



ENHANCE
YOUR
WELLNESS
ENJOY THE BENEFITS



2020
ANNUAL REPORT



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MESSAGE FROM THE PRESIDENT AND CEO

Dear Friends,

City of Hope faced a year like no other in 2020. It was a year defined by the COVID-19 pandemic — but also by the perseverance and determination of everyone at City of Hope in support of our mission to transform the future of health.

It was a year of exceptional effort and innovative thinking from every corner of our community. Our researchers worked to bring innovative discoveries from bench to bedside as quickly as possible. Along with our rapidly growing care teams, these innovations continue to reinvent the future of treatment for cancer, diabetes and other chronic diseases.



It was a year during which we continued to add world-class talent to our already impressive research and clinical teams, allowing us to move forward with our work to expand the physical and virtual footprint of our care offerings. We forged new and strong partnerships with other visionary organizations that share our mission of transforming health care for the benefit of patients.

I invite you to learn more about this extraordinary year in the pages that follow. They explore the many accomplishments of City of Hope and its people in 2020 as they overcame the year's challenges. It's an amazing record of success, commitment and the power of the mission we have pursued for more than 100 years.

It is because of your generosity, and the tenacity of our people, that City of Hope has been able to defy obstacles, no matter how formidable. Together, with your continued support, we can forge ahead in our tireless efforts to develop and deliver meaningful innovations that bring more hope to patients, their families and all of humanity.

Warmest regards,

A handwritten signature in black ink, appearing to read 'R. Stone', written in a cursive style.

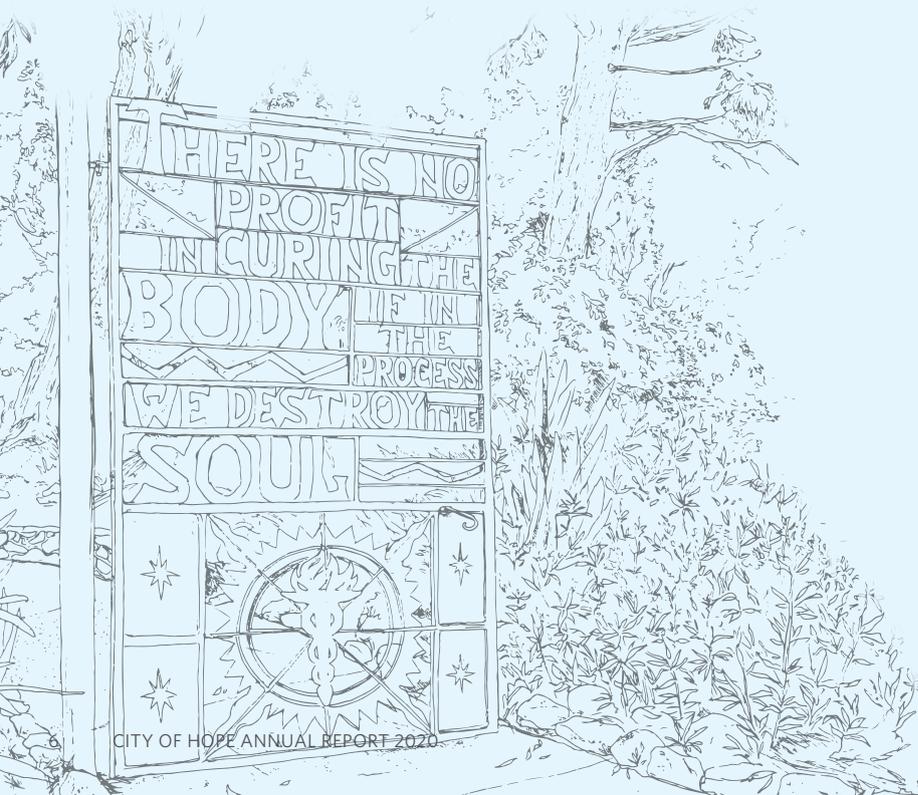
Robert W. Stone

PRESIDENT AND CHIEF EXECUTIVE OFFICER
HELEN AND MORGAN CHU CHIEF EXECUTIVE OFFICER DISTINGUISHED CHAIR
CITY OF HOPE

OUR MISSION

City of Hope is transforming the future of health. Every day we turn science into practical benefit. We turn hope into reality. Our mission is to deliver **tomorrow's cures** to **patients today.**

© City of Hope 2012





POINTS OF DISTINCTION

City of Hope by the Numbers

We have not one, but

THREE
MANUFACTURING
FACILITIES



on campus to help us quickly turn breakthrough discoveries into lifesaving therapies.

In the 2020 fiscal year, City of Hope was awarded more than

\$170
MILLION



in research grants.

In 2020, City of Hope conducted more than

725



clinical trials, enrolling more than 4,700 patients.

City of Hope holds more than

450



patents for technology invented here.

City of Hope is home to more than

1,000
RESEARCH



investigators.

City of Hope has performed more than

17,000



bone marrow transplants.

City of Hope's nursing team has achieved

MAGNET[®]
RECOGNITION



from the American Nurses Credentialing Center. Only 9% of all hospitals nationwide have earned the Magnet recognition.

City of Hope has completed more than

13,000



robotic surgeries.



 City of
Hope

 RN
City of Hope
Nurses
CITY OF HOPE
Nurses
CITY OF HOPE
Nurses

WE ARE COMMITTED

City of Hope faced the difficulties of the coronavirus outbreak, while staying focused on its mission, thanks to exceptional efforts from every corner of its community.

The pandemic shook the world in the last year-plus. But City of Hope faced the difficulties of the coronavirus outbreak while staying focused on its mission — and even building momentum — thanks to exceptional efforts and innovative thinking from every corner of its community.

Medical experts gave their all, day after day, to ensure patients received safe, top-quality cancer care. Researchers acted with urgency and agility to fight a new disease that posed special dangers to that patient population. Friends of the institution met these tough times with ingenuity and openhandedness.

“There are hundreds of examples of people going above and beyond,” said Vijay Trisal, M.D., City of Hope’s chief medical officer and Dr. Norman & Melinda Payson Professor in Medicine. “The challenges posed by the pandemic brought out the very best in our colleagues and supporters.”

CONTENDING WITH A NEW ENEMY, SPEED MATTERS

Numerous researchers pivoted to address the coronavirus, inspired by both society’s pressing need and the serious hazard COVID-19 represents for cancer and diabetes patients.

