *On a besoin de bras*, was a finalist for an Office québécois de la langue française prize.

On October 9, 2008, Québec's Minister of Health and Social Services, Dr. Yves Bolduc, attended a ceremony at the Montréal facility to honour the memory of the victims of the tainted blood tragedy; also in attendance were representatives of the national and Québec chapters of the Canadian Hemophilia Society. Photo: Minister Bolduc (left) talking to Dr. Francine Décary, President and Chief Executive Officer, and Yvan Charbonneau, Vice-President, Operations.

The 35th edition of the Collecte des Lavallois was held in September 2008, when Héma-Québec was celebrating its 10th anniversary. Blood drive staff, members of the Management Committee and a number of Operations managers gathered that day in Laval for a special event.

Photographs were taken to be displayed at the Montréal and Québec City facilities. A number of volunteers turned out for the photo sessions held at both Héma-Québec facilities. Photo: Select staff members at the Montréal facility.

... and staff members at the Québec City facility.

The schedule of activities commemorating Héma-Québec's 10th anniversary included an open invitation for staff to compete in Québec City's SSQ Marathon or Montréal's Oasis Marathon. In total, 75 people entered the Québec City event (photo) and 150 ran in the Montréal race.

An official ceremony was held on January 20, 2009, to celebrate the opening of a new Globule Blood Donor Centre in a brand new location at Centre Laval. The event was attended by a number of important guests: In order, Guy Charron, Executive Vice-President and Chief Operations Officer, Homburg Invest Inc. (representative for Centre Laval), Gilles Vaillancourt, Mayor of Laval, Justin Bessette, young recipient, Dr. Francine Décary, President and Chief Executive Officer, and Yvan Charbonneau, Vice-President, Operations, Héma-Québec.

Suzanne Rémy, Vice-President, Quality and Standards, was awarded the *Prix Femmes d'affaires du Québec* in October 2008, in the "executive or professional, public or parapublic" category, at the Réseau des femmes d'affaires du Québec's 8th annual gala. The annual *Prix Femmes d'affaires du Québec* celebrates excellence by women in business and helps contribute to their success. Ms. Rémy appears in the photo surrounded by her colleagues and by Dr. Francine Décary, President and Chief Executive Officer.

Nearly 7,000 AABB member delegates attended the conference held at Palais des congrès de Montréal in October 2008. Héma-Québec employees took part in large numbers in the conference activities, particularly the TExpo. A team from the Technologies department greeted delegates enthusiastically at Héma-Québec's booth. Photo (left to right): Donald Gironne, Nathalie Desmeules, François Janelle, Agathe Trépanier and Hélène Lamoureux.

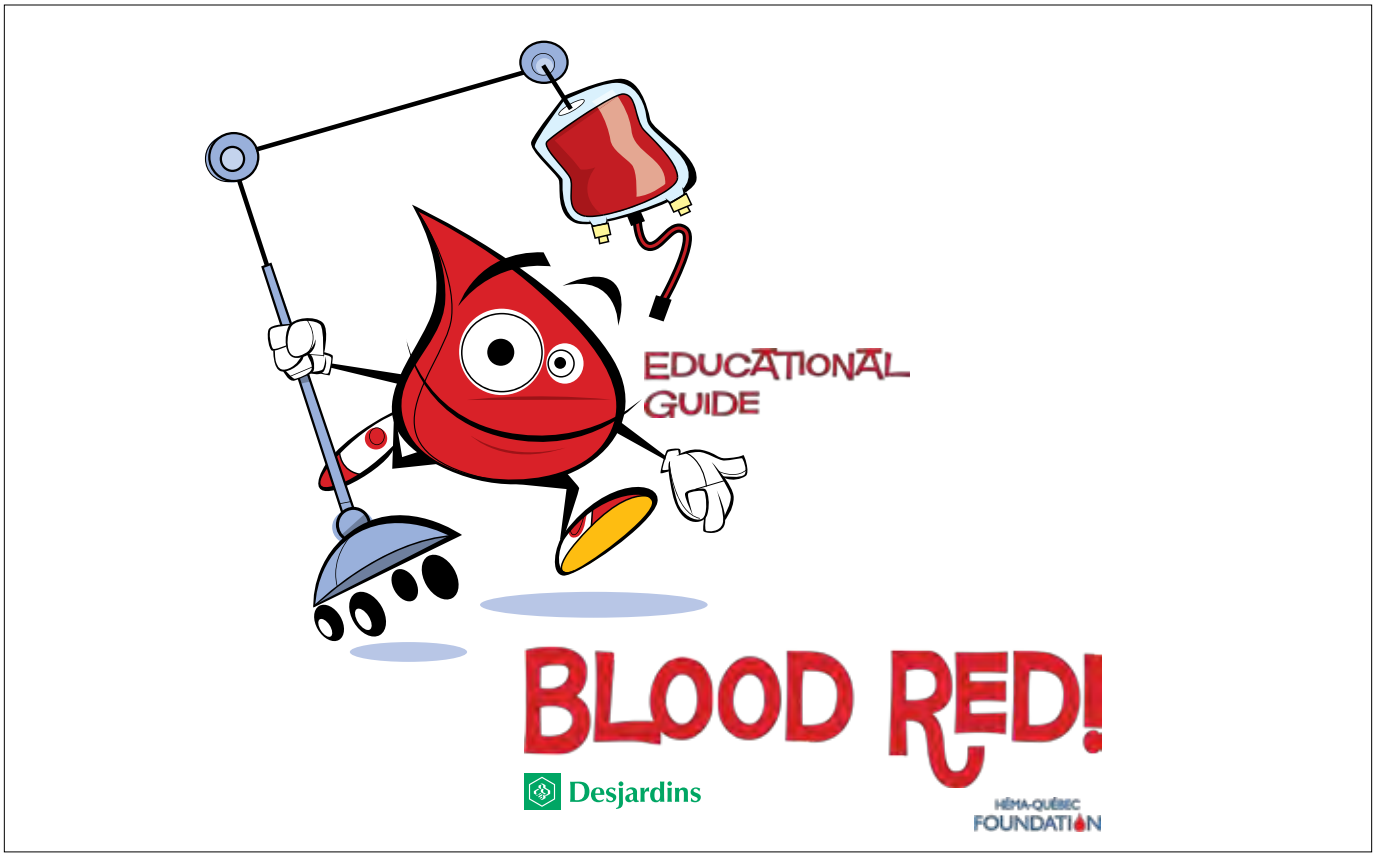
The Knights of Columbus of Québec were awarded a prestigious international award at the October 2008 AABB congress, held in Montréal, for its volunteers' outstanding contribution to the cause of blood donation. Photo: Claude Rousseau, State Deputy of the Knights of Columbus, and J. Daniel Connor, President of the AABB.

