



OUR INTEGRATED REPORT

By harnessing the power of our purpose to lead and motivate our people, we have embraced complexities and navigated through challenges, steadfast in delivering on our strategic priorities.

While we have made significant progress, we recognise the importance of returning to our roots and reinforcing the foundation of SANBS.

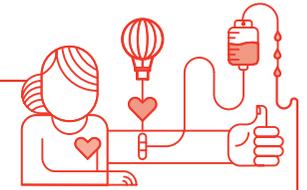
This introspective approach is allowing us to uncover opportunities to streamline operations, enhance efficiency, cut costs, boost productivity, and foster greater collaboration among teams. By addressing these core processes, we can establish a solid and sustainable business for the future, ensuring enduring value for SANBS and all stakeholders.

Trusted to
save

lives



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 See our AFS on the SANBS website

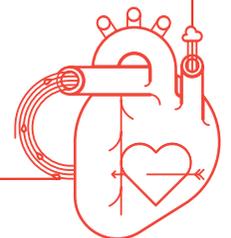
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INTRODUCTION

OUR PURPOSE, VISION, MISSION, VALUES AND MANDATE

A strong foundation is vital for long-term success, equipping SANBS to weather future challenges and uncertainties. In embracing the "back to basics" approach, we are reaffirming our commitment to excellence and sustainability, ensuring that our purpose-driven organisation continues to save lives and make a lasting impact on the communities we serve.



OUR PURPOSE

Trusted to SAVE lives



OUR VISION

To be the cornerstone of healthcare services in South Africa, through the gift of life



OUR MISSION

To reliably provide trusted blood products and services to all patients at a world class level of cost and quality while innovating new treatments to enhance human healthcare



OUR CORE VALUES



The Thread that unites us...



Transparency

We share information in a honest transparent manner



Honesty

We do the right things always. We do what we say we will do



Respect

We treat everyone fairly and with respect regardless of gender, race, sexual orientation or social status



Excellence

We have committed to be best, and we deliver the best blood transfusion services and products



Accountability

We take ownership of our work and promptly correct mistakes to the greatest extent possible



Diversity

We embrace diversity at our workplace which is richly diverse and multi-cultural



OUR MANDATE

SANBS is a non-profit company, registered in terms of the Companies Act, 71 of 2008, and governed by, among others, the Non-Profit Organisations Act, 71 of 1997 and the National Health Act, 61 of 2003. The legal mandate of SANBS is to provide blood transfusion and related services





INTEGRATED REPORT THEME

Rebuilding our foundation: strengthening SANBS for the future



A single pint can save 3 *lives*

In a constantly changing business landscape, companies face an array of competing pressures, balancing short-term demands with long-term goals. At SANBS, we draw inspiration from our five-year **iHEALTH** strategy, which keeps us focused in fulfilling our mandate.

The **iHEALTH** strategy, in place from 2019 to 2024 and extended to 2025, embodies our purpose and materialises through strategic projects and initiatives that permeate every aspect of our operations. These initiatives are key to achieving our seven strategic pillars (known as **iHEALTH**) and, ultimately, living up to our purpose of being trusted to save lives.

Our journey towards ambitious goals has demanded focus and effort. By harnessing the power of our purpose to lead and motivate our people, we have embraced complexities and navigated through challenges, steadfast in delivering on our strategic priorities.

While we have made significant progress, acknowledging the obstacles posed by a challenging external operating environment and delays in the Blood Establishment Computer System (BECS) project, we recognise the importance of discipline, effectiveness and efficiency thereby reinforcing the foundations of SANBS. This introspective approach has uncovered opportunities to streamline operations, enhance efficiency, cut costs, boost productivity, and foster greater collaboration among teams. By addressing these core processes, we can establish a solid and sustainable business for the future, ensuring enduring value for SANBS and all stakeholders. A strong foundation is vital for long-term success, equipping SANBS to weather future challenges and uncertainties.

In embracing the "back to basics" approach, we are reaffirming our commitment to excellence and sustainability, ensuring that our purpose-driven organisation continues to save lives and make a lasting impact on the communities we serve.





ABOUT OUR REPORT

Scope and Reporting Boundary

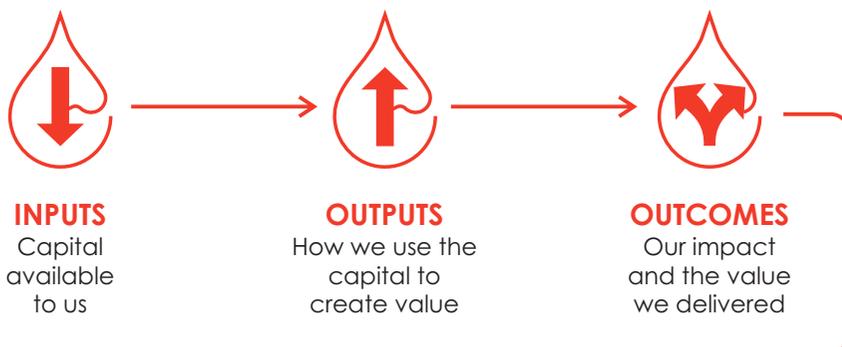
This report is prepared in accordance with the Integrated Reporting Framework of The International Financial Reporting Standards Foundation and provides our stakeholders with a concise and transparent assessment of our ability to achieve our mandate and create sustainable value.

Our integrated report provides our stakeholders (including our employees, regulators and society) with a concise, material and transparent assessment of our governance, strategy and performance for the period 1 April 2022 to 31 March 2023.

Our Approach to Value Creation, Preservation and Erosion

Our integrated report is a demonstration of our value creation story. It aims to provide a balanced and accurate reflection of value creation, preservation and erosion in terms of our strategy, performance, risks, opportunities, trade-offs and future outlook in relation to material financial, economic, social and governance issues. This report primarily addresses how we create value over the short-, medium- and long-term, with a demonstration of the effects on the six capitals (i.e. outcomes) providing our stakeholders with a transparent and holistic view of our business operations.

We are a non-profit organisation mandated to provide blood transfusion and related services. To do this sustainably, we need to use and apply our inputs responsibly and create outputs and outcomes that matter.



Value creation, preservation and erosion are the consequences of how we apply and leverage our capitals as part of our strategy execution and are evident in how these capitals change over time.

Our value creation process is embedded in our purpose and described in our business model, and integrated into the way we think and make decisions.



VALUE CREATION

We create value by providing trusted blood products and services to the patients we serve at a world class level and innovating new treatments to enhance healthcare.



VALUE PRESERVATION

The Board and Management ensures value preservation by safeguarding stakeholders' interests and enhancing long-term value through responsible decision-making, taking into account the impact of operations on the environment and communities to maintain future stability.



VALUE EROSION

The Board and Management defend against damage to stakeholder value including value erosion, reduction and destruction by leveraging our capitals as part of our business model and strategy. Careful consideration is applied between the capitals we use and/or affect and the potential trade-offs because of our strategic decisions.

your *blood* saves lives





NAVIGATING THIS REPORT

Throughout our integrated report, you can use these icons to join the dots

OUR CAPITALS

Our relevance as a non-profit organisation mandated to provide blood transfusion and related services today and in the future, and our ability to sustain ourselves and create long-term value are interrelated and dependent on the forms of capitals.



Financial

Our pool of funds that is used to support our business and operational activities, including research and development



Manufactured

The way we are organised and the things that we do, including our infrastructure, our products, and the IT that lets us operate and create value



Human

Our culture and our people, their development and collective knowledge, skills and expertise, plus the delivery of innovative and life-saving products and services to save people's lives



Intellectual

Our brand value, research and development, capacity to innovate, reputation and strategic partnerships



Social and Relationship

Stakeholder relationships, including the communities in which we operate, because we recognise the critical role that blood banks play in sustaining a healthy society and functioning health system



Natural

Our impact on the planet through our operations and business activities

STAKEHOLDERS



Employees

The people we employ, our Board and the unions that represent our people



Donors

Anyone who donates blood, the donor structures including National Council, Zone Donor Committees and Branch Donor Committees



Regulators

National Department of Health, South African National Accreditation Systems (SANAS), South African Health Products Regulatory Authority (SAHPRA) and the ISO Standards



Medical fraternity including patients

Anyone who accesses our products or services, doctors, nurses and patients



Funders/Payers

Medical aid schemes, Regional Departments of Health, National Bioproducts Institute



Suppliers

Those from whom we buy goods and services

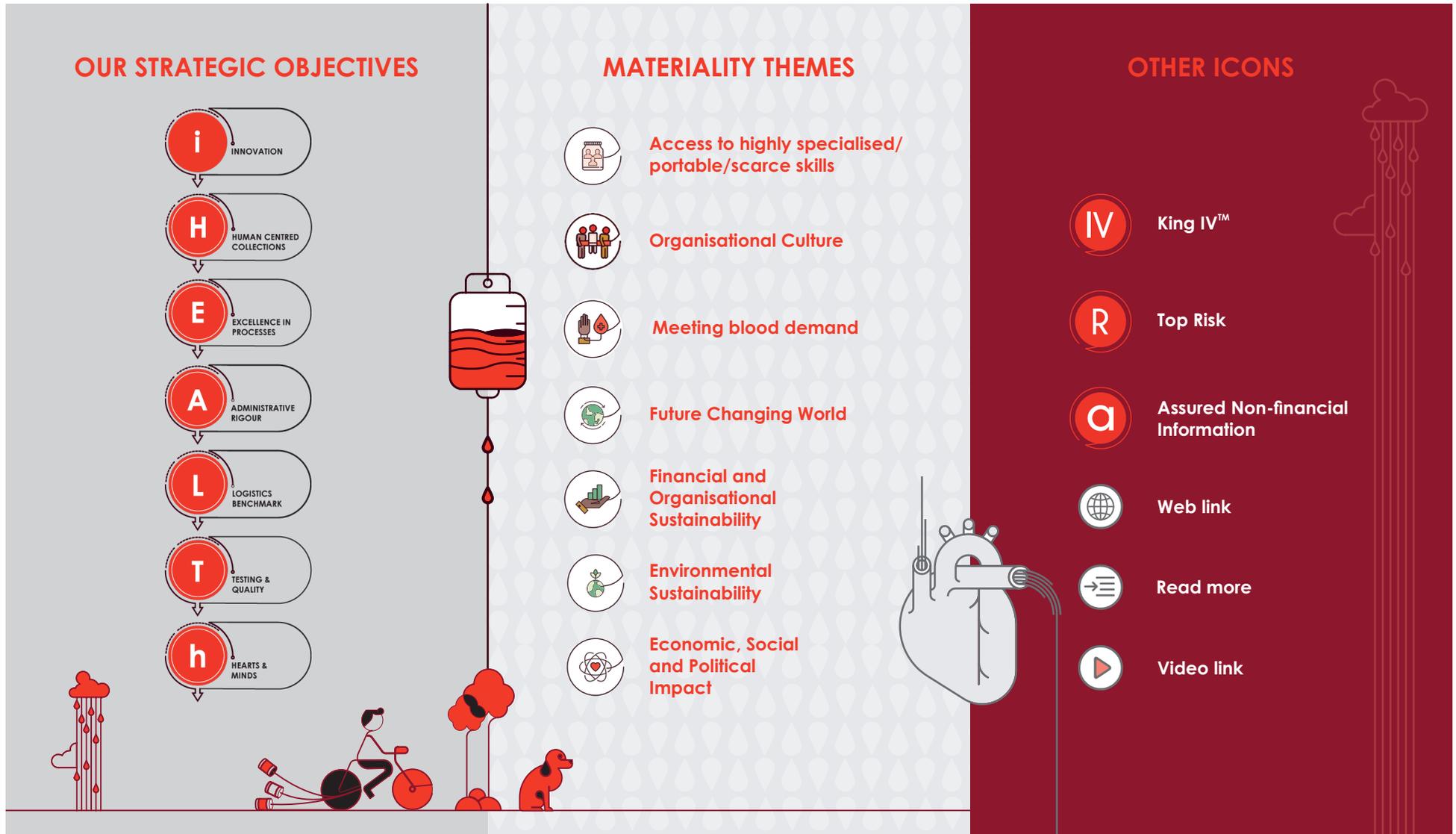


South African and International Blood Partners

Local and international health and transfusion medicine organisations (Western Cape Blood Service (WCBS), International Society for Blood Transfusion (ISBT), Association for the Advancement of Blood and Biotherapy (AABB), African Society for Blood Transfusion (AfsBT), South African Society for Blood Transfusion (SASBT)

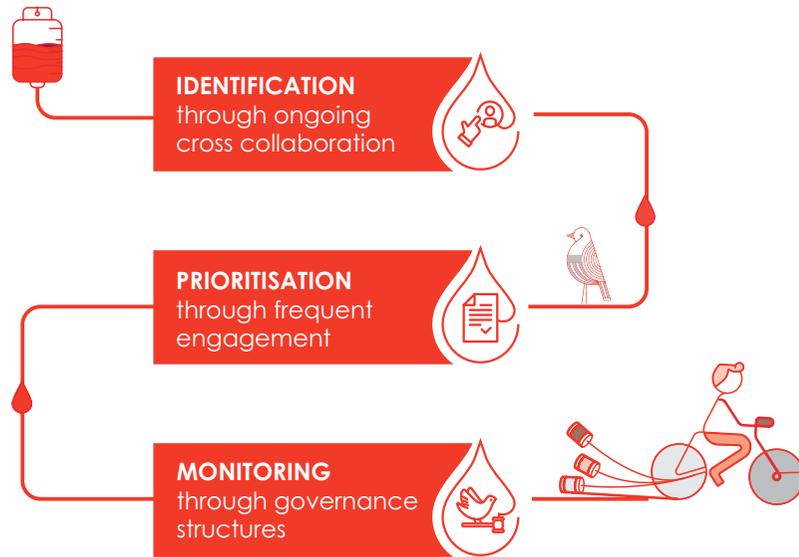
NAVIGATING THIS REPORT

Throughout our integrated report, you can use these icons to join the dots



Materiality and Material Matters

We apply the principle of materiality in assessing what information should be included in our integrated report through a structured process.



We identify the matters that significantly impact, or have the potential to significantly impact, our ability to deliver on our strategy and ensure sustainable value over the short-, medium- or long-term for our stakeholders.

Material events up to the date of approval have been included and should be read in conjunction with our full set of annual financial statements (AFS) for a comprehensive overview of our financial performance.

 See our AFS on the SANBS website

Reporting Frameworks, Process and Combined Assurance

Our integrated report is based on the principles contained in:

- The Integrated Reporting Framework
- Legal and regulatory requirements, such as the Companies Act, 2008
- The King IV™ Report on Corporate Governance™ for South Africa, 2016 (King IV™)

Internal Controls and Assurance

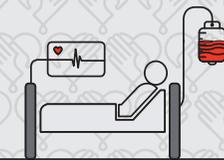
SANBS has adopted a combined assurance model that is risk-based and that covers strategy level risks and related material matters.

Accountability is clear within the lines of defence model, with assurance providers working together to provide coordinated assurance. It applies as follows to the assurance over the IR:

- To support the integrity and transparency underlying integrated reporting, the combined assurance (CA) model incorporates independent assurance by Internal Audit of non-financial metrics in addition to assurance on the integrity of the Annual Financial Statements.
- The external auditors undertake audits of the Annual Financial Statements.

Process to produce our integrated report

- The report preparation and presentation process is governed by our Board and led by the Executive Committee, with active participation by their direct reports. The Executive Committee meets weekly to discuss, review and provide input to produce the integrated report.
- Our 2023 integrated report is prepared from internal management reports, including our dashboard balanced scorecard reporting, minutes of Board and Executive Committee meetings and workshops.
- Once report drafts are reviewed and approved by the Executive Committee, these are tabled at the Audit Committee and finally approved by the Board.





Integrated Thinking

Integrated thinking helps us to expand the boundaries of our mindset, see ourselves as part of a larger system and consider the wider impact of our decisions, beyond short-term financial rewards.

SANBS embraces integrated thinking and with the enduring effects of the Covid-19 pandemic for a substantial part of the year under review, it is through our strong stakeholder relations, robust risk mitigation processes, strong governance, how we care for our employees, patients, donors and all stakeholders, ongoing effective, transparent communication and embracing opportunities for innovation, that we ensured that our business has remained resilient.

Forward-Looking Statements

This report contains certain forward-looking statements with respect to SANBS' financial position, results, operations and businesses. These statements and forecasts involve risk and uncertainty as they relate to events and depend on circumstances that occur in the future.

Outlook

Outlook information comprises challenges, opportunities and disruptive factors we have identified that have the potential to affect the achievement of our strategic objectives and our mitigating response as well as opportunities identified. Outlook information can be found throughout this report.

Board Responsibility and Approval

The Board of Directors, supported by the Audit Committee, is responsible for ensuring the integrity of the integrated report. In this regard, the Board places reliance on information provided and verified by the Chief Executive Officer and his Executive team. SNG Grant Thornton who undertakes SANBS' internal audits has done assurance work on a sample of material Key Performance Indicators (KPIs). No external assurance has been obtained on the content of this report other than the external audit procedures performed regarding the AFS and thus financial numbers, to the extent to which they are included in the integrated report, are validated.

We have taken reasonable steps to ensure processes are in place that ensure the integrity and credibility of the integrated report. In particular:

Systems, Procedures and Controls	Allocation of Responsibility	Oversight and Involvement
The systems, procedures and controls include structures and processes that ensure diversity of input and checks and balances, including the system of internal controls, and the use of credible sources for information, and are considered adequate and effective to ensure the completeness and accuracy of information.	There is an appropriate allocation of responsibility to ensure that the information reported on is based on the inputs, collation and review of subject matter experts, and the responsible Executives, with the Audit Committee having oversight over the process under the guidance and leadership of the CEO and CFO.	There has been adequate oversight and involvement of the governing body, and in particular, in respect of the approval of the preparation process, materiality determination process, setting the parameters for the boundary of the report, and final review and approval of the content by the governing body committee and governing body itself.

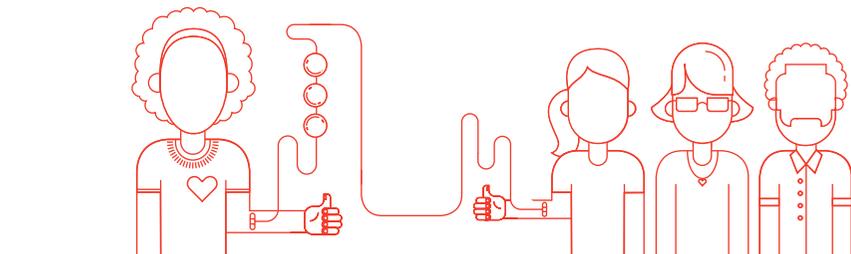
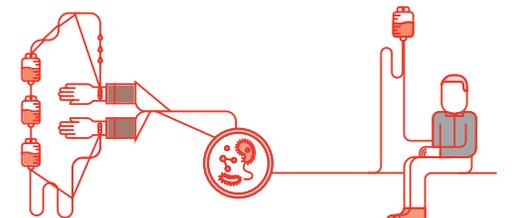
The Board, assisted by its committees, is ultimately responsible for overseeing the integrity of our integrated report and verifies that it has applied its collective mind in the preparation and presentation thereof.