They confronted the pandemic by drawing upon City of Hope’s ability to accelerate breakthroughs from lab bench to patients’ bedsides in cultivating approaches, from immunotherapy to a DNA vaccine to gene therapy.

One clinical trial led by Sanjeet Dadwal, M.D., chief of City of Hope’s Division of Infectious Diseases, began accruing participants in August to test the safety of leflunomide, an inexpensive anti-inflammatory for arthritis, as a treatment for cancer patients with COVID-19.

In another endeavor, viral immunologist Don Diamond, Ph.D., professor in the Department of Immuno-Oncology, began developing a coronavirus vaccine in March; by November, an early safety trial had opened.

While Diamond built upon his work developing a vaccine against cytomegalovirus — potentially deadly to patients recovering from blood stem cell transplantation — redirecting a lab’s efforts is more complicated and difficult than one might even assume.

“It’s just phenomenal what Don’s lab has been able to do,” Trisal said. “To take a vaccine from hypothesis to Phase 1 trial in a matter of months is just unheard of. It’s not something that people can do in a traditional academic institution.” Phase 2 trials are now ongoing.

CARE, AND CARING, DURING A HEALTH CRISIS

City of Hope’s multidisciplinary team of medical professionals strived to make sure treatment continued despite the pandemic, resulting in no delays in surgery or appointments, and minimal impact on care through ongoing clinical trials. That required nimble implementation of telehealth, with the new Hope Virtual platform, and stringent measures to avoid transmission on campus and in clinics. Not to mention a lot of hard work.

When newly established coronavirus screening stations required staff, nurses and medical assistants, a number of units volunteered for months-long stints at testing locations. That willingness to step outside of one’s comfort zone for the greater good was widespread.

“The heroism was not just those who worked 18 hours a day — which so many people did,” Trisal said. “It was also important that our colleagues put themselves in a place of discomfort and uncertainty, stepping up to do something they weren’t trained to do. And they performed exceptionally well.”





WE ARE ACCELERATING DISCOVERY

We are translating science into practical benefit for patients as fast as possible.

Surrounding City of Hope's expansive core of world-renowned physicians is a robust research and development enterprise, an overarching institution-spanning system that is tailor-made to accelerate innovations from the lab to patients.

Success requires a convergence of key components strategically aligned to break through bottlenecks, increase speed and meet patients' needs.

One recent example draws upon 20-plus years of leadership in advancing CAR T cell therapy. In a March 2020 Science Translational Medicine paper, molecular biologist Christine Brown, Ph.D., The Heritage Provider Network Professor in Immunotherapy, and neuroscientist Michael Barish, Ph.D., reported promising lab results for an entirely new strategy for programming CAR T cells. The team augmented the T cell with a peptide sequence from chlorotoxin (CLTX), a component of scorpion venom that has an affinity for brain cancer cells.

More broadly, City of Hope researchers continue to advance dozens of drugs covered by active investigational new drug (IND) designation. Many of these INDs are for CAR T cell therapies, as well as the development of CAR natural killer cells — a group of innate immune cells — to treat glioblastoma and other cancers.

INFRASTRUCTURE

Having infrastructure in place is critical to driving innovation. Three on-site facilities can produce any of the therapies that scientists can envision for use in clinical trials. And more than 20 core labs offer additional expertise and equipment that are essential to this translational continuum, from gene editing to structural biology to analytical pharmacology. With these capabilities close at hand, investigators are better equipped to advance their ideas with speed.

INTEGRATION

In the City of Hope model, an innovative discovery might be spun out into a startup company or licensed

to an existing biopharmaceutical company. The ultimate goal is speeding new discoveries to patients by fast-tracking commercialization of potentially life-changing new therapies.

In June 2020, a novel gene therapy for B cell lymphoma, CpG-STAT3siRNA, developed by immunologists Hua Yu, Ph.D., the Billy and Audrey L. Wilder Professor in Tumor Immunotherapy, and Marcin Kortylewski, Ph.D., was licensed to Scopus BioPharma. This May, the Food and Drug Administration (FDA) approved an IND application for the therapy, the first step toward human clinical trials.

INVESTMENT

Philanthropy can play a crucial role in driving this translational science. For example, research dedicated to the development of CpG-STAT3siRNA received funding through the Toni Stephenson Lymphoma Center at City of Hope. Grants from the Ben and Catherine Ivy Foundation and Gateway for Cancer Research helped further studies of CLTX-CAR, and the Marcus Foundation supports CLTX-CAR clinical trials.

INTENTION

Finally, there is an intangible that breathes life into these research and development efforts: an unwavering institutional commitment to turn science into practical benefit. City of Hope faculty, staff and supporters embrace that mission because we see moving research rapidly to help patients as an integral component of compassionate care. Across the institution, researchers are focused on developing drugs that receive FDA approval and reach the market to improve patient lives. In this way, City of Hope's entrepreneurial spirit is an outgrowth of its humanitarian roots, which date back more than a century.

When it comes to cancer, patients need solutions today. With time of the essence, City of Hope's engine of innovation hastens effective treatments and cures, transforming the future of cancer care.





WE ARE GROWING

We are reinventing the future of treatment for cancer and diabetes

City of Hope is establishing a national model for transforming the delivery of cancer care by bringing highly specialized cancer care and scientific research directly to where people live, both locally and nationally.

Despite the pandemic, the institution's Orange County expansion continued apace, where City of Hope is investing \$1 billion to build a cancer campus of the future and network of advanced cancer care.

Since City of Hope announced its expansion into Orange County in 2018, it opened the region's first community practice site in Newport Beach in January 2020 and is on track for a 2022 opening of City of Hope Orange County's comprehensive cancer center. Construction is also underway on two other major projects: building what will be the county's only cancer-specialty hospital, which is expected to open its doors in 2025, and additional community practice sites in the new regional network of cancer care.

Our initial 73,000-square-foot outpatient cancer center has grown into a vision unlike any of its kind in the nation: building an entire regional network of care and an 11-acre cancer campus of the future that will be home to the 190,000-square-foot cancer care center and a specialty cancer hospital. The regional network will bring many of City of Hope's core services and capabilities on the Duarte campus closer to home for Orange County's residents and its surrounding communities, increasing City of Hope's geographical reach all the way to the San Diego County border.

