

The cover features a white background with large, diagonal geometric shapes in red and light grey. The Gairdner logo is prominently displayed in the upper left, with the text 'LES PRIX CANADA GAIRDNER AWARDS' underneath it.

gairdner
LES PRIX CANADA GAIRDNER AWARDS

**THE 2014
GAIRDNER
FOUNDATION
ANNUAL REPORT**

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HISTORY OF THE GAIRDNER FOUNDATION

The Gairdner Foundation was created by James A. Gairdner to recognize and reward the achievements of medical researchers whose work contributes significantly to improving the quality of human life. The Foundation is a Canadian organization that has never lost sight of its primary mission – the recognition of scientists it deemed to have made the most important breakthrough discoveries in biomedical science. Its laureates are responsible for the discovery of the structure of DNA, the eradication of smallpox, immunotherapy for cancer patients, the discovery of the microorganism that is curing river blindness, to name just a few.

Since the first awards were granted in 1959, the Canada Gairdner Awards have become Canada's foremost international award and one of the most prestigious biomedical prizes. Our track record of consistent high quality adjudication and selection by the independent adjudication committees have resulted in global recognition and esteem. One in four of the Canada Gairdner Award winners have gone on to win the Nobel Prize.

The Gairdner was incorporated in December 1957 as a charitable corporation under the laws of the Province of Ontario, Canada. In 2013, the Foundation was continued as a federal corporation under the Canada Not-For-Profit Corporations Act. Its funds originally derived from the personal gifts of the founder and members of his family.

In 2008, the Federal government, through the Canadian Institutes of Health Research, provided an endowment to the Foundation to ensure that the Awards continue to grow in international stature, and a new Canada Gairdner Global Health Award was established. At the time, the name of the Awards was changed to the Canada Gairdner Awards.

MISSION

- To reward and inspire the highest standards of international excellence by recognizing and rewarding those who have achieved the most important breakthrough discoveries in the field of health research
- To bring to the attention of Canadian scientists and the public, the most important global scientific developments in the field of health research
- To inspire the next generation to consider a career in the health sciences
- To foster the improved communication of ideas among scientists and to facilitate linkages between leading international scientists and Canadian scientists/research institutions
- To enhance Canada's stature in the global health research community



NATIONAL AND STUDENT OUTREACH PROGRAMS

Our National Program is a dynamic and interactive speaker series that brings current and past Canada Gairdner Award winners to Canada to speak to faculty members about their research. The Gairdner Foundation celebrates biomedical science research from coast to coast and prides itself on giving Canadians access to scientists from around the world.

The National Program's goal is to contribute to Canadian science culture and innovation. It is the only program of its kind in the world of major awards in all **10 provinces**, while reaching **22 universities** from Newfoundland to British Columbia and **attracts nearly 7,000 people** each year.

One of the Gairdner Foundation's missions is to inspire young people to consider a career in science, and to increase their awareness of the value of scientific research. This is accomplished through our Student Outreach Program which involves over 120 high schools visiting **19 different universities** to hear Canada Gairdner Award winners speak about their research.

These events include a range of 40-450 students depending on the venue. These lectures provide the ideal forum for the Canada Gairdner Award winners to recount their personal story as to how they became interested in research and what they hope to accomplish through their work. Following the more formal portion of the session, there is an opportunity for the students to interact with the awardee(s) and ask more pointed questions about their career and accomplishments. Many winners cite the Student Outreach Program as their favourite part of being part of the Canada Gairdner Awards.

MESSAGE FROM THE CHAIR

The Gairdner Foundation has continued its path to success with another remarkable year filled with record attendance numbers, innovative new branding and initiatives while maintaining the annual outreach programs. Gairdner's reputation continues to be one of prestige and truly representative of science excellence in biomedical research internationally. Further, our footprint is growing to include more connections around the world through increased nominations and larger receptions in the home countries of our laureates in partnership with the local consulates/embassies, resulting in increased recognition of the Gairdner brand.



Our National Program continues to showcase our Canada Gairdner Award winners and their ground-breaking research while also promoting our awards nomination process. Through our Student Outreach Program our winners continue to inspire the next generation of scientists and many of our winners continue to express this as their most memorable part of their laureate tour.

Gairdner has kept its small staff numbers in spite of an increasingly complex and diverse set of programs across the country. The hard working team coordinates the various events and conducts careful stewardship while also showcasing their creative abilities to take Gairdner to the next level. Further, the support from the Board is crucial as we endeavour to expand the reach and profile of the Canada Gairdner Awards. This year we brought on many new members to the Board who bring an invigorated and passionate approach which has complimented our current membership well.

We depend on our Board to assist our management team in maintaining this stellar reputation for years to come. I am grateful that our Board of Directors is an outstanding group of leading citizens and I'm particularly grateful to John Dirks and his strategic leadership skills and impeccable representation of Gairdner around the world. I would also like to extend my sincere gratitude particularly towards the Government of Canada for their generous support along with the Government of Ontario and Government of Alberta for their continued support of the Gairdner Foundation.

A handwritten signature in black ink, reading "D Lorne Tyrrell".

D. Lorne Tyrrell, OC, AOE, MD/PhD, FRCP, FRSC
Chair, Gairdner Board of Directors

MESSAGE FROM THE PRESIDENT/SCIENTIFIC DIRECTOR

The 2014 Canada Gairdner Awards and corresponding programs were one of our best years yet. With many tangible, translational discoveries, our winners showcased biomedical research at its finest. The 2014 Laureates demonstrated in a remarkable way the importance of curiosity-driven basic science which led to important therapeutic agents and immense economic benefits.