The Board confirms that after a comprehensive review, it is satisfied that the content is accurate, complete and a fair reflection of SANBS' material matters, presented in accordance with the International Reporting Framework. The Board approved the 2023 annual Integrated Report on 10 October 2023. Any material events up to the Board approval of this report are also included.

Signed on behalf of the South African National Blood Service Board



Ansie Ramalho
CHAIRPERSON, BOARD OF DIRECTORS

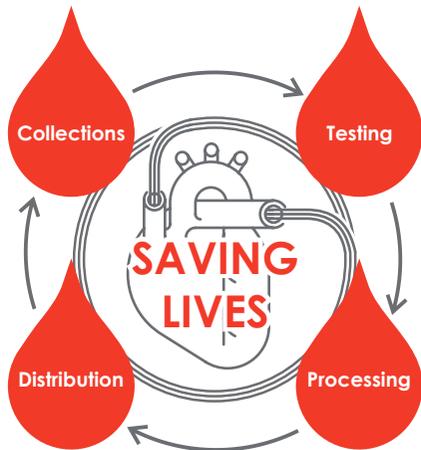




WHO WE ARE

The core of our mandate is to provide patients with sufficient, safe, quality blood products and medical services related to blood transfusion in an equitable, cost-effective manner.

We are a non-profit organisation that provides the delivery of safe blood to all the patients we serve. We manage the entire blood transfusion value chain.



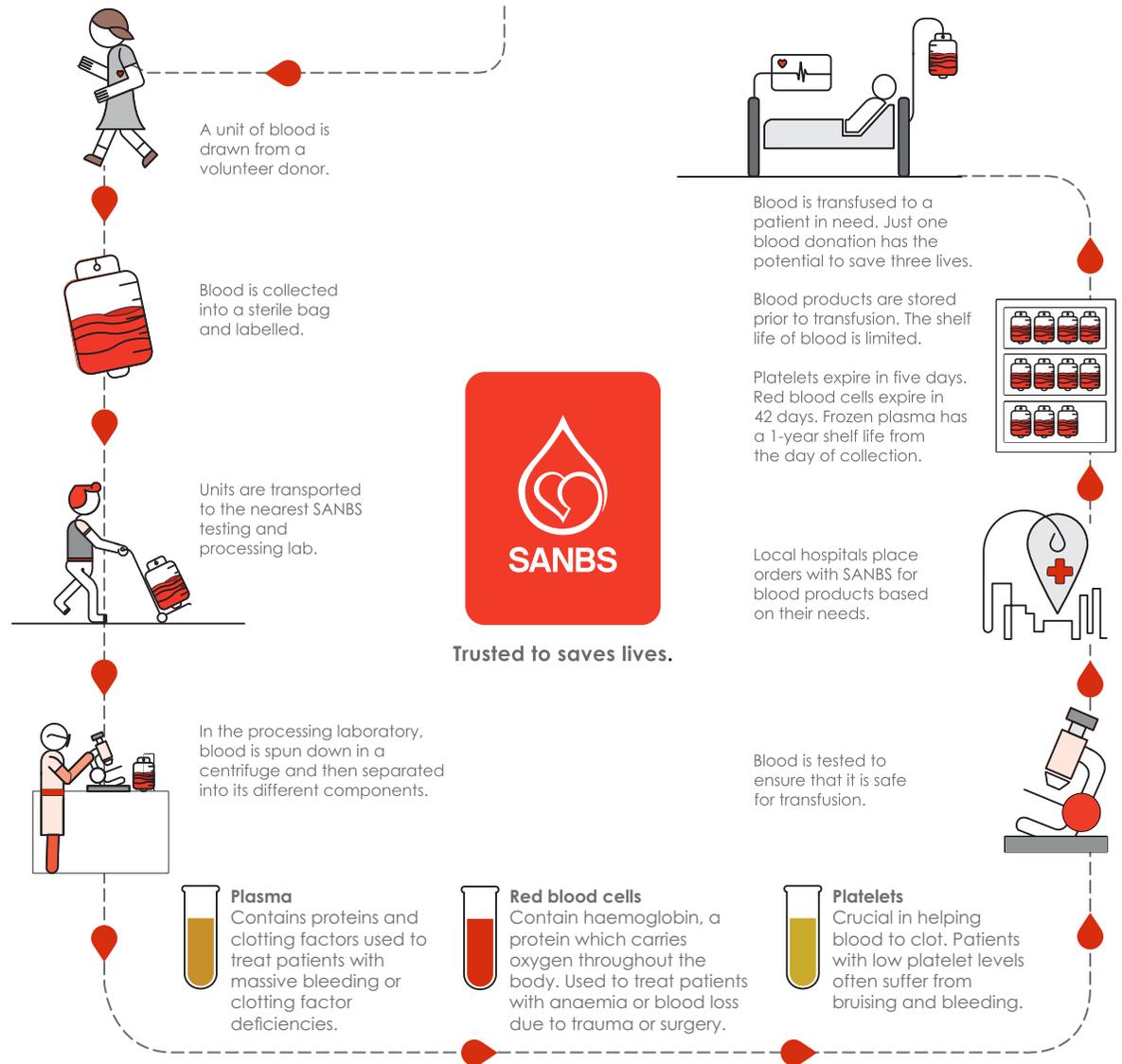
By using sophisticated processes and equipment, we ensure safety of all donated blood by testing:

- for transfusion-transmissible diseases
- blood grouping
- patient compatibility

We employ 2 776 (FY22: 2 612) people at 185 sites across South Africa (with the exception of the Western Cape where the Western Cape Blood Service operates).

We embrace operational innovation, efficiency and cutting-edge medical science and technology to maintain our leadership position. Over the past 85 years, SANBS has evolved to become a unified entity that provides a seamless service to its customers.

Journey of blood





SANBS @ A GLANCE

The Gift of Life

Thanks to the dedicated support of our donors, patients receive red blood cells, plasma or platelets: the gift of life.

The work we do as the South African National Blood Service (SANBS) is vitally important.



▶ Watch our recipients stories

🌐 See our 'GoodHood' campaign

▶ Read more about our 'GoodHood' campaign



Innovation is at the Heart of What We Do

It allows us to continuously renew the organisation and to take advantage of new opportunities.

With the help of technology it is becoming easier to customise the experience of each donor. Innovations such as smart fridges and eventually drone technology will create the ability to store and transport blood safely and efficiently, especially in rural areas.

→ Read more - Save lives with blood tech

→ Read more - More than just a blood-bank

Quality Healthcare

We are proud of our track record of delivery of quality, affordable healthcare to millions of people each year.

As a customer centric organisation, we care about the lives of those in need of blood products – from a new mother at childbirth or the little girl who has been in an accident, to the old man with anaemia or a burn victim in ICU.

🌐 Go to our Facebook page for more info

Your Blood Saves Lives

Blood is a precious resource that anyone can give to someone in need. With each donation of blood, our donors can save three lives.

▶ Meet our donors

🌐 300 donations and still going strong

▶ Blood saves lives

▶ How you can help

Expanding our Donor Pool



We are actively working on attracting younger and especially black donors to widen our active blood donor pool.

Through our donor centres across the country, we collect about 3 300 units of blood from South Africans every day. One of our goals is to increase the pool of active blood donors (currently <1% of the total population). In order to do this, it is important for us to dispel the myths about donating blood.

▶ Watch a first time blood donor

→ Read about the business of blood

The donor pool increased by 14% (FY22: 13%), a gain of 68 226 donors year-on-year. There was a significant 39 665 gain in young donors, aged 16 to 25 years, impacting favourably on the sustainability of the donor pool. The further positive impact on sustainability and potentially donor health was the additional 29 567 (increase of 28.7%) collections from new donors in FY23.

of black donors in the donor panel – 4.1 % of the donor base in 2005 to 46% of donor base in 2021, 39% in 2022 and 46.7% in 2023.

🌐 Is donating blood painful?

🌐 Schools get involved in donating



World-Class Products

Our blood transfusion and blood products are world-class.

We invest heavily in research and training to retain our standing as one of the world's leading blood transfusion service. We maintain the highest level of standards to ensure that we are measuring and monitoring the most appropriate processes that informs the safety of the blood supply.



100% ISO 15189 accreditation of our laboratories and Donor Centres and we will seek this ISO 9001 accreditation for our Support Services as well.



See our blood products

Our Stakeholders are a Priority

Our stakeholders help ensure the sustainability of our organisation which is why we prioritise them in our strategic intent and execution.



Read more about our stakeholders on page 50

Future-Proof

As an organisation we focus on what matters most: SAVING LIVES.

We are well prepared for the future and the donors, recipients, employees, companies and communities who support our cause have every reason to place their confidence in us.



Read more about our recipient stories

Promoting Health

New wellness programme promoting people's/donor's health.



Watch video on promoting health

Contributing to SDG's

SANBS is committed to supporting the following sustainable development goals (SDGs) through execution of our strategic priorities.

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

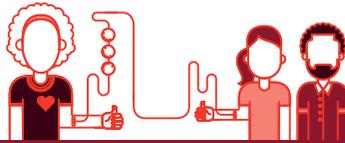
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



THE PEOPLE BEHIND THE BLOOD



Donor Stories



Royson Naidoo – Milestone Donor

Royson Naidoo has dedicated his life to donating blood and serving his community. His selflessness and unwavering dedication serve as a genuine source of inspiration. In 1981, he received a transfusion of two blood units, igniting his passion for blood donation. Since then, Royson has generously donated more than 130 units of blood, changing the lives of nearly 400 families.



Sibongeleni Hlongwane – Young Donor

Sibongeleni Hlongwane, a 23-year-old from Pietermaritzburg, began his journey of blood donation at 17 while attending school. His commitment to donating blood is his way of giving back to society. He encourages fellow young individuals to explore the meaningful act of blood donation and participate in community blood drives. #ThePeopleBehindTheBlood



Dirk van der Westhuizen – Milestone Donor

Dirk is an exceptional blood donor who began his blood donation journey in the 1970s and has made 280 life-saving donations since. Dirk's selflessness has kept the legacy of giving alive. He is one of the donors who continue to donate blood in their senior years, conveniently donating blood at a mobile clinic in his church in Bela-Bela, so he does not need to drive far.



Njabulo Mkhize – Platelet Donor

Njabulo initially began his blood donation journey as a whole blood donor but later transitioned to a dedicated platelet donor. With the blood type A+ (positive), he responded to the call to donate a specific blood product. Although he acknowledged that Apheresis donation involves a more protracted process compared to whole blood donation, his motivation stems from the profound impact his contributions have on improving and saving lives.



Sisanda Qwabe-Coutaud – Female Donor

Sisanda Nomusa Qwabe-Coutaud is a Journalist, Media Mogul, filmmaker, Legal Practitioner, and Mother of three. From a traditional Zulu family, blood donation was discouraged and viewed as a taboo cultural practice. In 2016, a life-threatening medical condition struck one of her family members and changed her perspective completely. This inspired her to use her platforms to educate people about the importance of blood donation.

Recipient Stories



Mosa Mphore

"I didn't know that it is possible to retrieve plasma from blood. I didn't even think plasma came from one's blood!"

In 2011, a young man, Mosa, was diagnosed with end-stage kidney failure. At 22, he started a dialysis treatment programme to support his non-functioning kidneys. A year and a half later, Mosa received incredible news that he had found a compatible donor. Given that kidney waiting lists can stretch up to five years, Mosa considered himself highly fortunate to receive a second lease on life in such a short time. In January 2021, Mosa's donated kidney entered the last rejection stage. He underwent Plasmapheresis treatment to stop his body from rejecting his kidney. Thanks to the generosity of blood donors, Mosa is doing well.



Maxine Stander

"I want to thank all donors for your selflessness. Your kind-hearted act has saved the lives of countless South Africans like myself."

Maxine Stander is a young woman with Factor XIII deficiency – an extremely rare inherited bleeding disorder, also known as the Fibrin Stabilising Factor, responsible for stabilising a clot when a person bleeds. Factor XIII deficiency is one of the rare coagulation factor deficiencies and is characterised by defective wound healing. Maxine was treated with an intravenous (IV) infusion of Fresh Frozen Plasma (FFP). She currently receives treatment at a local government hospital and has a scheduled check-up every three months. All bleeds are treated with prescribed medication, while major bleeds are first assessed, and if necessary, an IV of a unit or two of FFP is administered.



Lezhanne Hartwell – Mother

"I would like to thank all blood donors because of your generosity; you have contributed to saving our little girl's life."

Lezhanne Hartwell, mother to baby Hartwell, received blood from generous donors. Her 18-month-old baby girl was diagnosed with stage 4 Neuroblastoma in October 2020. The baby received a 200ml blood transfusion at the Donald Gordon Hospital only weeks later. She is a blood donor who is petrified of needles, but after her daughter needed blood, she realised there is good in giving a part of herself and has committed to donating blood often.



OUR BUSINESS

Reflections on the successes and challenges of the period under review.

CHAIRPERSON'S REPORT



“...sluggish economic growth and deteriorating energy, water, and sanitation infrastructure affect the overall health of the population, leading to a projected rise in blood demand. We appreciate each donor's invaluable gift of life, given without any expectation of reward.”

Ansie Ramalho
CHAIRPERSON, BOARD OF DIRECTORS

Operating Context

The South African environment is a difficult one marked by deteriorating social conditions, intensified load shedding, and potential water shortages. Like other organisations, SANBS has taken measures to prepare for contingencies and mitigate the effects of these risks.

As far as the health sector specifically is concerned, South Africa is grappling with a severe shortage of nurses. Although most hospitals in the country have their own nursing colleges, only designated universities are authorised to issue professional nursing qualifications. This scarcity of nurses in South Africa is expected to worsen should there be no intervention with a significant proportion of health workers estimated to retire by 2030. SANBS is particularly exposed to this risk, with 650 nursing and 140 phlebotomists positions within its workforce and 114 healthcare related vacancies.

The uncertainty surrounding the implementation of the National Health Insurance (NHI) is another matter that warrants consideration in our planning for the future. It will introduce new regulations and compliance requirements for healthcare providers but precise impact of NHI implementation on SANBS will hinge on the specific details including the funding thereof and implementation strategies that are adopted. Until the NHI regulations are issued it will be crucial for SANBS to closely monitor and navigate the uncertainty to ensure that we are able to keep fulfilling our vital role.

Meanwhile, the sluggish economic growth and deteriorating energy, water, and sanitation infrastructure affects the overall health of the population, leading to a projected rise in blood demand whilst simultaneously restricting the pool of potential blood donors. These unfavourable conditions are likely to be exacerbated by the impact of climate change on communities.

In addition, the national and provincial healthcare budgets are not nearly keeping pace with the increase in medical inflation. This together with the fact medical aids are also constraint in that members are opting for cheaper options means that SANBS may be faced with even more difficulty in collecting revenue for the delivery of blood products.

Operational Performance

These are challenging times indeed, but SANBS performed admirably throughout the reporting period, successfully meeting most of the targets outlined for key initiatives in support of executing the iHEALTH strategy. Nonetheless, there were a few setbacks, most notably the delays encountered during the implementation of the Blood Establishment Computer System (BECS) project. The expansive scope of the project, coupled with its inherent complexities, placed significant pressure on the organisation and our people. Despite these challenges, we have clarity on the way forward and remain confident in achieving the revised implementation deadline.

Although we fell slightly short of our targets for Group O Whole Blood collections and debtors' days, we managed to meet blood demand with minimal cutbacks.

Our financial performance was exceptional, surpassing expectations with a 14% surplus to revenue (compared to 4.6% in FY2022). This impressive outcome was achieved despite grappling with the aftermath of the Covid pandemic. A significant emphasis was placed on the ethics and culture programme for the organisation, resulting in the formalisation of a new code of ethics, approved by the Board after extensive discussions on its approach and objectives. This initiative was accompanied by a refresh of the organisation's values, which were subsequently disseminated through comprehensive training and communication efforts. Efforts towards strengthening the ethics and culture and its monitoring will remain a focus area for the Board and management.



Board Matters

One of the key activities of the Board was to conduct a comprehensive review of the Memorandum of Incorporation (MoI). This review involved removing the restriction that limited the election of the board chair from donor directors only and extending the chair's term to three years to ensure continuity in leadership.

In addition, the rules governing donor zones and branches underwent a review to enhance the process and timelines for election of zone and branch members and strengthen the terms of the code of conduct. Since the National Council members (who fulfil an equivalent role as shareholders do in a for profit company, including the election of directors) are elected from the zone structures, the formal rules for the elections, functioning and conduct of branches and zones are a critical component of the SANBS governance arrangements.

Another reinforcement of the corporate governance at SANBS was the bolstering of company secretarial office with the appointment of an assistant company secretary. This appointment aims to further strengthen the administrative functions and support the effective operation of the Board.

The following leadership changes took place during the reporting period:

- We are delighted to welcome Ms Lerato Molefe, who was elected during the Annual General Meeting in November 2022. Lerato's appointment is part of our Board's succession planning efforts, ensuring a diverse and skilled mix of individuals. We are thrilled to have her on board, bringing her legal and governance expertise as a professional non-executive director.
- Mr Thabo Mokgatlha has been appointed as the Lead Independent Director from the Board-appointed directors. This crucial role assists the chair in helping to shoulder the responsibilities of leading the Board and ensures continuity, which is especially important as a new chair will assume the position by the end of 2023.
- As Dr John Black has emigrated, the Board is currently in the process of filling the position with a qualified medical practitioner possessing suitable experience to fulfill the requirements for clinical oversight. We deeply appreciate John's invaluable insights and contributions, and he will be greatly missed. We extend our best wishes to him and his family as they embark on this new and exciting chapter in their lives.

Furthermore, my nine-year term will conclude at the upcoming Annual General Meeting in November. It has been a tremendous privilege and honour to serve at SANBS. I am confident in passing the leadership of the Board into the capable hands of Thabo who has been elected as my successor. I extend my sincerest well-wishes to Thabo as he assumes this role.