Orange County is just one of our ambitious growth projects. As part of our Campus Plan for the main campus in Duarte, we're expanding hope with the opening of the Medical and Administrative Leadership Pavilion and the Outpatient Imaging Center, along with ongoing construction of several other projects, including the new Hope Village — a five-story, 150-room hospitality and wellness hotel — and a new multistory patient parking structure.

Importantly, one of the guiding principles of the Campus Plan expansion is that the design of our new buildings and open spaces will contribute to the healing of patients by creating strong relationships with nature. In addition to new state-of-the-art facilities, the plan has a strong focus on sustainability and being environmentally friendly, and will feature landscaped walkways and several new green spaces.

To extend the reach of our care even further, in October 2020 City of Hope launched AccessHope™, a subsidiary dedicated to serving employers and their employees by providing access to City of Hope's exceptional cancer expertise. Instead of requiring patients to travel to City of Hope, AccessHope exports leading-edge insights from National Cancer Institute-level subspecialists to employees, family members and their treating oncologists — wherever they are located — to improve clinical outcomes and quality of life, and to optimize cancer care.

Throughout these expansions, both close to home and far away, a sense of pride and passion for our history and mission has remained abundant in these new outposts of City of Hope's enterprise. The initiatives continue to be a bright spot in a year filled with crises and sweeping changes.



Hope Village rendering





THERE'S NO
PROFIT IN CURING
THE BODY IF
IN THE PROCESS
WE DESTROY
THE SOUL

WE ARE PARTNERS

City of Hope is sought out by other visionary organizations and individuals who are dedicated to transforming health care.

City of Hope is sought out by other visionary organizations and individuals who are dedicated to transforming health care. These partnerships are made possible thanks to our reputation for trailblazing research, as well as our unique on-site development capabilities.

At City of Hope, more than 1,000 researchers pursue a variety of creative approaches, with areas of excellence including the development of biologics, small-molecule drugs and cellular therapies. These efforts have generated more than 450 patent families, with many more on the horizon.

Three on-site facilities can produce any type of therapy that scientists can envision for use in clinical trials. And more than 20 core labs offer additional expertise and equipment that are essential to this translational continuum, from gene editing to structural biology to analytical pharmacology.

Beyond the traditional research capabilities, our scientists further benefit from expertise rarely seen in an academic setting: experienced drug development experts who work hand-in-hand with researchers, along with a regulatory affairs team that helps navigate the regulatory process.

A scientific discovery could be licensed to an existing organization or even spun into an entirely new company. Regardless of the outcome, the goal is to speed lifesaving discoveries to our patients as quickly as possible.

Those seeking guidance from and collaboration with City of Hope range from biotech firms to academic institutions to medical facilities to health care workers, both near and far.

Mustang Bio Inc., for example, has a broad partnership with City of Hope that includes exclusive licenses to five clinical-stage CAR T programs. In September

2020, City of Hope also entered into a licensing agreement with Australian biotechnology company Chimeric Therapeutics Limited to develop its pioneering chlorotoxin CAR T cell therapy, the first CAR T cell therapy using CLTX, a component of scorpion venom, to direct T cells to target brain tumor cells.

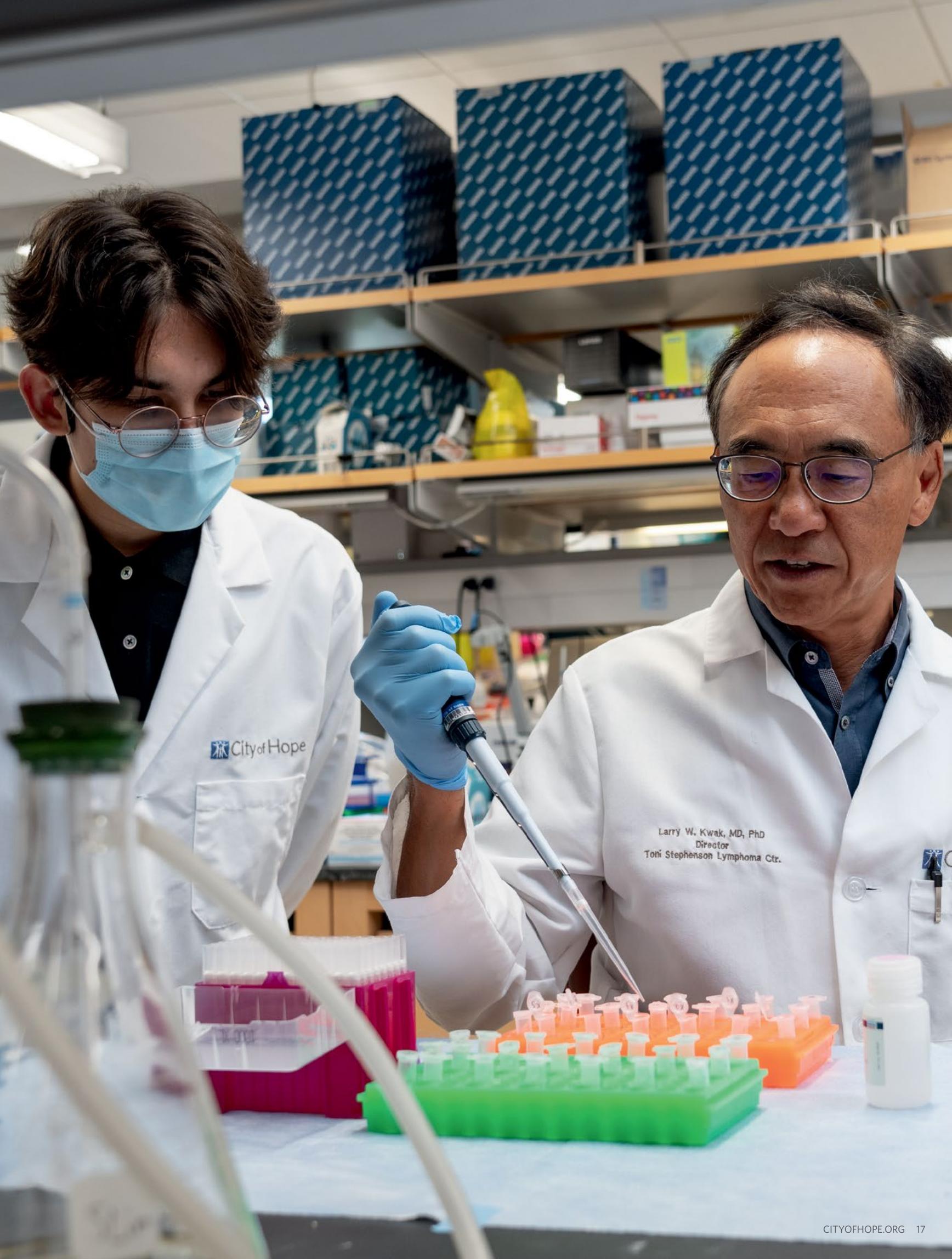
In June 2020, City of Hope signed a licensing agreement with Scopus BioPharma Inc. to develop a novel, targeted, immune-oncology gene therapy. The STAT3 inhibitor will be used in clinical trials for B cell lymphoma patients, with the hope that it proves safe and effective.

