In our 2017 Annual Report, we would like to share with you the contribution of DKMS as a non-profit organization dedicated to giving patients diagnosed with blood cancer a second chance at life.

We work hard to find an unrelated matching stem cell donor, or genetic twin, for everyone in need of a stem cell donation. Every year in Germany alone, we are successful over 5300 times – but that’s not enough for us. We register potential donors, ensure they are available in urgent cases and, most importantly, provide transplant clinics with high quality stem cell products. It is imperative for us to keep up to date with medical and scientific developments, to advance research in the field of hematology and to make use of improved methods and technologies as soon as possible.

Too many of those affected are still dying: Every tenth blood cancer patient in Germany does not find a matching donor. Globally, only six out of ten are able to find a lifesaver.

Most of all, our thanks goes out to all DKMS donors and supporters. We would like to encourage all potential lifesavers to register too, so we can give even more second chances at life. In general, every healthy individual between the age of 17 and 55 can register as a stem cell donor.

Dear Readers,

Dr. Dr. Christoph Glaser
Executive Chairman

Dr. Elke Neujahr
Chief Operating Officer
“Our goal is clear: in 2025, we want DKMS donors to give 10,000 patients a year a second chance at life. My job is to register the new stem cell donors who will make that possible. There is no journey too far for me.”

DEMET KAYGUSUZ is a member of the Donor Recruitment team and travels hundreds of kilometers across Germany every month to register new stem cell donors.
Demet Kaygusuz is a dedicated member of the DKMS Donor Recruitment team. In 2017, she and her colleagues from Online Marketing registered 541,370 new stem cell donors across Germany - an average of around 1,500 people a day. There were over 1,050 public donor drives Germany-wide. This successful work is made possible by the unique partnership between DKMS and many millions of voluntary blood stem cell donors, who have all selflessly expressed their willingness to help seriously ill patients in need of a stem cell transplant. Our mission is to enable them to provide this help as quickly and efficiently as possible. We are the link between the fate of those affected and the generosity of others.

DKMS is a non-profit organization for the registration of stem cell donors. We are also a scientific research organization focusing on blood cancer. Founded in Germany in 1991, we are active all around the world. As of the end of 2017, 7.8 million people were registered in our database, around 5.4 million of which were from Germany. DKMS Germany alone helped to provide almost 60,000 stem cell donations by the end of 2017, in order to give those in need a second chance at life.

Our work is all about life – every day. We play a leading role in the field of stem cell donation. With our work, we look after blood cancer patients all around the world. Everything we do is grounded in this sense of responsibility.
We want to find a matching donor for everyone who needs a stem cell donation and to give every patient a second chance at life. To achieve this, we need to encourage more people – as many as possible – to register as potential lifesavers. This means overcoming borders and barriers, and never giving up. Every life counts. Around the world, there are still too many patients dying from the consequences of blood cancer, including many children and young people.

Our mission is clear:

• We register donors and organize stem cell donations for blood cancer patients.

• We support the development and improvement of therapies against blood cancer.

• We perform research to reduce the mortality rate from blood cancer and provide patients with optimal stem cell donors in the future, in order to give more chances at life.

The need is great: someone in Germany is diagnosed with blood cancer every 15 minutes, and the disease affects 39,000 men, women and children annually. Around 123,000 people in Germany are currently living with blood cancer – more than 3,000 of them a year searching for a matching, unrelated stem cell donor. They all rely on DKMS.

We give hope: internationally, we provide blood cancer patients at 600 hospitals worldwide with stem cell donations from DKMS donors in Germany. We also organize donations in 50 hospitals in countries where we are active as a donor database.

Our work is results-oriented: 78% of all stem cell donations facilitated in Germany – 5,386 in total – were made possible by DKMS donors. In Germany today, around 70% of all potential blood stem cell donors are registered with DKMS. In our founding year, 1991, it was just 3,000 nationwide. As a proportion of the total population, the number of people registered as potential stem cell donors in Germany is higher than in any other country around the world.

Thanks to DKMS, nine out of ten patients in Germany who need a stem cell transplant now find the “genetic twin” who can save their life.

But that is not enough: one in ten are still unable to find a matching unrelated donor, and far from everyone is able to find the most suitable donor to enable a successful transplant.

To educate and recruit as many potential stem cell donors as possible, we are active in both traditional and social media. Over 1.1 million people now follow us on Facebook, and thousands more on Instagram, Twitter and other channels. Many new donors now become aware of us through the internet and social media platforms such as Facebook, Instagram and Google+. With the launch of our new DKMS Media Center in 2017 (www.dkms-mediacenter.de), we keep journalists and other interested visitors updated 24/7.

To raise awareness of blood cancer and show solidarity with blood cancer patients, we started DKMS World Blood Cancer Day (WBCD), which takes place on May 28 each year. In 2017, the focus was on sustainable education – for the first time, an animated video with a medical focus on the topic “What is Blood Cancer?” was produced and presented as part of WBCD. On Facebook alone, the German version received 147,000 hits, 1,500 likes and was shared 2,900 times.

All this is improving our public image. A representative telephone survey conducted with the market research company IMAS International GmbH in 2017 showed that 63% of those questioned aged between 18 and 55 had already heard of DKMS. The overall impression of DKMS is very positive, with the overwhelming majority of those aware of us (84% of 18-to-55-year-olds) having a positive or very positive opinion of DKMS.
OUR CHALLENGE AT A GLANCE

Everyone in Germany is diagnosed with blood cancer every 15 minutes.

One in ten blood cancer patients in Germany do not find a unrelated matching donor.

Every year, more than 18,000 people in Germany die from blood cancer.

OUR AMBITION

In 2025, we want DKMS donors to give 10,000 patients a second chance at life.
MECHTILD HARF
Her fate was the beginning of the DKMS story. After Mechtild's death, her husband Peter Harf set out to fulfill her greatest wish: that other blood cancer patients and their families should be spared a similar fate.
A FATE THAT CHANGED EVERYTHING

Mechtild Harf was a young mother when her life changed dramatically overnight. The diagnosis of leukemia caught her and her family completely by surprise. It was her fate that marked the beginning of the DKMS story, a story of tragedy, hope and success that shows how emotions can break down barriers.

“Mechtild will die if she doesn’t find a donor.” The call for help resonated throughout Frankfurt back in 1991. Mechtild, a mother of two, had developed leukemia. A life-and-death race began, with a bone transplant her only hope of survival. Her husband, Dr. Peter Harf, the founder of DKMS and the DKMS Foundation for Giving Life, began immediately to search for a suitable donor.