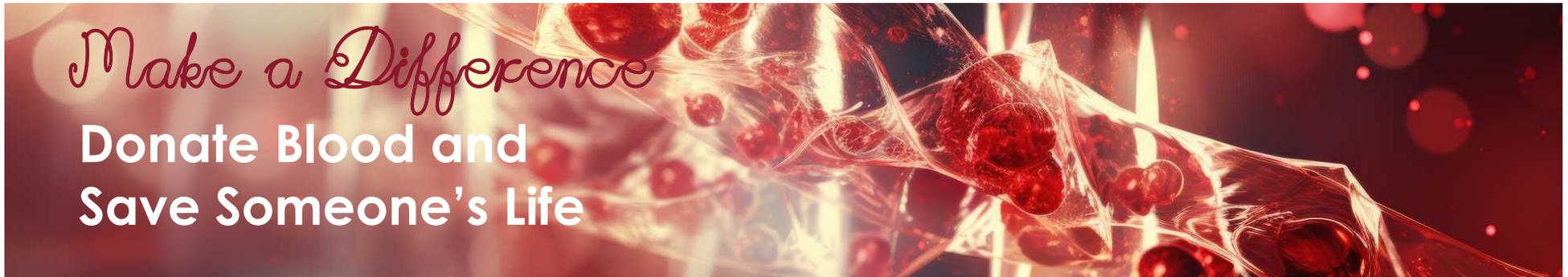
Outlook and Appreciation

The iHEALTH scorecard for FY2023/24 emphasises the importance of "Going Back to Basics" to strengthen the foundations, ensuring long-term sustainability while maintaining a focus on innovation and growth. Our strategy remains consistent, with a renewed emphasis on enhancing execution effectiveness. Projects such as Order-to-Collect and Procure-to-Pay will play a significant role in improving processes and discipline. We also look forward to the implementation of the BECS system with all the benefits that it will be delivering to the operations of SANBS.

I would like to express my deepest gratitude to the Board, executive, and employees for their unwavering dedication and contributions. Their commitment has been instrumental in our success. I have full confidence in the resilience and resourcefulness of the SANBS team, who consistently rises above the challenges we continue to face.

A heartfelt thanks goes out to our donors, whose selfless contributions enable us to fulfill our purpose of saving lives. We appreciate each donor for their invaluable gift of life, given without any expectation of reward.

Ansie Ramalho
CHAIRPERSON, BOARD OF DIRECTORS





CHIEF EXECUTIVE OFFICER'S REVIEW



“An introspective approach, while ensuring unwavering delivery of our mandate, has revealed opportunities to simplify our operations, enhance efficiencies, reduce costs, increase productivity and foster improved collaboration across teams.”

Ravi Reddy
CHIEF EXECUTIVE OFFICER

When reflecting back on the past year, it is heartening that SANBS has continued to be a cornerstone of healthcare in South Africa by providing the required blood products and services to meet the demands of patients. As South Africans, we have experienced unprecedented challenges during this period that have made getting through every day very demanding. Despite these challenges, I really admire the resilience that our employees have shown to roll up their sleeves and ensure the success of SANBS, and thereby ensure the excellent quality of service we continue to provide to patients.

Guided by our overall iHEALTH strategy, we identified a number of strategic projects to further strengthen our internal processes and service delivery. When looking at the work done and results achieved, it is evident that we have made significant progress in building upon the strong foundations that support our operations. We have also identified areas that require further strengthening and improvement.

Throughout the year, we have engaged in deep reflection and introspection, allowing us to gain valuable insights into our processes and procedures. This introspective approach has revealed opportunities to simplify our operations, enhance efficiencies, reduce costs, increase productivity, and foster improved collaboration across teams. By addressing these areas, we can solidify a sustainable business for the future, ensuring long-term value for SANBS and all its stakeholders.

Our iHEALTH strategy, which commenced in 2019, remains relevant and has been extended until 2025. We have made excellent progress against our balanced scorecard metrics supporting the iHEALTH strategy, albeit with a few disappointments. I would like to start out by sharing some of the significant highlights for the year.

2022/2023 Highlights



Innovation:

- **Financial sustainability** – It was a good year financially, with R80m alternate revenue generated against a target of R76m.
- **Smart fridge** – Our first smart fridge was launched, aimed at reducing turnaround times for patients to receive blood in areas where there tends to be a high mortality of mothers during childbirth.
- **SANBS RAD Academy** – We had a successful launch to internal employees fostering a culture of ongoing learning and growth. SANBS employees authored/co-authored 14 scientific papers showcasing research done.



Human-Centred Collections

- **Innovative blood collection** – A major focus has been on increasing platelet collections through the “Change a life” campaign. Platelets have a short shelf life and play a vital role in blood clotting and blood loss prevention during major surgery, organ and bone marrow transplants and treating leukaemia and cancer patients. We also launched the “Good Hood” campaign, encouraging ordinary citizens to host blood collection drives in their communities. We continue to look at ways of improving our donor base and increasing our geographic footprint for blood collection.
- **Increasing the donor pool** – It is important to constantly recruit new donors among the youth to ensure a sustainable donor base. We managed a significantly positive shift in the percentage of first time donors aged 16 to 30 years increasing to 71.6% against a target of >50% as well as blood collections from black donors increasing to 46.7% against a target of >37%.



Excellence

- **Percentage ordered vs. issued (red cells)** – 99.40% against a target of 99% – Ensuring that we meet the demand for blood is extremely important. By achieving 99.40% we have ensured that we could successfully meet the demands for red blood cell transfusions based on the orders placed.
- **Wastage – Percentage of blood discarded** – It is inevitable that there will be some discard or wastage of blood due to various reasons. The overall wastage was 3.86% against a target of 5.6% and highlights the efficiency and effectiveness of SANBS' internal processes and blood inventory management in minimising wastage and providing safe and adequate blood products to those in need.



A

Administration Rigour

- **Collections management system** – Timely and adequate debt collection is essential to ensure financial sustainability. The implementation of the Collections Management System in FY22, enabled real time information and dashboards to enhance the debt collection process and ensure that we minimise bad debt.
- **Procure to pay optimisation** – Good progress has been made in optimising the entire cycle of procurement, from the initial purchase requisition to the final payment of suppliers. This ensures that SANBS has greater control, is getting value for money and also maintains good stakeholder relations with our vendors.

L

Logistics

- **Management of critical stock levels** – We managed availability of critical consumables at 96.2% against a target of 95%, despite various supply chain challenges occurring mainly due to the war in the Ukraine. This is an important measure to ensure consumable materials required as an input into SANBS production and related processes are readily available; so as not to negatively affect reliable provision of blood products and related services.

T

Testing and Quality

- **Blood safety index** – We achieved 95.6% vs a target of 95% as we strive for ensuring the safety and quality of blood and blood products.

h

Hearts and Minds

- **Stakeholder management** – There has been a renewed focus on building and maintaining a good relationship with our stakeholders. Key initiatives were to complete our stakeholder mapping and the appointment of a stakeholder manager to focus attention on building positive and mutually beneficial relationships with all our invaluable key stakeholders across the value chain.
- We have also invested in skills development and talent management for our employees, and the success of this initiative has resulted in a number of promotions internally.



2022/2023 Challenges

A major project which was initiated in 2020 is the implementation of a new Blood Establishment Computer System (BECS). It is unfortunate that we experienced delays with the implementation of the BECS system due to complexities that were underestimated with regards to various processes in SANBS. We had to postpone the go-live, which was scheduled for early 2023, until November 2023. Significant work was done during the year to validate and test the new system and the frequency of project meetings has increased at executive level to track progress and keep the project on track.

Leadership Changes

It is critical to have competent and cohesive leadership to ensure that we deliver on our vision and mission. Mr. Tshupo Kgage was appointed as Chief Financial Officer in August 2022. Our Human Capital Management (HCM) executive, Mr. Abbey Mothokoa, left SANBS at the end of November 2022. Mr. Daniel Olifant, who is the Senior Manager responsible for Learning and Development, was seconded to the position of HCM Executive while we embarked on a recruitment process to appoint the HCM executive. After an intensive recruitment and selection process, Mr. Olifant emerged as the successful candidate and was appointed as the HCM Executive with effect from 1 May 2023.

A review of the executive structure was undertaken during the financial year and it was identified that a Corporate Services executive would be required to direct the activities of Procurement, Administration/Facilities, Safety and Environment. This additional position was approved by SANBS' Board and Ms. Sibisiwe Sibanda was appointed as Corporate Services Executive from 1 June 2023. Also noteworthy is the appointment of Ernst Snyman as the Senior Manager: Enterprise Risk Management following the decision to bring risk management into SANBS after years of the function being led by an external service provider.





Strengthening Governance

During 2022, a Procurement Committee was formalised to bring structure, transparency and accountability for our procurement process. It will further promote good governance, enhance compliance and management of risks, drive cost savings, foster strategic supplier relationships and facilitate continuous improvement and innovation.

It was also Identified that our Order to Collect processes had to be strengthened to ensure that we collect our debt timeously in a difficult economic environment. Good progress has been made in this regard and we anticipate improved debt collections going forward.

Outlook

SANBS has embarked on a number of strategic projects over the past two years to ensure that we remain a centre of excellence well into the future. These included:

- Implementation of the new BECS system
- Upgrading of SAP and implementing SAP S4 HANA
- Strengthening our Procure to Pay process
- Innovating with regards to logistics with the rollout of Smart fridges and the drone project
- Research and development through SANBS' RAD Academy and expanding our footprint and targets for whole blood, source plasma and platelet collections

Looking ahead, we face significant headwinds, particularly with:

- a) Business continuity challenges, mainly related to electricity and water disruptions, natural disasters and the potential for increased unrest as we head into elections in 2024
- b) A weak economy, which places pressure on our collection of debt from both the public and private sector
- c) Skills shortages, mainly that of nurses
- d) Successful completion and bedding down of some key strategic projects

In planning for 2023/2024 we are going back to basics to ensure that we are effective in implementing the various important initiatives. We want to monitor the effectiveness and success of these changes in enhancing the services provided by SANBS. Our key focus areas will be the successful implementation of BECS, strengthening our relationships with stakeholders and further strengthening internal processes for debt collection and procurement.

Conclusion and Appreciation

In conclusion, I would like to express my deepest appreciation and gratitude to everyone who has contributed to the success and mission of SANBS over the past year.

First and foremost, I want to acknowledge our selfless donors, who have been the cornerstone of our business. It is through their generous contributions that we can save lives and make a profound impact on the lives of others.

I would also like to extend my heartfelt gratitude to our dedicated employees. Their steadfast commitment, hard work and focus on the greater good have been instrumental in driving our organisation forward. Their passion and dedication to the values that SANBS stands for have been truly inspiring, and without their efforts, we would not have achieved the level of success we can proudly celebrate today.

A special mention goes out to our invaluable volunteers who serve on the various Branch and Zone Donor committees. Your tireless efforts in supporting our campaigns and helping to grow our donor base are deeply appreciated.

I would also like to express my sincere thanks to the members of my Executive and Leadership team for their unwavering support and dedication throughout the year. I am truly grateful to the SANBS Board and Committee members for their outstanding leadership and support. Your role in providing strategic direction and ensuring a strong governance framework cannot be overstated.

Last, but certainly not least, I want to extend my appreciation to all our other important stakeholders who play a vital role in ensuring the effective functioning of SANBS on a daily basis. Your support and collaboration are essential in enabling us to save and improve the lives of hundreds of thousands of patients each year.

Together, we have accomplished great things, but our journey does not end here. Let us continue to work together, build upon our successes and strive for excellence in everything we do.

Ravi Reddy
CHIEF EXECUTIVE OFFICER





MEDICAL DIRECTOR'S REPORT

“Through the challenges we faced this year, SANBS remained unwavering in our commitment to deliver on our primary mandates. Guided by the iHEALTH strategy, on which we have built a good foundation for long-term sustainability, we upheld our mission to deliver exceptional quality blood and related services, cementing our position as a vital contributor to healthcare in South Africa.”

Dr. Karin van den Berg
MEDICAL DIRECTOR



While SANBS, like the rest of the world, is steadily recovering from the COVID pandemic, we need to ensure the continued delivery of our purpose, vision and mission, guided by the iHEALTH strategy in this changed world. The challenges of South Africa are the challenges of SANBS. Amid the ever-present load shedding, water crises and socio-economic hardships, our teams are still trusted to ensure the collection, processing and issuing of products and services of exceptional quality that ensure that SANBS, a key cornerstone of healthcare in South Africa, remains rock-solid.

Our foremost responsibility is to ensure a sufficient and safe supply of blood products and related services for the patients that we serve. This is complicated by the disparate needs and demands of our two-tiered healthcare system and a notable surge in the demand for blood, particularly in the private sector, witnessed over the past year. Meeting the country's needs is further constrained by the complexity of collecting blood in a country with the biggest HIV epidemic in the world, and the ever-increasing quadruple burden of disease, burgeoning unemployment and lack of food security. Collecting blood that does not place either the donor or the recipient in jeopardy under these circumstances remains a mammoth task, often underappreciated by the healthcare system and the public at large.

Despite these challenges, our teams did exceptional work in maintaining our “Days Cover” above levels that require implementation of “cut-backs” or restrictive issues for most of the year, even if we were unable to meet the optimal cover of five days. Ensuring the “right product for the right patient at the right time and place” under these circumstances requires dedicated, trained and qualified employees, a committed donor pool and world-class processes and systems. This past year saw us focusing on the core aspects of each of these pillars as well as the quality foundation upon which it all rests.

The Year Under Review

Reviewing the past year, SANBS has had a number of achievements, but also a few challenges.

Deriving income from alternative revenue streams

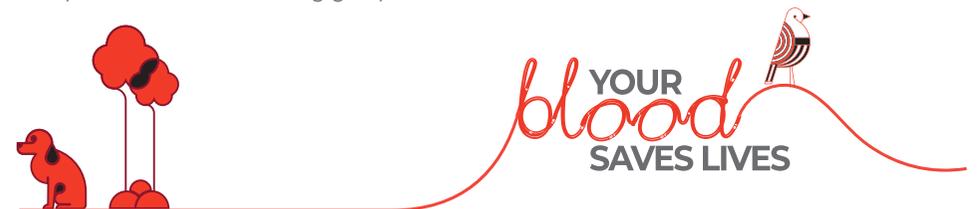
Beyond the core SANBS business, our alternative revenue streams performed exceptionally well under very difficult circumstances. The service mix of our Cellular Therapies and Novel Products areas is slowly changing, reflecting the decrease in HIV-related conditions requiring our services, with the concurrent increase in the demand for stem cell transplants reflecting the maturation of our strategy to provide “one-stop shop” type services to specialists who do not routinely perform autologous stem cell transplants. Our teams successfully reapplied for a D43 National Institutes of Health Fogarty grant to further develop research capacity in SANBS and our partners at the University of Cape Town.

Deliberate and intentional, continued investment in our people

We are our people – deliberate, continued investment in our people is key to SANBS's success in delivering on our mandate. This year, we saw the culmination of several years of investment in the SANBS RAD Academy paying off with the formal launch of the academy, during which some of the early successes of the Academy were showcased. In addition, we progressed the Dual Career Pathway pilot project with the appointment of three subject matter experts (SME) in the Specialised Laboratory Service area and hope to expand the project to other areas over the next few years. Unfortunately, the project fell behind schedule, in part as these SMEs were deployed to the BECS project, but also by the loss of one of the incumbents who emigrated, a growing risk facing SANBS, especially as we further invest in our people. Similarly, the recruitment and retention of highly specialised skills continue to face competition from the private sector, both locally and internationally.

An organisation with exceptionally strong intellectual capital

Over the past year, we have successfully continued our strategy of expanding research and publication capacity among a growing proportion of SANBS employees and divisions, with 14 publications in peer-reviewed scientific journals, with a number of these being authored/co-authored by first-time authors. Acknowledgement of SANBS as a centre of excellence is rapidly being confirmed by national and international peers and stakeholders through ever-increasing invitations to participate, present or lead national and international meetings, publications and working groups.





For the first time, the annual Haemovigilance Report, a mandatory requirement, was authored by the Independent Haemovigilance Committee. Historically, SANBS and the Western Cape Blood Service drafted the report which details adverse events and outcomes associated with the collection and transfusion of blood and blood products. Having the Independent Haemovigilance Committee produce this report provides the South African public with an added layer of comfort that SANBS is not "marking its own homework", and introduces a new level of independent oversight of the workings of blood services in South Africa.

Significant investment in our manufactured capital continues

Unfortunately, the BECS project is behind schedule, but tremendous effort is being expended into ensuring that the new timelines for October 2023 will be met. On a more positive note, we successfully concluded the SMART Fridge pilot project with the first SMART Fridge being handed over to the Rahima Moosa Mother and Child Hospital and plans to deploy an additional ten fridges over the next few years. The successful completion of the Blood Bank Automation project saw a significant improvement in our crossmatch turn-around-times.

To ensure the health and safety of our donors, we revisited the #IronStrong project and expanded it to address all aspects of donor iron. The revised, board-approved new Donor Iron Strategy will focus on providing donors with better quality iron tablets, improved communication with donors and employees, education on understanding the importance of iron, and further research into factors associated with and the outcomes of iron deficiency among blood donors.

Furthermore, besides the various expansion projects to increase the donor pool through investment in additional donor teams equipped with the necessary resources and support, we also developed a revised Platelet Strategy specifically aimed at ensuring a sufficient platelet supply. The latter involved a comprehensive approach to optimise collections and production, growing donor pools and educating clinicians on the appropriate use of this extremely scarce resource.

Awareness of our impact on the environment

At SANBS we are acutely aware of the impact we have on our environment. One aspect of this is the biological waste requiring incineration we generate through our business processes, a significant portion of which relates to the discarding of used test reagents, consumables and products that fail quality standards. Active management of discards at each step of the business process has resulted in overall discard rates below 5%, which compares very favourably with international standards. We are also actively managing our carbon footprint by revisiting the need for travel made possible by one of the positive legacies of COVID, namely the willingness to engage in virtual meetings, training and education.

Our social contribution and relationships built on trust

At our heart, SANBS is about people. In the words of one of our directors, "SANBS is about people being trusted to save lives". To be able to do so, SANBS needs to forge relationships built on trust with all our stakeholders, not least of which is our donor and patient communities. We are proud that without exception SANBS provides the same

level of care to both the private and public sector – those in need of blood can be assured that they will receive the same quality products and services, regardless of their circumstances.

Furthermore, we are in the final stages of the development of the first short learning programme on Patient Blood Management developed in Africa for Africa. This key collaboration with the University of the Free State (UFS) will contribute to not only the appropriate use of blood and blood products, but also the improvement of patient outcomes by improving the knowledge of clinicians in managing the conditions leading to the need for blood transfusions. This internationally peer-reviewed programme, developed by employees from SANBS and the UFS, commenced in August 2023.

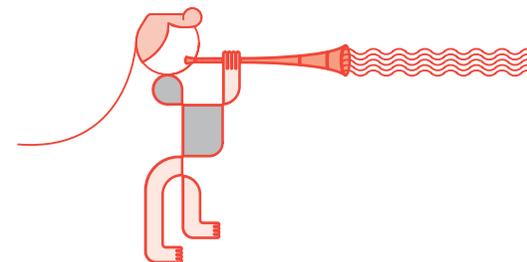
Looking Forward

As we move forward, we remain dedicated to fulfilling our mission of delivering a reliable supply of blood and blood products, while prioritising safety, quality and the evolving needs of our diverse stakeholders. With our unwavering commitment to excellence, we strive to establish SANBS as a recognised centre of excellence in the field of blood transfusion. By continuously improving our processes, embracing innovative technologies and fostering a culture of continuous learning, we aim to set new benchmarks for quality, efficiency and service in the blood service sector.