The Annual Awards Gala Dinner had a record number of attendees with more than 600 guests from the research, academic, public and private sectors filling the Royal Ontario Museum.

The National Program and high school outreach program were both excellent in 2014 and the feedback from attendees was positive as we continue to inspire the next generation of scientists.

The Gairdner Foundation partnered with the Canadian High Commission in Britain, and consulates in La Jolla, Boston, New York, Houston and Tokyo to host receptions for our winners. The receptions were particularly enjoyed by our winners as they celebrated with close colleagues and family. It allowed Gairdner to expand our network to new cities and countries.

I am very grateful to all of the scientists who generously donate their time to serve on our adjudication committees. Their tireless commitment to the Canada Gairdner Awards and the care with which the award selections are made provides the foundation with our prestigious reputation.

Our successful year is also due to the 22 universities whose volunteer commitment is unmatched. They set the stage for our faculty lectures at universities across Canada along with our Student Outreach Program that stimulates young students to pursue a career in the sciences. Further, these events are made possible by the generosity of our sponsors and supporters who help bring our vision to life of bringing science to audiences across Canada year after year.

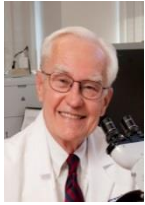
Finally, I am personally very grateful to our Chair, Lorne Tyrrell and to all the Gairdner Directors for their continued support and commitment.



John Dirks CM, MD, FRCPC, FRSC
President and Scientific Director



2014 YEAR IN REVIEW



Harold Fisher Dvorak, M.D., Mallinckrodt Distinguished Professor of Pathology, Beth Israel Deaconess Medical Center, Harvard Medical School, Boston



Napoleone Ferrara, M.D., Distinguished Professor of Pathology, Distinguished Adjunct Professor of Ophthalmology, Senior Deputy Director for Basic Sciences, UC San Diego Moores Cancer Center, La Jolla

For their discovering Vascular Endothelial Growth Factor (VEGF), a key molecular mediator of new blood vessel formation and the development of effective anti-VEGF therapy for cancer and wet macular degeneration



Sir Ravinder Nath Maini, FRS, FMedSci, FRCP, Visiting Professor Kennedy Institute of Rheumatology, University of Oxford, Oxford



Professor Sir Marc Feldmann, FRS, FAA, Head, Kennedy Institute of Rheumatology, Nuffield Department of Orthopaedics, Rheumatology and Musculoskeletal Sciences, University of Oxford, Oxford

For their discovery of anti-TNF therapy for the treatment of rheumatoid arthritis and other inflammatory diseases



Titia de Lange, Ph.D., Leon Hess Professor, American Cancer Society Professor, Head, Laboratory of Cell Biology and Genetics, Director, Anderson Center for Cancer Research, Rockefeller University, New York

For her discovery of the mechanisms by which mammalian telomeres are protected from deleterious DNA repair and damage responses



James P. Allison, Ph.D., Professor and Chair, Department of Immunology, The University of Texas, MD Anderson Cancer Center, Houston

For his discovery of immune checkpoint blockade and its successful application to immune therapy of cancer



Satoshi Omura, Ph.D., Distinguished Emeritus Professor, Kitasato University, Tokyo

*For the discovery of the microorganism *Streptomyces avermitilis* and its extraordinary biologic activity that in partnership with Merck led to the identification of avermectin and development of ivermectin, a highly successful treatment for many parasitic diseases, and the global consortium directed at eliminating river blindness*



Salim Yusuf, MBBS, DPHIL, FRCP (UK), FRCPC, FRSC, OC, McMaster University, Director, Population Health Research Institute, VP of Research, Hamilton Health Sciences, Hamilton General Hospital, Hamilton

For his exceptional leadership in global clinical trials and population studies of cardiovascular disease that shaped best guidelines for prevention and treatment

Special Symposia

During 2014, the Gairdner Foundation partnered on three special symposia.

1. Shedding Light on Monoaminergic Signaling & Neuropsychiatric Disorders

This 2 day symposium was held on May 29-30 in Edmonton, Alberta led by Dr. William Colmers, with opening day lecture by Mark Caron, Duke University. The second day opened with Anthony Grace, University of Pittsburgh. The plenary session featured Susan Amara (NIH). Other speakers included Mark Wightman (North Carolina), Bruno Giros (McGill), Sara Jones (North Carolina), Jay Gingrich (Columbia University), Stephanie Borgland (Calgary), Raul Gainetdinov (Genova Italy), Manju Kurian (London, UK), Randy Blakely (Vanderbilt University), Remi Quirion (McGill), Susan George (Toronto), Stephen Ferguson (Western), Martin Beaulieu (Laval), Laura Bohn (Scripps Florida), Emiliana Borrelli (California), Gerald Zamponi (Calgary), and Karl Deisseroth (Stanford). A poster competition was also held for younger scientists.

Attendance- 80

2. The Future of Neuroscience

This symposium was held in Calgary on October 9-10 on the occasion of the 10th Anniversary of prestigious Hotchkiss Brain Institute, and was led by Gairdner Laureate, Sam Weiss. A public lecture kicking off the symposium was oversubscribed and was offered on a first come, first seated basis. It featured Baroness Susan Greenfield whose lecture “The second 50 years of your life”, discussed the importance of ‘plasticity’ to ensure that the individual mind is protected from the ravages of neurodegenerative diseases.

Other speakers included: Daniel Wolpert (Cambridge, UK), Catherine Dulac (Harvard), Chris McBain, (NIH), Arthur Toga (USC), David Holzman (Washington), Karl Kiebertz (Rochester) and Helen Mayberg, (Emory University).