A difficult task: while the US and UK already had extensive databases of potential stem cell donors, in Germany only around 3,000 people were registered.

“WE MAKE THE IMPOSSIBLE POSSIBLE!”

Time was running out for Mechtild. Together with family and friends, Peter Harf therefore founded the “Help for Leukemia Patients” initiative in January 1991. They were joined two months later by Prof. Gerhard Ehninger, then one of the few specialists for bone marrow transplants in Germany. A small but dedicated team helped to organize the first public donor drives.
The team were met with a wave of generosity and 20,000 new donors registered in just two months. On May 28, 1991, the increasingly successful private initiative in Tübingen was officially transformed into a limited liability company, the DKMS Deutsche Knochenmarkspenderdatei gemeinnützige Gesellschaft mbH, today DKMS gGmbH.

A stem cell donor was found for Mechtild. She underwent a stem cell transplant in mid-April 1991 at the University Hospital in Tübingen, but died just four months later despite the doctors’ best efforts.

The founders were not willing to let the story end there. After the tragic death of his wife, Peter Harf had a vision. He was determined to make Mechtild’s final wish a reality: that other blood cancer patients and their families should be spared a similar fate. This was the promise he had made to her at her bedside.

NOW MORE THAN EVER
Today, DKMS is an important non-profit organization in the fight against blood cancer all around the world. The selfless generosity of millions of voluntary blood stem cell donors has changed our society for the better and awakened deep solidarity for patients in need in Germany and beyond. We would like to thank every single one of our donors and supporters, and also our team: around 364 people were working for DKMS in Germany in 2017. We employ a total of 850 people at our locations worldwide. Every day, they each make an important contribution to the medical assistance we provide around the globe.

“Our aim is to give every blood cancer patient, wherever they are from, a second chance at life,” says founder Peter Harf. Exactly that ambition is in our DNA at DKMS: On behalf of all the patients affected, we have declared war on blood cancer and refuse, with every means at our disposal, to accept hopelessness and resignation.

Our ambition drives us to ever greater achievements - for the benefit of the patients who rely on us. This is reflected in our targets. We want to enable more transplants every year and are determined to achieve this progress. We look after patients in countries that currently lack access to stem cell transplants.

“Mechtild’s death was the start of something big: the selfless generosity of millions of voluntary blood stem cell donors has changed our society for the better and awakened deep solidarity for patients in need in Germany and beyond.”
DEVELOPMENT OF DKMS DONOR NUMBERS

Figures as of: December 31, 2017

- DKMS in Germany
- DKMS in Poland
- DKMS in the US
- DKMS in the UK
“Many patients don’t have time to lose. Our mission is to find them the best stem cell donor to give them a second chance at life. Efficient processes and top-quality data are our solution to get help to people more quickly.”

ALESSANDRO HÄMMERLE leads the data management team. In 2017, he and his colleagues optimized the digital process through which donors give their consent online. This will speed up registration and reduce costs significantly, meaning more money can be spent directly on the fight against blood cancer.
FINDING THE BEST STEM CELL DONOR FASTER

Every day counts when a patient in need is in the race against time to find the right stem cell donor. Giving as many people as possible a second chance at life means working with maximum efficiency.

Alessandro Hämmerle has worked at DKMS for 15 years. He knows that the quicker an optimal stem cell donor is found, the better the patient’s chance of survival. When the donor and the patient are the best possible match, the likelihood of post-transplant problems and relapses is much lower.

Optimizing donor selection and ensuring swift availability of donors saves lives. As the largest international group of blood stem cell donor centers in the fight against blood cancer, we are permanently investing in improving the quality of our work. In 2017 we optimized many core processes to this effect.

IMPROVING TYPING QUALITY MAKES ALL THE DIFFERENCE

DKMS stem cell donors currently have the highest standard of typing, improving the prospects of success for transplants. Higher-quality typing means a more precise selection of stem cell donors and enormously reduces the time taken to identify a matching donor – greatly improving the survival rates of blood cancer patients.
All our new stem cell donors supply a cheek swab and are analyzed using six gene loci. This is also known as tissue characteristics. The degree of correspondence between the tissue markers of donor and patient is key to a successful stem cell transplant. When registering new stem cell donors, we also examine other parameters such as the blood group, CCR5 gene and KIR gene (killer-cell immunoglobulin-like receptors). The donor samples are also tested for the presence of CMV antibodies. All these parameters help identify the best possible match between donor and patient.

Why is it important to determine the CMV status? An infection with CMV (cytomegalovirus) is harmless in healthy individuals, but can cause life-threatening complications for blood cancer patients with a weakened immune system. CMV status therefore plays an important role in donor selection. We launched our own CMV project in 2017 to determine the CMV status of all new donors from the beginning. This makes it as easy as possible for a donation to be requested from our donors without the need for further tests.

SPEED IS DECISIVE IN GIVING PATIENTS A SECOND CHANCE AT LIFE
DKMS stem cell donors are highly motivated and ready to act quickly when a donation is needed. We invest extensive time and money in educating and supporting our donors and maintaining their typing information and other data. In 2017, DKMS invested roughly one million euros in improving typing and data quality for its stem cell donors. For example, we successively carried out high-resolution typing for 126,162 stem cell donors already in the database for many years and asked them to respond to a health questionnaire to assess their medical suitability at an early stage. We also prioritized donors with a high probability of being considered for a donation as their HLA genotype occurs more frequently in the database. As a result of these efforts, high-resolution data on the tissue characteristics of DKMS donors in Germany is available showing six transplant-relevant HLA gene loci. This guarantees even faster identification and facilitation of the best possible donor.

All typing of stem cell donors takes place using the Next Generation Sequencing (NGS) procedure at the DKMS Life Science Lab in Dresden, the world’s leading HLA typing laboratory. The lab’s 132 highly qualified staff members ensure a high throughput, processing 1.1 million HLA analyses of new donors, patients and their family members in 2017 – a rate of up to 7,000 donor samples per working day. By comparison: in 2009, the figure was 60,000 donor samples a year. The NGS approach has enabled the DKMS lab to dramatically reduce the cost of HLA typing - we have therefore been able to successively reduce the costs for registering a new donor (currently EUR 35) since 2013 and greatly accelerate the typing process.

DATA QUALITY SAVES LIVES
Good data is critical to giving more people a second chance at life. With the MIT (More-than-IT) program, DKMS has put in place the information technology needed for growth and efficiency. With high-quality data, quick response times, detailed information and strong technology, we hope to be one step closer to winning the battle against blood cancer.