Conclusion and Appreciation

We express our heartfelt appreciation to our selfless blood donors whose generosity saves lives and offers hope to those in need. To our patients, we stand by you with unwavering support and a commitment to the highest standard of care. To our exceptional employees, who embody compassion and professionalism, we acknowledge the vital role you play in our mission's success. Together, we forge ahead, united in our shared purpose of making a positive impact on the lives of individuals and the communities we serve.

Dr Karin van den Berg
MEDICAL DIRECTOR



More than 
3 500
blood donations are
needed every day



OUR EXECUTIVE COMMITTEE

It is critical to have competent and cohesive leadership to ensure that we deliver on our vision and mission. A strong and resilient team will play a pivotal role to strengthen our foundation: preparing SANBS for the challenges of the future.



TENURE
38
YEARS

RAVI REDDY
CHIEF EXECUTIVE OFFICER

Chief Operations Officer 1 April 2006 to 31 December 2020
BTech Biomedical Technology (ML Sultan Technikon)
Post Graduate Diploma in Business Management (UKZN)
Executive Committee member since 2002

TENURE
15
YEARS

KARIN VAN DEN BERG
MEDICAL DIRECTOR

MBChB – University of Free State
Medpro-X – UNISA
PostGrad Dip Transfusion Medicine – University of Free State
MMedSci – University of Free State
PhD – (ongoing) University of Cape Town
Executive Committee member since 1 June 2021

TENURE
6
YEARS

FRANS MONKWE
CHIEF INFORMATION OFFICER

BCom (IS) (Rhodes University)
Master of Business Administration (Bond University)
Master of Information Technology (University of Pretoria)
Executive Committee member since 2018

TENURE
28
YEARS

SIEMI PRITHVI RAJ
EXECUTIVE: TRANSFUSION
DONOR SERVICES AND
MARKETING

Master of Business Leadership (UNISA SBL)
BTech: Human Resources Management (UNISA)
Management Advancement Programme (WITS Business School)
ND: Human Resources Management (UNISA)
ND: Medical Technology (Technikon Natal)
Executive Committee member since 1 November 2021

TENURE
35
YEARS

MARION VERMEULEN
EXECUTIVE: TRANSFUSION
MEDICINE AND TECHNICAL
SERVICES

Fundamental Management Programme – UNISA
MTech Biomedical Technology
PhD - University of Stellenbosch
Executive Committee member since November 2021

TENURE
1
YEAR

TSHEPO KGAGE
CHIEF FINANCIAL OFFICER

CA(SA)
BCom (Accounting: Applied Business Statistics) (UCT)
BCom Honours (Accounting) (UNISA)
Executive Development Programme
Executive Committee member since 1 August 2022

Executive committee members in an acting capacity for the period under review

RIANDA KRUGER
ACTING CHIEF
FINANCIAL OFFICER

CA(SA)
BCompf. (UNISA)
CTA (UNISA)
Tenure on Executive – from 1 October 2021 to 31 July 2022

TENURE
4
YEARS

DANIEL OLIFANT
CHIEF HUMAN
CAPITAL OFFICER

BTech Human Resource Management (CUT)
MBA (Care) (University of Stellenbosch)
Management Development Programme (GIBS)
Executive Development Programme (Dukes)
Executive Committee member since 1 May 2023

APPOINTED
1 JUNE
2023

SIBISISWE SIBANDA
CORPORATE SERVICES
EXECUTIVE

BSc Honours Electrical Engineering (UZ)
Masters in Engineering Management (MEng) (UP)
Masters in Business Leadership (MBL) UNISA
Registered Professional Engineer (ECSA)
Executive Committee member since 1 June 2023

TENURE
2
YEARS

Co-optee members of the Executive Committee

AVRIL MANDUNA
COMPANY SECRETARY

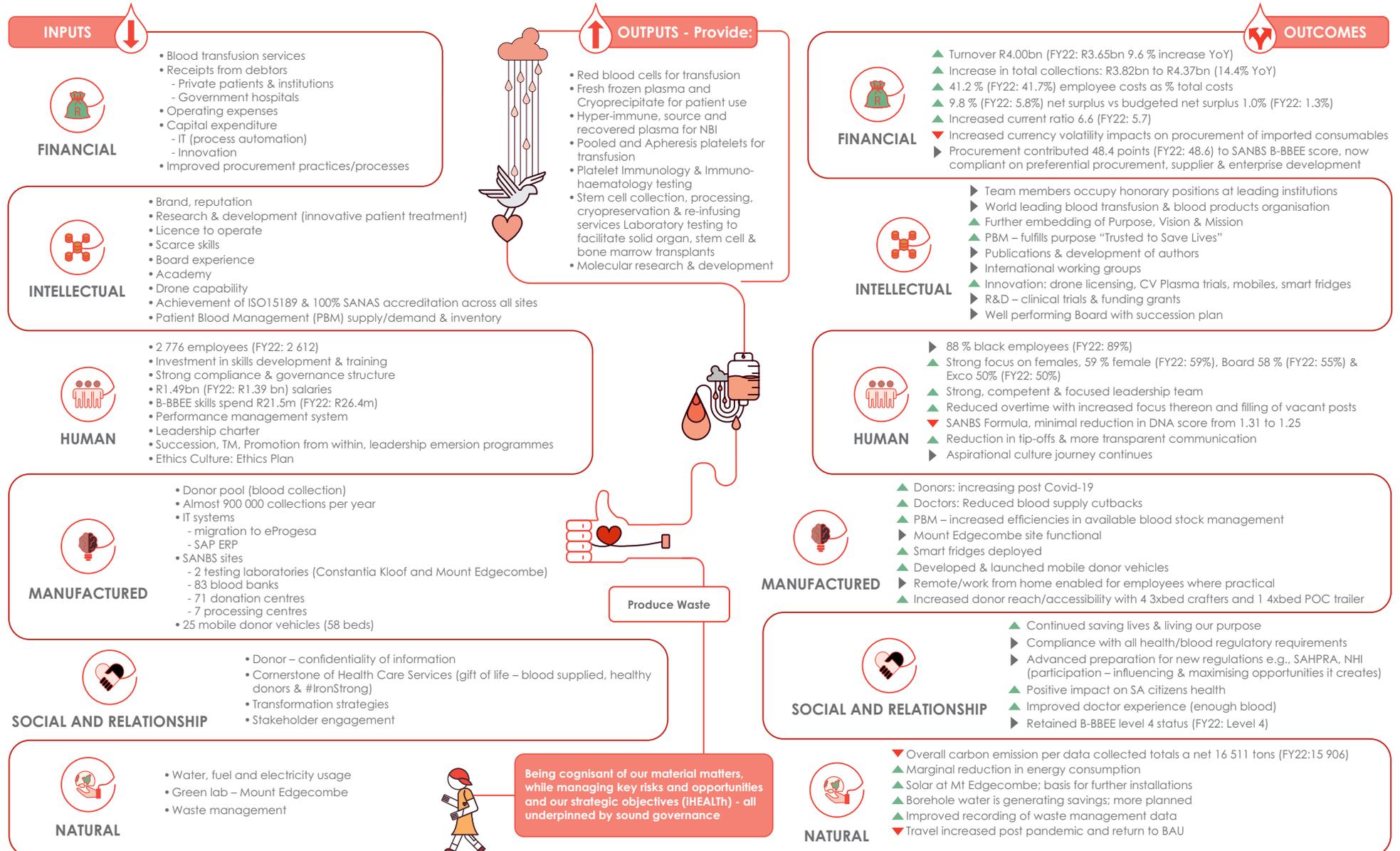
Bachelor of Laws (LLB)
Masters of Laws – Commercial Law (LLM)
Chartered Secretary (ACIS)
Co-optee of the Executive Committee since 1 August 2021

EXCO and co-optee 1 April 2022 - 25 November 2023

BUSINESS MODEL AND VALUE CREATION ALIGNED TO THE SIX CAPITALS

▲ VALUE CREATION ▼ VALUE EROSION ► VALUE PRESERVATION

Our Business Model demonstrates the six capitals (inputs), enables value-adding activities (outputs) that create, preserve or erode value for our stakeholders (outcomes)





OUR TRADE-OFFS AND KEY CONSIDERATIONS

Operating responsibly and sustainably necessitates making challenging choices within the constraints of finite resources. It is not feasible to address everything simultaneously.

We are committed to creating value and achieving our strategic goals by efficiently utilising our resources (capitals) through our business activities. Our aim is to operate responsibly and sustainably, ensuring that value creation is maximised while minimising any negative impacts.

However, we also recognise that there are instances where value may be diminished as a result of our activities. To address this, we carefully consider the trade-offs between our different capitals when making business decisions. Our focus is on maximising positive outcomes while minimising negative ones, as outlined in our business model.

Strategic trade-offs are essential for our future success. We assess the availability and quality of our capital inputs, strike a balance between short- and long-term objectives, and make tough decisions to create sustainable long-term value.

During the financial year, we faced a significant trade-off decision. We reprioritised some projects, taking a risk based approach, to allocate more resources to the BECS project, which was posing to be more challenging than initially anticipated and therefore impacting negatively on timing. This project is critical to our digitalisation strategy and strengthening digital donor interaction. It is thus critical to ensure successful implementation and reap a return on intended benefits.

While this decision constrained our human resources in the short term, as all efforts were directed towards the BECS project, we believe it will have significant long-term benefits. By sustaining our operations and leveraging technological innovation, we are transforming the SANBS operating model, which will positively impact all the capitals we rely on in the long run.



Trade-offs in our use of financial capital

Our financial capital consists of the pool of funds that is available to us to collect blood, conduct research and development, provide services, manufacture and test, invest in technology and people and growth. It is largely obtained through revenue generated through operations and grants and financing.

Key trade-off decision in 2023

Taking a risk based approach, we allocated more resources to the BECS project, which was posing to be more challenging than initially anticipated and therefore impacting negatively on timing.

Trade-offs

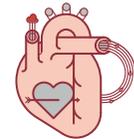
The BECS project implementation has been extended. Some strategic projects have been placed on hold. BECS is the focus of many employees.



Long-term positive impact

Once BECS is implemented:

- Increased sophistication with the automation of processes, controls and services
- Improved use of data analytics and intelligence to inform decision making
- Improved skills set for our donor employees
- Digitalisation enabling a paperless environment



Short-term negative impact

Constrained our employees and some strategic projects were put on hold.

Effect on business model/strategy

The implementation of BECS intends to improve donor access and interaction through the donor app, while also reducing the use of paper through digitalisation of processes in the core value chain.

Impact on stakeholders



Risks





MATERIALITY DETERMINATION PROCESS AND MATERIAL MATTERS

We must consider and understand our material matters; their significance to SANBS and our proactive approach in addressing them. This becomes even more vital as we bolster our foundation and navigate our journey towards sustainability.

Material matters are those issues that could substantially affect our ability to create value in the short-, medium- and long-term. These matters influence our strategy and how we manage our associated risks, as well as opportunities we explore as a result of these factors.

THE PROCESS WE FOLLOW TO DETERMINE OUR MATERIAL MATTERS IS AS FOLLOWS:

 <p>IDENTIFICATION through ongoing cross collaboration</p>	<p>Material matters are identified by:</p> <ul style="list-style-type: none"> • Analysing our operating context: Scanning our internal and external environment • Ongoing engagement: Collaboration with key internal and external stakeholders to establish material interests, emerging risks and opportunities • Resources that inform our business model: Financial, Intellectual, Manufactured, Human, Social and Relationship, and Natural capitals
 <p>PRIORITISATION through frequent engagement</p>	<p>Material matters are prioritised by:</p> <ul style="list-style-type: none"> • Analysing impact: Identifying materiality themes and those that have the biggest impact on creating value and sustainability • Exco engagement: Facilitating discussions with Exco and Senior management to take an enterprise view and applying integrated thinking • Board insights: Holding discussions with the Board and obtaining insights into key issues tabled at Board committee meetings
 <p>MONITORING through governance structures</p>	<p>Material matters are monitored by:</p> <ul style="list-style-type: none"> • Exco: The Executive Committee who assumes responsibility for the material matters before submission to the Board for approval • Board: The Board has ultimate oversight of monitoring material matters and tracking progress of response strategies • Sub-committees of the Board: The Board assigns accountability for oversight of material matters to the respective Board sub-committees • Balanced Scorecard measures: Key Performance Indicators are defined for each of the iHEALTH strategic priorities to measure results



Materiality Theme

1. Access to highly specialised/portable/scarce skills

Importance to SANBS in delivering value

To deliver on our purpose, SANBS is reliant on a truly committed, highly motivated workforce with the required leadership and future fit skills to deliver on our current objectives and constantly innovate and adapt to the changing external environment.

The healthcare sector in South Africa, including blood services, often faces shortages of skilled healthcare professionals. Recruiting and retaining qualified medical and technical employees, including doctors, nurses, laboratory technicians, and other specialised roles, can be a significant challenge for HCM at SANBS.

SANBS may face challenges in succession planning and will need to manage the risk related thereto.

Risks to value creation

- Inadequate succession planning in certain parts of the business
- Lack of leadership support for key Human Capital Management (HCM) initiatives
- Inadequate HR resources and onboarding processes
- Insufficient skills and required competencies to execute the iHEALTH strategy
- Skills shortages in the broader healthcare sector
- Loss of institutional knowledge

Opportunities and strategic response to create value

- Maintaining high levels of employee engagement and retention is crucial for the sustainability of our business and retaining top talent.
- As part of the iHEALTH strategy we optimised the SANBS operating model. This resulted in changes in our management structures which were realigned, ensuring integration across our core value chain. Most recently we appointed a Corporate Services Executive who will be responsible for Procurement, Administration, Facilities and Safety and Environment departments.
- Our succession planning has stood the organisation in good stead as we made 150 internal promotions. We also recruited externally to attract scarce skills.
- A continued focus was placed on skills development and knowledge management through the Learning and Development department and the RAD Academy to ensure future fit skills.
- A dual career pathway is being piloted to explore management and specialists' career options.

Outlook for the year ahead

- Formalised a structured approach to succession planning beyond Executive and Senior Management levels
- Refine our reward and recognition approach to ensure an appropriate reward mix in our multigenerational workforce
- Acknowledging and rewarding top performers by providing opportunities for further studies
- Continued collaboration across divisions in cross functional teams building closer alignment in the value chain
- Ongoing focus on employee health and wellness
- SANBS is proactively looking at innovative solutions to build capacity, i.e., graduate and intern programmes
- Over the next five years, we will implement workforce planning, considering retiring employees to ensure a robust skills pipeline
- Succession planning at middle management level – promotion and replacement of business imperative skills
- Build change leadership capacity to continue to support all the initiatives

Capitals Impacted



Strategic Priorities



Top Risks





Materiality Theme 2. Organisational culture

Importance to SANBS in delivering value

SANBS recognises that building a strong corporate ethical culture will support our identity as an organisation that provides the gift of life. We entrench our THREAD values and ethical behaviour in the SANBS culture and will be re-enforcing it as part of our focus on strengthening our foundation.

A sound organisational culture underpins our purpose, promoting the highest levels of ethics and integrity to ensure we are acting in the best interests of all our stakeholders as we continue to be trusted to save lives. We are prioritising change management to navigate continuous disruption from digital transformations, economic uncertainty and political tensions, all of which impact the organisational culture.

Risks to value creation

- Dissatisfied employees, who threaten the availability of critical skills
- Unethical behaviour which erodes trust, causes low productivity and impacts on employee wellness
- Failure to drive organisational purpose
- Silo mentality impacting negatively on timely strategy execution

Opportunities and strategic response to create value

- Our comprehensive culture programme has gained significant traction, encompassing the DNA formula programme, values refresh, ethics embedding, leadership development and updated HR policies.
- The appointment of ethics ambassadors further strengthens the culture project. Inclusive planning and prioritisation, along with cross-functional collaboration, have become standard for executing projects and initiatives.
- We have introduced an ethics help desk and fostered a "speak up culture" to encourage open communication.

Outlook for the year ahead

- Consideration of team-based coaching to create a common reference point for successful collaboration and teamwork
- Continue rollout of the culture plan, annual DNA survey
- Monitor improvement in ethical behaviour via an Ethics Risk Assessment
- Integrate ethics related risk in the organisational tactical risk registers
- Ethical people management – revision of related HR policies/ethics-related policies
- Utilise existing management forums to ensure that ethical dilemmas are discussed
- Design and implement initiatives where employees showcase exemplary ethical behaviour
- Ongoing awareness of elements of workplace harassment to ensure safety of all employees

Capitals Impacted



Strategic Priorities



Top Risks



Materiality Theme 3. Meeting blood demand – blood products, Group O and Apheresis platelets

Importance to SANBS in delivering value

To fulfil our purpose of being "Trusted to save lives", SANBS is mandated to maintain a safe and sufficient blood supply in the provinces in which we operate. Ensuring a five-day stock level for all blood groups is crucial to providing trusted blood products and services to patients in need. Shortages would severely impact healthcare delivery, patient care, stakeholder trust and our ability to meet contracted commitments. Maintaining financial sustainability is also at risk.

The challenge of collections is exacerbated by less than 1% of South Africans actively donating blood, making it difficult to achieve our target of collecting 3 300 units daily. Donor and patient demographics are also changing due to emigration and immigration respectively.

Group O and Apheresis platelets blood products face particular pressure because of higher demand for Group O blood in emergency situations and difficulties in recruiting sufficient Apheresis platelets donors. Poverty, unemployment, lifestyle factors and infectious diseases negatively impact the health of potential donors, affecting donation rates. Additionally, iron deficiency may be worsened by regular blood donation.

Risks to value creation

- Shortage of blood to meet demand and introduction of restrictive issue of blood to patients (cutbacks) for longer periods
- Decrease in donor base due to fears about safety regarding traditional methods in collecting blood
- Employees shortage, particularly of professional nurses, impacting on the ability to collect sufficient blood
- Iron deficiency threatens further expansion of the donor pool

Opportunities and strategic response to create value

- We increased collection capacity and changed our traditional model for blood collections to adapt to the changing environment (i.e., people working from home) and expanded on the Patient Blood Management (PBM) programme to proactively manage conditions leading to the need for transfusion, thereby reducing the need for blood.
- Increased recruitment and marketing campaigns including SMSes, tele-recruitment, donor incentives, etc., to address periods of seasonal/anticipated shortages and retention of donors.
- Patient blood management/demand management, monitoring of wastage and issuing blood on a returnable basis.
- Donor wellness programmes, including iron monitoring and replacement.