Bouffe-santé days were organized in late September 2008 and held in Montréal and Québec City as part of our 10th anniversary celebrations. At both events, the President and Chief Executive Officer along with the Vice-Presidents had the pleasure of serving a healthy breakfast to staff members. These well-attended and fun-filled activities attracted 400 people in Montréal and 200 in Québec City.

The very first National Blood Donor Week, which took place June 9-15, 2008, was marked by a host of promotional and awareness-raising activities across Québec, including the first-ever blood drive at Québec's National Assembly. Photo (left to right): Manon Pepin, Vice-President, Public Affairs and Marketing, Sylvain Verrette, Director, Supply Planning, Québec City, Michel Thérien, donor, Cheryl Campbell Steer, Chair of the Board of Directors, Michel Bissonnet, Speaker of the National Assembly, and Hélène Darby, President of the Association of Blood Donation Volunteers.

As the main links in the supply chain, donors are one of the key factors in our success. Each year, Héma-Québec organizes several events to celebrate their commitment. These evenings feature testimonials by recipients whose lives have been changed by the donors' generosity. Photo: Laureen Corcoran, honoured for her 700th blood donation at the Québec City ceremony, is accompanied by Dr. Francine Décary, President and Chief Executive Officer, Gabriel Levasseur, recipient, and Hélène Darby, President of the Association of Blood Donation Volunteers.

In the fall, Héma-Québec held regional public meetings involving discussions with representatives of the blood drive organizing committees in the 10 different regions. These meetings were also an opportunity for Héma-Québec to honour the organizing committees and volunteers who make its mission possible. Lucie Carleton (second from the left) was honoured at the Gatineau meeting. Photo: Lucie is accompanied by Louise Desrochers, recipient, Dr. Francine Décary, President and Chief Executive Officer, and Jean-Pierre Allaire, Chair of the Board of Directors of Héma Québec.



Developed by Public Affairs and Marketing, the *Blood Red!* educational kit is a tool that aims to raise awareness about blood donation. Designed for teachers of grades elementary, cycle three, and secondary, cycle one, teachers, its goal is to teach young people about the importance of donating blood in order to educate and recruit a new generation of donors. This initiative received substantial financial support from Desjardins and the Héma-Québec Foundation.

BOARD OF DIRECTORS AS AT MARCH 31, 2009

BUSINESS COMMUNITY
Chair
Jean-Pierre Allaire F.C.A., ICD.D
Retired partner, KPMG
Cheryl Campbell Steer C.A., ICD.D
President, Campbell Steer & Associés

HÉMA-QUÉBEC
Secretary
Dr. Francine Décary
President and Chief Executive Officer, Héma-Québec

HOSPITALS
Vice-Chair
René Carignan C.A.
Chief Financial and Clinical Support Officer, McGill University Health Centre
Carole Deschambault
Executive Director
Maisonneuve-Rosemont Hospital

RECIPIENTS
Martine Carré
Chair, Board of Directors
Leucan

TRANSFUSION MEDICINE
Dr. Martin Champagne
Medical Oncologist and Hematologist, Verdun Hospital
Dr. William K. Li Pi Shan
Anesthesiologist, Royal Victoria Hospital, McGill University Health Centre

DONORS
Hélène Darby
Provincial President
Association of Blood Donation Volunteers

PUBLIC HEALTH
Dr. Marc Dionne
Scientific Director
Institut national de la santé publique

ACADEMIA
Dr. Serge Montplaisir
Professor, Department of Biochemistry and Microbiology, Université de Montréal
Dr. Pierre Ouellet
Oncohematologist,
Centre hospitalier universitaire de Québec (CHUQ) Hôtel-Dieu

HEMOVIGILANCE COMMITTEE OBSERVER
Wilson Sanon
President, Association d'anémie falciforme du Québec

ADMINISTRATION

1. BOARD OF DIRECTORS

1.1 STRUCTURE

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

Cheryl Campbell Steer completed her term as Board Chair and has been replaced by Jean-Pierre Allaire for the next two years. A director since 2005, Mr. Allaire was previously Chair of the Audit Committee and Vice-Chair of the Board. It should be noted that Ms. Campbell Steer will continue her work as a member of the Board and of several committees. The Board of Directors would like to thank her for her work and congratulate her for the excellence she demonstrated during her term as Chair. Mr. René Carignan will take over as Chair of the Audit Committee and Vice-Chair of the Board.

The Board also wishes to thank Dr. W.K. Li Pi Shan, who left this year.

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 2007–2010 strategic plan and subsequently adopted it. This year directors once again took part in the three-year strategic 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

The Audit Committee and the Board proceeded with an update of the risk management policy. Implemented in 2003, this policy will be integrated into the management cycle from now on and will influence all activities in relation to strategic planning.

This year the Board approved the recommendations of the Safety Advisory Committee and the Recipient Representatives Advisory Committee regarding the implementation of safety measures to reduce the risks associated with TRALI in platelets. The Board also approved the risk management measures concerning the presence of lead in blood.

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. During its self-evaluation during the last fiscal year, the Board concluded that Héma-Québec has a solid governance structure. Self-evaluations are scheduled to take place every other year, with the next one planned for 2009-2010.

1.3 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.

1.3.1 EXECUTIVE COMMITTEE

If necessary, the Committee meets between regular Board meetings to make decisions for which it is responsible. It did not hold any meetings this year.