In addition, DKMS naturally ensures organizational and technical compliance with the General Data Protection Regulation.
QUALITY CAN SAVE LIVES

Typing level of DKMS donors in Germany (as of: December 31, 2017): 62% of donors have undergone high-resolution 6-loci HLA typing, another 14% 5-loci typing, and 8% 4-loci typing. The high quality of the HLA results reduces the time needed to find a matching donor.

Our laboratory, the DKMS Life Science Lab, has strived for top quality since 1997. We are constantly enhancing the HLA typing profile of our donors through innovation and technological progress.

PROGRESS THROUGH INNOVATION

Our laboratory, the DKMS Life Science Lab, has strived for top quality since 1997. We are constantly enhancing the HLA typing profile of our donors through innovation and technological progress.
“Top quality and speed combined with accompanying research make DKMS the first choice for many physicians, including me. More and more, these days, I can tell the parents of my young patients: ‘We can do it!’ DKMS donors give children back their future.”

DR. MED. STEPHAN LOBITZ, M. SC.
is a specialist physician for child and adolescent medicine with a focus on oncology and hematology. He is also spokesperson of the GPOH consortium for sickle cell disease.
WE PERFORM RESEARCH TO GIVE MORE CHANCES AT LIFE

Life-saving research not only depends on innovation and dedication, but also curiosity, creativity and new perspectives – that is what we strive for at DKMS.

HOPE FOR MANY PATIENTS
Dr. med. Stephan Lobitz, M. Sc., is a pediatric hematology oncologist and devoted to his job with heart and soul. He specializes in blood disorders that can be treated using blood stem cell transplants. At the children’s hospital in Amsterdamer Strasse, Cologne, one of Germany’s largest, the many, mainly young patients with hereditary forms of anemia such as sickle cell disease or thalassemia, place their hopes in him. Until last year, the medic worked in Berlin – a city where more children are born each year with sickle cell disease than can receive a transplant. As a doctor, he knows that stem cell transplants are the only opportunity for many patients to lead a normal life. For those with blood cancer, it may be their only chance of survival.

Nevertheless, there is still an immense need for further research on the biological factors that determine whether this treatment is successful. In Germany alone, more than 18,000 people still die from blood cancer every year, around 50% of them following a stem cell transplant. DKMS is increasing the chances of a successful transplant in the field of malignant and non-malignant hematology. We stand for progress and improvement and want to achieve this at all levels: in diagnostics, treatment and the selection of the most suitable stem cell donors.

WE TAKE RESPONSIBILITY FOR LIFE
We invested over EUR 2.1 million in research in 2017. It costs money to ensure patients benefit from state-of-the-art research.
Staff at the **DKMS Clinical Trials Unit (CTU)** research and develop methods of finding the best possible treatment for patients and improving the results of allogenic stem cell transplants. Improving existing therapies and developing pioneering new ones is key to improving patients’ survival chances.

**WE SUPPORT LIFE-SAVING RESEARCH**

Three prospective clinical studies are currently underway at the CTU. One example: In 2017, the CTU recruited the 100th patient with acute myeloid leukemia (AML) for its ongoing study “ETAL3–ASAP.” This is one of many studies aimed at patients who respond badly to standard chemotherapy or suffer a relapse. It is designed to find out – before a stem cell transplant begins – whether aggressive chemotherapy is really necessary to beat the disease. We are optimistic that this research project will demonstrate the success of the ASAP strategy. This could lead to lasting changes in standard therapy for this patient group and increase survival rates.

As a research institute, the CTU works together closely with national and international transplant centers and research groups. The aim of the CTU is to translate the findings of its studies into medical practice. Led by Prof. Dr. med. Johannes Schetelig, the CTU is also intensively researching natural killer cells and their role in reactions with leukemia cells after stem cell transplants. This is closing an important gap in the field of blood cancer research, enabling researchers to work in an area where there are limited financial resources for scientific progress.

In 2017, DKMS also supported numerous external research projects free of charge, providing a service to other groups of researchers and important studies.

**We support research – because this is the only proactive way to make life-threatening blood cancers curable and reduce the mortality rate from blood cancer. Patients benefit directly from our research.**

There were a total of 162 inquiries from German and international research groups requesting participation of DKMS donors in 41 research projects. The majority of this scientific work involves prevention and treatment of graft-versus-host disease (GvHD), followed by projects researching cell lines for fighting infection or cancer as well as fundamental research on immunology. The CTU examines documentation on the studies to ensure compliance with regulatory requirements and agreement with the ethics commission. It obtains and manages all the essential documents and prepares declarations of consent for DKMS stem cell donors participating in studies. If required and desired by the external study group, the CTU submits individual projects to the responsible ethics commission for review.

The year 2017 also saw the founding of the **Collaborative Biobank (CoBi)**, a research project coordinated by DKMS. It was set up together with other partners responsible for organizing and carrying out stem cell transplants in Germany. CoBi collects, processes and stores blood samples from stem cell donors and
patients. It aims to collect 2,750 samples by the end of 2018. The samples and data will be used to conduct research projects designed to improve the results of stem cell transplants. CoBi is putting in place data and resources over a long-term period for future research projects aimed at improving the selection of donors for stem cell transplants and therefore the treatment received by patients.

At DKMS, it goes without saying that all our research projects meet the highest ethical standards in terms of research and funding. We meet all requirements at national and federal state level as well the research regulations of the federal government and international institutions in our field.

WE ARE ALWAYS LOOKING FORWARD
That is how we know that the future of research is in the hands of young scientists. We support cutting-edge research around the globe. In an environment that calls for cooperation and excellence, DKMS supports highly qualified young medics. We help doctoral and postdoctoral students to work today on the medical breakthroughs of tomorrow.

With the Mechtild Harf Research Grant, the DKMS Foundation for Giving Life, the parent organization of DKMS gGmbH, awards two grants every year for research projects in the field of hematopoietic stem cell transplants or cellular therapies for blood cancer. The financial support is for a maximum of three years. Up to EUR 80,000 per year is awarded.

In 2017, the grants went to Frederik Damm, a lecturer at Charité Campus Virchow-Klinikum in Berlin, who is working on the influence of mutated donor blood cells on the outcomes of allogenic stem cell transplants, and Hendrik Poeck, a lecturer at the Rechts der Isar Hospital of the Technical University of Munich, for his research on protecting patients from graft-versus-host disease (GvHD).

With the DKMS Collaborative Research Grant, the DKMS Foundation for Giving Life provides up to EUR 1 million of funding over a period of three years. Research projects within this program must work on the optimal selection of unrelated blood stem cell donors. Preference is given to joint studies with DKMS’s own research institutions such as the DKMS Life Science Lab. The awardee in 2017 was Efe W. Petersdorf, MD, from the Fred Hutchinson Cancer Research Center in the US for her study on “Next-generation unrelated donor hematopoietic cell transplantation.”