Outlook for the year ahead

- Increase the manufacture of pooled platelets by using all available buffy coat from qualifying donors
- Motivate Group A and AB donors to become plasma donors, as whole blood collections from these groups exceed targets
- Extensive social media campaigns, with high visibility across multiple platforms raising awareness for the need for blood donation, particularly for Group O and Apheresis platelets
- Extensive communication with Group O and Apheresis platelets donors for retention and return donations

Capitals Impacted



Strategic Priorities



Top Risks





Materiality Theme 4. Future changing world – innovation and automation

Importance to SANBS in delivering value

As a dynamic organisation, we are constantly advancing towards the future with a focus on innovation and automation. Our journey towards success revolves around safeguarding donors and enhancing patient outcomes. Most of our business processes are now driven by systems, and the true value of Information Technology lies in deriving valuable insights from the data we collect. Embracing Artificial Intelligence (AI), Machine Learning (ML), and related technological innovations can significantly transform the SANBS operating model. However, we adopt a cautious approach to tech innovation, prioritising our commitment to high accreditation standards.

The decision to implement the new BECS and the ERP Modernisation projects was and remains primarily motivated by the need to improve on our capabilities for AI, ML, Mobility (including capabilities for Mobile Apps), Digitalisation and Cloud adoption, among other benefits.

Risks to value creation

- Inability of SANBS to contribute and respond to changing healthcare needs
- Failure to innovate and adopt advanced technology to ensure efficient, sustainable systems and processes
- Slow progress in adopting tech innovation and thereby missing out on the value potential these can bring to the business
- Lack of data literacy and/or basic data analytics which will contribute to slow or non-adoption of analytics as an enabler to empower employees (reporting)
- Uncertainties around cyber security, legislation and risk exposures

Opportunities and strategic response to create value

Systems innovation – transitioning to the BECS (MAK-SYSTEM) is a critical change in the vein-to-vein value chain to increase data analytics and intelligence to inform decision-making and enhance operational efficiencies.

- SANBS has a reasonable Business Intelligence capability, however, there is opportunity for growing this capability
- SANBS has limited adoption of Cloud, and here too the opportunity for broader adoption remains good

Initiatives to innovate through collaboration include:

- RAD Academy – increased collaboration with external stakeholders; regional, Africa and other countries for knowledge sharing, business continuity support and general development
- Expand translational research for novel products
- Cellular therapies knowledge sharing and technical support to new units, including in Botswana
- Increase SANBS profile in various ISBT, AABB and related committees and sub-committees
- Improved opportunities to use data in decision-making

Outlook for the year ahead

- iHEALTH 2019–2024 strategy extended to end FY25 and we will be refining the iHEALTH strategy to ensure a long-term focus beyond 2024
- Maximise synergies, efficiencies and data analytics from the implementation of BECS
- Blood bank automation to improve turn-around times and expand electronic cross matches
- Expand our cellular therapies footprint – further develop the range of therapies offered and expand technical support services beyond Botswana
- Build/improve Internal BI resource capacity, change management capability and skills maturity to enable/facilitate adoption of tech innovation such as AI and ML
- Develop and implement data literacy training as a capacitation initiative to free BI to focus on critical (and complex) business initiatives
- Develop a formal Cloud strategy/plan
- Assess governance requirements for managing adoption and use of AI, ML, etc.

Capitals Impacted



Strategic Priorities



Top Risks



Materiality Theme 5. Financial and organisational sustainability

Importance to SANBS in delivering value

The environment that we operate in is challenging due to poor economic growth, high unemployment, constrained healthcare budgets in both the private and public sector and increasing operating costs.

As a self-funded, not-for-profit organisation and the largest provider of blood products and services in South Africa, strong governance, leadership, business continuity, stakeholder management and financial stability are key to ensuring stability and long-term sustainability. SANBS operates on a cost recovery basis and needs to be financially sustainable to ensure that we continue to provide products and services to patients.

Risks to value creation

- Inability to collect outstanding debt
- Increasing cost of doing business in the current economic climate
- Delays in external supply chain
- Reputational risk – brand erosion
- Inability to meet full demand for blood products
- Perceptions of high costs of blood products and services
- Tedious/bureaucratic internal processes leading to inefficiencies

Opportunities and strategic response to create value

Appropriate strategy execution, planning, systems and controls must be in place to ensure that we can generate and collect revenue and make surpluses to ensure sustainability.

Initiatives to strengthen financial resilience include:

- An Inventory Optimisation project is underway to ensure inventory visibility throughout the value chain
- Business process improvements in the procure-to-pay and order-to-collect processes – includes improvement in billing accuracy, efficiency and debt management
- Ensure future fit skills and competencies
- Bad debt management in consultation with the Department of Health and medical aids, hospitals and RAF
- Refined budget process and disciplined expenditure
- Improved procurement contracting and contract management processes
- Efficient delivery of blood products to reduce cost
- Focused efforts to grow alternative revenue streams

Outlook for the year ahead

- Ongoing efforts on increasing debt collections and engagements with medical aids to collect long outstanding claims
- Continue to improve on procurement and contract management processes
- New Corporate Services Executive appointed and procurement committee established
- Implement the stakeholder engagement framework to ensure structure and direction in a coordinated approach to engage with customers to ensure timely payment for services
- Develop stronger relationships with medical aids, government and other institutions to ensure optimal functioning of billing/collection processes
- Keep tariffs at or below inflation for next two years
- Manage costs to within inflation
- Strengthen order to collect processes
- Improve internal systems to be more agile in responding to customer queries

Capitals Impacted



Strategic Priorities



Top Risks





Materiality Theme 6. Environmental sustainability

Importance to SANBS in delivering value

SANBS is committed to responsible use of natural capital and progressively eliminating the negative impact that it has on the environment through a deliberate "Greening Strategy."
Foster a low carbon culture underpinning procurement and other decisions with an overall carbon reduction objective.

Risks to value creation

- Negative impact of SANBS operations on the environment
- Reputational risk relating to SANBS not being seen to be actively contributing to environmental sustainability

Opportunities and strategic response to create value

SANBS contributes to global climate change initiatives through sustainable practices and a deliberate "Greening Strategy."

Key initiatives include:

- Accelerate recycling of general waste across all SANBS sites and suppliers
- Process and issue of blood closer to source to minimise travel and reduce CO2 emissions
- Promoting a strong internal sustainability culture and commitment to our greening strategy
- A digitalisation strategy to create a paperless environment and solidify information governance and traceability
- Replicate greening achieved in Mount Edgecombe in other SANBS facilities
- Reducing carbon footprint by promoting flexible working arrangements

Outlook for the year ahead

- Monitor and measure progress with greening initiatives through the interactive greening dashboard



Capitals Impacted



Strategic Priorities



Top Risks



Materiality Theme 7. Economic, social and political environment

Importance to SANBS in delivering value

The uncertainty of the external environment has a direct impact on SANBS operations. SANBS operates in a wide geographic area and is impacted by the many infrastructural (water, electricity, poor roads, poor state of hospitals) challenges that impact on service delivery. Additionally, unrest and natural disasters also impact on the ability to ensure uninterrupted service delivery.

The social, economic, political unrest, weather unpredictability and upheaval have tested the resilience and continuity of our operations, highlighted the importance of robust risk management and business continuity, and created opportunities for us to improve our organisational responsiveness and agility.

These external factors continue to negatively impact our ability to continually supply sufficient blood, to manage our costs and to protect our people, property and environment we function in.

Risks to value creation

- Inability to collect sufficient blood
- Inability to provide blood patients in a timely manner
- Failure of customers to pay for services rendered
- Widespread unrest resulting in loss of assets (vehicles, buildings)
 - > Ability for fuel to reach sites during unrests
 - > Inability of critical employees to reach/leave sites during unrests
- Damage to assets and inability to continue operations due to unexpected severe weather conditions
- Increased risks posed to employees
- Declining potential donor base due to increased poverty and deteriorating health
- Increased loadshedding
- Disruption to water provision – failing infrastructure, access to water and water quality

Opportunities and strategic response to create value

- SANBS ensures ongoing identification of emerging risks in response to the changing external environment, and strong business continuity ensured limited impact on ability to meet demand
- Increase stakeholder interactions with a focus on the importance of blood to the healthcare sector and cost-drivers related to the service provided, further positioned SANBS as a strategic partner in healthcare delivery
- Business continuity plans (BCP) to ensure continued service delivery where SANBS sites are affected
- Solar power and power backup at sites (mobile and fixed)
- Water harvesting in high rainfall areas
- Additional water storage (low rainfall)

Outlook for the year ahead

- Enhancement of organisational business continuity plans and collaboration with service providers to mitigate against potential business disruptions
- Additional investment in hybrid solutions in response to business disruption going forward
- Prioritisation of solar power to supply critical infrastructure
- Provision of borehole or stored water at facilities
- Generating liquid nitrogen (LN2) internally, used in various applications such as cooling, freezing and preserving biological samples
- Onsite diesel bulk storage
- Enhance current physical security on all sites/riot security
- Provision of onsite accommodation for critical employees

Capitals Impacted



Strategic Priorities



Top Risks



RISK AND OPPORTUNITY MANAGEMENT

SANBS embraces risk and opportunity management as an essential enabler for setting and achieving its strategic objectives and fulfilling its purpose of being 'Trusted to Save Lives.' This approach emphasises our commitment to continuous improvement, which is vital for building resilience and remaining relevant in the ever-evolving landscape of the future.

Managing our risks and opportunities to ensure we manage what matters most

Risk management is governed by an Enterprise Risk Management (ERM) Framework which provides a solid foundation to guide the organisation in embedding structured risk management processes to deliver sustained value.

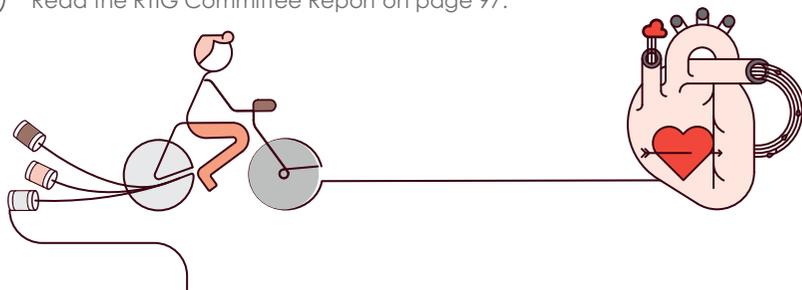
Through the ERM process, risks and opportunities, which could affect the achievement of our iHEALTH strategy, are identified and managed within defined risk appetite and tolerance levels set by the Board. Management decisions to tolerate, treat, terminate or share risks and opportunities are taken based on these parameters.

As an essential healthcare service provider, it is prudent that SANBS protects its donors, patients and stakeholders from the potential adverse effects of risk and it has therefore adopted a conservative risk approach.

SANBS follows an iterative and dynamic risk management process to ensure ongoing identification and evaluation of risks and opportunities in response to a continually evolving and rapidly changing internal and external environment. Risks and opportunities are also identified through stakeholder engagement.

Oversight of risk management is the responsibility of the Risk, Technology and Information Governance Committee.

 Read the RTIG Committee Report on page 97.



Notable events/risks for 2023

Our material matters are reflected in our key risks and opportunities and represent the issues that have the most impact on our ability to create sustainable value for our stakeholders and influence our business model.

Of significance during the reporting period are:

- **Increased integration of risk management principles in process improvements**
 - > Continued identification, prioritisation, treatment, and monitoring of projects risks, particularly in the BECS implementation project
 - > Planning and monitoring of financial process improvements
 - > Reporting – to increase understanding of each strategic risk and to further enhance information documented and thereby improve risk management in the organisation
- **Internal/external events that had a significant impact on the SANBS risk profile**
 - > KZN floods impacting blood collection and SANBS operations and heightened occurrences of extreme weather events
 - > International geo-political instability
 - > Implementation of the identified Target Operating Model
 - > Worsening economic conditions, fuel increases, deteriorating exchange rates, rising interest rates
 - > Sporadic instances of negative media. Media platform monitoring software is used to detect both positive and negative comments, so that we react appropriately
 - > Deteriorating infrastructure in South Africa (power supply, roads and water)
- **Initiatives to enhance risk management practices**
 - > Improvement of integration of risk management into the strategic planning cycle
 - > Robustness of Business Continuity Plans tested during extreme weather events and riots
- **Emerging risks and opportunities**
 - > Monitoring changes and planned changes to compliance requirements enabling timely planning for necessary process amendments – removed NHI implementation as it is not anticipated in the short term
 - > Emerging risks of increasing civil unrest due to worsening socio-economic conditions – now managed as a strategic risk (7)
 - > Continued focus on enhancing collections to meet increased demand for blood products. Sustainable blood supply programmes put into place to address this, included the Platelet strategy, Group O strategy and Donor iron strategy is in place to address this
 - > Leveraging local and international collaborations
 - > Continued monitoring of the external environment for emerging infectious diseases that could impact the supply and the demand for blood products
 - > Monitoring of commodity shortages (e.g., global silicon shortage, chemicals, BECS tablets) that could impact SANBS' operations and capital investments
 - > Monitoring the environment to identify opportunities for expanding translational research into novel products
 - > BCP overarching consolidation – crisis communication management plan

Benefits Derived from Practising Good Risk Management

Our ERM framework is premised on global practical risk management practices including ISO31000 and King IV™, and includes the identification, analysis, evaluation, treatment and monitoring of risks and opportunities from a position where we understand the context of our internal and external business environment and the impact on our iHEALTH strategy.

Figure 1 demonstrates how the effort is driven by the Board, Senior and Middle Management to manage and report on risks.

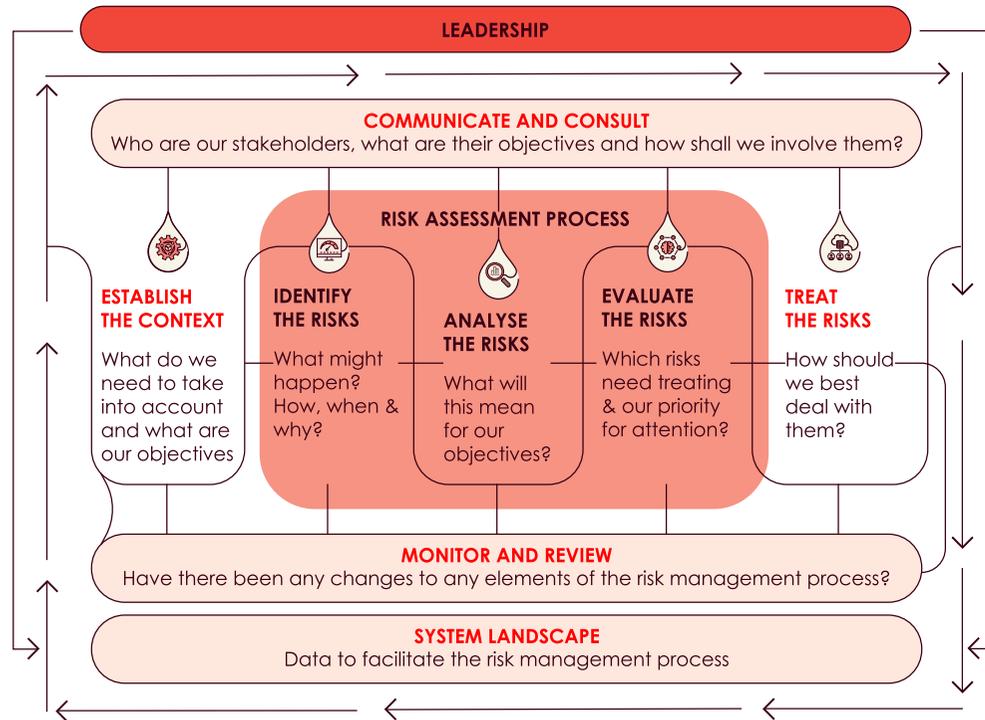


Figure 1

In addition, all lines of assurance are included as part of the Board and Board Committee oversight to ensure that roles, responsibilities and accountabilities for risk are clearly defined. See Figure 2.

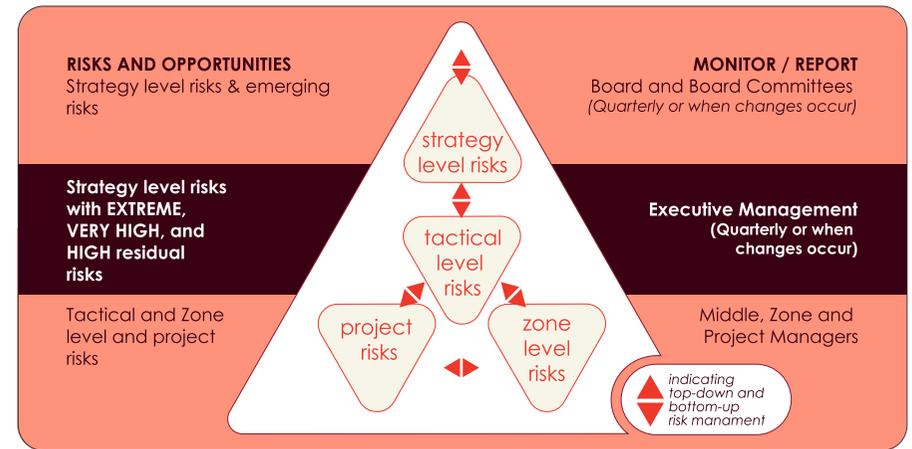


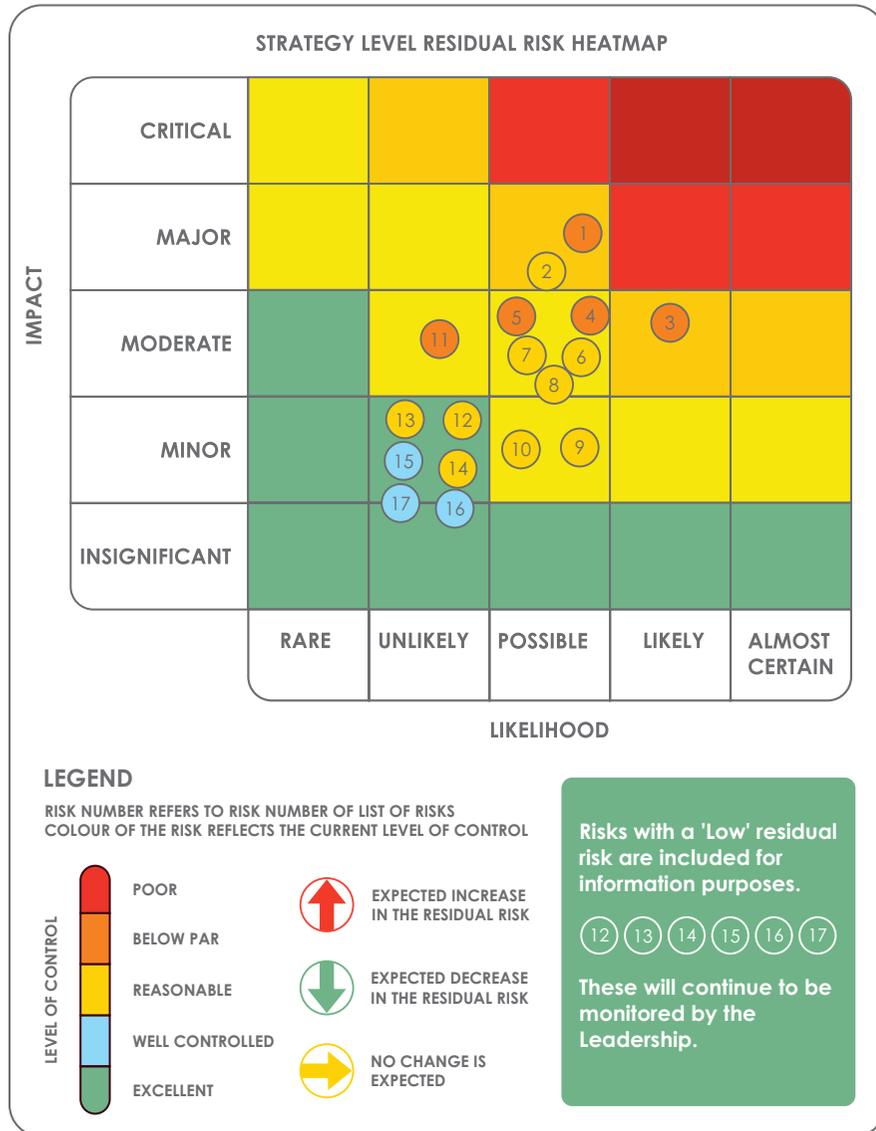
Figure 2: Risk management and risk reporting process





SANBS Risk Profile (Risk Heatmap of Top Risks)

The risk heatmap reflects the risk priority for individual risks as at 31 March 2023.