1.3.2 GOVERNANCE COMMITTEE

The Governance Committee makes recommendations to the Board regarding principles of governance and codes of ethics for directors and employees. The Governance Committee ensures directors are properly trained and evaluated. Every two years, it submits an evaluation of how the Board operates. This evaluation was performed last year, and it confirmed that directors are satisfied with how the Board runs and, in particular, with its accomplishments in the matter of governance. This year, the Committee focused on term renewals, the appointment of new directors, and member attendance at meetings. It also implemented some functional improvements to Board meetings. In addition to Committee members, the Board Chair regularly attends meetings.

1.3.3 AUDIT COMMITTEE

The Audit Committee monitors the organization's financial management, internal controls and risk management. It 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.

This year the Audit Committee approved the implementation of approval guidelines for construction and IT projects, and, according to these guidelines, reviewed certain projects including the master plan to remodel the Montréal facility. It also closely monitored the impact of the amendments to the *Financial Administration Act* on Héma-Québec.

1.3.4 COMPENSATION AND HUMAN RESOURCES COMMITTEE

The Committee examines trends and strategies in human resources management. It recommends evaluation criteria for the President and Chief Executive Officer. It evaluates the Chief Executive Officer annually and makes recommendations to the Board regarding the position as well as the Chief Executive Officer's compensation. It also evaluates the succession plan for Vice-Presidents, as well as their performance evaluations and compensation. The Committee was created at the end of the last fiscal year.

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

1.3.5 ADVISORY COMMITTEES

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.

EXECUTIVE COMMITTEE AS AT MARCH 31, 2009

Jean-Pierre Allaire, F.C.A., ICD. D
René Carignan, C.A.
Dr. Francine Décary
Dr. Marc Dionne
Hélène Darby

GOVERNANCE COMMITTEE AS AT MARCH 31, 2009

Chair
Hélène Darby
Cheryl Campbell Steer, C.A., ICD. D
Martine Carré

AUDIT COMMITTEE AS AT MARCH 31, 2009

Chair
René Carignan, C.A.
Cheryl Campbell Steer, C.A., ICD. D
Carole Deschambault
Dr. Serge Montplaisir

COMPENSATION AND HUMAN RESOURCES COMMITTEE AS AT MARCH 31, 2009

Chair
Carole Deschambault
Jean-Pierre Allaire, F.C.A. ICD.D
Cheryl Campbell Steer, C.A., ICD.D
René Carignan, C.A.
Dr. Serge Montplaisir

RECIPIENT REPRESENTATIVES ADVISORY COMMITTEE AS AT MARCH 31, 2009

Chair
Michel Morin
Coalition des organismes communautaires québécois de lutte contre le sida

Vice-Chair
Wilson Sanon
Association de l'anémie falciforme du Québec

Martine Allard
Jacques Dagnault
CIPO-Québec Chapter (immunodeficient patients)

Marius Foltea
Pascal Mireault
Canadian Hemophilia Society-Québec chapter

Jean-Pierre Juneau
Association des grands brûlés

Gaston Martin
Transplant recipients

Marika Mouscardy
Association de l'anémie falciforme du Québec

Claudette Pitre-Robin
Leucan

Hélène Darby
Martine Carré
Observers from the Board of Directors

1.3.5.1 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 Committee before they are brought before the Board.

This year, the Committee recommended the implementation of safety measures to reduce the risk associated with TRALI in platelets and with the presence of lead in blood.

1.3.5.2 Safety Advisory Committee

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

It also recommended the implementation of a number of safety measures to reduce the risk associated with TRALI in platelets and with the presence of lead in blood.

1.3.5.3 Scientific and Medical Advisory Committee

The Scientific and Medical Advisory Committee is mandated to advise the Board of Directors regarding the scientific relevance of research and development programs, and scientific and medical advances that could have an impact on product supply. It has continued to oversee the advancement of research programs established by the Board of Directors.

1.3.5.4 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 six new studies and renewed fifteen.

SAFETY ADVISORY COMMITTEE AS AT MARCH 31, 2009

PUBLIC HEALTH
Chair
Dr. Bryce Larke
Medical Virologist
Provincial Laboratory of Public Health, Edmonton, 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 PRACTICE
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
Sanquin Blood Bank North-West Region and Sanquin Diagnostic Services
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

CANADIAN BLOOD SERVICES
Dr. Margaret Fearon
Executive Medical Director, Medical Microbiology, Canadian Blood Services
Ottawa, 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 la santé publique
Québec City, Canada

SCIENTIFIC AND MEDICAL ADVISORY COMMITTEE AS AT MARCH 31, 2009

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

MOLECULAR BIOLOGY
Dr. Jean-Pierre Cartron
Scientific Director
Institut National de la Transfusion Sanguine
Paris, France

PLASMA DERIVATIVES CANADIAN BLOOD SERVICES
Dr. Dana Devine
Professor of Pathology
Dept. of Pathology and Laboratory Medicine
University of British Columbia
Vice-President, Medical, Scientific and Research Affairs, Canadian Blood Services
Ottawa, Canada

DIAGNOSTIC TECHNOLOGIES
Dr. Michel Houde
Vice-President, Research and Development
DiagnoCure inc.
Québec City, 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, 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, Associate Professor
Department of Biochemistry, Université de Montréal
Montréal, Canada

BLOOD COMPONENT AND TISSUE MANUFACTURING
Dr. Locksley Earl McGann
Professor
University of Alberta
Department of Laboratory Medicine and Pathology
Edmonton, Canada

HEMATOPOIESIS
Dr. Julie Audet
Assistant Professor
Institute of Biomaterials and Biomedical Engineering
University of Toronto
Toronto, 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 Biochemistry and Microbiology
Université de Montréal
Montréal, Canada
Dr. Pierre Ouellet
Hematologist-Oncologist
CHUQ Hôtel-Dieu
Québec City, Canada

RESEARCH ETHICS COMMITTEE AS AT MARCH 31, 2009

LAW
Chair
Suzanne Courchesne
Attorney
Borden Ladner Gervais
Montréal, Canada

LAW, SUBSTITUTE LAW CLERK
Mélanie Champagne
Attorney
Borden Ladner Gervais
Montréal, Canada