Attendance at both public lecture and symposium was 350 each

3. Genomics: The Power and the Promise

The 2nd Gairdner/Genome Canada Symposium took place November 24-26 in Ottawa in collaboration with the 6 regional Genome Centres, featuring health and environmental aspects of genomics. The line-up of world renowned speakers provided their vision of how genomics will transform our lives. The Gairdner Foundation and Genome Canada held a breakfast for 20 key senior government officials and senior leaders from research organizations. Speakers included Dr. Eric Green and Dr. Terry Hazen.

It included a poster session for young Canadian scientists that resulted in 140 submissions from Canadian trainees in diverse areas of genomics.

Attendance – preregistration of more than 375 attendees each day

National Program

The Foundation carried out its National Program of University Lectures at 22 universities across Canada including 9 in Ontario, 6 in the West, 3 in Quebec and 4 in the Maritimes.

Speakers included all of the 2014 Canada Gairdner recipients as well as King Holmes (2013), Jeffrey Ravetch (2012), Steve Elledge (2013), Nubia Munoz (2009), Joan Steitz (2006) and Arthur Horwich (2004).

Gairdner lectures included:

- Lakehead University, Thunder Bay
Dr. Michael Salter, SickKids Hospital, Toronto
- Dalhousie University, University of Prince Edward Island, and Memorial University
Dr. King Holmes, University of Seattle, 2013 Canada Gairdner Global Health Award
- University of Saskatchewan and University of Manitoba
Dr. Harold Dvorak, Harvard Medical School, 2014 Canada Gairdner International Award
- University of Lethbridge
Dr. Nubia Munoz, National Cancer Institute, Bogota, 2009 Gairdner Global Health Award
- Western University and McMaster University
Sir Ravinder Maini, University of Oxford, 2014 Canada Gairdner International Award
- Queen's University
Dr. Napoleone Ferrara, UC San Diego Moores Cancer Center, 2014 Canada Gairdner International Award
- Université Laval
Dr. Arthur Horwich, Yale Medical School, 2004 Canada Gairdner International Award
Dr. Mark Feldmann, University of Oxford, 2014 Canada Gairdner International Award
- University of Ottawa and Carleton University
Dr. Napoleone Ferrara, UC San Diego Moores Cancer Center, 2014 Canada Gairdner International Award
Dr. Satoshi Omura, Kitasato University, Tokyo, 2014 Canada Gairdner Global Health Award
- Guelph University
Dr. Titia de Lange, Rockefeller University, 2014 Canada Gairdner International Award
- Université de Montréal and McGill University
Sir Mark Feldmann, University of Oxford, 2014 Canada Gairdner International Award
Dr. Jeffrey Ravetch, Rockefeller University, 2012 Canada Gairdner International Award
- University of British Columbia
Dr. Salim Yusuf, McMaster University, Hamilton, 2014 Canada Gairdner Wightman Award
Dr. James Allison, University of Texas, 2014 Canada Gairdner International Award

- University of Waterloo
Dr. Titia de Lange, Rockefeller University, 2014 Canada Gairdner International Award
- University of Alberta
Dr. Nubia Munoz, National Cancer Institute, Bogota, 2009 Gairdner Global Health Award
Dr. Harold Dvorak, Harvard Medical School, 2014 Canada Gairdner International Award
Dr. Stephen Elledge, Harvard Medical School, 2013 Canada Gairdner International Award
- University of Calgary
Dr. Nubia Munoz, National Cancer Institute, Bogota, 2009 Gairdner Global Health Award
Dr. James Allison, University of Texas, 2014 Canada Gairdner International Award
Dr. Stephen Elledge, Harvard Medical School, 2013 Canada Gairdner International Award
- York University
Dr. Titia de Lange, Rockefeller University, 2014 Canada Gairdner International Award
Molly Shoichet, Tier 1 Canada Research Chair in Tissue Engineering, University of Toronto
- University of New Brunswick
Dr. Guy Rouleau, Director, Montreal Neurological Institute & Hospital, Montreal, Quebec

Student Outreach Program

The Student Outreach Program in 2014 included 19 schools. In total, 125 high schools and 3,300 students participated.

The program was held at: York, Toronto, Carleton, Montréal, McGill, Sherbrooke, Waterloo, Western, Lakehead, Queen's, Memorial, Saskatchewan, Edmonton, Calgary, Lethbridge, UBC, UPEI, UNB and Dalhousie. The largest programs were at York with 340 students and Edmonton with 400 students.

Many recipients express real pleasure at being given the opportunity to speak to a younger audience.

Dr. James Allison, 2014 Canada Gairdner International Awardee wrote:

“Thank you all so much. The Gairdner staff was terrific in making a demanding travel/ speaking schedule possible. It was also a great pleasure to meet the other laureates and get to know them, not just hear their talks. All in all, an unforgettable experience.”



Toronto Program

The 2014 events culminated in Toronto with three days of lectures and symposia, October 29-31.

- *“A New Dawn for Tropical Disease: Recent Successes, Future Risks”*

This full day symposium featured speakers: Drs. Peter Hotez (Houston), Satoshi Omura, 2014 Canada Gairdner Global Health Laureate, Patrick Lammie (Atlanta), Salim Yusuf, 2014 Canada Gairdner Wightman Laureate, Andrea Boggild (Toronto), Greg Matlashewski (Montreal), Nicolas Jounard (Senegal), Rob Fowler (Toronto), Tore Godal (Norway), Shing Chang (California) and Tim Evans (Washington).

Attendance – 100 plus webcast

- *Minds That Matter* 2014 Canada Gairdner awardees’ lectures

The eight award recipients each spoke about their work during a full day series of lectures.