Risk Profile Trend

Strategic Risks	Short Term	FY23	FY22	FY21	FY20	FY19
1 Ineffective and inefficient order-to-collect process	➡	1				
2 Inability to remain financially sustainable	⬇️	2	4	3	1	2
3 Impact of weak internal controls on compliance and financial assurance	➡	2	2			
4 Loss of public/stakeholder confidence	➡	4	9	8	2	1
5 Inadequate management of information/data relating to: - Electronic - Structured data - Unstructured data - Manual/paper-based	➡	5				
6 Inability to consistently meet all demand for specific blood products - Group O RBC - Pooled platelets - Apheresis platelets - Rare donors - Reagent donors - Plasma	➡	6	3	2	10	10
7 Political/socio-economic instability leading to civil unrest	➡	7				
8 Inability to attract and retain highly specialised/portable/scarce skills	➡	8	1	1	3	3
9 Adverse impact of poor organisational culture	➡	9	9	8	2	1
10 Non-compliance with regulatory requirements	➡	10	10	9	7	7
11 Ineffective and inefficient procure-to-pay process	➡	11	11	11		
12 Disruption in business operations	⬆️	12				
13 Failure to be innovative	➡	13	6	5	8	8
14 Uncertainty as to the impact of the NHI implementation on the SANBS business model	➡	14	8	7	9	9
15 Compromised safety and quality of blood products	➡	15	7	6	4	4
16 Failure to provide and maintain stable information management systems	➡	16	5	4	6	6
17 Environmental sustainability	➡	17				



TOP RISKS 2023	Y-o-Y Movement 2023	Y-o-Y Movement 2022	Y-o-Y Movement 2021	Objectives	Capitals	Residual Risk	Level of Control
R¹ Ineffective and inefficient order-to-collect process	New	N/A	N/A	E A		H	
R² Inability to remain financially sustainable				A		H	
R³ Impact of weak internal controls on compliance and financial assurance		New	N/A	A		H	
R⁴ Loss of public/stakeholder confidence				H h		M	
R⁵ Inadequate management of information/data relating to: - Electronic - Structured data - Unstructured data - Manual/paper-based	New	N/A	N/A	E A		M	
R⁶ Inability to consistently meet all demand for specific blood products: - Group O RBC - Pooled platelets - Reagent donors - Apheresis platelets - Rare donors - Plasma				i H A L h		M	
R⁷ Political/socio-economic instability leading to civil unrest	New	N/A	N/A	A		M	
R⁸ Inability to attract and retain highly specialised/ portable/scarse skills				i H E A L T h		M	
R⁹ Adverse impact of poor organisational culture				H h		M	
R¹⁰ Non-compliance with regulatory requirements				T		M	
R¹¹ Ineffective and inefficient procure-to-pay process			New	E A		M	

OUR STRATEGY

An insight into our strategy, formulated to keep us relevant, to guide our execution and to foster change and growth, serves as the very core of the SANBS foundation. It is the driving force behind our pursuit of financial sustainability and consistently delivering increased value.

STRATEGY AND KEY STRATEGIC FOCUS AREAS 2019-2024 AND BEYOND

Successful achievement of the SANBS mission and the long-term financial sustainability of the organisation is shaped by seven strategic objectives (iHEALTH).

Our strategic priorities reflect:

- What will be achieved
- How success will be measured, i.e. strategic measures
- What will be done to achieve the strategy, i.e. strategic initiatives

The iHEALTH strategy, which has been in place from 2019 to 2024 and was extended to 2025, embodies our purpose and materialises through strategic projects and initiatives that permeate every aspect of our operations.

People and relationships remain our greatest assets. Innovation is our path towards future success and that is why iHEALTH is such an important part of our strategic thrust.

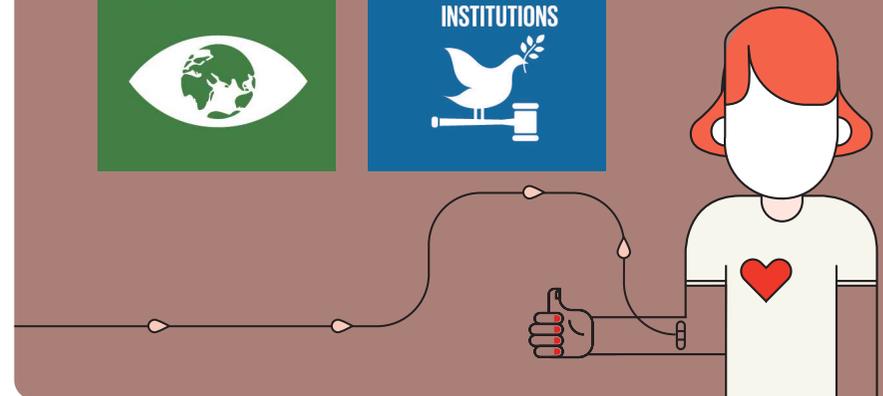
iHEALTH renders visible and measurable objectives. These objectives have been simplified from the collaborative input and understanding of all stakeholders. As SANBS, we have to ensure that we continuously align our human and financial resources to meet our strategic objectives and priorities as identified in this strategy.

The strategy sets concise and measurable outcomes (See Performance against Strategy) based on the standards and framework of SANBS. Key to the success of the strategy is buy-in from stakeholders, including the Board, the Executive Committee and all employees.

Our mission statement “To reliably provide trusted blood products and services to all patients at a world class level of cost and quality while innovating new treatments to enhance human healthcare” embraces four key metrics – Cost, Quality, Reliability and Coverage – which are being actively measured and addressed in the strategic objectives of the business. In 2019/2020 we further unpacked our strategic goals around these four metrics and agreed weighted indices to guide our performance. These also inform our thinking and assist the governance structures in their assessment of delivery against the 5-year plan. Essentially each of these indices comprises a number of internal metrics and at least 1 external metric to ensure comparability with other blood services.

Metrics to achieve the mission

In contributing to a sustainable future and looking beyond environmental considerations alone, SANBS has aligned its strategy to support the following UN 2030 Sustainable Development Goals



METRICS TO ACHIEVE THE MISSION



RELIABILITY

Reliability, for SANBS, is a foundational value that aligns our organisation with the quality of being able to perform well, irrespective of the challenges that we encounter.

We maintain product and service reliability through:

RESILIENCE OF INFRASTRUCTURE

- Standardised donor infrastructure with state-of-the-art digital technology, integrated with process automation at blood banks

CONSISTENCY OF DELIVERY

- Accountability and effective cost control contribute immensely to consistency of delivery

CONSTANTLY IMPROVING OUR PROCESS RELIABILITY

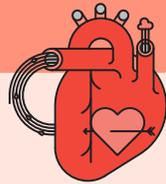
- A feedback system available to doctors, donors, patients and employees
 - > invaluable insights re expectation and requirements
- Feedback facilitates identification of weaknesses
 - > and opportunity for continuous improvement, employees training and process optimisations

TURNAROUND TIME

- The amount of time taken to complete a process/fulfil a request
- Reduced product delays
- Reduced idle time by key employees

RELIABILITY INDEX

- Stakeholder engagement
- Turnaround time
- Misdirected transfusion errors
- Order vs issue
- No replacements



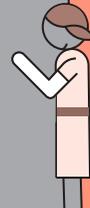
QUALITY

Quality is a crucial part of SANBS, and an important pillar for the future. Quality processes will ensure we are able to track our activities and manage them optimally, from the screening process of blood donors to the transfusion of blood products to patients.

Direct message and Notifications systems have been enhanced and streamlined for an improved user experience. Employees log improvement opportunities to allow a proactive response. The quality team is integrated into the operational areas and is approached as advisory experts.

Optimal quality of SANBS is, and will be achieved through:

- An entrenched quality culture
- International standards accreditation
- Quality improvements through quality failure logging
- Reducing wastage and adverse effects
- Improving service quality with insight from our stakeholder experience



QUALITY INDEX

- SANAS Accreditation
- Blood Safety Donor Care Index
- Blood Safety Patient Care Index
- Blood Safety Product Quality Index



COST

Cost management is an important consideration. Over the past few years, operating costs have increased above inflation. We will strive to contain these costs going forward. Unpaid debts from government and private entities also need to be urgently reduced. Addressing these issues head on will ensure SANBS' remains financial sustainable in the long run.

We will achieve reduced costs by:

IMPROVING VARIABLE COST PER UNIT

- Essential cost-effective expenditure
- Become more prudent
- Maintain disciplined cost management

REDUCING LOGISTIC AND PERIPHERAL COSTS

- Review fleet and related activities to optimise process and costs for delivery of blood products
- Optimise inventory levels

REDUCING COSTS OF COLLECTIONS

- Increase mobile units and reduce number of fixed sites

REDUCING LEVELS OF WASTAGE

- Minimise blood wastage and wasteful expenditure



COST INDEX

- Benchmark cost of RBC
- Employees cost % of total costs
- Working capital (cents/rand of turnover)
- Procurement spend saving



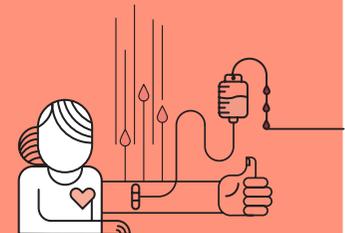
COVERAGE

It is imperative for SANBS to have its blood and blood products made available to all, irrespective of location.

As an organisation, we provide trusted blood products and services, and these need to be available to all patients. We also have to be able to meet growing expectations and demands.

We will extend coverage to all through:

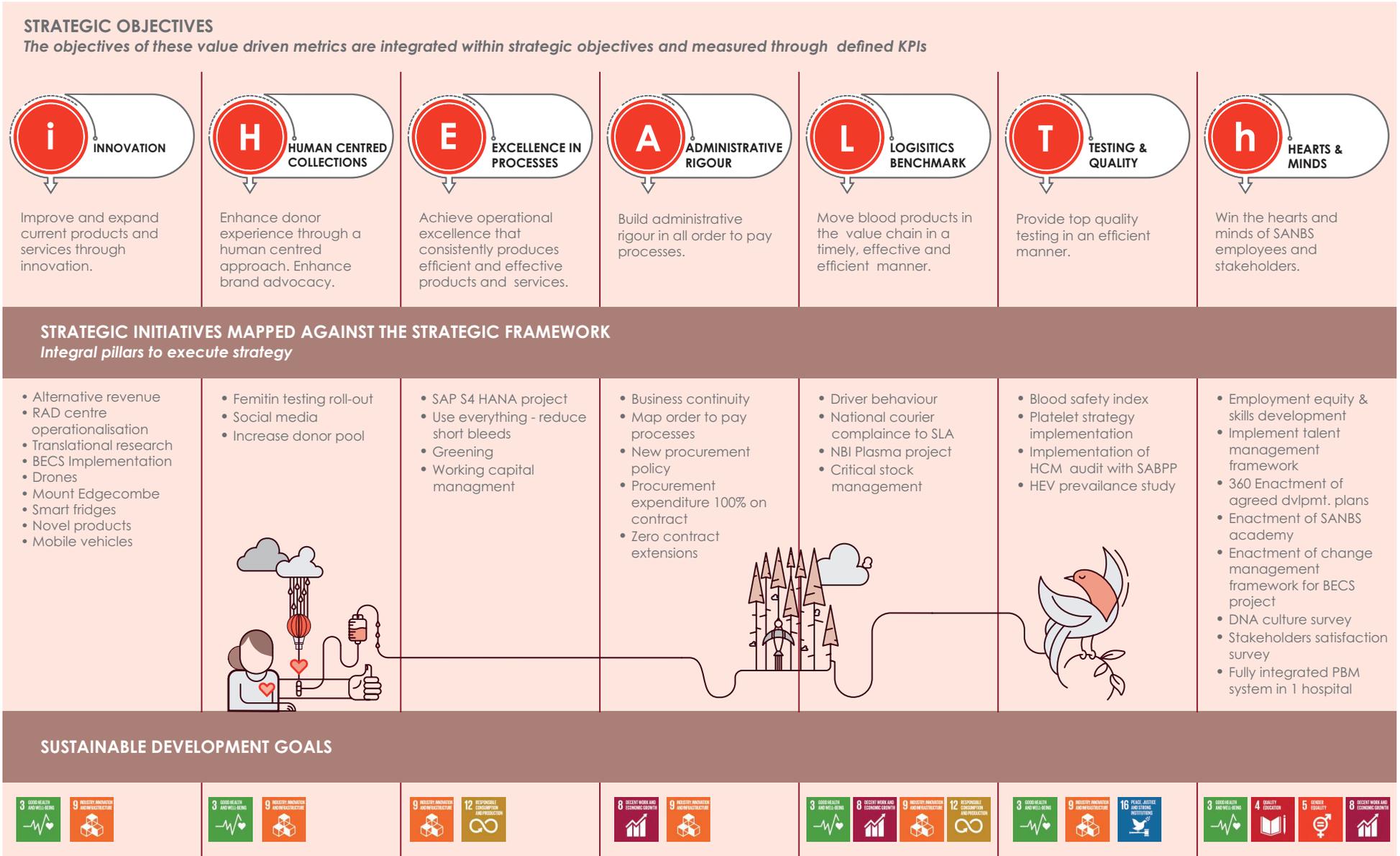
- Collecting blood at key population concentration points
- Services available in traditional and new areas
- Curbing blood shortages in previously under serviced areas
- Initiatives including use of:
 - > mobile units in collections
 - > smart fridges
 - > drones to rural areas



COVERAGE INDEX

- Total SA coverage (issues per 1000 pop.)
- SA private sector coverage
- SA public sector coverage
- % Blood availability to hospitals performing caesarean sections

Linking iHEALTH strategy to reliability, cost, quality, coverage, and performance scorecards





PERFORMANCE AGAINST STRATEGY

We have made excellent progress against the balanced scorecard metrics supporting the iHEALTH strategy, while navigating the challenges external and internal to SANBS.

The seven SANBS strategic objectives are clearly defined and designed to achieve our vision.

Performance against our strategic priorities is measured through defined KPIs incorporated into an overall iHEALTH balanced scorecard which cascades down to all levels within the organisation.

In the tables below is a summary of our performance for the period ending 31 March 2023 against each component of our iHEALTH scorecard.



Aspiration Improve and expand current products and services through innovation

Strategic Priorities

- Unlock other revenue streams-enhance services and innovative product mix
- Lead the development, commercialisation and delivery of cellular therapies

FY23 Highlights

- Alternative revenue grew to R80m due to significant increase in cellular therapy
- STEM cells footprint
- First smart fridge operationalised

Related Material Matters



Aspiration Enhance donor experience through a human centred approach. Enhance brand advocacy.

Strategic Priorities

- Increase capacity and capability to collect more blood
- Determine true blood demand
- Manage deferrals to acceptable levels through strategic initiatives
- Ensure improved donor outcomes and excellence and deliver excellence in donor care
- Focus on new donors, youth and black donors

FY23 Highlights

- Innovative 'Good Hood' campaign encouraging ordinary citizens to host blood collection drives in their communities
- Increased the donor pool - % first time donors aged 16-30 years increased to 71.6% against a target of >50%. Blood collections from black donors increased to 46.7% against a target of >37%

Related Material Matters

E EXCELLENCE IN PROCESSES

Contribution to Long-term Sustainable Value

Aspiration Achieve operational excellence that consistently produces efficient & effective products & services.