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

BLOOD DONORS
Pierre McDuff
Association of Blood Donation Volunteers
Montréal, Canada

RECIPIENT REPRESENTATIVES ADVISORY COMMITTEE, SUBSTITUTE ETHICIST
Michel Morin
Coalition des organismes communautaires québécois de lutte contre le sida
Montréal, Canada

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

MANAGEMENT COMMITTEE

1ST ROW

MANON PEPIN, B.A.
Vice-President, Public Affairs and Marketing

FRANCINE DÉCARY, M.D., Ph.D., M.B.A., O.Q.
President and Chief Executive Officer

SUZANNE RÉMY, M.Sc., M.B.A.
Vice-President, Quality and Standards

SMARANDA GHIBU, B.C.L., LL.B.
Vice-President, Legal Affairs

YVES BLAIS, Ph.D., M.B.A.
Vice-President, Research and Development

ANDRÉ LEBRUN, M.D., CSPQ
Vice-President, Medical Affairs in Hematology

2ND ROW

SIMON FOURNIER, D.E.C.
Vice-President, Information Technology

MARC GERMAIN, M.D., Ph.D.
Vice-President, Human Tissues

GUY LAFRENIÈRE, M.B.A., C.M.A.
Vice-President, Finance and Administration

GILLES DELAGE, M.D., M.Sc.
Vice-President, Medical Affairs in Microbiology

ROGER CARPENTIER, CRIA
Vice-President, Human Resources

YVAN CHARBONNEAU, Eng.
Vice-President, Operations

GOVERNANCE FRAMEWORK AND DIRECTOR CODE OF ETHICS

PREAMBLE

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 He/She 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 He/She 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.

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2008-2009
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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.

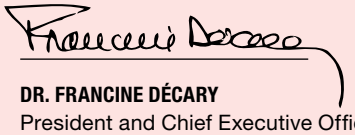
Héma-Québec recognizes that it is responsible for conducting its affairs in accordance with the statutes and regulations governing it.

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



DR. FRANCINE DÉCARY
President and Chief Executive Officer

Montréal, May 15, 2009

AUDITOR'S REPORT

To the National Assembly:

I have audited the statement of financial position of Héma-Québec as at March 31, 2009 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, 2009 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, after giving retroactive effect to the change in the method of determining inventory cost subsequent to the adoption of the new *CICA Handbook* recommendations as explained in Note 2, on a basis consistent with that of the previous year.

Renaud Lachance CA auditeur

RENAUD LACHANCE, CA AUDITOR
Auditor General of Québec

Québec City, May 15, 2009

FINANCIAL STATEMENTS

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31 (IN THOUSANDS OF DOLLARS)

REVENUES	2009	2008
BLOOD PRODUCTS SOLD TO QUÉBEC HOSPITAL CENTRES	$ 260,223	$ 245,379
CREDITS ISSUED TO QUÉBEC HOSPITAL CENTRES PERTAINING TO THE PREVIOUS YEAR	(2,069)	(1,650)
	258,154	243,729
GRANTS FROM THE GOVERNMENT OF QUÉBEC	29,846	22,885
HUMAN TISSUE SOLD TO QUÉBEC HOSPITAL CENTRES	1,128	709
INTEREST ON BANK DEPOSITS	595	1,402
UNREALIZED GAINS ON FOREIGN CURRENCY CONTRACTS	–	1,702
OTHER	3,052	1,458
	292,775	271,885
EXPENSES (NOTE 4)	290,855	271,106
EXCESS OF REVENUES OVER EXPENSES	$ 1,920	$ 779

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)

	2009	2008
NET ASSETS, BEGINNING OF YEAR		
AS PREVIOUSLY REPORTED	$ 2,069	$ 1,650
ADOPTION OF NEW RECOMMENDATIONS REGARDING INVENTORIES (NOTE 2)	6,336	5,976
AS RESTATED	8,405	7,626
EXCESS OF REVENUES OVER EXPENSES	1,920	779
NET ASSETS, END OF YEAR	$ 10,325	$ 8,405

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

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31 (IN THOUSANDS OF DOLLARS)

	2009	2008
ASSETS		
CURRENT ASSETS		
CASH	$ 1,870	$ 6,291
TEMPORARY INVESTMENT	–	12,000
ACCOUNTS RECEIVABLE (NOTE 5)	2,147	5,543
INVENTORIES (NOTE 6)	36,860	25,979
PREPAID EXPENSES (NOTE 7)	2,365	2,032
DERIVATIVE FINANCIAL INSTRUMENTS (NOTE 15)	–	1,702
	43,242	53,547
CAPITAL ASSETS (NOTE 8)	32,299	34,748
DEFERRED CHARGES (NOTE 9)	1,515	1,575
ACCRUED BENEFIT ASSET (NOTE 13)	2,213	1,330
	$ 79,269	$ 91,200
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (NOTE 11)	$ 30,635	$ 31,769
NON-INTEREST-BEARING ADVANCE FROM THE GOVERNMENT OF QUÉBEC	2,349	13,026
PAYMENT ON LONG-TERM DEBT (NOTE 12)	4,368	5,045
	37,352	49,840
LONG-TERM DEBT (NOTE 12)	28,091	29,540
ACCRUED BENEFIT LIABILITY (NOTE 13)	3,501	3,415
	68,944	82,795
NET ASSETS	10,325	8,405
	$ 79,269	$ 91,200
COMMITMENTS (NOTE 16)		

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)