Since 2001, the DKMS Foundation for Giving Life has also awarded the annual DKMS Mechtild Harf Science Award at the annual meeting of the European Group for Blood and Marrow Transplantation (EBMT). The EUR 10,000 prize honors outstanding research by renowned medics and scientists working on blood stem cell transplants and the fight against blood cancer. There were two winners in 2017: Prof. Dr. med. Dr. h. c. Dieter Hoelzer from Germany and Richard Champlin, MD, from the US. Both men have greatly shaped the field of hematology-oncology in recent decades.
“We donors are the only source of blood stem cells. It’s incredible to think that every one of us - you and I - can truly give a blood cancer patient the gift of life. I did it because I think having more donors makes the world a better place.”

NIELS DOMOGALLA
The 24-year-old student from Witten was initially surprised when DKMS informed him that he had been identified as a donor.
OUR STEM CELL DONORS ARE TRUE HEROES

DKMS stem cell donors do something amazing: every single one of them is prepared to selflessly give a complete stranger a second chance at life. Around a quarter of all potential stem cell donors worldwide are registered with DKMS. Together with our donors, we are creating a powerful community in the fight against blood cancer.

Niels Domogalla does not see himself as a hero. But only now can he fully grasp how important his stem cell donation was in saving the life of “his” patient Jennifer to the immense gratitude of her loving husband and friends.

NIELS MAKES US PROUD
Thanks to donors like him, we can turn people into lifesavers every single day. And we simply cannot get enough of them. We will not rest until every blood cancer patient who needs a stem cell transplant has been given a second chance at life. That means we need as many new stem cell donors as possible – people of all backgrounds and nationalities.
OUR DONORS

YOUNG STEM CELL DONORS LIKE NIELS ARE IMPORTANT

To give as many people a second chance at life as possible, we need to register potential donors with the highest likelihood of being considered for an actual donation. This especially means young men aged between 17 and 30.

For young stem cell donors, the probability of giving a donation in the first year after registration is approximately 1%. Various factors come into play when selecting the right donor for a patient, including prior illnesses and general health. As younger donors tend statistically to be healthier, they are more likely to be selected if the patient’s physician has a choice of several compatible donors.

The average age of all potential DKMS stem cell donors is just over 36. Actual donors, meanwhile, are on average only 30 at the time of donation. The following comparison shows the importance of registering young men: while 59% of our registered potential donors are women, 71% of those actually selected for stem cell donation are men.

This means that the more young male stem cell donors we have in our database, the more patients we can help. We are therefore making special efforts to encourage this target group to register. Measures include registration campaigns at schools and universities (159 university campaigns and 401 school campaigns in 2017), extensive cooperation with sport clubs, associations and the military, and of course using the internet and social media.

In 2017, we registered 283,230 new stem cell donors up to the age of 30. The funding required for this target group alone was around EUR 10 million. We want to substantially increase the number of newly registered young donors in 2018 and are therefore greatly expanding our communication and donor recruitment measures. Any healthy person aged between 17 and 55 can register.

DKMS DONORS ARE HIGHLY MOTIVATED

In 2017, our donors from 183 different countries around the world provided 4,389 peripheral blood stem cell donations, 997 bone marrow donations for stem cell transplants and 492 lymphocyte donations (and occasionally thrombocyte donations, which are sometimes needed after transplant). 76% of blood stem cell donations from DKMS donors in Germany go abroad and have so far given people in 53 different countries a second chance at life. And most donors would do it again: a survey shows that 94.8% of all DKMS donors would be prepared to donate stem cells a second time. Our donors feel satisfied with our advice and support, and will therefore remain available to potential patients on a long-term basis. It is important to constantly update and maintain their data, which we rely on to reach donors quickly in the event of a match. Getting swift agreement makes all the difference: the average time from beginning preparation of a donation to the collection of stem cells is now just 41 days – this is ten days faster than ten years ago.

We mail stem cell donors annually and use online newsletters to help keep our donors’ contact details up to date. In 2017, we spent approximately EUR 1 million on mailing donors and on our newsletters. Two statistics provide an example of how keeping donors well informed can save patients’ lives: only just under 4% of DKMS donors withdraw their wil-
The health of our stem cell donors after donation is immensely important to us. We invite donors to a blood test four weeks after their donation and regularly send them health questionnaires.

Our donor-patient contact department is ready to look after the non-medical needs of our donors after their stem cell donation. In most countries, to enable donors to find out how “their” patient has recovered from the transplant, staff provide information on the recipient’s health at certain intervals and facilitate anonymous contact by letter. If desired, and after a minimum of two years, they also help patient and donor exchange contact information and get to know each other. In 2017, stem cell donors and patients from 42 countries exchanged more than 3,100 letters. Contact details were exchanged in 661 cases. DKMS is also there to support its stem cell donors in cases where the patient does not survive. In 2017, we launched a new and popular service with a dedicated website to help donors deal with grief.

The health of our stem cell donors after donation is immensely important to us. In addition to a blood test four weeks after the donation, we regularly ask them to tell us about their health using questionnaires. In the “matched-pair follow up” project, we search our database after every donation to pair the actual donor with another potential donor. The latter should be as similar to the actual donor as possible in terms of age, gender and tissue characteristics, but have not yet made a donation. These “donor pairs” are regularly surveyed on their health over an extended period, and the findings are medically examined. The results so far have been promising. The comparison shows that there are no indications of any increased incidence of malignant hematological disorders or other forms of cancer among stem cell donors when directly compared to the control group or general population.
There are many individual steps on the road from developing blood cancer to receiving a transplant. This infographic shows you the most important stages of our work.
“I know what it means to have blood cancer. I survived it and am thankful every single day. My donor gave me back my love for my job and my horses. Now I have a future again. I wish everyone else affected by this disease the same thing.”

NORA BÜR格尔
21, is enjoying life to the full again after recovering from blood cancer. She received a blood stem cell transplant from an unrelated donor in August 2017. The ambition of the fully qualified groom: never again to have to spend her birthday in hospital.
OUR MISSION: GIVING PEOPLE A FUTURE

To give people a second chance at life, we break down barriers and borders, spare no effort and never give up. We set up new databases in other countries, build relationships nationally and internationally, and provide help in emergencies. Every life counts - in every corner of the globe.