Attendance – 450

- *New Advances in Biology and the Treatment of Cancer*

This full day symposium featured speakers: Drs. Harold Varmus, 1984 Canada Gairdner Laureate, John Dick (Toronto), Stephen Baylin (Baltimore), Craig Thompson, (New York), John Bell (Ottawa), George Demetri (Cambridge), Jedd Wolchok (New York), Suzanne Topalian (Baltimore), Michel Sadelain (New York).

All of the speakers took part in a closing afternoon roundtable.

Attendance- 500 plus hundreds online webcast

Dr. Stephen Baylin, Deputy Director, The Sydney Kimmel Comprehensive Cancer Center at Johns Hopkins wrote:

“Thank you for inviting me to a terrific meeting at which I learned a tremendous amount – glad if I also contributed some. The education about the Foundation was amazing as is the organization. Truly impressive! Finally, I so appreciate the way you treated all of us – obviously awardees who were given a stupendous time throughout, I am sure, but all of the invited speakers as well. The blend of opera to country to blues seems emblematic of the kind of eclectic concept merging and unique thinking that breeds great science and scientists!”

REPORT ON 2014 OBJECTIVES

1. Maintain the Highest Standards Selecting Recipients of the Awards

- Two scientists were appointed to the Medical Advisory Board in 2014:
Dr. Thomas Jessell, Professor of Neuroscience, Columbia University, New York
Dr. Jeffrey Ravetch, Theresa & Eugene Lang Professor, Rockefeller University, New York
- Eleven researchers joined the Medical Review Panel:
Dr. Barbara Ballermann, Chair, Department of Medicine, University of Alberta, Edmonton
Dr. Steffany Bennett, Professor, Chair, Ottawa Institute of Systems Biology, Ottawa
Dr. Jacques Cote, Laval University Cancer Research Center, Quebec
Dr. Yves Koninck, Professor, Psychiatry & Neuroscience, Laval University, Quebec
Dr. Richard Hawkes, Professor, Cumming School of Medicine University of Calgary
Dr. Geoff Hicks, Director, Manitoba Institute of Cell Biology, Winnipeg
Dr. David Kelvin, Senior Scientist, University Health Network, Toronto
Dr. Olga Kovalchuk, Research Chair, University of Lethbridge, Alberta
Dr. Dale Laird, Canada Research Chair, University of Western Ontario, London
Dr. Michel Tremblay, Chair in Cancer Research, McGill University, Montreal
Dr. Jeffrey Weitz, Department of Medicine, McMaster University, Hamilton
Dr. Mei Zhen, Lunenfeld Research Institute, Mount Sinai Hospital Toronto
- Six new members added to Canada Gairdner Wightman Committee:
Dr. Jane Aubin, Executive Vice President, Chief Scientific Officer, CIHR, Ottawa
Dr. Alastair Buchan, Dean of Medicine, Oxford University, UK
Dr. James Hogg, Emeritus Professor, UBC, Vancouver
Mona Nemer, Professor, University of Ottawa
Dr. Remi Quirion, Fonds de recherche du Quebec, Montreal
Lap-Chee Tsui, Vice Chancellor and President, University of Hong Kong

2. Inspire Canadian Scientists to Seek Excellence

- The annual awards dinner at the Royal Ontario Museum was attended by 615 leaders from healthcare, academic, public and private sectors. Speakers included The Lieutenant Governor, Honourable Elizabeth Dowdeswell, Minister of Research and Innovation Reza Moridi, Minister of Health Rona Ambrose, and Dr. Harold Varmus.
- Graduate students had the opportunities to network and meet the awardees and other members of the VIP audience.

3. Foster Collaboration between Canadian and International Scientists

- Gairdner continues to bring scientists from abroad to meet with researchers and trainees in Canada through lectures, small group discussions, grand rounds, and social interactions.
- Three special symposia were held, in Calgary, Edmonton and Ottawa.
- University of Oxford, Rockefeller University and Kitasato Institute purchased a table at the dinner.

4. Enhance and encourage a culture of science in Canada

- The student Outreach Program took place at 19 universities with the participation of 125 high school and 3,300 students across Canada. At Lakehead, 230 students travelled, some up to 4 hours by bus to take part. This program is very appreciated by the outlying schools.
- The National Program took place at 22 Universities across Canada. Approximately 3,600 university students, faculty, researchers and scientists participated in the National Program.
- Selected events were webcast, including the Toronto talks made available on the University of Toronto and the Gairdner websites.



THE YEAR AHEAD: OBJECTIVES FOR 2015

Gairdner continues to bring the science agenda to the forefront in Canada. We remain committed to the excellence which has resulted in our reputation as a leading international prize. In the past decade, science and technology in general, and the life sciences in particular, have been identified as critical to achieving success in the global economy.

1. Maintain the Highest Standards Selecting Recipients of the International, Wightman and Global Health Awards

- Proactively seek new nominations worldwide, identifying areas where the impact of significant research breakthroughs is emerging.
- Two new members will join the Medical Advisory Board:
Philip Hieter, (Canada Gairdner 2012), University of British Columbia
Randy Schekman, (Canada Gairdner 1996), Howard Hughes Medical Institute, California
- Five scientists will join the Medical Review Panel:
Sonia Anand, M.D., McMaster University
Gillian Hawker, M.D., University of Toronto
Tim Murphy, Ph.D., University of British Columbia
Lynne- Marie Postovit, University of Alberta
Gerald Zamponi, FRSC, FCAS, University of Calgary
- Additional funding from the Federal government will be utilized to bring members of the Wightman Advisory and Global Health Committees together to select their respective winners by secret ballot.