	2009	2008
OPERATING ACTIVITIES		
EXCESS OF REVENUES OVER EXPENSES	$ 1,920	$ 779
ITEMS NOT AFFECTING CASH AND CASH EQUIVALENTS		
AMORTIZATION OF CAPITAL ASSETS	5,839	4,783
AMORTIZATION OF DEFERRED CHARGES	60	60
LOSS ON WRITE-OFF AND DISPOSAL OF CAPITAL ASSETS	539	103
UNREALIZED GAINS ON FOREIGN CURRENCY CONTRACTS	1,702	(1,702)
UNREALIZED EXCHANGE LOSS	317	544
INCREASE IN ACCRUED BENEFIT ASSET	(883)	(661)
INCREASE IN ACCRUED BENEFIT LIABILITY	86	214
	9,580	4,120
CHANGES IN NON-CASH OPERATING WORKING CAPITAL ITEMS		
DECREASE IN ACCOUNTS RECEIVABLE	3,396	2,635
DECREASE IN GRANT RECEIVABLE FROM THE GOVERNMENT OF QUÉBEC	–	22
INCREASE IN INVENTORIES	(10,881)	(737)
DECREASE (INCREASE) IN PREPAID EXPENSES	(333)	17
INCREASE (DECREASE) IN ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	(1,134)	4,894
INCREASE (DECREASE) IN ADVANCE FROM THE GOVERNMENT OF QUÉBEC	(10,677)	1,188
CASH FLOWS USED IN (FROM) OPERATING ACTIVITIES	(10,049)	12,139
INVESTING ACTIVITIES		
PURCHASE OF CAPITAL ASSETS	(3,733)	(2,535)
PURCHASE OF INTANGIBLE ASSETS	(198)	(370)
PROCEEDS FROM DISPOSAL OF CAPITAL ASSETS	2	17
CASH FLOWS USED IN INVESTING ACTIVITIES	(3,929)	(2,888)
FINANCING ACTIVITIES		
INCREASE IN LONG-TERM DEBT	3,072	2,527
REPAYMENT OF LONG-TERM DEBT	(5,198)	(5,418)
CASH FLOWS USED IN FINANCING ACTIVITIES	(2,126)	(2,891)
UNREALIZED EXCHANGE LOSS ON CASH AND NON-CASH WORKING CAPITAL ITEMS DENOMINATED IN FOREIGN CURRENCY	(317)	(544)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(16,421)	5,816
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	18,291	12,475
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,870	$ 18,291
CASH AND CASH EQUIVALENTS ARE AS FOLLOWS:		
CASH	$ 1,870	$ 6,291
TEMPORARY INVESTMENT	–	12,000
	$1,870	$18,291
INTEREST PAID	$ 1,737	$ 1,896

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (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 is not subject to the *Income Tax Act*.

2. ACCOUNTING CHANGES

A) YEAR ENDED MARCH 31, 2009

On April 1, 2008, Héma-Québec adopted the recommendations contained in the following sections of the *Canadian Institute of Chartered Accountants* (CICA) *Handbook.*

SECTION 1535, *CAPITAL DISCLOSURES*

Héma-Québec has adopted the recommendations of *CICA Handbook* Section 1535, *Capital Disclosures*. This section requires disclosure of information about externally imposed capital requirements. The required information is disclosed in Note 14.

SECTION 3031, *INVENTORIES*

Héma Québec has adopted the recommendations of *CICA Handbook* Section 3031, which provides further guidance on the determination of the cost of inventories and their subsequent recognition as an expense, as well as requiring additional associated disclosures. The new standard also allows for the reversal of any write-downs previously recognized when there is a subsequent increase in value of the inventories. This accounting policy was adopted as of April 1, 2008 on a retrospective basis, with restatement of prior-period financial statements to reflect this change. The cumulative effect of this change as at April 1, 2008 was a $6,336 increase in the value of inventories and net assets ($5,976 as at April 1, 2007). In addition, the excess of revenues over expenses for the year ended March 31, 2009 was increased by $394 ($360 for the year ended March 31, 2008).

SECTION 3862, *FINANCIAL INSTRUMENTS – DISCLOSURES*

Section 3862, *Financial Instruments – Disclosures*, modifies the disclosure requirements for financial instruments formerly included in Section 3861, *Financial Instruments – Disclosure and Presentation*. This new section requires entities to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance, the nature and extent of risks to which it is exposed during the period and at the statement of financial position date, and how those risks are managed. The required information is disclosed in Note 15.

SECTION 3863, *FINANCIAL INSTRUMENTS – PRESENTATION*

Section 3863, *Financial Instruments – Presentation*, carries forward unchanged the presentation requirements of former Section 3861, *Financial Instruments – Disclosure and Presentation*.

The adoption of these recommendations did not have any material effect on the results, financial position and cash flows of Héma-Québec. The required information is disclosed in Note 15.

2. ACCOUNTING CHANGES (CONTINUED)

B) FUTURE ACCOUNTING CHANGES

SECTION 3064, *GOODWILL AND INTANGIBLE ASSETS*

Section 3064 states that upon their initial identification, intangible assets are to be recognized as assets only if they meet the definition of an intangible asset and the recognition criteria thereof. Section 3064 also provides further information on the recognition of internally generated intangible assets (including research and development costs). As for the subsequent measurement of intangible assets, goodwill and disclosure, Section 3064 carries forward most of the requirements of former Section 3062. Héma-Québec is currently assessing the impact of adopting this new standard on its financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Héma-Québec is currently assessing the impact of the future adoption of International Financial Reporting Standards (IFRS). On February 24, 2009, the Public Sector Accounting Board (PSAB) issued an Invitation to Comment on the adoption of IFRS by certain government organizations. The PSAB is expected to report on its deliberations in fall 2009.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of the financial statements of Héma Québec in accordance with Canadian generally accepted accounting principles 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 amounts of revenues and expenses for the 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. Héma Québec is considered a government business-type organization (GBTO).

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 grants from the Government of Québec relating to products and services consisting of human tissue, stem cells, cord blood, reference laboratory, eye bank and Synagis products are accounted for using the deferral method and recognized during the year as 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
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS

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

CAPITAL ASSETS

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 EQUIPMENT	33 1/3%

INTANGIBLE ASSETS

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

INTANGIBLE ASSETS

SOFTWARE APPLICATIONS	33 1/3%
SOFTWARE PACKAGES	20%

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 results 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 pension and other post-retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of expected return on plan assets, salary escalation, retirement ages and expected health care costs.