Finally, in an exceptionally important collaboration, the End-of-Life Nursing Education Consortium (ELNEC) project ended 2020 by surpassing a goal established 20 years ago, with the project reporting that more than 1 million nurses and other professionals worldwide have been trained using the ELNEC palliative-care curriculum. Administered through a partnership between the American Association of Colleges of Nursing and City of Hope, the training project has now expanded to more than 100 countries.

In 2020, the ELNEC project moved quickly to meet the educational needs of nurses and nurse educators in response to the COVID-19 pandemic, moving much of the curriculum online. As nurses caring for patients with COVID-19 faced critical needs for additional training in symptom management, communication skills, family support and bereavement care, as well as self-care, the program moved swiftly to provide this education.

These are just a few of many examples of collaborative partnerships undertaken in the last year. Working closely and nimbly with other like-minded organizations around the globe, even in the midst of a pandemic, City of Hope continued to come up with novel, life-changing therapies and, with the urgency of a pandemic driving us, sped them to patients faster than ever.





City of Hope

Larry W. Kwak, MD, PhD
Director
Toni Stephenson Lymphoma Ctr.

WE ARE AN EMPLOYER OF CHOICE

Here you'll find the best scientific, clinical, technical, executive and organizational minds on the planet.

In 2020, the safety of patients and the safety of our staff during the COVID-19 pandemic was our top priority. During this pivotal time, much of our workforce (more than 3,000 employees) nimbly adapted to working from home.

Private or group support sessions through telemedicine were provided to staff and physicians feeling the stress of these times. Virtual classes for exercise and managing stress were offered. Having meetings through Zoom and Microsoft Teams allowed employees to see each other, to virtually celebrate birthdays and anniversaries, and to recognize each other for a job well done.

City of Hope leadership quickly rolled out twice monthly all-staff Zoom meetings so that employees could receive regular updates about the virus, as well as employment resources and updates, plus plenty of encouragement and gratitude. This was certainly a time when relationships mattered, and the message was clear: "We are in this together!"

As our brilliant researchers began developing a unique COVID-19 vaccine, our campus pivoted to provide the best possible care to cancer patients who came down with the virus. Due to fast adaptation of even more stringent safety and hygiene protocols, the number of patients who were infected with COVID-19 was minimal, and we had zero cases of in-hospital transmission.

During this period, we nurtured a safe, caring environment for our patients, their families and our employees, and benefited from new ways of working together to further strengthen our enterprise. We were resilient, coming together to protect our patients, their families and each other. We created a nimble governance structure that gave authority for decision-

making with speed. We delivered factual, timely communication to keep our community engaged, informed and connected.

This time also afforded us the opportunity to be mindful about our diversity, equity and inclusion (DEI) efforts. The DE&I Governance Council held 13 listening sessions for our community to share their experiences and suggestions for change. These meetings led to a firm resolution to "infuse DEI into the DNA of City of Hope" and resulted in the hiring of City of Hope's new chief diversity, equity and inclusion officer, Angela L. Talton.

City of Hope seeks to build upon our desire that all staff feel valued, respected for their abilities and encouraged to grow. We invite all of our people to live authentically by bringing their full selves, talents, cultural backgrounds, skills and ideas to work every day. Our DEI commitment involves every one of us. Managers will be equipped with new recruitment strategies and metrics, as well as other programs and initiatives, to build awareness of the importance of DEI. All staff members will receive situational training as we infuse DEI into our daily consciousness.

We will continue to demonstrate our commitment to patients, their families and caregivers by reinforcing, recognizing and respecting their differences and preferences. Additionally, we will continue to build upon our community connections to provide education, research and best-in-class, comprehensive care.

"Continue to take care of yourselves, find joy in your work and be thankful for the people you work with," says president and CEO Robert Stone, the Helen and Morgan Chu Chief Executive Officer Distinguished Chair. "We are a community that comes together and serves others. That is very special."



NEW HOPE

EDWARD S. KIM, M.D., M.B.A.

Edward S. Kim, M.D., M.B.A., joined City of Hope in October 2020 as senior vice president and physician-in-chief of City of Hope Orange County. Kim also serves as physician-in-chief for City of Hope National Medical Center. He has been named a U.S. News & World Report "Top Doctor" for his expertise in molecular prognostication for lung, head and neck cancers. Kim received his medical degree from Northwestern University and a Master of Business Administration at the University of North Carolina at Chapel Hill.

ANGELA L. TALTON, M.B.A.

Angela L. Talton, M.B.A., joined City of Hope in January 2020 as senior vice president and chief diversity, equity and inclusion officer. Talton leads the development of a vision and strategy for advancing diversity, equity and inclusion. She received her Master of Business Administration from Northwestern University and her Bachelor of Science in business administration from the University of North Carolina at Chapel Hill.