Nora received the diagnosis of leukemia aged 19, just a week before she was due to fly off on a one-year trip to the US to work with horses. A long-held dream was dashed in an instant. Somewhere in the world, someone like Nora is diagnosed with blood cancer every 35 seconds, and in Germany every 15 minutes. Blood cancer accounts for over 9% of all newly diagnosed cancer cases. Among children, it is almost 50%. Some 123,000 people in Germany are currently living with blood cancer. Behind every statistic is a human being and their loved ones. They have put their faith in the help of their doctors, and many of them in the speedy assistance of DKMS.

WE GUARANTEE TO PROVIDE THE BEST POSSIBLE STEM CELL TRANSPLANTS

with top quality and safety. We provide lasting and effective help for patients: In 2017, DKMS accounted for more than 30% of the newly registered stem cell donors globally. In addition, over 41% of global stem cell transplants from unrelated blood stem cell donors came from DKMS donors in Germany. This shows our leading role in helping patients. An international system of mutual exchange ensures that the search for stem cell donations functions across borders. So far, some 60,000 generous stem cell donors from DKMS Germany have given people in 53 countries the gift of hope for a second chance at life. At least 15 DKMS donors make a stem cell or bone marrow donation every single day, and this number is rising - it has more than doubled from just six donors ten years ago. Our ambition: in 2025, we want DKMS stem cell donors to give 10,000 patients a second chance at life.
Around the world, there are still too many people dying because of the unsatisfactory state of health care in their country. DKMS is committed to helping patients throughout the world. The chances of finding suitable donors from Germany alone are limited, however. Through international growth, setting up new donor databases and working as a register in other countries, we can increase both the size of the database and the genetic diversity of the registered donors. This means we can help blood cancer patients by providing the best-matching available donor for each individual.

**IN THE FIGHT AGAINST BLOOD CANCER; DIVERSITY IS ONE OF OUR GREATEST ASSETS**

Matching HLA markers between patient and donor is key to a successful transplant. So far, over 18,100 different HLA markers have been identified worldwide, which occur in millions of different combinations. Every ethnic group has its own typical combinations of markers, meaning ancestry rather than nationality is important. There is a higher likelihood of finding a suitable donor from within the patient’s own ethnic group. Only the availability of more registered donors who have undergone high-resolution typing can substantially improve the situation of blood cancer patients of different descent.

We help patients all around the world. DKMS also supports the independent DKMS organizations in the US, the UK, Poland and Spain.

To facilitate the search for stem cell donors for Hispanic patients, DKMS established a new stem cell donor database in Chile in 2017. Until then, the country had no donor database or registry to facilitate stem cell donations, and provision for patients here was inadequate. In 2018, we aim to add as many people as possible to the DKMS Chile stem cell donor database and increase the number of transplants – giving more patients a second chance at life.

Globally, there are very few potential stem cell donors of Indian heritage. We are therefore working hard in India to change this and have been collaborating with the Bangalore Medical Services Trust (BMST) since 2015. Via the SCRI (Stem Cell Registry India) project, we have been recruiting potential stem cell donors and are contributing our expertise and training local partners as well as typing new donors in our DKMS Life Science Lab and listing them in the global WMDA Search & Match (formerly BMDW) register.

Since mid-2016, DKMS has been widening its activities internationally beyond the function of a donor database. We now act as a registry hub for BMST. This means we coordinate between transplantation clinics, search centers, international registers and our donor databases to facilitate donations.
We therefore offer transplantation centers in India direct access to DKMS and BMST donors. With the registry software we have developed, users can obtain customized information, quickly identify donors with the closest possible match and request further tests or a donation. Our qualified search coordinators help transplant clinics choose the best available donors for their patients. In 2017, we sent 39 stem cell products to India and Sri Lanka using the DKMS registry. This registry work supports our internationalization strategy by providing centralized key structures for the international exchange of stem cell products.

WE BUILD RELATIONSHIPS TO HELP ALL THOSE AFFECTED
We work nationally and internationally with search centers, clinics, health insurers and doctors to always achieve the best patient outcomes. We want to expand this work and further improve its quality in the future.

We offer search centers our support when it is hard to find a donor. When existing typing information is in low resolution, we retype donors to make faster progress with the search. We have individual emergency programs for patients who urgently need a stem cell donation. The physicians treating these patients can contact us directly in specific cases. Our high-risk program helps patients in an emergency. Some patients abroad are not medically insured and must therefore cover the costs of the donor search themselves. The high-risk program makes typing possible in difficult cases if the search budget has already been exhausted or the costs of typing cannot be met by existing healthcare systems. We help out in emergencies to make sure that no patient is denied a life-saving stem cell transplant on grounds of cost.

Our support for patients is tailored to the individual and involves partially subsidizing stem cell transplants or providing transplants for free or at a reduced cost. In 2017, we used this program to support patients from Chile, Russia, Turkey and Iran, and enabled a patient from the United Arab Emirates to receive a transplant at the People Tree Hospital in India.
DKMS supplies patients all around the world with life-saving stem cell transplants. In many countries, too few potential stem cell donors are registered, and cost constraints mean that typing quality is often insufficient. Too many blood cancer patients continue to die as a result. DKMS is committed to helping patients all around the world who urgently need a stem cell transplant. An international system of solidarity ensures that the search for stem cell donors and the facilitation of life-saving stem cell transplants works across borders. Today, 25% of all stem cell donors listed worldwide are registered with DKMS and 41% of all stem cell donations globally are made possible by DKMS donors.
To further increase this proportion to the benefit of patients, the key questions for us are as follows: Where do we have to concentrate on recruiting new potential donors, and where can we enable more transplants to help more patients? With our work to recruit new donors in the US (since 2004), Poland (since 2008), Spain (since 2013) and the UK (since 2017), and our partnership in India (since 2015), we aim to improve the situation for blood cancer patients all around the world. Genetic diversity among potential donors is essential. Without it, many patients would be unable to find a suitable donor given their genetic roots.
“Without the work of the student association at my university, I might never have become a donor. Supporting DKMS is important to helping more patients together. The work they do for a good cause motivated me to get involved myself.”

PHILLIP KOPPITZ, an aerospace engineer studying for a doctoral degree, signed up to AIAS, a non-profit association of students, on his way back from the canteen at the Technical University of Munich. Barely two months later, he became the 100th donor under this partnership. His stem cell donation gave a patient a second chance at life.
EVERY CONTRIBUTION HELPS

We work day in, day out to inspire as many people as possible for our cause and gain their support. Only together can we help more many blood cancer patients around the globe.

Saving a life on the way from the student canteen to a lecture? Why not? Just like Phillip and the student association AIAS e.V., more than 15,000 voluntary helpers work to support blood cancer patients every year - they take part in registration campaigns, organize benefit events, or join our “donor club” - a Germany-wide network of stem cell donors who work as multipliers for our cause even after their donation, for example at information events in their region, where they educate people about stem cell donation and work on information stands to recruit new donors. All of these supporters are investing their valuable time in the fight against blood cancer.