Strategic Priorities

- Decrease wastage and promote appropriate use of blood
- Improve efficiency of all identified and mapped processes
- Enhance visibility of our value chain
- Re-engineer procurement processes
- Manage internal controls to acceptable levels

FY23 Highlights

- 99.40%, successful fulfilment of red blood cell transfusion demands
- Overall wastage of 3.86%, well below the 5.6% target

Related Material Matters

A ADMINISTRATIVE RIGOUR

Contribution to Long-term Sustainable Value

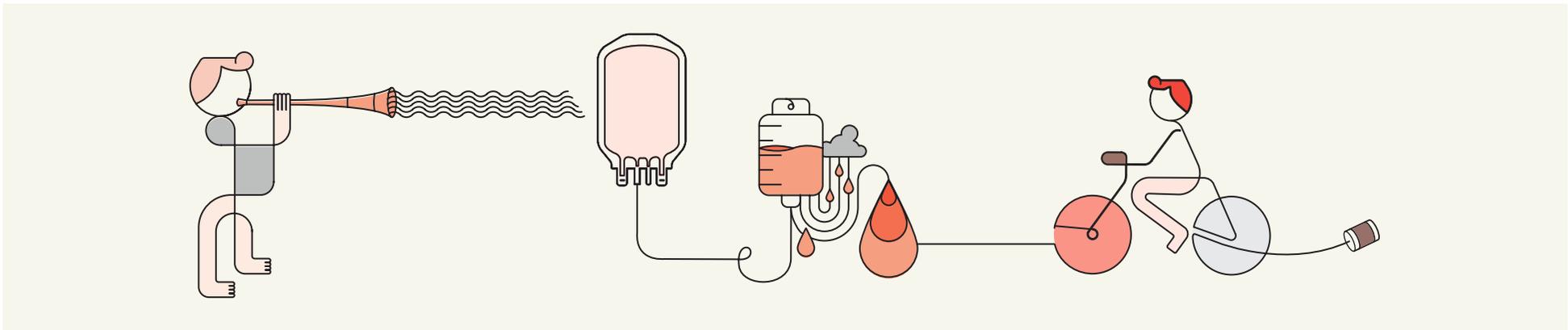
Aspiration Build administrative rigor in all processes

Strategic Priorities Manage bad debts rigorously by enhancing debt collections tactics

FY23 Highlights

- Good progress with procure to pay optimisation and debt collection
- Surplus % of Revenue 14% against a target of >=1%

Related Material Matters





L LOGISTICS BENCHMARK

Contribution to Long-term Sustainable Value



Aspiration Move blood products in the value chain in a timely, effective and efficient manner

- Strategic Priorities**
- Ensure 100% of critical consumables are available to support the value chain 100% of the time
 - Investigate and implement the state of art design for mobile donor centres
 - Optimise process cost efficiency for delivery of blood products

- FY23 Highlights**
- NBI plasma targets exceeded
 - Management of critical stock at 96.2% against a target of 95%
 - National couriers compliance to SLA

Related Material Matters



T TESTING & QUALITY

Contribution to Long-term Sustainable Value



Aspiration Provide quality testing in an efficient manner

- Strategic Priorities**
- Harmonise quality standards to meet international benchmarks
 - SANBS products and services meet the quality control requirements at regulatory bodies and national standards to meet internal and external customer requirements

- FY23 Highlights**
- Blood safety index maintained consistently above target
 - 100% SANAS Accreditation maintained

Related Material Matters



Give blood and keep the world beating



h HEARTS & MINDS

Contribution to Long-term Sustainable Value



Aspiration

Win the hearts and minds of SANBS employees and stakeholders whilst enhancing brand advocacy

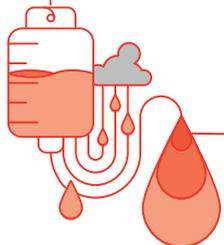
Strategic Priorities

- Align 360 Degree Assessment feedback results with employee development needs
- Drive a performance culture in SANBS with differential reward based on performance
- Create a seamless integration of ethics into the purpose, vision and strategic goals of SANBS
- Reflect the diversity of South Africa society in a workplace defined by our B-BBEE initiatives – measure our contribution to society
- Determine true blood demand

FY23 Highlights

- Level 4 B-BBEE
- Renewed focus on building and maintaining a good relationships with stakeholders

Related Material Matters





Reflecting on our performance against the 2022/2023 Scorecard and how we added value

When we reflect on the accomplishments of the past year, we celebrate them whilst recognising that the last 12 months were marked by significant challenges. We diligently monitored our internal and external landscape, responded with agility, adapted our work processes, and made strategic adjustments to our business model. All the while, we remained steadfast in ensuring a consistent supply of blood products to meet demand.

Guided by our overall iHEALTH strategy, we identified a number of strategic projects to further strengthen our internal processes and service delivery. When looking at the work done and results achieved, it is evident that we have made significant progress in building upon the strong foundations that support our operations. We have also identified areas that require further strengthening and improvement.

Below, we further unpack the various components of our performance against our iHEALTH strategy.



INNOVATION

● TARGET ACHIEVED / EXCEEDED

✓ NEW INITIATIVE ON TRACK AGAINST CURRENT PLAN (NO CONCERNS)

▲ IMPROVEMENT YOY

● NO CONCERNS YET

▼ BELOW TARGET

KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
Alternative revenue	R76m	R64.6m	R69.97m	▲ R80m Reason: Cellular therapy procedures/STEM Cells
#Translational Research Office	11	19	20	● 14
RAD Academy	Successful launch	Upgraded digital learning platform Blood transfusion science included in tertiary curriculum	Progress with Senior Leadership Immersive programme and management programmes with Wits	▲ Further awareness created with internal employees to promote learning and development opportunities
Drone Project	Project plan	4 drones secured	Civil Aviation Authority (CAA) approved SANBS' licence to deploy drones	▼ Currently not live due to delays in CAA approvals. CA approval has been granted for one route only
BECS Implementation	Project plan	Project delays	Key milestones are closely monitored	▼ Implementation delays Refer to material matter 4 BECS implementation delays which includes delays caused on other projects so as to allow focus on the completion of BECS
SARS-CoV-2 sero-prevalence study	Complete study	Sero-surveillance study to estimate the prevalence of antibodies to SARS-COV-2	Wrote pre-print paper for sero-prevalence; completed testing and analysis and longitudinal testing for frequent repeat donors	● Study complete and being submitted to peer reviewed journal
Smart fridges	Project plan	First Smart fridge received	Pilot study underway	● First smart fridge operationalised

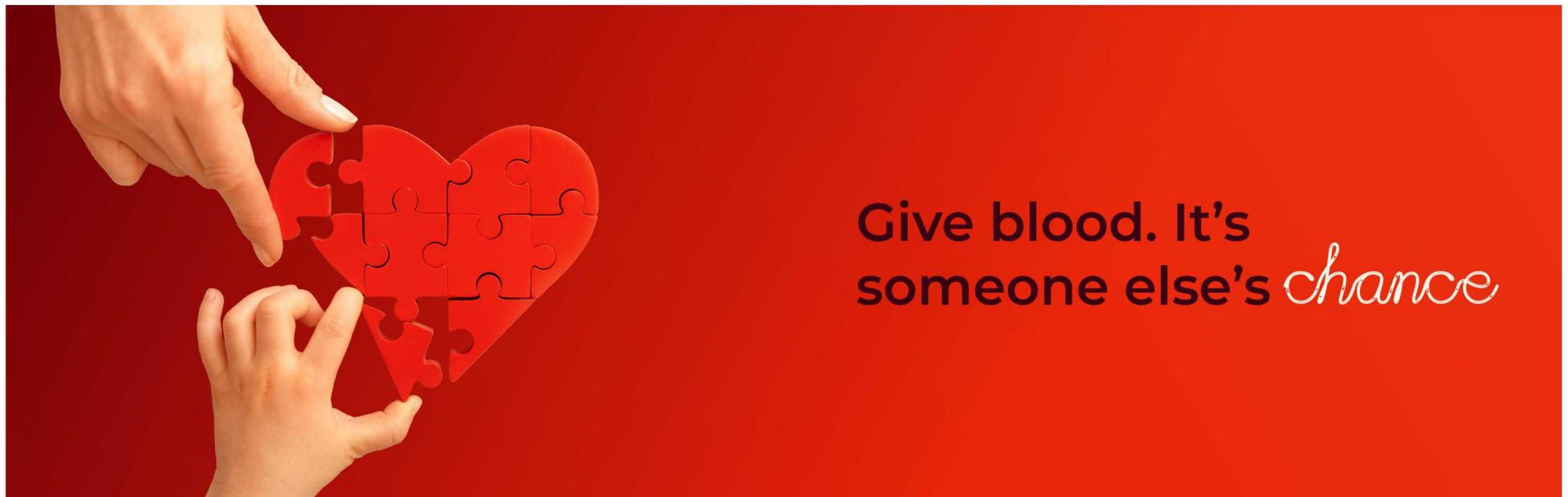


H HUMAN CENTRED COLLECTIONS

KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
% Deferrals from all donations	<15.0%	10.5 %	10.15%	● 11.1%
#Ferritin testing - Roll out in Zones (#IronStrong)	Reduce iron deficiency amongst donors	2	Developed and implemented ferritin testing algorithms	▲ Iron management programme implemented for donors with low ferritin
No. of source plasma collections	>=64 000	40 348 74.6% of target	39 130 72.6% of target	▼ 40 524 63% of target Process of converting group A & AB donors is ongoing to increase Source Plasma collections. This is a long-term project
Days' cover (Group O Blood)	5	4.6	4.1	▼ 4.1 Refer to material matter 3. Increase in demand for blood/Inability to meet blood demand
#Of units of Apheresis platelets collected	>=20 000	18 148	19 627	▲ 21 121 A strategic project is in place to increase numbers with additional donor centres opened
% First time donors aged 16 – 30 years	>50%	58%	69%	▲ 71.6% Consistent Y-o-Y growth, primarily attributed to increased accessibility to schools post the pandemic
Black donors as a percent of total donors	>=37%	45%	39%	▲ 46.7%
Social media engagement	95% of target value	51%	26%	▼ 74.8% Although numerous posts based on campaigns, engagement levels across all platforms were low
Whole blood collection (Group O)	>=498 352	422 900	457 523	▼ 484 515 Collections for Q4 were 98,13% of target. Did not meet target but collections increased by 26 867 (5,87%) compared to 2021/2022 and 4.18% compared to 2019/2020
Innovative ways to collect blood	Ongoing	Ongoing	Ongoing	● Various campaigns implemented, however digital donor experience has been delayed with delayed implementation of BECS

E EXCELLENCE

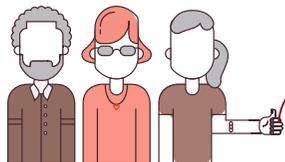
KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
Modernise ERP/SAP systems	Implement a solution: intuitive, agile, scalable, mobile-ready, to improve operational excellence	Evaluation complete	Some delays experienced	● Project on hold due to focus on BECS implementation
a Product Compliance to the Standards (Ensuring that patients receive products of the highest quality)	>=95%	97%	99.35%	● 100%
a % Red cells issues vs red cells ordered	>99%	99.42%	98.8%	● 99.4%
a Wastage – % of blood discarded	<=5.6%	3.11%	3.2%	● 3.86%





A ADMINISTRATIVE RIGOUR

KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
Debtors' days	<=140 days	161 days	155 days	▼ 150 days "Order-to-Collect" process improvement project
Provision for credit losses as a % of Revenue	<=6%	2.93%	1.3%	▲ 1.2%
Gross Revenue as a % to budget	>= 100%	104%	96%	● 99%
Surplus % of Revenue Overall measure for profitability	>=1%	6.6%	4.6%	▲ 14% Attributed to: <ul style="list-style-type: none"> • Interest income higher than what was budgeted for • Budgeted costs were not utilised due to a revision of strategic projects to strengthen our foundations • Low credit losses
Availability of critical IT services during agreed operating times	>=98%	98.4%	98.1%	▼ 95.97% Availability of systems is impacted due to loadshedding
Net cash reserves	>=R1.5 bn	R1.8bn	R1.9bn	▲ R2,253bn
Business Continuity Management (BCM)	100% complete plan	Phase 1 complete	Phase 2 complete All BCP plans signed off 2 successful tests in live situations (riots and floods)	● Operationalised Opportunity to test in live environments, i.e. during KZN floods, unrest
Employee cost as a % of Total Costs	<=44%	44.55%	39.9%	● 42%



your *blood* is our type





L LOGISTICS AND BENCHMARK

KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
Driver behaviour score	>=92%	94%	92%	● 93.2%
Blood bank courier fulfilled on time	>=98%	100%	100%	● 99.3%
NBI plasma targets met (Litres)	>=170 500 Litres	161 172	164 919	▲ 197 687
Manage critical stock levels	>=95%	95.9%	96%	▲ 96.2%

T TESTING AND QUALITY



KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
Blood safety index	>=95%	97.3%	97.24%	● 95.6%
a Accreditation	100% SANAS Accreditation	100%	100%	● 100% SANAS Accreditation
Meet ISO 9001 standards	Fully compliant with ISO 9001 standards	✓	Baseline audits conducted for support areas and gap analysis completed	● Timeline has been extended due to focus on BECS implementation
Meet SLA TAT for standard crossmatches	>90% of standard crossmatches completed within agreed SLA TAT of 120 minutes	81.83%	83.2%	▼ 80.8% Downtime due to loadshedding (placement of generators at Blood Banks is underway)
Turn-around time for units to become available for use	>=95%	144%	91.4%	● 93.3%



h HEARTS AND MINDS OF SANBS EMPLOYEES AND STAKEHOLDERS

KEY MEASURED INITIATIVES	TARGET	IR 2021	IR 2022	PROGRESS APRIL 2022 TO MARCH 2023
BBBEE	≥80 points level 4	Level 5	82.04 points Level 4	● 80.17 points Level 4
Employee turnover rate	>=8%	5.9%	6.89%	● 8.14%
DNA culture survey results	>=1.31	1.31	1.26	● 1.25 The current SANBS DNA results are a more realistic reflection of the employee engagement in the present environment. Survey results are no longer linked to performance rewards
Stakeholder satisfaction results	90%	Results of initial analysis by an external service provider not of usable quality	Plans to recruit a stakeholder manager	● Policy and framework being drafted Integrated strategy plan to be implemented Survey planned for FY24
Patient blood management (PBM)	42%	SANBS plays leading role in the Sub-Saharan PBM association and elected to inaugural steering committee	PBM continues to increase in its impact, especially in the public and academic sectors	▼ 39.54% Our target was derived from international practices. In reviewing the local circumstances, the target was likely to be ambitious given the unique South African healthcare setting
Ethics project Ethics implementation plan approved	Ongoing initiative	Ongoing initiative	Significant progress made with roll out of the ethics and culture programme	● Code of ethics formalised and implemented with all employees and key stakeholders

Our iHEALTH is on track to deliver the desired outcomes

In conclusion, under a revised target operating model and competent leadership, SANBS has achieved excellent results for the 2022/2023 year, showcasing resilience and agility in innovatively collecting blood and growing the donor base. The iHEALTH strategy has played a vital role in transforming the organisation, focusing on people, processes and technology in order to ensure ongoing efficiency and operational excellence.

However, the external environment poses ongoing challenges, including the Ukraine war, logistics issues, and high inflation rates. Consumer price inflation, fluctuating exchange rates and rising interest rates remain a concern and have impacted the financial landscape. Healthcare budget constraints and changing population dynamics further influence the demand for our services. Emigration, unemployment, and an increasing disease burden may have implications for our expanding donor base. Infrastructure challenges, such as electricity shortages, water scarcity, poor road networks, and vehicle damages, present additional hurdles to navigate. Furthermore, as elections approach next year, the possibility of increased protests and strikes could potentially affect our operations.

In the face of climate change, we remain vigilant with robust continuity plans in place, as natural disasters and extreme weather conditions could potentially disrupt our operations and service delivery. Despite these obstacles, we remain proactive and resilient, seeking innovative solutions to fulfill our purpose of saving lives.

On the financial front, SANBS remains in a healthy position, ensuring sustainability for the short, medium, and long term despite the prevailing global and local macroeconomic conditions.

As we continue our journey, we are committed to adapting and navigating through the uncertainties, leveraging our strategic focus and commitment to excellence to serve our communities effectively and sustainably. By staying agile and responsive, we strive to uphold our mission to be trusted to save lives, no matter the challenges we may face.



OUR CAPITALS



OUR SOCIAL AND RELATIONSHIP CAPITAL

First and foremost, we are a non-profit organisation that provides the delivery of safe blood to the patients we serve. SANBS' social capital is the foundation upon which our life-saving mission of providing crucial blood products and services to those in need, is built. By nurturing trust, and upholding relationships, we remain steadfast in our pursuit to positively impact lives.



OUR SOCIAL CAPITAL - contributing to a sustainable future

Social capital is the cornerstone for enabling collaboration, mobilising vital resources, raising awareness, and fostering a positive societal impact through our mission of providing reliable blood products and services to patients in need.

Social capital lies at the heart of SANBS, embodying the value and strength of the connections, trust, and relationships cultivated with our diverse stakeholders, including donors, volunteers, partners, communities, and the wider public.

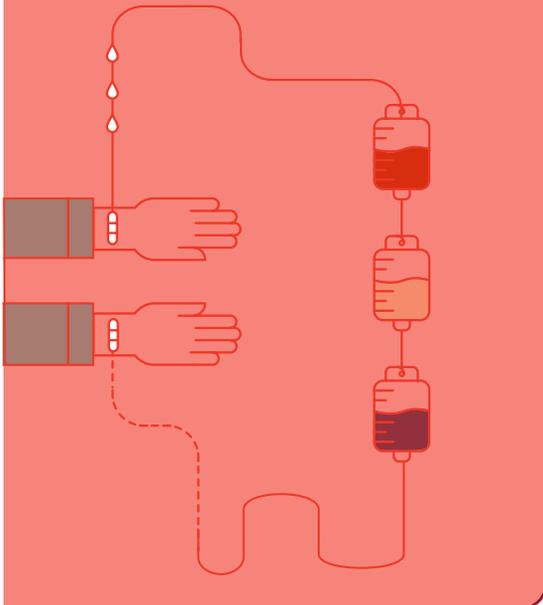
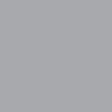
Ultimately it is about people who make the difference. Therefore, we establish and nurture relationships founded on trust across all our stakeholders, most significantly our donor and patient communities. We pride ourselves on providing the same level of care, irrespective of whether recipients are from the private or the public sector.

We care about the health of our donors and we have taken proactive steps to safeguard their well-being through the Iron management programme, particularly for those with low ferritin levels. Engaging with communities on multiple fronts serves to heighten awareness and broaden the donor pool. Our outreach extends to educational tours, welcoming schools and universities to our Mount Edgecombe facility, with the aim of inspiring the younger generation to embrace blood donation.

We are also dedicated to those in need of blood products, from new mothers during childbirth to accident victims and ICU patients. This commitment is demonstrated by the introduction of our first smart fridge, a strategic innovation aimed at reducing turnaround times for blood supply to regions where maternal mortality rates are particularly high.



SANBS is committed to supporting the following sustainable development goals (SDGs) through execution of our strategic priorities. These are global goals agreed with respect to economic, environmental and social goals.

 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Increased life expectancy, access to health services</p>	 <p>SANBS aims to be the cornerstone of healthcare services in South Africa, through the gift of life We realise the critical role we play in sustaining a healthy society and health system To ensure equitable access for all citizens we operate 2 testing laboratories (Constantia Kloof and Mount Edgecombe), 83 blood banks, 71 donation centres, 7 processing centres and 25 mobile donor vehicles (which have 58 beds)</p> <p>Health lifestyle education and awareness SANBS does not only collect blood, but also educates donors on a healthy lifestyle, creates awareness about diseases - forging a relationship based on reputation, care and trust</p>
 <p>4 QUALITY EDUCATION</p> <p>Promoting learning opportunities for employees and others to remain relevant in the future</p> 	 <p>Continuous development of our own employees SANBS invests in the continuous development of its people which includes a formal learning academy to create employees "fit for the future" as well as providing study assistance for external studies.</p>  <p>Knowledge dissemination SANBS optimises organisational appropriate knowledge dissemination through collaborations, continuing professional development (CPD) accredited educational events, and the development of innovative solutions, eg, the learning experience portal for internal and external healthcare professionals (HCP). Training, Education and Advisory Services and PBM functions ensure that training for external HCP on various CPD-accredited transfusion medicine topics is planned and conducted. A total of 28 147 HCP were trained through 236 initiatives, using hybrid training platforms during the 2023 financial year.</p>  <p>Bursaries for employee dependents 40 SANBS employee dependents were offered bursaries to the value of R1.3m.</p>  <p>Collaborations with universities Formal collaborations with the University of Limpopo and the University of Free State resulted in the inclusion of transfusion medicine in the curriculum of third-year and fifth-year medical students.</p> <p>The fully-online short learning programmes for doctors in PBM developed in collaboration with the University of the Free State was launched in July 2023. The programmes for nurses and laboratory professionals are being concluded with the first intake expected in early 2024.</p> <p>Haematology and virology registrars at the Universities of Pretoria, KwaZulu Natal, and Witwatersrand are also taken through a rotation of SANBS departments to increase their knowledge and understanding of blood and blood products, as well as other additional services offered by SANBS.</p> <p>SANBS has concluded the following Memorandums of Understanding (MoU) with Blood Services in the SADC region:</p> <ul style="list-style-type: none"> • Sidilega Private Hospital in Botswana - staff are being trained by the SANBS team on stem cell collection. The hospital personnel are now competent to collect stem cells from their patients, which are cryopreserved at SANBS facilities until required for re-infusion • Swaziland - for the training of the Eswatini blood transfusion collection and technical staff on quality processes. The gaps identified in their processes were discussed and measures are underway to assist them to close these • BloodSA - MoU being finalised for weekly educational events that provide knowledge improvements on various transfusion medicine CPD opportunities for local and internal HCP • Ghanaian blood service - training collaborations on apheresis platelets once the country starts apheresis platelet collections • Namibian - MoU underway for international webinars and training collaborations

5 GENDER EQUALITY



Empowering women and creating equal opportunities



Equitable reward and remuneration (race and gender parity)
Remuneration policies and practices are reviewed to ensure fairness and equality and most recently, gender neutrality is acknowledged.