The accrued benefit obligation is valued using market interest rates on the measurement date for high-quality corporate bonds. Pension plan assets are measured at fair value. This method is also used to calculate the expected return on plan assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The net actuarial gain or loss is amortized if, at the beginning of the year, the unamortized balance of the gain or loss exceeds 10% of the greater of the accrued benefit obligation and the fair value of plan.

The excess is amortized on a straight-line basis over the average remaining service period of active employees. The average remaining service period for active employees 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 15 years for the other employee benefit plans.

The transitional obligation and past service costs are normally amortized over the average remaining service period of employees active at the date of amendment.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized initially at fair value and their subsequent remeasurement depends on their classification, as described below. The classification of financial assets and financial liabilities depends on Héma Québec's objectives when the financial instruments are acquired or issued, their characteristics and their designation. Héma Québec uses settlement-date accounting.

CASH	HELD FOR TRADING
TEMPORARY INVESTMENT	HELD FOR TRADING
ACCOUNTS RECEIVABLE	LOANS AND RECEIVABLES
DERIVATIVE INSTRUMENTS	HELD FOR TRADING
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (EXCLUDING BENEFITS)	OTHER FINANCIAL LIABILITIES
ADVANCE FROM THE GOVERNMENT OF QUÉBEC	OTHER FINANCIAL LIABILITIES
LONG-TERM DEBT	OTHER FINANCIAL LIABILITIES

ASSETS OR LIABILITIES HELD FOR TRADING

Financial instruments classified as assets and liabilities held for trading are recognized at fair value at each statement of financial position date; any change in fair value is recognized in the results for the period in which the changes occur.

LOANS AND RECEIVABLES AND OTHER FINANCIAL LIABILITIES

Financial instruments classified as loans and receivables and other financial liabilities are recognized at amortized cost using the effective interest method. Any revenue or interest expense is recognized in the statement of operations through the expected life of the instrument.

CASH AND CASH EQUIVALENTS

Héma-Québec's policy consists in presenting in cash and cash equivalents bank balances, including bank overdrafts whose balances fluctuate frequently from being positive to overdrawn, and temporary investments with maturities of three months or less from the date of acquisition.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

4. EXPENSES BY ACTIVITY CENTRE

	2009				2008
	LABILE PRODUCTS	STABLE PRODUCTS	OTHER SERVICES	TOTAL	TOTAL
SALARIES AND EMPLOYEE BENEFITS	$ 68,056	$ 487	$ 5,635	**$ 74,178**	**$ 71,724**
MEDICAL AND BLOOD DRIVE SUPPLIES	25,287	615	2,691	**28,593**	**26,145**
STABLE PRODUCTS	–	161,121	–	**161,121**	**126,472**
PURCHASED SERVICES	(658)	1,841	4,640	**5,823**	**4,179**
LOSS ON WRITE-OFFS AND DISPOSAL OF CAPITAL ASSETS	539	–	–	**539**	**103**
EXCHANGE LOSS (GAIN)	(350)	(5,241)	–	**(5,591)**	**7,630**
AMORTIZATION OF CAPITAL ASSETS	5,672	28	139	**5,839**	**4,783**
INTEREST ON LONG-TERM DEBT	1,734	–	–	**1,734**	**1,885**
OTHER INTEREST AND BANK CHARGES	438	–	–	**438**	**80**
INSURANCE	5,940	–	–	**5,940**	**6,014**
OTHER EXPENSES	22,283	106	1,662	**24,051**	**22,317**
SUBTOTAL	**$ 128,941**	**$ 158,957**	**$ 14,767**	**$ 302,665**	**$ 271,332**
PLASMA FOR FRACTIONATION*	(8,728)	8,728			
CHANGE IN INVENTORIES OF FINISHED GOODS	(486)	(10,851)	(473)	**(11,810)**	**(226)**
TOTAL	**$ 119,727**	**$ 156,834**	**$ 14,294**	**$ 290,855**	**$ 271,106**

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

5. ACCOUNTS RECEIVABLE

	2009	2008
TRADE ACCOUNTS RECEIVABLE	$ 275	$ 198
SALES TAXES	1,234	1,221
SECURITY DEPOSIT	–	3,798
OTHER RECEIVABLES	638	326
	$ 2,147	$ 5,543

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

6. INVENTORIES

	2009	2008
STABLE PRODUCTS	$ 27,570	$ 16,835
PLASMA FOR FRACTIONATION	3,044	3,532
LABILE PRODUCTS	3,290	2,804
BLOOD DRIVE EQUIPMENT	2,023	2,141
LABORATORY EQUIPMENT	460	667
HUMAN TISSUE	473	–
	$ 36,860	$ 25,979

7. PREPAID EXPENSES

	2009	2008
INSURANCE	$ 778	$ 797
OTHER	1,587	1,235
	$ 2,365	$ 2,032

8. CAPITAL ASSETS

	2009			2008
	COST	ACCUMULATED AMORTIZATION	NET	NET
TANGIBLE ASSETS				
LAND	$ 2,140	$ –	$ 2,140	$ 2,140
BUILDING	19,699	5,883	13,816	14,604
BETTERMENT*	9,524	3,974	5,550	7,087
LEASEHOLD IMPROVEMENTS*	1,913	976	937	618
AUTOMOTIVE EQUIPMENT	54	37	17	23
MACHINERY AND EQUIPMENT*	14,994	8,746	6,248	6,382
OFFICE FURNITURE AND EQUIPMENT*	4,102	3,334	768	757
COMPUTER EQUIPMENT	6,777	5,922	855	676
	59,203	28,872	30,331	32,287
INTANGIBLE ASSETS				
SOFTWARE APPLICATIONS AND PACKAGES	7,852	5,884	1,968	2,461
	$ 67,055	$ 34,756	$ 32,299	$ 34,748

* The accumulated cost of work in progress as at March 31, 2009 totalled $552 excluding taxes, of which $113 is included in betterment, $378 in machinery and equipment, $60 in office furniture and equipment, and $1 in leasehold improvements. Amortization of these capital assets will begin when the projects have been completed and the assets have been commissioned.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

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 is $60 ($60 in 2008) and was recognized in the statement of operations under "Other expenses." Accumulated amortization on a straight-line basis amounted to $360 ($300 in 2008).