The commitment shown by our supporters is immensely important. With their remarkable assistance and financial support in the form of monetary donations, they ensure that we can provide a second chance at life for more blood cancer patients.

Active help and education on the one hand, and monetary donations on the other - both make a real difference to the fight against blood cancer. Everyone who donates money or volunteers their time is helping to actively improve the situation of blood cancer patients and to give more patients a better chance of survival, as well as contributing to our successful work in facilitating stem cell transplants. More than 130,000 people donated money to us in 2017. Financial donations, proceeds from donations in kind and allocations of fines totaled approximately EUR 16.1 million. The largest single donation in 2017 was a private donation of EUR 150,000.
Many of our supporters are keen athletes – we registered 8,777 stem cell donors in 2017 at a total of 145 sporting events. Two professional football clubs – VfB Stuttgart and RB Leipzig – went the extra mile. In April, the DKMS logo with the message “Wir besiegen Blutkrebs” (We delete blood cancer) adorned the shirts of VfB Stuttgart players in their home game against 1. FC Union Berlin. The team had registered with DKMS in advance of the match. Mercedes-Benz Bank, VfB Stuttgart and STARS4KIDS jointly presented a check for over EUR 40,000. VfB were followed in September by RB Leipzig, who used their home game against Borussia Mönchengladbach for a show of support. No fewer than 700 fans followed the calls of the players, who had already registered themselves. Following the campaign in the stadium, RB Leipzig donated EUR 70,000 to DKMS. Nationwide registration campaigns also took place for the Hamburg hockey player Silja Paul following her diagnosis with blood cancer. More than 40 clubs took part and organized campaigns involving their members.

A special highlight in 2017: DKMS and the German Olympic Sports Federation (DOSB) agreed on another charity partnership with the German team, this time at the Winter Olympics in Pyeongchang, South Korea. December 2017 marked the official start of the “Gold for Life” campaign, which aims to raise awareness of blood cancer, recruit more supporters from the world of sport and register as many potential new stem cell donors as possible in the database.

Many companies and associations also collect donations or cover the cost of registering their employees. The shared fight against blood cancer is helping many companies win the attention of the public, customers and business partners. One example: In November, the discount supermarket ALDI SÜD placed posters in 1,880 stores calling on customers to register with DKMS. To accompany this, 437 ALDI employees were registered at two head office locations in Mülheim. Two further campaigns followed in Saarland and St. Augustin.

A donation of EUR 35, for example, enables us to find and register a new stem cell donor, complete with typing in the laboratory. The public health insurers do not cover these costs, which means that donations are essential to give blood cancer patients a second chance at life. In 2017, there were 422 corporate campaigns involving DKMS across Germany, registering a total of 21,316 new donors.

The major international bank HSBC, for example, has been supporting DKMS in Germany since 2017 to mark its 150th anniversary. It is providing a total of 900,000 US dollars over three years. HSBC is sponsoring the Clinical Trials Unit (CTU) and, in particular, the set-up and expansion of the Collaborative Biobank. Corporate campaigns are also being planned, and a portion of total donations will go toward our school and university program.

Active help and education on the one hand, and monetary donations on the other – both make a real difference to the fight against blood cancer. Everyone who donates money or volunteers their time is helping to actively improve the situation of patients.
ANNUAL REPORT 2017

SUPPORTERS AND HELPERS

Information are constantly updated to ensure potential stem cell donors can be reached when they are most needed. When searching for a matching stem cell donor, every minute counts. We are also researching ways of improving typing quality so as to achieve a better match between donors and patients. Internationally, we are setting up new locations to create second chances at life for blood cancer patients all around the world.

We are doing everything to save as many people as possible from the consequences of this life-threatening disease and improve their recovery. This is only possible together with our supporters, our registered stem cell donors and our financial donors. We would like to thank them all for their trust and are grateful for all the support we receive.

THE TRUST OF OUR DONORS AND SPONSORS IS OUR TOP PRIORITY

Our supporters’ commitment to our shared goal – helping even more patients faster and more effectively – means we feel a particular responsibility to maximize the focus on results and invest our financial resources efficiently in giving people a second chance at life. In 2017, we improved our financial stability. We give every financial donor the certainty that their money will only be used in line with the purpose of our organization.

DKMS is a non-profit organization. Unlike with a commercial company, this means that all money received goes directly to social or scientific purposes. We receive financial support largely in the form of monetary donations from private individuals and companies, as well as fixed amounts from the healthcare systems. These funds are mainly used for registering new stem cell donors. Personal addresses and contact information are constantly updated to ensure potential stem cell donors can be reached when they are most needed. When searching for a matching stem cell donor, every minute counts. We are also researching ways of improving typing quality so as to achieve a better match between donors and patients. Internationally, we are setting up new locations to create second chances at life for blood cancer patients all around the world.

We are doing everything to save as many people as possible from the consequences of this life-threatening disease and improve their recovery. This is only possible together with our supporters, our registered stem cell donors and our financial donors. We would like to thank them all for their trust and are grateful for all the support we receive.
potential donors were registered with DKMS as of December 31, 2017. This commitment is impressive and gives us encouragement to keep going. In Germany, one person is diagnosed with blood cancer every 15 minutes.

employees worked on the fight against blood cancer in 2017. Due to the increased volume of our activities and the medical, organizational, technical and staffing needs this imposes, there were 20 more employees than in 2016.

DKMS donors from Germany have donated stem cells for a blood cancer patient. At least 15 people are now donating every day - since it was established in 1991, DKMS has already helped give nearly 70,000 people around the world a second chance at life, around 60,000 of them in Germany alone.
DKMS gemeinnützige GmbH is dedicated mainly to recruiting volunteers willing to donate stem cells so as to enable those affected by leukemia or other blood disorders to receive a transplant. It actively supports the development and operation of systems and databases designed to simplify and accelerate the search for suitable stem cell donors. Helping to select donors for blood cancer patients and to procure and prepare the transplant is another aspect of its work.

Since mid-2016, DKMS has been widening its activities beyond the function of a donor database. DKMS now also works as a registry. This means it liaises between transplantation clinics and other donor databases to help organize transplants. It offers this registry service, using software it has specially developed itself, in countries where there is no established public registry organization. Working as a registry gives a strategic boost to the internationalization being pursued by the company. DKMS has long been supporting and financing the creation of donor organizations abroad. These are legally independent but cooperate closely with the company in Germany.