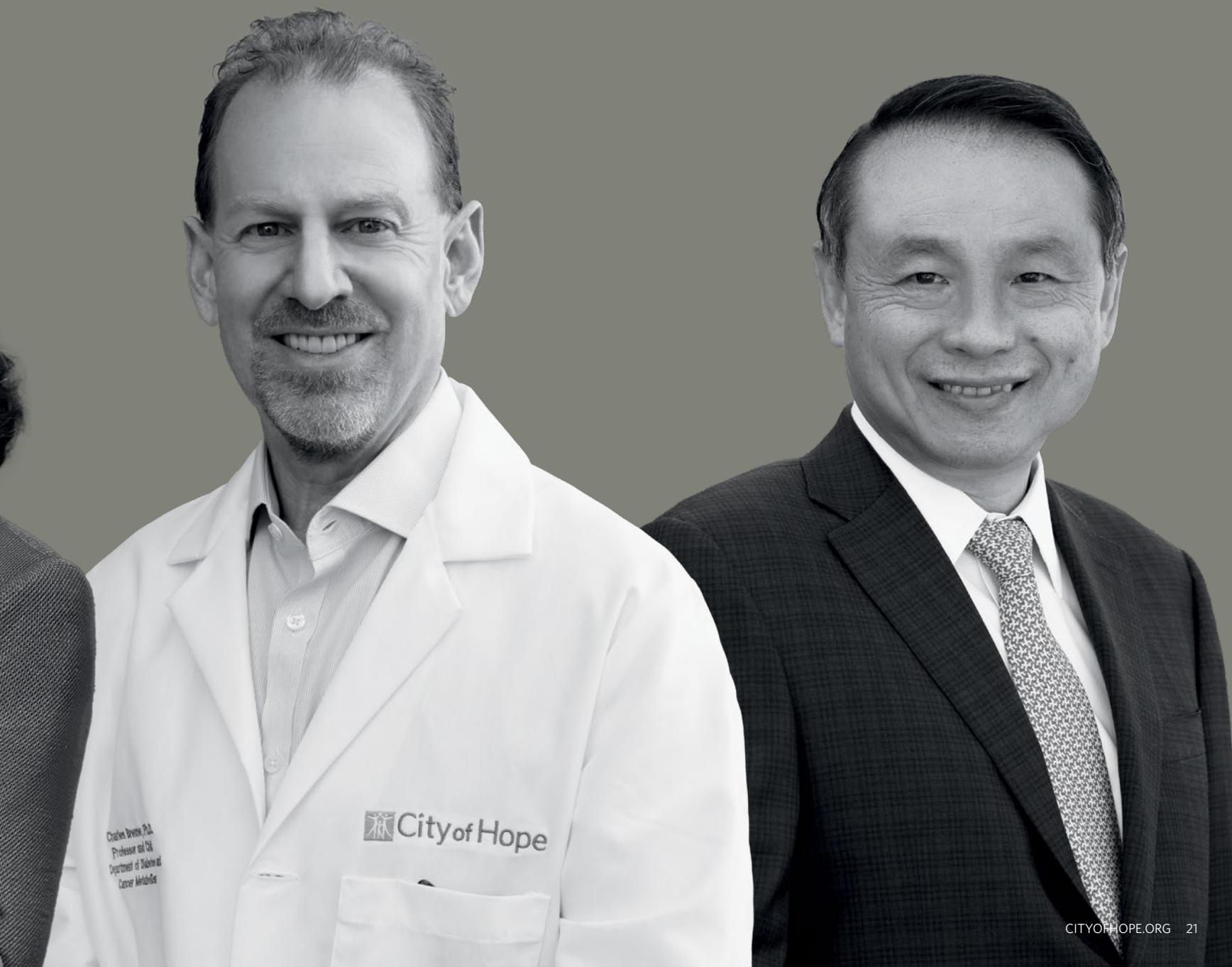


CHARLES BRENNER, PH.D.

Charles Brenner, Ph.D., joined City of Hope in August 2020 as professor and founding chair of the Department of Diabetes & Cancer Metabolism and the Alfred E. Mann Family Foundation Chair in Diabetes and Cancer Metabolism. He received his Ph.D. in cancer biology from Stanford University and was a postdoctoral fellow of the Leukemia Society.

PING H. WANG, M.D.

Ping H. Wang, M.D., joined City of Hope in September 2020 as professor and chair of the Department of Diabetes, Endocrinology & Metabolism. He received his medical degree from Kaohsiung Medical College in Taiwan and a master's degree in epidemiology from the Harvard School of Public Health. Wang received endocrinology fellowship training at Harvard Medical School and the Joslin Diabetes Center.



EVENTS

Celebrating with — and giving back to — our community is an important part of the City of Hope mission. Below are a few representative examples of the numerous events we hold on and off campus each year.

STILL 'WALKING' FOR HOPE

City of Hope staff and supporters united stronger than ever for last year's annual Walk for Hope, held virtually for the first time.

REAL TEARS AT VIRTUAL 44TH BMT REUNION

City of Hope's Joseph Montanez, 8, finally met his bone marrow donor, Vanessa Flores, during the virtual 44th Bone Marrow Transplant Reunion.

VACCINATING THE LOCAL COMMUNITY

City of Hope staff volunteered to administer over 4,000 COVID-19 vaccines at drive-thru clinics for local educators and other community members.

DINING IN FOR HEALTH JUSTICE

City of Hope's Health Justice Council hosted Dine In for Health Justice, a virtual event to raise awareness and funds for health care issues facing minority communities.

HHI SPIRIT OF LIFE®

The Hardware/Homebuilding Industry group held a virtual *Spirit of Life*® event, which honored Lowe's executive VP, Bill Boltz, and raised \$2.8 million.

STANDING UNITED

City of Hope physicians and staff gathered in silence for eight minutes and 46 seconds in remembrance and solidarity for George Floyd and so many others.

MAKE IT BLUE

City of Hope joined Make It Blue USA on May 21 to shine a light on those who are working tirelessly every day during the pandemic.

FEELING CARED FOR

Dozens of individuals and organizations have risen to the challenge of protecting City of Hope staff and patients with masks, face shields and other items.

MEMORIAL DAY HONOR

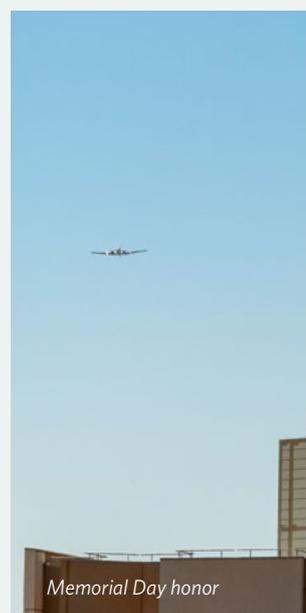
On Memorial Day, the D-Day Squadron flew over the Duarte, California, campus to salute our nation's military personnel and to honor City of Hope heroes.

BLEEDING FOR A CAUSE

City of Hope leaders rolled up their sleeves to donate blood for our patients during this critical time of need.