10. LINE OF CREDIT

As at March 31, 2009, Héma-Québec had a $15,000 revolving line of credit, renewable in August 2009, 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 2008 and 2009.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2009	2008
TRADE ACCOUNTS PAYABLE	$ 20,437	$ 22,285
SALARIES AND ACCRUED BENEFITS	10,198	9,484
	$ 30,635	$ 31,769

12. LONG-TERM DEBT

	2009	2008
LOAN, SECURED BY THE LAND AND BUILDING, WITH A NET CARRYING AMOUNT OF $15,956, REPAYABLE IN MONTHLY INSTALMENTS OF $24 (PRINCIPAL ONLY), AT A FIXED RATE OF 4.12%, RENEWABLE IN 2011 AND MATURING IN 2023.	**$ 4,160**	**$ 4,367**
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%, RENEWABLE IN 2009 AND MATURING IN 2027.	**11,832**	**12,478**
LOAN, REPAYABLE IN BLENDED MONTHLY INSTALMENTS OF $100, AT A FIXED RATE OF 6.01% THAT MATURED DURING THE YEAR.	**–**	**782**
LOANS REPAYABLE IN MONTHLY INSTALMENTS OF $228 (PRINCIPAL ONLY) AND YEARLY INSTALMENTS OF $256 (PRINCIPAL ONLY), AT FIXED RATES RANGING FROM 3.82% TO 4.98%, MATURING FROM 2009 TO 2015.	**6,212**	**9,207**
LOANS REPAYABLE IN MONTHLY INSTALMENTS OF $77 (PRINCIPAL ONLY), AT FIXED RATES RANGING FROM 4.12% TO 5.41%, RENEWABLE FROM 2010 TO 2013 AND MATURING FROM 2013 TO 2026.	**10,255**	**7,751**
	32,459	**34,585**
CURRENT PORTION	**(4,368)**	**(5,045)**
	$ 28,091	**$ 29,540**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

12. LONG-TERM DEBT (CONTINUED)

Principal repayments on long-term debt to be made over the next five years are as follows:

2010	$4,368
2011	3,151
2012	3,151
2013	2,208
2014	$2,128

13. DESCRIPTION OF EMPLOYEE BENEFIT PLANS

Héma-Québec has several defined benefit plans, funded and non-funded, which guarantee the payment of pension benefits, other post-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 2009, 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 $6,652 ($6,410 in 2008).

DATES FOR VALUATION OF DEFINED BENEFIT PLANS

Héma-Québec determines its accrued benefits obligation and the fair 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 the purposes of funding 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

ALLOCATION OF DEFINED BENEFIT PLAN ASSETS

AS A % AS AT MARCH 31	2009	2008
SHARES	46%	52%
BONDS	49%	40%
OTHER	5%	8%
TOTAL	100%	100%

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

13. DESCRIPTION OF EMPLOYEE BENEFIT PLANS (CONTINUED)

RECONCILIATION OF FINANCIAL POSITION AND AMOUNTS RECORDED IN FINANCIAL STATEMENTS

	2009		2008	
	PENSION PLANS	**OTHER PLANS**	**PENSION PLANS**	**OTHER PLANS**
FAIR VALUE OF PLAN ASSETS	$ 73,420	$ –	$ 81,884	$ –
ACCRUED BENEFIT OBLIGATION	76,371	4,005	87,082	4,582
FINANCIAL POSITION – DEFICIT	(2,951)	(4,005)	(5,198)	(4,582)
UNAMORTIZED TRANSITIONAL OBLIGATION	21	–	26	–
COST OF BENEFITS FOR UNAMORTIZED PAST SERVICE	2,046	–	1,965	–
NET UNAMORTIZED ACTUARIAL LOSSES	3,097	504	4,537	1,167
ACCRUED BENEFIT ASSET (LIABILITY) – END OF YEAR	$ 2,213	$ (3,501)	$ 1,330	$ (3,415)
CLASSIFICATION OF AMOUNTS RECORDED IN HÉMA-QUÉBEC'S FINANCIAL STATEMENTS				
ACCRUED BENEFIT ASSET	$ 2,213		$ 1,330	
ACCRUED BENEFIT LIABILITY		$ 3,501		$ 3,415

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

COSTS RECOGNIZED FOR THE YEAR

	2009		2008	
	PENSION PLANS	**OTHER PLANS**	**PENSION PLANS**	**OTHER PLANS**
EMPLOYEE FUTURE BENEFIT COSTS	$ 3,779	$ 2,076	$ 3,536	$ 2,428

MAIN ASSUMPTIONS

	2009		2008	
	PENSION PLANS	**OTHER PLANS**	**PENSION PLANS**	**OTHER PLANS**
ACCRUED BENEFIT OBLIGATION AS AT MARCH 31				
DISCOUNT RATE	7.50%	7.50%	5.75%	5.75%
RATE OF COMPENSATION INCREASE	3.50%	3.50%	3.50%	3.50%
COST OF BENEFIT FOR YEARS ENDED MARCH 31				
DISCOUNT RATE	5.75%	5.75%	5.25%	5.25%
EXPECTED RATE OF RETURN ON PLAN ASSETS	7.00%	–	7.00%	–
RATE OF COMPENSATION INCREASE	3.50%	3.50%	3.50%	3.50%

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

13. DESCRIPTION OF EMPLOYEE BENEFIT PLANS (CONTINUED)

ASSUMED HEALTH CARE COST TREND RATE(S)

	2009	2008
INITIAL HEALTH CARE COST TREND RATE AS AT MARCH 31	9.00%	9.50%
COST TREND RATE DECLINES TO	5.00%	5.00%
YEAR THAT THE RATE REACHES THE RATE IT IS ASSUMED TO REMAIN AT	2017	2017

14. NET ASSETS

Héma-Québec defines its capital as net assets, which it administers through conservative management of its revenues, expenses, assets, liabilities, investments and other financial transactions to ensure the mission set forth in its incorporating act is accomplished efficiently.

15. RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

RISK MANAGEMENT

In the normal course of its operations, Héma-Québec is exposed to various financial risks including credit risk, currency risk, interest rate risk and liquidity risk. Management assesses these risks and implements strategies to minimize their impact on its performance.

CREDIT RISK

Héma-Québec's main financial assets include cash, temporary investments and receivables, which are subject to credit risk. The carrying value of financial assets on the statement of financial position represents the maximum exposure to credit risk at the reporting date.

The credit risk associated with cash and temporary investments is limited, as the counterparty is a Canadian chartered bank which is assigned a high credit rating by national rating agencies.

Credit risk arising from receivables is limited, as the main receivables are associated with the collection of commodity tax or the reclassification of debit balances related to accrued liabilities. The other receivables are not material.

CURRENCY RISK

Héma-Québec purchases approximately 75% of its stable products, medical and blood drive supplies in U.S. dollars and is therefore exposed to currency fluctuations. Héma-Québec has established a currency risk management policy and enters into derivative financial instruments for the management of currency risk, particularly through foreign exchange contracts. As at March 31, 2009, there were no derivative financial instruments ($1,702 as at March 31, 2008).

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

15. RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

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

	2009	2008
U.S. DOLLARS:		
CASH	$ 375	$ 2,500
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 3,230	$ 11,904

INTEREST RATE RISK

Long-term loans payable are at fixed rates, thereby minimizing interest rate risk. Short-term loans payable, as applicable, are at variable rates and management does not believe that the impact of short-term interest rate fluctuations will have material repercussions on operating results.

LIQUIDITY RISK

Liquidity risk is the risk that Héma-Québec will not be able to meet its financial obligations. Héma-Québec monitors its cash balance and the cash flows that arise from its operations to be in a position to meet its financial obligations. As at March 31, 2009, financial liabilities were as follows:

	CARRYING VALUE	2010	2011	2012 AND THEREAFTER
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 30,635	$ 30,635	$ –	$ –
LONG-TERM DEBT	32,459	4,368	3,151	24,940
INTEREST ON LONG-TERM DEBT	11,550	1,539	1,355	8,656
COMMITMENTS	42,284	2,232	2,194	37,858
	$ 116,928	$ 38,774	$ 6,700	$ 71,454

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of temporary investments, receivables, accounts payable and accrued liabilities and of the advance from the Government of Québec, excluding interest, approximate their carrying value due to their short-term maturities.

The fair value of long-term debt is determined using the present value of future cash flows under current financing agreements, based on Héma-Québec's current estimated borrowing rate for loans with similar terms and conditions. The fair value of long-term debt stands at $38,470 ($37,376 in 2008).

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009 (IN THOUSANDS OF DOLLARS)

16. COMMITMENTS

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

Lease expenses for the premises for the year ended March 31, 2009 amounted to $2,102 ($2,202 in 2008). Future minimum payments under long-term leases are as follows:

2010	$ 2,232
2011	2,194
2012	2,198
2013	2,198
2014	2,005
2015 AND THEREAFTER	$ 31,457

17. RELATED PARTY TRANSACTIONS

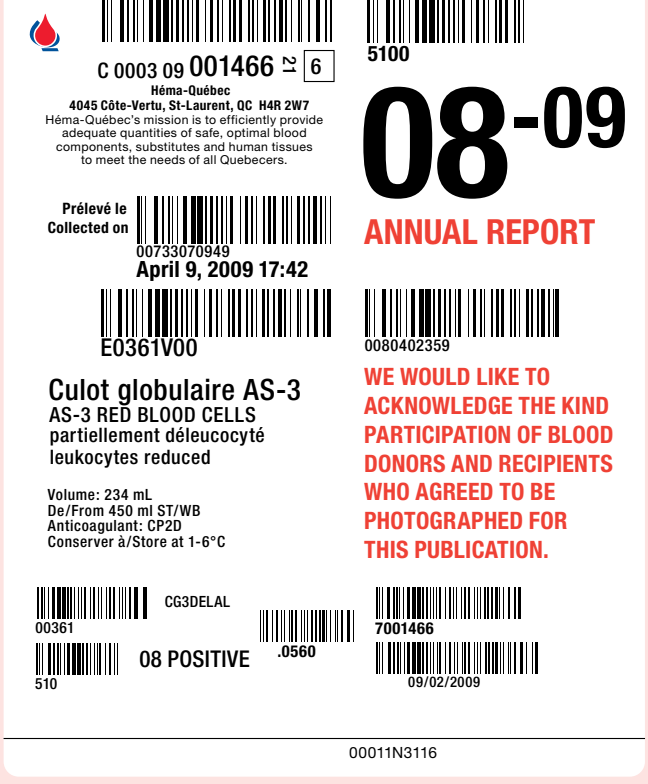
In addition to the related party transactions already disclosed in the financial statements and reported at exchange value, Héma-Québec is related to all government departments and special funds as well as to all organizations and enterprises controlled directly or indirectly by the Government of Québec 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 on normal commercial terms. These transactions are not disclosed separately in the financial statements.

18. COMPARATIVE FIGURES

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

THE COVER

The cover of the 2008-2009 annual report was inspired by the label that has been affixed to Héma-Québec's labile blood products since 2007. The label complies with ISBT 128, the international safety standard governing the nomenclature of donation numbers, codes and labelling for labile blood products, tissues and stem cells. Implementing this measure standardizes all of the information needed to identify and trace products. A unique, international donation number and standardized international product codes ensure better traceability. Important information is encoded and can be read with a scanner, which minimizes the need for manual data entry and, in turn, reduces the risk of error. Héma-Québec is among the first North American blood establishments to implement the ISBT 128 standard.



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Héma-Québec
4045 Côte-Vertu, St-Laurent, QC H4R
Héma-Québec's mission is to efficiently
adequate quantities of safe, optimal b
components, substitutes and human tis
to meet the needs of all Quebecers

Prélevé le
Collected on

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March 31, 2009

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Culot globulaire AS-

AS-3 RED BLOOD CELLS
partiellement déleucocyté
leukocytes reduced

Volume: 234 mL
De/From 450 ml ST/WB
Anticoagulant: CP2D
Conserver à/Store at 1-6°C

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