DKMS is one of 26 organizations in Germany working on the recruitment of voluntary stem cell donors and the facilitation of donations. With 5,391,393 potential donors (as of December 31, 2017), DKMS is the largest donor database by some margin. DKMS provides around a quarter of all stem cell transplants worldwide.

DKMS refuses to accept hopelessness and resignation in the fight against blood cancer. The organization therefore invests every euro where it can make a difference in giving people a second chance at life.
Thanks to another very good year of donor recruitment, DKMS registered a large number of donors in the database in 2017 with high-resolution typing to state-of-the-art medical and laboratory technical standards. High-quality typing is one factor that makes DKMS donors especially popular with transplantation clinics. As extensive typing of the human leukocyte antigen markers has already been completed when donors are entered in the global search systems, the need for time-intensive additional typing is avoided. This offers transplantation centers and search coordinators a decisive advantage in terms of speed when it comes to treating patients.

At the end of 2017, the number of registered donors in Germany was 5,391,393, an increase of 10.2%. The number of newly recruited potential stem cell donors considerably exceeded those lost from the database due to age, illness or other reasons.

Overall, the donor database was considerably expanded and enhanced. Alongside the outstanding typing quality and the large number of markers typed from the outset, the improvements in the database were also related to the proportion of young potential stem cell donors. Once again in the reporting year, DKMS concentrated on recruiting new donors aged under 30. Over the year, 283,230 people in this age group were registered. DKMS also continues to focus on recruiting new donors from different countries and with different genetic roots so as to improve the help it can offer in international searches for matching donors. Since it was founded, DKMS has already recruited 517,754 new donors with a migration background, of whom 55,285 joined in 2017.

DKMS succeeded in giving many patients a second chance at life in the reporting year. After a significant decline in the number of donations collected in the previous year, donations were up 1.3% in 2017.

The appeal of DKMS-registered donors lies in the high quality of typing results stored in the database as well as the high availability of donors once they are actively considered for a patient. Once again in 2017, DKMS carried out various quality-related projects that aimed both at optimizing the typing profile and keeping donor availability as high as possible at confirmatory typing (CT) level. These efforts were successful with an availability at CT level of 79.2%. The ongoing IT reorganization program was expanded again in the course of the year, improving the quality and speed of DKMS’s work to facilitate donations.

The company’s fundraising efforts were also successful thanks to the strong, well-organized recruitment of new financial donors and the ongoing relationships cultivated with existing donors.

As in the previous year, the company succeeded in maintaining stable fundraising income with a slight year-on-year increase. Donations totaled EUR 16,096 thousand. The fundraising success was based on outstanding brand recognition and on people’s high level of trust that the monetary donations they provided would go toward the purposes set out in the statutes.
The DKMS statutes are the heart of the organization – they determine the actions of every one of our employees in the fight against blood cancer.

OUR STATUTES
The business activities of the organization include the altruistic support of people who are dependent on the assistance of others due to their physical condition, the promotion of public health care and the promotion of science and research, in particular:

Section 1: The recruitment of informed volunteers who are prepared to donate bone marrow or stem cells for the purpose of transplantation;

Section 2: The development and maintenance of systems that simplify and accelerate the search for donors in this group of volunteers as well as in international groups of donors with the goal of finding compatible donors for stem cell transplants;

Section 3: The study of the effectiveness of hematopoietic stem cell transplants from unrelated donors, test methods of histocompatibility as well as donor motivation;

Section 4: Personal support for blood cancer patients, with the goal of providing personalized assistance to overcome any problems they encounter during their hospital stay;

Section 5: Cooperation in in the selection of donors for blood cancer patients as well as the procurement and preparation of the transplant;

Section 6: The procurement of resources to pass on to other organizations whose purpose is the altruistic support of persons who are dependent on the assistance of others due to their physical condition, the promotion of public health care or the promotion of science and research.

In this annual report, we provide an insight into the use of funds for the purposes specified in the individual statutes of our charter.
# Balance Sheet

## Balance Sheet as at 31 December 2017

### Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>2017 in kEUR</th>
<th>2016 in kEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Intangible assets</td>
<td>13,181</td>
<td>6,626</td>
</tr>
<tr>
<td>II. Tangible assets</td>
<td>3,602</td>
<td>2,600</td>
</tr>
<tr>
<td>III. Financial assets</td>
<td>62,812</td>
<td>63,810</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>79,595</strong></td>
<td><strong>73,036</strong></td>
</tr>
<tr>
<td><strong>B. Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Inventories</td>
<td>1,304</td>
<td>150</td>
</tr>
<tr>
<td>II. Receivables and other assets</td>
<td>11,513</td>
<td>11,045</td>
</tr>
<tr>
<td>III. Cash on hand and bank balances</td>
<td>39,230</td>
<td>33,680</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52,047</strong></td>
<td><strong>44,874</strong></td>
</tr>
<tr>
<td><strong>C. Prepaid expenses</strong></td>
<td>1,273</td>
<td>1,265</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>132,915</strong></td>
<td><strong>119,176</strong></td>
</tr>
</tbody>
</table>

### Equity and Liabilities

<table>
<thead>
<tr>
<th>Category</th>
<th>2017 in kEUR</th>
<th>2016 in kEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Subscribed capital</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>II. Revenue reserves</td>
<td>118,131</td>
<td>106,347</td>
</tr>
<tr>
<td>III. Net retained profits</td>
<td>1,130</td>
<td>1,550</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>120,261</strong></td>
<td><strong>108,897</strong></td>
</tr>
<tr>
<td><strong>B. Provisions</strong></td>
<td>5,751</td>
<td>5,109</td>
</tr>
<tr>
<td><strong>C. Liabilities</strong></td>
<td>6,892</td>
<td>5,160</td>
</tr>
<tr>
<td><strong>D. Deferred income</strong></td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>132,915</strong></td>
<td><strong>119,176</strong></td>
</tr>
</tbody>
</table>
DKMS is a non-profit company and aims simply to cover the necessary costs arising from its own business activities. It funds itself largely using the income from reimbursements obtained from public healthcare systems in Germany and other countries as well as from financial donations by individuals and companies.

With revenue of EUR 95,347 thousand, the company again created the basis for a very positive result. At the same time, other operating income declined by EUR 1,346 thousand from the previous year to EUR 17,611 thousand. This was mainly caused by a fall in expenditure for advisory services, which resulted in lower income from the passing-on of costs, as well as by a substantial decline in foreign currency gains.

Cost of materials was down EUR 3,804 thousand on the previous year. This was due in particular to an approximately 20% decline in the number of typing cases. The average expenditure per donor and the cost of courier services associated with stem cell donations developed in the opposite direction.