2. Inspire Canadian Scientists to Seek Excellence by raising the profile of the awards

- Through the Canada Gairdner Awards, profile Canada in the media and in academic centres throughout the world as a place where the importance of science is recognized
- Continue to build the public profile of the Gairdner Foundation through advertising and media coverage:
 - Maintain *Globe & Mail* as our national media sponsor
 - Videotape/podcast major talks for website distribution
 - Increase international exposure through March announcement ads in *New York Times*, *Science* and *Nature* as well as local outlets in various parts of Canada
 - Encourage media coverage abroad through press releases and background packages on announcement day

Media kits to be sent to participating universities in order to facilitate more local media coverage of the winners who are speaking across Canada
Continue to encourage coverage of 2015 winners at their own academic institutions in Canada and abroad through traditional and social media tools
Hold receptions at Canadian Embassies/ Consulates in the home country of all 2015 recipients

3. Enhance and encourage a culture of science in Canada

- Maintain National Program of University Lectures at 22 institutions across Canada
- Maintain Student Outreach Program in at least 16 academic institutions across Canada
- Create French language website
- Special symposium “Frontiers in Cell Biology” in partnership with the University of Alberta, University of Alberta Faculty of Medicine & Dentistry and Alberta Innovates Health Solutions on May 27-28
- Symposium “New Advances in the Biology and Treatment of Cancer” in partnership with Genome BC and Terry Fox Foundation, Vancouver, BC on November 17
- Symposium “The Human Microbiome” in conjunction with the University of Calgary in November
- As part of the October Toronto program, 2 special Symposium will be held
- Symposium at Western University “Advances in Neurological Diseases” in November
- Develop promotional materials such as print and online videos to attract and maintain supporters along with recruiting new high schools



THE GAIRDNER FOUNDATION VALUES THEIR 2014 SPONSORS



Gold Circle

BMO Financial Group
University of Toronto
Telus Health

Silver Circle

Ontario Institute for Cancer Research
RBC Foundation
University Health Network
London Drugs

Media Sponsor

The Globe and Mail

GOVERNANCE

The Gairdner Foundation is governed by a 15 member Board of Directors. The Board is comprised of individuals who bring their expertise from the academic, private and public sectors. Board members are nominated and appointed for a maximum term of 3 years, renewable 3 times. Directors are not compensated for their regular Board and Committee duties.

The Board is responsible for overseeing the management of the organization, and through its committees, conducts detailed examinations of issues and opportunities. The Directors provide strategic insight and leadership, as well as effective governance for the Foundation and work diligently to maintain and extend the capacity of the Foundation to achieve its purpose and goal.

The Board meets a minimum of twice each year. Directors of the Board take their role seriously and to the best of their ability, strive to be active participants in all Board and Committee meetings. During 2014, the Board met 3 times.

BOARD OF DIRECTORS 2014

Dr. D. Lorne Tyrrell

Board Chair
Director, Li Ka Shing
Institute of Virology,
Edmonton

**The Honourable Kevin
Lynch, PC**

Board Vice-Chair
Vice-Chair, BMO Financial
Group, Toronto

Jacques Bougie
Montreal, Quebec

Victor Dzau

President of the Institute of
Medicine of the National
Academy of Sciences

Bren Gairdner
Calgary, Alberta

Gary Goldberg

President, Gadango Inc.,
Toronto

Brandt C. Louie

Chairman and CEO, H.Y
Louie Co. Limited, Chairman
of the Board, London Drugs
Limited, Vancouver

Ann McCaig

Chancellor Emeritus,
University of Calgary

David McLean

Chairman of the Board of
the Canadian National
Railway Company

Heather Munroe-Blum

Principal Emeritus, McGill
University, Montreal, Quebec

Eric Newell

Chancellor Emeritus,
University of Alberta

John Risley

President, Clearwater Fine
Foods Inc.
Chester, Nova Scotia

Dr. Calvin Stiller

Emeritus Professor,
University of Western
Ontario, Board Chair OICR

Melissa Todd

Waterloo

John Upton

Nicola Wealth Management,
Vancouver

COMMITTEES

The Board has in place a number of standing committees which help the Board discharge its duties.

Executive and Compensation Committee

Lorne Tyrrell, Chair
Kevin Lynch
Cal Stiller
Heather Munroe-Blum
Bren Gairdner

Audit Committee- meets 3 times per year

Jacques Bougie, Chair
Bren Gairdner
Gary Goldberg
Eric Newell

Investment Committee- meets 4 times per year

Brandt Louie, Chair
Cal Stiller
Eric Newell

Governance and Nominating Committee- meets minimum of 1 time per year

Lorne Tyrrell, Chair
Ann McCaig
Kevin Lynch
John Upton

Fund Development Committee

Ann McCaig, Chair
Cal Stiller
Heather Munroe-Blum

Financial Highlights

The Gairdner Foundation maintains proper financial controls and sound management practices to ensure the best use of its public and private funds. Our external auditors issued an unqualified audit opinion about the Gairdner Foundation financial statements which appear at the end of this report.

In 2008, a funding agreement was executed between CIHR and the Gairdner Foundation outlining the terms of a \$20 Million grant received from Canadian Institutes of Health Research. Proceeds from the grant were used to establish an endowment to support and enhance the Awards, and to ensure that the Canada Gairdner Awards continue to grow in stature on the international stage.

In 2008, the Foundation also received \$2 million from the Alberta government for the purpose of expanding the Gairdner Outreach Program in Alberta.

These funds have been invested together with the original family endowment under the guidance of the Investment Committee, and in accordance with the terms of these agreements and prudent governance. The investment policy adopted by the Board has been designed with the principal objective being preservation of capital over the long-term.