Walk for Hope



Memorial Day honor





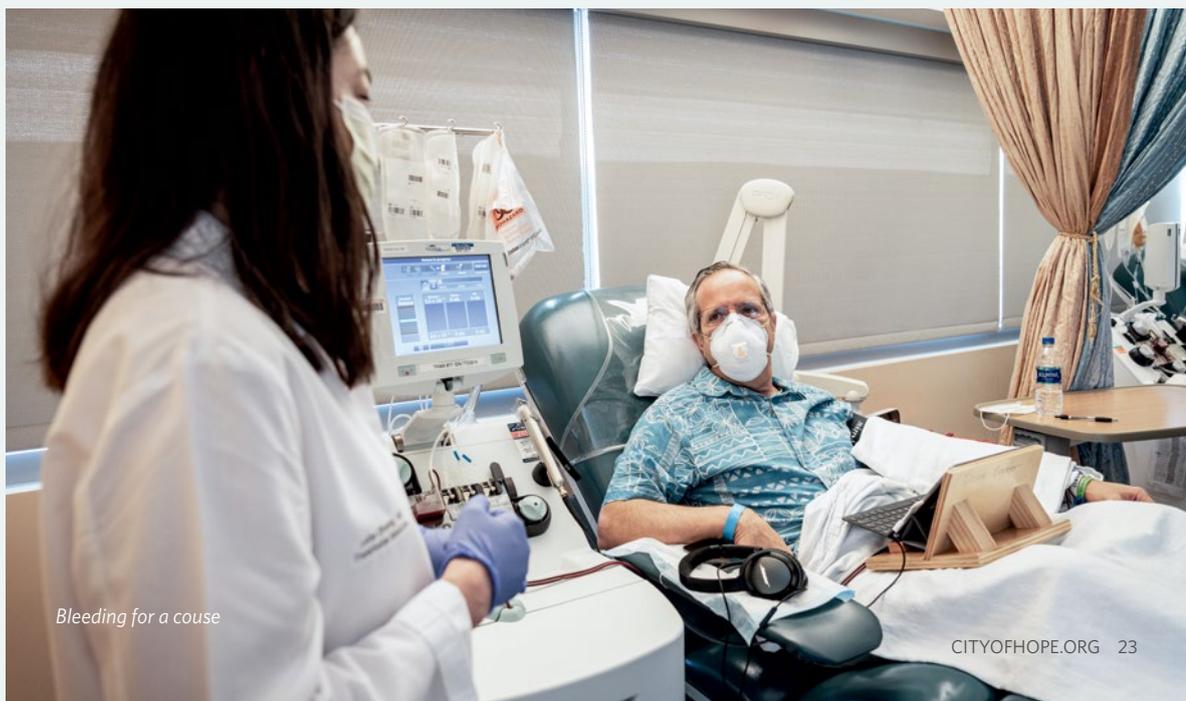
BMT Reunion



Standing United



Feeling cared for

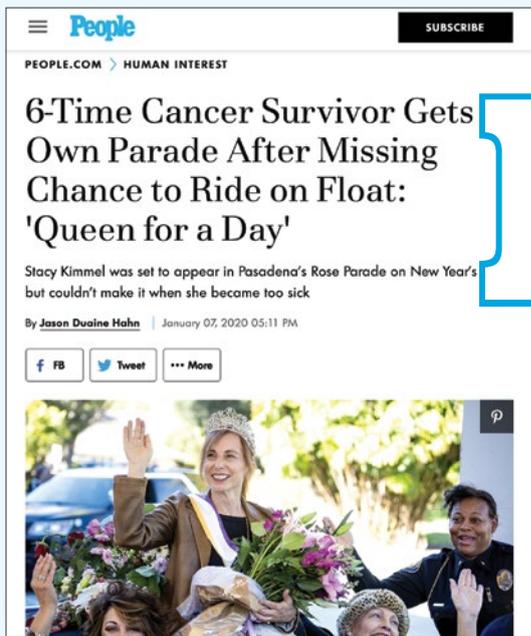
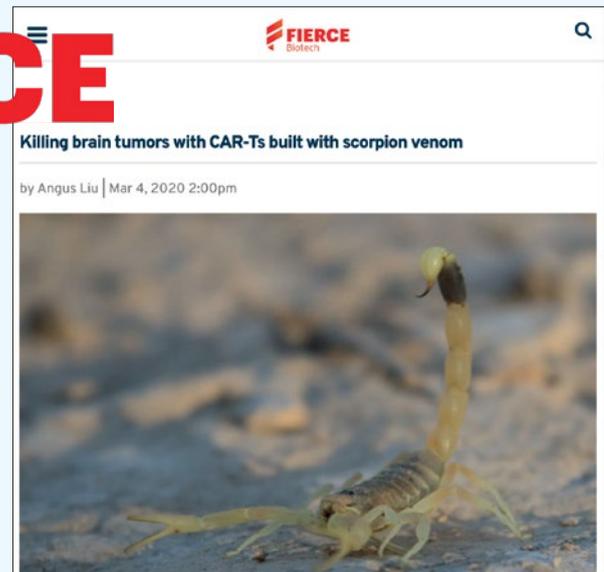


Bleeding for a cause

NEWS OF 2020



City of Hope researchers launched a Phase 1 clinical study to test the safety of chlorotoxin, a toxin found in scorpion venom, in glioblastoma patients.



People®

After illness prevented her from riding the City of Hope Rose Parade float, patient Stacey Kimmel gets the chance of a lifetime, being 'Queen for a Day.'

THE ORANGE COUNTY REGISTER

The Orange County Register featured news about a team of City of Hope researchers developing a vaccine to combat COVID-19.

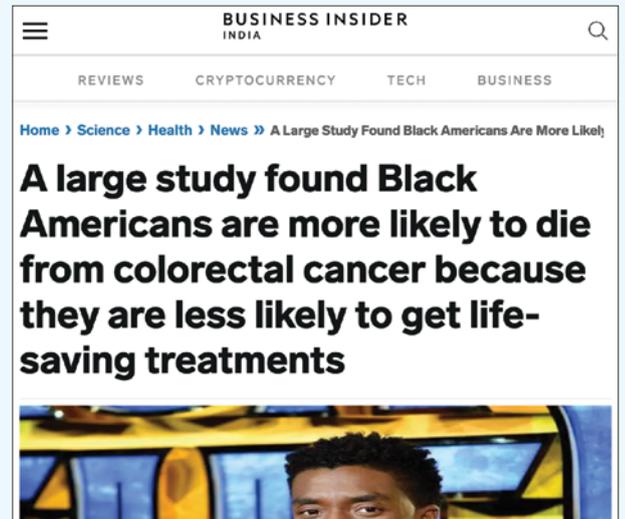




Mother and son, Leslie and Josh Seigel, shared their unique story of battling cancer together.