Other operating expenditure was down 5.8% on the previous year’s figure. This was mainly due to a fall in legal and consultancy fees for the first time as well as lower expenditure on marketing measures. IT-related expenditure moved in the opposite direction due to the ongoing restructuring of the IT landscape. Other operating expenditure also includes EUR 2,624 thousand of exchange losses, which were EUR 1,525 thousand higher than in the previous year. In terms of grants, particularly to DKMS organizations in other countries, the expenditure situation remained steady year-on-year.

The steps initiated in previous years to further internationalize DKMS were continued in 2017. A donor database was founded in Chile, which will accept the first donors in 2018 and provide their relevant medical data for search queries via the global register. The company also supports its partner BMST (Bangalore Medical Service Trust) in India by meeting the typing costs for the new potential stem cell donors recruited in that country.
# INCOME STATEMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>2017 in €EUR</th>
<th>2016 in €EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.a Income from reimbursements of expenses/other sales proceeds</td>
<td>95,347</td>
<td>95,776</td>
</tr>
<tr>
<td>1.b Changes in inventories</td>
<td>353</td>
<td>150</td>
</tr>
<tr>
<td>1.c Own work capitalized</td>
<td>664</td>
<td>525</td>
</tr>
<tr>
<td>1.d Other operating income</td>
<td>17,611</td>
<td>18,957</td>
</tr>
<tr>
<td><strong>2. Expenditure</strong></td>
<td>-101,060</td>
<td>-103,703</td>
</tr>
<tr>
<td>2.a Cost of materials</td>
<td>-44,540</td>
<td>-48,344</td>
</tr>
<tr>
<td>2.b Personnel expenditure</td>
<td>-23,637</td>
<td>-20,813</td>
</tr>
<tr>
<td>2.c Depreciation and amortization</td>
<td>-1,917</td>
<td>-1,413</td>
</tr>
<tr>
<td>2.d Other operating expenditure</td>
<td>-31,361</td>
<td>-33,276</td>
</tr>
<tr>
<td>2.e Net interest income</td>
<td>418</td>
<td>166</td>
</tr>
<tr>
<td>2.f Taxes</td>
<td>-23</td>
<td>-23</td>
</tr>
<tr>
<td><strong>3. Net income/loss for the year</strong></td>
<td>12,915</td>
<td>11,706</td>
</tr>
<tr>
<td><strong>4. Withdrawals from revenue reserves</strong></td>
<td>43,507</td>
<td>39,744</td>
</tr>
<tr>
<td><strong>5. Appropriation to revenue reserves</strong></td>
<td>-55,292</td>
<td>-49,900</td>
</tr>
<tr>
<td><strong>6. Net retained profits</strong></td>
<td>1,130</td>
<td>1,550</td>
</tr>
</tbody>
</table>
Intangible assets mainly comprise software and software under development. The substantial year-on-year increase resulted primarily from capitalized costs in connection with the restructuring of IT application systems. The increase in tangible assets is also heavily influenced by this upgrading.

The rise in inventories was due to two substantial changes to systems since the previous year. Firstly, a warehouse management system was introduced in SAP during the financial year, which involved recording all raw materials, consumables and operating supplies. Secondly, since 2017, the typing and bone marrow/stem cell collection cases in progress have automatically been recorded as unfinished services.

Receivables and other assets amounted to EUR 11,513 thousand at the end of the past financial year. This was due to an increase in receivables, which followed a substantial reduction in receivables recorded in the previous year.

Cash on hand and at bank climbed to EUR 39,230 thousand, mainly due to lower expenditure in connection with the IT restructuring project compared with the previous year. Amid a similar earnings situation, this led to increased funds.

Equity rose year-on-year, reaching EUR 120,261 thousand at year-end. The reserves for the purposes set out in the company’s statutes rose from EUR 106,347 thousand to EUR 118,131 thousand at the end of the financial year. Provisions totaling EUR 5,751 thousand were recognized primarily for outstanding costs for the collection of donations, employee costs and outstanding invoices. Trade payables increased by EUR 1,649 thousand over the year. This was mainly due to the fact that liabilities were not reduced as of the reporting date by early payment of the outstanding amounts.

EUR 19,489 thousand was invested in expanding the donor database in the financial year 2017 through new registrations. The portion of this not financed by donations amounted to EUR 4,588 thousand. As in the previous year, this was fully covered by funds generated by DKMS itself. Reserves for scientific projects to fight leukemia amounted to EUR 11,004 thousand in the financial year, while reserves for quality improvement projects stood at EUR 7,788 thousand. EUR 2,143 thousand was spent on financing scientific projects over the past financial year, and EUR 938 thousand on quality improvement projects. Grants to DKMS organizations outside Germany and support for sponsorship projects amounted to EUR 8,092 thousand in 2017, compared to EUR 7,985 thousand in 2016. The allocation between recipients was essentially unchanged.
RISK MANAGEMENT

Risk management informs the systematic analysis, evaluation, documentation, communication, controlling and monitoring of risk-bearing activities at DKMS; it is an integral component of the business, planning and control processes.
The individual risk management measures are:

**Supervision of institutional bodies**
- Rules of procedure, including a detailed description of the tasks and authority of the bodies
- Half-yearly meetings with the management board of the parent company

**Executive management**
- Annual targets agreed between management, division managers and employees, continuous monitoring of target achievement
- Meetings of the management board roughly fortnightly as well as regular meetings of the executive personnel for internal coordination, optimization and risk assessment

**Cooperation with external partners**
- Written contracts to safeguard agreements
- Tax assessment and evaluation of potential risks to the non-profit status

**Asset investment**
- Guidelines for asset investment specifying the composition of the investment portfolio and limits on portfolio structure (e.g. equity share)
- Regular reporting, ad-hoc measures if the risk structures change

**Financial planning**
- Annual budgeting including staffing and personnel expenditure for three financial years
- Half-yearly reviews and necessary adjustments of the budget according to projections
- Monthly reporting on target/actual performance, including analysis of key performance indicators

**Cost management**
- Expenses and cost guidelines with regulations and limits on travel expenses and hospitality/gifts
- Monitoring by accounting and tax to control appropriate use of funds
- Limits on signatory authority for invoices for each employee group
- Centralized purchasing

**Donation management**
- Cost-benefit evaluations of measures to acquire donations (e.g. mailshots)
- Examination of legality of receipts issued for donations
- Annual audit by an external, independent audit firm as part of the annual financial statements

**Data protection**
- Technical and organizational measures to ensure compliance with requirements under the General Data Protection Regulation