Planning and Monitoring Investments

The Foundation has a duty to ensure responsible stewardship of funds. The Investment Committee oversees the management and investment of the Gairdner Foundation funds in compliance with our funding agreements. The Foundation's funds have been invested with 3 major objectives:

1. Preservation of capital
2. Income to meet the administrative costs and award objectives of the Foundation
3. Growth in the 'capital' value of the Portfolio's assets in real (inflation-adjusted) terms

The investment strategy and policy are reviewed annually and the portfolio is reviewed on a quarterly basis. Based on the Foundation's investment objectives, risk tolerance, income requirements and liquidity needs, the long term target asset allocation of 45% fixed income, 45% equity and 10% alternative strategies was approved by the Board in the fall of 2013 and remained unchanged throughout 2014.

The market value of the investment portfolio increased from \$30.0 million at the end of 2013 to \$30.9 million at the end of 2014. Returns for 2014 were \$2.2 million representing ROI of 7.5% net of fees vs. the benchmark of 8.3%, before fees for a similar weighted portfolio. ROI since inception has been \$9.9 million, representing an annualized rate of return of 5.8% net of fees, compared to the benchmark of 6.7% gross of fees. ROI since inception, net of fees has been higher than the benchmark at far lower risk.

Results of Operations

Revenue for the year totaled \$2.9 million, made up of \$1.0 million from non-governmental sources and table sales (32% compared to 34% in 2013), \$1.5 million from government (53% compared to 45% in 2013), and \$0.4 million from investment income (15% compared to 21% in 2013). Every year the Foundation seeks sponsors from both the public and private sector.

In absolute dollars, revenue was approximately the same as 2013 however, private sector fundraising has become increasingly difficult. Income from investments decreased by \$0.2 million as the growth form equity markets continued to show signs of strength, producing realized and unrealized gains on the portfolio. However returns were tempered by the historical low returns on fixed income investments.

Expenditures were \$2.8 million for the year, an increase of \$0.6 million from 2013. This increase is as a result of 8 awards vs. 6 in 2013 (one laureate declined in 2013), salary and hiring cost of a Fund Development Director as well as an accrual for the retirement of the President and Scientific Director.

MEDICAL REVIEW PANEL 2014

Philip Marsden, Co-Chair

Keenan Chair in Medical Research
Professor of Medicine, Renal Division, University
of Toronto, St. Michaels Hospital

Paul Kubes, Co-Chair

Professor, Departments of Physiology &
Pharmacology, University of Calgary

John Aitchison

Senior VP and Director of Integrative Biology
Biomedical Research Institute, Seattle

David Andrews

Director of Biological Sciences
Sunnybrook Research Institute

Samuel Aparicio

Nan & Lorraine Robertson Chair
UBC/BC Cancer Agency

Barbara Ballermann

Professor and Chair, Department of Medicine
University of Alberta

Steffany Bennett

Professor, University Research Chair in
Neurolipidomics, Ottawa Institute of Systems
Biology

Jacques Cote

St. Patrick Research Group,
Laval University Cancer Research Centre

Yves De Koninck

Professor of Psychiatry & Neuroscience,
Université de Laval

Daniel Durocher

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Lea Harrington

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University of Edinburgh

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Canada Research Chair in Gap Junctions and
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Health Research Innovation Center,
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Head & Senior Scientist, Neurosciences & Mental
Health, Hospital for Sick Kids

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Chemistry, Donnelly Center for Cellular and
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Terry-Lynn Young

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GAIRDNER STAFF 2014

Dr. John Dirks

President and Scientific Director

Sommer Ellis

Director of Communications

Penny Balberman

Finance Director

Nora Cox

Office Manager

Sarah Devonshire

Administrative Assistant

COMPENSATION

DIRECTORS

Directors are not compensated for regular Board and Committee duties. They may, however, be compensated for any reasonable out-of-pocket expenses incurred while performing their duties or attending Foundation meetings.

SENIOR OFFICERS

For the fiscal year ending December 31, 2014, compensation for senior officers was in the following salary range:

Dr. John Dirks

President and Scientific Director

\$226,000-\$276,000

AUDITORS REPORT

Financial Statements

The Gairdner Foundation

December 31, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of
The Gairdner Foundation

We have audited the accompanying financial statements of **The Gairdner Foundation**, which comprise the statement of financial position as at December 31, 2014, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Gairdner Foundation** as at December 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Canada
May 6, 2015

The signature of Ernst & Young LLP is written in a cursive, handwritten style.

Chartered Professional Accountants
Licensed Public Accountants

The Gairdner Foundation

STATEMENT OF FINANCIAL POSITION

As at December 31

	2014 \$	2013 \$
ASSETS		
Current		
Cash and cash equivalents	261,333	159,783
Grants receivable	25,515	6,353
GST/HST receivable	70,095	65,011
Other receivables	18,000	28,231
Prepays	13,622	—
Total current assets	388,565	259,378
Investments <i>[note 3]</i>	30,879,933	29,976,693
Capital assets, net <i>[note 4]</i>	26,608	2,932
	31,295,106	30,239,003
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	725,398	432,837
Total current liabilities	725,398	432,837
Federal government funding <i>[note 5]</i>	22,345,551	21,710,221
Alberta government funding <i>[note 6]</i>	2,377,425	2,312,260
	24,722,976	24,022,481
Total liabilities	25,448,374	24,455,318
Commitment <i>[note 8]</i>		
Net assets		
Unrestricted	500,000	500,000
Internally restricted <i>[note 7]</i>	5,346,732	5,283,685
Total net assets	5,846,732	5,783,685
	31,295,106	30,239,003

See accompanying notes

On behalf of the Board:

Director

Director

The Gairdner Foundation

STATEMENT OF OPERATIONS

Year ended December 31

	2014 \$	2013 \$
REVENUE		
Investment income <i>[note 3]</i>		
Interest and dividends	140,606	132,132
Realized gain on investments	176,636	193,899
Net change in unrealized gain on investments	112,526	287,352
	429,768	613,383
Federal government grant funding <i>[note 5]</i>	977,890	781,802
Alberta government grant funding <i>[note 6]</i>	106,652	109,488
Other government grants	437,701	447,971
Other contributions and sponsorships	237,208	384,784
Table sales	678,500	628,000
	2,867,719	2,965,428
EXPENSES		
National events	551,047	590,063
Advisory boards	171,263	135,276
Awards	800,000	600,000
Marketing and communications	36,155	38,737
Administrative	1,246,207	816,903
	2,804,672	2,180,979
Excess of revenue over expenses for the year	63,047	784,449

See accompanying notes

The Gairdner Foundation

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

	2014		
	Unrestricted	Internally restricted	Total
	\$	\$	\$
	<i>[note 7]</i>		
Balance, beginning of year	500,000	5,283,685	5,783,685
Excess of revenue over expenses for the year	63,047	—	63,047
Interfund transfer <i>[note 7]</i>	(63,047)	63,047	—
Balance, end of year	500,000	5,346,732	5,846,732

	2013		
	Unrestricted	Internally restricted	Total
	\$	\$	\$
	<i>[note 7]</i>		
Balance, beginning of year	500,000	4,499,236	4,999,236
Excess of revenue over expenses for the year	784,449	—	784,449
Interfund transfer <i>[note 7]</i>	(784,449)	784,449	—
Balance, end of year	500,000	5,283,685	5,783,685

See accompanying notes

The Gairdner Foundation

STATEMENT OF CASH FLOWS

Year ended December 31

	2014 \$	2013 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	63,047	784,449
Add (deduct) non-cash items		
Amortization of capital assets	9,330	5,119
Investment income	(429,768)	(613,383)
Government funding recognized as revenue	(1,084,542)	(891,290)
Loss on disposal of capital assets	2,214	—
	(1,439,719)	(715,105)
Changes in non-cash working capital balances related to operations		
Grants receivable	(19,162)	(6,353)
GST/HST receivable	(5,084)	(4,186)
Other receivables	10,391	(12,244)
Prepays	(13,622)	—
Accounts payable and accrued liabilities	292,561	(75,810)
Cash used in operating activities	(1,174,795)	(813,698)
INVESTING ACTIVITIES		
Purchase of capital assets	(35,220)	(827)
Withdrawals from investments held by third parties	1,311,565	714,038
Cash provided by investing activities	1,276,345	713,211
Net increase (decrease) in cash and cash equivalents during the year	101,550	(100,487)
Cash and cash equivalents, beginning of year	159,783	260,270
Cash and cash equivalents, end of year	261,333	159,783

See accompanying notes

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

1. PURPOSE OF THE ORGANIZATION

The Gairdner Foundation [the “Foundation”] provides awards to medical scientists in recognition of outstanding discoveries and contributions to medical science, and as an incentive to those who follow in their footsteps. In addition to encouraging and rewarding individuals, the Foundation presents the Gairdner Awards in order to focus public, professional and scientific attention on significant achievements in the field of health sciences.

The Foundation, was incorporated under the laws of Ontario until October 2, 2013 and is currently incorporated under the Canada Not-for-profit Corporations Act. The Foundation is registered as a charitable organization under the Income Tax Act (Canada) [the “Act”] and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Part III of the CPA Canada Handbook – *Accounting*, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies set out below.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments with maturities of less than 90 days at the date of purchase. Cash and cash equivalents exclude amounts that are managed for returns rather than being held for liquidity.

Financial instruments

Investments reported at fair value consist of equity instruments that are quoted in an active market as well as investments in pooled funds and any investments in fixed income securities that the Foundation designates upon purchase to be measured at fair value. Transaction costs are recognized in the statement of operations in the period during which they are incurred.

Investments in fixed income securities not designated to be measured at fair value are initially recorded at fair value net of transaction costs and are subsequently measured at amortized cost using the straight-line method, less any provision for impairment.

Other financial instruments, including accounts receivable and accounts payable, are initially recorded at their fair value and are subsequently measured at cost, net of any provisions for impairment.

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

Capital assets

Capital assets are recorded at acquisition cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is recorded in the accounts at rates intended to write off the cost of the assets over their estimated useful lives.

Rates and methods of amortization are as follows:

Asset	Years	Method
Office equipment	5	straight-line
Computer equipment	3	straight-line
Leaseholds	Term of lease	straight-line

Revenue recognition

The Foundation follows the deferral method of accounting for contributions, which include grants and donations. Grants and bequests are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recorded when received, since pledges are not legally enforceable claims. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are recognized. Sponsorships and related event revenues are recognized when the event takes place.

Investment income (loss), which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, net of safekeeping and investment management expenses, is recorded as revenue in the statement of operations, except to the extent that it relates to restricted contributions, in which case it is added directly to those balances.

Foreign currency translation

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. Monetary assets and liabilities are translated into Canadian dollars at exchange rates in effect at the year-end date. Non-monetary assets and liabilities are translated at the historic rate. Exchange gains and losses are included in the statement of operations except to the extent that they relate to investments, in which case they are accounted for consistent with investment income (loss).

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

Contributed goods and services

Because of the difficulty in determining fair value, contributed goods and services are not recognized in the financial statements.