BUSINESS INSIDER

Business Insider India profiled data collected by City of Hope researchers that found health disparities among Black Americans and colorectal cancer.



The Washington Post

At the height of the coronavirus pandemic, The Washington Post highlighted expert commentary from William Dale, M.D., Ph.D., the Arthur M. Coppola Family Chair in Supportive Care Medicine, regarding the care of older adults.

PARTNERS IN HOPE

A LIFETIME OF GIVING

Jess and Lill Beim

National Business Products Industry (NBPI) group member Jess Beim and his wife Lill have been committed donors to City of Hope, continuing to lend their support as their office products business grew. "I was brought up that way," said Beim, who, with his wife, has established an estate gift to support early-stage clinical trials and translational research. Beim was awarded The *Spirit of Life*® Award in 1994 and has helped raise millions of dollars alongside his NBPI colleagues, including Irwin Helford, who became a close friend. After decades of advocating for City of Hope, Beim has no plans to stop. "It's a very special organization, and they do incredible work."

ANSWERING THE CALL

Giving Tuesday Now

Though Giving Tuesday traditionally falls in November, the early days of the pandemic inspired organizations around the world to identify a new, one-time, global day of giving called "Giving Tuesday Now" on May 5, 2020. Cancer doesn't stop for a crisis, and City of Hope donors responded to the call, contributing at all levels in support of uninterrupted care, treatment and clinical trials for cancer patients. The campaign raised \$75,000. In a remarkable demonstration of the collective impact of annual giving donors during a challenging year, total giving from this group for 2020 exceeded **\$13 million**.

AN OUTPOURING OF COMMUNITY SUPPORT

Industry Partners, Local Lions Chapters, Volunteers

In the face of challenges created by the coronavirus outbreak, City of Hope's community of donors and volunteers leapt into action with in-kind donations to protect patients and their caregivers. Personal protective equipment came from patients, local Lions chapters and industry partners. Apple, MGA Entertainment CEO Isaac Larian, Panda Express Co-Founders and Co-CEOs Peggy and Andrew Cherng, Smart & Final and Marron Foods were among the

donors. "We're grateful to have philanthropic partners who are profoundly sensitive to patients' needs and passionate about fulfilling them," said Vijay Trisal, M.D., chief medical officer and the Dr. Norman & Melinda Payson Professor in Medicine.

A GIFT OF HOPE: CITY OF HOPE ORANGE COUNTY

Lennar Foundation
Cancer Center

Lennar Foundation, the charitable arm of homebuilder Lennar Corporation, made a transformative gift of \$50 million in support of City of Hope's new comprehensive cancer campus and network of care in Orange County. With construction already underway, Lennar Foundation Cancer Center is set to open in Irvine in 2022. "City of Hope is a leader in the treatment of and race to find a cure for cancer," said Jon M. Jaffe, co-chief executive officer and co-president of Lennar Corporation. "It's gratifying to know that, with this gift, we will make a positive impact by expanding access to care and advancing the research that will treat, prevent and, ultimately, eliminate cancer."

PHILANTHROPIST AND PIONEER

Arthur Riggs, Ph.D.

Arthur Riggs, Ph.D., the Samuel Rahbar Chair in Diabetes & Drug Discovery, is renowned in biomedical circles for his breakthrough work developing the technology that led to the creation of the first synthetic human insulin. He and his team also developed recombinant DNA technology capable of producing humanized monoclonal antibodies that are the foundation of modern treatments for cancer, autoimmune diseases, blindness and a host of other diseases. What is less well known is that Riggs has quietly been donating nearly all of the wealth from his discoveries to support leading-edge research at City of Hope, and he is its single largest donor. The diabetes institute at City of Hope was recently renamed the Arthur Riggs Diabetes & Metabolism Research Institute in recognition of his many scientific and philanthropic contributions.

Arthur Riggs, Ph.D.

Jess and Lill Beim



Giving Tuesday
Now was
May 5, 2020.



San Gabriel Lions Club President Dr. Debby Pyng Jou (front, left), Covina Mayor Tony Wu (right) and volunteers



Jon M. Jaffe is co-chief executive officer and co-president of Lennar Corporation, CIA Advisory Council member and longtime friend to City of Hope.

THANK YOU
to our dedicated community of donors and volunteers for an outpouring of support during an unprecedented year.





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As City of Hope grows, globally renowned physicians and researchers join our ranks.

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SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30, 2020 AND 2019

amounts in thousands

	2020	2019
CURRENT ASSETS:		
Cash and cash equivalents	\$727,366	\$238,535
Investments	2,032,681	1,927,425
Self-insurance trust funds	4,367	3,418
Patient accounts receivable	257,368	235,989
Grants and other receivables	156,163	158,176
Donor restricted unconditional promises to give, net	47,151	24,449
Prepaid and other	67,263	47,151
Total current assets	3,292,765	2,635,143
PROPERTY AND EQUIPMENT, NET	1,149,403	977,718
Right-of-use finance lease assets	56,890	—
Right-of-use operating lease assets	109,818	—
OTHER ASSETS:		
Investments held for long-term purposes	39,528	237,564
Board designated assets	957,138	895,110
Bond trust funds	350,481	380,242
With donor restrictions:		
Investments	572,734	557,136
Unconditional promises to give, net	67,891	45,587
Contributions receivable from annuity and split-interest agreements, net	15,128	15,716
Other	3,477	3,565
Intangible assets	9,548	10,038
Goodwill	47,254	53,160
Other long-term assets	63,233	58,657
Total other assets	2,126,412	2,256,775
TOTAL ASSETS	\$6,735,288	\$5,869,636
CURRENT LIABILITIES:		
Accounts payable and other accrued liabilities	\$224,419	\$198,081
Accrued salaries, wages and employee benefits	161,502	107,833
Long-term debt, current portion	7,240	13,492
Right-of-use finance leases, current portion	7,243	—
Right-of-use operating leases, current portion	14,066	—
Line of credit	450,000	—
Due to third-party payors	6,143	25,675
Contract liabilities	114,349	28,781
Total current liabilities	984,962	373,862
LONG-TERM DEBT, net of current portion	1,300,714	1,373,657
Right-of-use finance leases, net of current portion	57,375	—
Right-of-use finance leases, net of current portion	104,892	—
ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS	19,849	19,068
Deferred rent	—	5,904
Interest rate swaps	30,379	19,489
Other	56,095	57,113
Total liabilities	2,554,266	1,849,093
NET ASSETS:		
Without donor restrictions:		
Controlling interests	3,465,438	3,363,779
Noncontrolling interest	30,584	32,298
With donor restrictions	685,000	624,466
Total net assets	4,181,022	4,020,543
TOTAL LIABILITIES AND NET ASSETS	\$6,735,288	\$5,869,636

SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED SEPTEMBER 30, 2020

amounts in thousands

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT:			
Net patient service revenues	\$1,707,268	—	\$1,707,268
Research grants, contracts and clinical trials	170,549	—	170,549
Contributions	47,589	148,811	196,400
Investment income	60,473	11,355	71,828
Net unrealized loss on investments	108,664	10,131	118,795
Royalty and licensing revenue	165,523	—	165,523
Other revenue	87,072	78	87,150
Total revenues and gains	2,347,138	170,375	2,517,513
Net assets released from restrictions	108,250	(108,250)	—
TOTAL REVENUES, GAINS AND OTHER SUPPORT	2,455,388	62,125	2,517,513
EXPENSES:			
Salaries, wages and employee benefits	939,720	—	939,720
Purchased services and professional fees	501,803	—	501,803
Supplies and pharmaceuticals	536,916	—	536,916
Royalty sharing	51,417	—	51,417
Interest, including changes in fair value of swap agreements	52,463	—	52,463
Depreciation and amortization	143,146	—	143,146
Hospital provider fee	31,442	—	31,442
Other expense	98,536	1,591	100,127
TOTAL EXPENSES	2,355,443	1,591	2,357,034
Excess of revenues, gains and other support over expenses	99,945	60,534	160,479
Changes in net assets	99,945	60,534	60,534
NET ASSETS, BEGINNING OF YEAR	3,396,077	624,466	4,020,543
NET ASSETS, END OF YEAR	3,496,022	685,000	4,181,022

SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED SEPTEMBER 30, 2019

amounts in thousands

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT:			
Net patient service revenues	\$1,555,575	—	\$1,555,575
Research grants, contracts and clinical trials	169,314	—	169,314
Contributions	59,250	92,178	151,428
Investment income	206,678	33,324	240,002
Net unrealized loss on investments	(136,280)	(14,190)	(150,470)
Royalty and licensing revenue	384,514	—	384,514
Other revenue	56,458	79	56,537
Total revenues and gains	2,295,509	111,391	2,406,900
Net assets released from restrictions	79,237	(79,237)	—
TOTAL REVENUES, GAINS AND OTHER SUPPORT	2,374,746	32,154	2,406,900
EXPENSES:			
Salaries, wages and employee benefits	826,095	—	826,095
Purchased services and professional fees	465,792	—	465,792
Supplies and pharmaceuticals	514,663	—	514,663
Royalty sharing	118,445	—	118,445
Interest, including changes in fair value of swap agreements	59,888	—	59,888
Depreciation and amortization	140,306	—	140,306
Hospital provider fee	15,735	—	15,735
Other expense	85,158	620	85,778
TOTAL EXPENSES	2,226,082	620	2,226,702
Excess of revenues, gains and other support over expenses	148,664	31,534	180,198
Distribution to noncontrolling interest	(2,037)	—	(2,037)
Cumulative changes in net assets from adoption of new accounting standards	87,144	—	87,144
Changes in net assets	233,771	31,534	265,305
NET ASSETS, BEGINNING OF YEAR	3,162,306	592,932	3,755,238
NET ASSETS, END OF YEAR	3,396,077	624,466	4,020,543

SELECTED FINANCIALS

CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

amounts in thousands

	<u>2020</u>	<u>2019</u>
Operating Activities:		
Changes in net assets	\$160,479	\$265,305
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation and amortization	136,880	133,900
Amortization of goodwill and other intangibles	6,266	6,406
Amortization of bond cost, discount and premium	(2,988)	(1,604)
Amortization of right-of-use operating lease assets	11,779	—
Contributed capital, noncontrolling interest	—	(34,911)
Distribution to noncontrolling interest	—	2,037
Provision for bad debt	—	8,481
Net unrealized gain (loss) on investments	(118,795)	150,470
Change in fair value of interest rate swaps	10,890	12,940
Contribution proceeds restricted for endowment	(4,937)	(13,430)
Other	112	96
Changes in assets and liabilities:		
Patient accounts receivable	(21,379)	2,395
Grants and other receivables	2,013	(62,195)
Unconditional promises to give, net	(45,412)	9,281
Contributions receivable from annuity and split-interest agreements	588	(2,534)
Other assets	(23,450)	(13,670)
Accounts payable and accrued liabilities	17,489	40,513
Accrued salaries, wages and employee benefits	53,669	20,361
Annuity and split-interest agreement obligations	781	(1,396)
Operating lease liabilities	(12,442)	—
Other liabilities	70,246	30,040
Net cash provided by operating activities before net sales (purchases) of trading investments	241,789	578,915
Net sales (purchases) of trading investments	250,838	(927,039)
Net cash provided by (used in) operating activities	492,627	(348,124)
INVESTING ACTIVITIES:		
Increase in notes receivable	(1,023)	(150)
Additions to property and equipment	(356,715)	(180,919)
Proceeds from sale of contributed real property held for sale	—	407
Net (purchases) sales of alternative investments	(61,116)	28,263
Net cash used in investing activities	(418,854)	(152,399)
FINANCING ACTIVITIES:		
Proceeds from line of credit	\$498,875	\$ —
Repayments of line of credit	(48,875)	—
Proceeds from long-term debt borrowing, net	2,500	382,660
Principal payments on long-term debt	(7,484)	(13,740)
Principal payments on finance leases	(7,934)	—
Bond issuance costs	—	(1,305)
Distribution to noncontrolling interest	—	(2,037)
Contribution proceeds restricted for endowment	4,937	13,430
Net cash provided by financing activities	442,019	379,008
Net increase (decrease) in cash, cash equivalents and restricted cash	515,792	(121,515)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	256,056	377,571
CASH AND CASH EQUIVALENTS, END OF YEAR	771,848	256,056
Supplemental disclosure of cash flow information		
Interest paid during the year (net of capitalized interest)	41,731	46,324
Supplemental disclosure of noncash activity		
Capital lease obligation	—	4,278
Additions to property and equipment included in accounts payable and accrued liabilities	34,781	25,932



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