3. INVESTMENTS

Investments consist of the following:

	2014		2013	
	\$	%	\$	%
Cash and cash equivalents	1,856,623	6.0	660,913	2.2
Bonds				
Canadian	10,631,000	34.4	12,757,108	42.6
International	2,607,000	8.4	—	—
Equities				
Canadian	4,571,000	14.8	5,239,821	17.4
US	4,935,000	16.0	4,333,614	14.5
Other international	3,756,000	12.2	4,520,667	15.1
Hedge funds	2,523,310	8.2	2,464,570	8.2
	30,879,933	100.0	29,976,693	100.0

Investments in pooled funds have been included above based on their underlying asset mix.

As at December 31, 2014, bonds have an average term to maturity of 7.7 years [2013 – 7.5 years] and a weighted average yield of 3.6% [2013 – 3.9%].

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

Investment income recorded in the statement of operations is calculated as follows:

	2014 \$	2013 \$
Interest and dividends	920,139	910,717
Realized gain on investments	910,289	1,054,596
Net change in unrealized gain on investments	579,903	1,562,872
Total investment income	2,410,331	3,528,185
Less safekeeping and investment management expenses	(195,526)	(192,068)
Investment income, net of safekeeping and investment management expenses	2,214,805	3,336,117
Less investment (income) related to:		
Federal government funding [note 5]	(1,613,220)	(2,458,070)
Alberta government funding [note 6]	(171,817)	(264,664)
Investment income recognized in revenue	429,768	613,383

4. CAPITAL ASSETS

Capital assets consist of the following:

	2014		
	Cost \$	Accumulated amortization \$	Net book value \$
Office equipment	24,553	8,324	16,229
Computer equipment	15,096	8,889	6,207
Leaseholds	5,215	1,043	4,172
	44,864	18,256	26,608
	2013		
	Cost \$	Accumulated amortization \$	Net book value \$
Office equipment	6,569	4,494	2,075
Computer equipment	9,580	8,723	857
	16,149	13,217	2,932

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

5. FEDERAL GOVERNMENT FUNDING

The Foundation received a \$20,000,000 grant from the federal government in 2008 for the purpose of supporting and enhancing the Gairdner International Awards Program. This grant is to be invested for the duration of the funding agreement and only the income, which includes interest, dividends and realized gains/losses, may be used to support the Foundation's activities until the funding agreement terminates. The Foundation can draw upon the capital to a maximum of \$2,000,000 over the term of the funding agreement, provided it uses best efforts to restore any capital withdrawn.

The funding agreement terminates on March 31, 2028, unless terminated earlier, or renewed in accordance with the funding agreement. Upon termination, the Foundation may use the unspent balance of the original grant as it deems appropriate.

The changes in the Government of Canada funding balance are as follows:

	2014 \$	2013 \$
Balance, beginning of year	21,710,221	20,033,953
Interest and dividends	527,794	529,505
Realized gain on investments	663,036	777,032
Net change in unrealized gain on investments	422,390	1,151,533
Investment income for the year	1,613,220	2,458,070
Amount recognized as revenue	(977,890)	(781,802)
Balance, end of year	22,345,551	21,710,221

As at December 31, 2014, the amount available for spending in future years is \$924,102 [2013 – \$711,161].

6. ALBERTA GOVERNMENT FUNDING

The Foundation received \$2 million from the Alberta government in 2008 for the purpose of expanding the Gairdner Outreach Program in Alberta. The funds received from the Alberta government are to be invested during the term of the funding agreement, and only the income, which includes interest, dividends and realized gains/losses, may be used to support the Alberta Gairdner Outreach Program. The Foundation can draw upon the capital to a maximum of \$250,000 over the term of the funding agreement, provided it uses best efforts to restore any capital withdrawn.

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

The grant has an indeterminate term; however, the funding agreement is to be reviewed at least every five years. The Alberta government has the right to terminate the agreement, without cause, upon giving 90 days' notice. Upon termination, the remaining balance of the fund not previously committed for outreach activities must be repaid.

The changes in the Government of Alberta funding balance are as follows:

	2014	2013
	\$	\$
Balance, beginning of year	2,312,260	2,157,084
Interest and dividends	56,213	57,013
Realized gain on investments	70,617	83,664
Net change in unrealized gain on investments	44,987	123,987
Investment income (loss) for the year	171,817	264,664
Amount recognized as revenue	(106,652)	(109,488)
Balance, end of year	2,377,425	2,312,260

As at December 31, 2014, the amount available for spending in future years is \$228,697 [2013 – \$208,519].

7. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets are funds set aside by the Board of Directors to invest in order to earn income to help fund future operating expenses. In 2014, the Board approved an interfund transfer from unrestricted to internally restricted net assets of \$63,047 [2013 – \$784,449]. The Board of Directors may approve a transfer from internally restricted net assets, if required, to fund unanticipated deficits from fundraising shortfalls or unanticipated expenditures.

The Gairdner Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

8. COMMITMENT

The Foundation is required to make future annual lease payments for its premises as follows:

	\$
2015	75,000
2016	75,000
2017	75,000
2018	75,000
2019	37,500
	<u>337,500</u>

9. FINANCIAL INSTRUMENTS

The Foundation is exposed to various financial risks through transactions in financial instruments.

Currency risk

The Foundation is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, because the fair value and future cash flows will fluctuate due to the changes in the relative value of foreign currencies against the Canadian dollar.

Interest rate risk

The Foundation is exposed to interest rate risk with respect to its investments in fixed income investments and pooled funds that holds fixed income securities because the fair value will fluctuate due to changes in market interest rates.

Other price risk

The Foundation is exposed to other price risk through changes in market prices [other than changes arising from interest rate or currency risks] in connection with its investments in equity securities and pooled funds.