Female employees comprise 59% (FY22: 59%) of the workforce.



Board composition = 58% (FY22:55%) female (see the Board profile on page 86).
Executive Committee composition = 50% (FY22: 50%) female (see the Exco profile on page 22).

8 DECENT WORK AND ECONOMIC GROWTH



Promote inclusive and sustainable economic growth, employment and decent work for all



Cultural and leadership initiatives
SANBS is committed to an environment conducive for our employees to thrive and perform. New employees are trained to operate seamlessly. Our cultural and leadership initiatives are bearing fruit and the business is on a sound footing financially with improved debt collection

(See employee testimonials on page 67).



Learnerships for people with disabilities
To further embrace our diversity, we have 19 (FY22:17) young people with disabilities on a learnership in business administration and looking at how best they can be integrated into our business.



Work experience for qualification opportunities
As part of our community outreach, SANBS has contributed to the development of 14 Technical Vocational Education and Training (TVET) college interns, and 7 Health Professions Council of South Africa (HPCSA) interns, enrolled from January 2022. In addition to ensuring completion of the required work experience for their qualifications, SANBS further supplements their monthly stipend.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Investment in research, development and innovation

SANBS is at the forefront of technology in the blood transfusion space.



International collaboration for research in transmitted transfusion infections (HIV, HBV).

R80m alternate revenue generated against a target of R76m.



Our first smart fridge was launched, aimed at reducing turnaround times for patients to receive blood in areas where there is a high mortality of mothers during childbirth

Successful launch of our SANBS RAD Academy to internal employees fostering a culture of ongoing learning and growth. SANBS employees authored/co-authored 14 scientific papers showcasing research done.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Develop effective, accountable and transparent institutions at all levels

SANBS products and services meet the quality control requirements at regulatory bodies and national standards to meet internal and external customer requirements and ensure our blood products are safe

→ Note – see natural capital for details relating to SDG 12 and SDG 13 on page 62

SANBS have through efforts relating to corporate social responsibility events made a worthwhile contribution to SDG 2

2 ZERO HUNGER

Employee participation in CSR events

Rise Against Hunger partnership
SANBS partnered with Rise Against Hunger, to participate in the 67 minutes Mandela Day challenge. Staff from Port Elizabeth, Bloemfontein, Johannesburg and Durban volunteered their time to prepare and pack a total of 39 312 meals

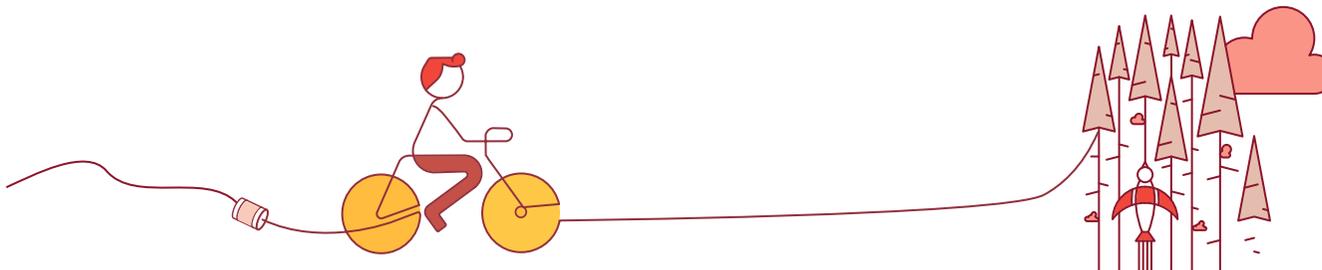
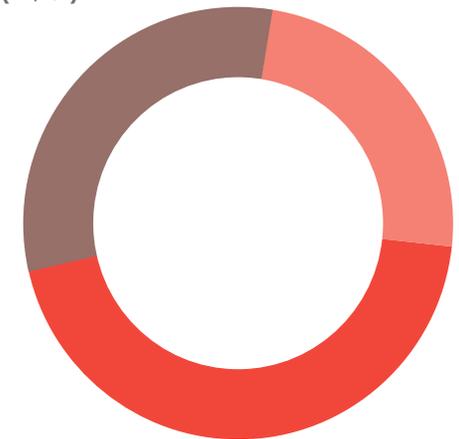
Reflecting the diversity of South African society in a workplace defined by our B-BBEE initiatives – measure our contribution to society

We contribute to the socio-economic development (SED) pillar of Broad-Based Black Economic Empowerment (B-BBEE) by hosting blood transfusion related training for HCP, donor education programmes for existing and potential blood donors as well as allocation of bursaries to dependents of SANBS employees.

Our contribution to the Enterprise Development (ED) and Supplier Development (SD) pillar of B-BBEE in the past financial year resulted in us achieving 18.16 points, falling short of the 20 points target. However, key contributors, for which 2 bonus points were received, were the success in at least one ED beneficiary graduating to supplier level and at least one job created as a direct result of ED and SD initiatives.

SOCIO ECONOMIC DEVELOPMENT: RECOGNISING CONTRIBUTIONS PER CATEGORY

- Professional Services Rendered at no Cost
- Grants R 1,236,261.60 (44,2%)
- Direct Costs





OUR RELATIONSHIP CAPITAL - Stakeholder Engagement

Meeting the needs, interests and expectations of all of our stakeholders and applying new energy to our engagement approach after a difficult period dominated by lockdowns and remote working, is intended to strengthen the foundation of our relationships.

Strong relationships and ongoing engagement with all our key stakeholders are paramount to the ongoing sustainability of our operations and value creation. Stakeholder management has therefore been elevated to a strategic level to manage stakeholder relations and oversee this area more holistically, ensuring we meet expectations and strengthen the quality of our relationships.

Stakeholder engagement is monitored by the Governance, Social and Ethics Committee.

 Read more on page 93.

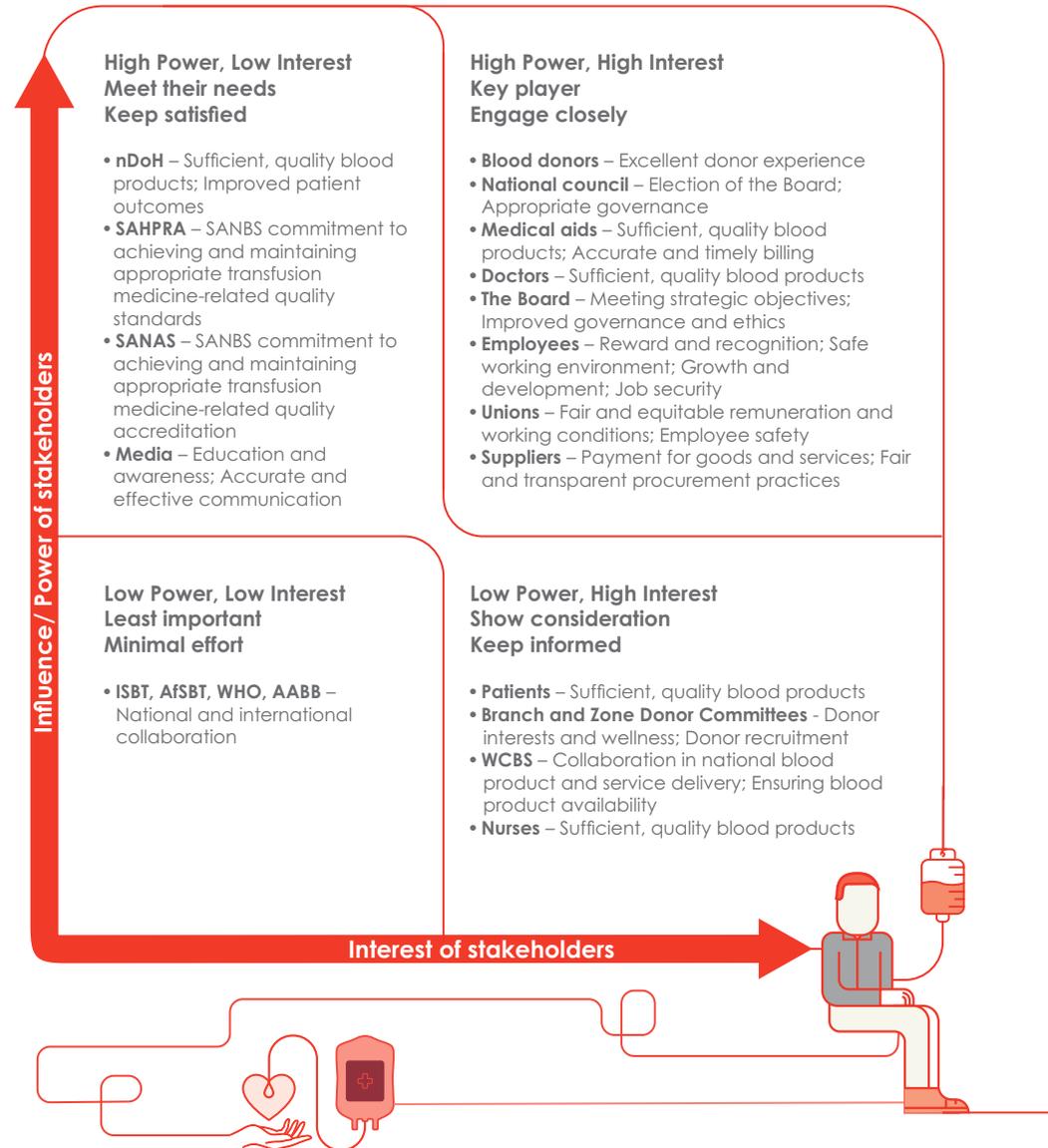
We have applied new energy behind the engagement with donor structures to ensure that they remain engaged after a difficult period dominated by lockdowns and remote working.

Stakeholder surveys are undertaken from time to time. Emphasis on these will increase going forward. We initiated the process of revising the stakeholder map using the Power Interest approach (see graphic on the right) to identify, assess and prioritise stakeholders.

- The recommended approach focuses on two dimensions: 1) the stakeholder's influence/power on the organisation; and 2) the stakeholder's interest in the organisation. These two dimensions are plotted using a simple rating scale, resulting in the grouping of stakeholders in four quadrants as set out above.
- The strategy for the stakeholders in each of the quadrants will be different, with the key focus area being the top right quadrant (high influence/power and high interest).
- Stakeholder engagement plans and concrete communication strategies will be developed and led by business process owners.



Categorisation of the stakeholders and key issues



We group our stakeholders as follows:



EMPLOYEES

Include the people we employ, our Board and the unions that represent our people. Given the important role of each of these stakeholders – details are provided below



REGULATORS

Comprises of the National Department of Health, SANAS, SAHPRA and the ISO Standards



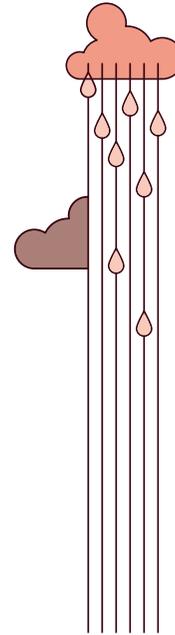
FUNDERS/PAYERS

Medical aid schemes, Treasury, Regional DoH



SA AND INTERNATIONAL BLOOD PARTNERS

Local and international health and transfusion medicine



DONORS

These comprise anyone who donates blood, the donor structures including National Council, Zone Donor Committees and branch donor committees. We describe the relationship with blood donors separately below



MEDICAL FRATERNITY

Includes anyone who accesses our products or services including doctors, nurses and patients



SUPPLIERS

Procuring sources

The information that follows describes our frequency of engagement with our stakeholders, their needs, interests and expectations, risks and opportunities and how we respond to these.

We also provide our assessment of the current relationship against a desired relationship and give details of the status of current engagements with our various stakeholders.

**Give blood. It's
someone else's *chance***





EMPLOYEES- SANBS Employees
Ongoing engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
Executive management

Stakeholder needs, interests and expectations

- Appropriate reward and recognition
- Conducive and safe working environment/interesting work
- Job security
- Growth and development
- Transformation
- Diversity and inclusion
- Diversification of work/interesting work
- Integration
- Remote and/or Working From Home (WFH) capability
- Regard for overall personal wellness
- Workplace free of any harassment

Key risks

- Loss of key employees
- Disengaged employees and underperformance
- Poor labour relations
- Damage to SANBS reputation by disengaged employees
- Lack of disclosure or transparency
- Poor organisational culture to give effect to strategy
- Inability to attract appropriately qualified employees

Opportunities

- Empower and engage
- Skills development
- Diverse and inclusive workforce
- Multiskilling – cross functional teamwork
- Performance management
- Recognition and reward
- Building trust
- Reinforcing a culture of appointing/ promoting from within
- Appointment of scarce skills externally when necessary

SANBS response

- Talent management – promotions from within are prioritised
- Succession planning
- People transformation programme
- Effective performance management system
- Role enhancements
- SANBS employee engagement through annual DNA measure
- 360° feedback
- Remuneration policy updates
- Heightened disclosure in Integrated Report
- Remote working policy
- Virtual training and Learning Cafe
- Voluntary vaccination policy
- SANBS Academy supporting all learning and development
- Ethics and culture programme implementation
- Purposeful wellness programmes
- Pipeline workforce planning
- Improved/accelerated talent acquisition and onboarding

Status of current engagements

- SANBS' DNA process – In the 2022/2023 cycle 1 986 employees participated in the process (FY22: 1 997) and in our final score, we achieved 1.25 (FY22: 1.26) 297 leaders and specialists completed a 360° assessment to help ensure sustainable leadership capability (FY22: 488)
- We continue to embrace the 360° process and feedback is constructive and included in the leader individual development plan and incorporated into the succession planning process
- Leadership development focus remains on building self-awareness and being results driven

Metrics used to measure quality of relationships

DNA culture score Employee surveys
360° feedback THREAD value alignment





BOARD
Regular engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
CEO and Company Secretary

Stakeholder needs, interests and expectations

- Relevant, accurate and timeous information and reporting
- Achievement of strategic objectives
- Improved governance and ethics
- Sustainability

Key risks

- Lack of transparency
- Inaccurate reporting
- Under performance
- Poor decision making
- Potential liability for directors

Opportunities

- Integrated business planning
- Digitalisation
- Organisational alignment and transformation
- Creation of blood committee

SANBS response

- Improved planning and communication
- Performance reviews
- Business scorecard reporting
- Revised and improved committee and Board Terms of Reference and Work Plans
- Ethics and Culture Programme a prioritised business project
- Governance framework reviewed
- Board evaluations
- Joint strategy and planning sessions

Status of current engagements

- Board/Exco strategy and risk workshops held with good discussion resulting in revised strategic risk register
- Regular feedback on corporate scorecard and SANBS progress on strategic projects provided by CEO at Board meetings
- Board and committee packs submitted in good time prior to meetings

Metrics used to measure quality of relationships

Board evaluations



EMPLOYEES: UNIONS
Ongoing engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
Chief Human Capital Officer

Stakeholder needs, interests and expectations

- Fair and equitable working conditions
- Employee safety and security
- Annual wage negotiations
- Transparency
- Consultation
- Fair and equitable remuneration

Key risks

- Misaligned expectations
- Poor labour relations
- Negative publicity
- Reputation damage

Opportunities

- Improved working conditions
- Improved trust relationship
- Improved engagement and planned meetings
- Greater understanding of SANBS' environment
- Further transparency in Integrated Report to build trust

SANBS response

- Dedicated and intentional time for labour partners
- Bargaining forum meetings
- Long-term agreements
- Communication improvement through structured engagements
- DNA formula
- 360° assessment
- Remuneration policy
- Disclosure of remuneration in Integrated Report

Status of current engagements

- Healthy relationship between business and the unions
- Annual salary negotiations and process salary increases, without the dispute being referred to the CCMA for mediation
- Involved the unions in one of our biggest Digi projects, BECS to be our champions of change

Metrics used to measure quality of relationships

- No strikes
- Number of grievances and disciplinaries
- Time taken for wage negotiations



DONORS - Blood donors
Ongoing engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
Executive management

Stakeholder needs, interests and expectations

- Adequate donor health and education
- Donor satisfaction levels
- Consultation
- Fair and equitable treatment

Key risks

- Shrinking national potential donor pool
- Donation-related adverse events/outcomes
- Dissatisfied donors
- Donor retention
- Reputation of SANBS

Opportunities

- Sustainability
- Diversified donor pool
- Pathogen inactivation
- Increased conversion of first-time donors
- Digitalisation
- Donor education and experience (SANBS Journey of Blood)

SANBS response

- Digitalisation
- Donor-focused research
- Donor satisfaction surveys
- Donor rewards programme
- Increased awareness regarding platelet donation
- Donor wellness programme

Status of current engagements

- The donor pool increased by 14% (FY22: 13%), a gain of 68 226 donors year-on-year. Of particular significance is the 39 665 gain in young donors, aged 16 to 25 years, impacting on sustainability of the donor pool
- Donation frequency reduced from 1.9 donations in FY22 to 1.7 in FY23, impacted by the increased donor pool, thus also reducing our reliance on repeat donors and addressing the potential negative impact on donor health
- The further impact on sustainability and potentially donor health was the additional 29 567 (increase of 28.7%) collections from new donors in FY23 when compared with FY22

Metrics used to measure quality of relationships

Donor feedback/surveys



A A single pint can save 3 *lives*



National Council, Zone Donor Committees, Branch Donor Committees
Periodic engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
Executive management

Stakeholder needs, interests and expectations

- Due regard for donor interests and wellbeing
- SANBS carries out its mandate effectively
- Consultation
- Transparency
- Relevant, accurate and timeous information sharing
- Achievement of strategic objectives

Key risks

- Not adhering to prescribed governance rules and structures
- Ineffective interaction between management and the committees

Opportunities

- Leverage the passion and commitment of the committee members to increase our donor base
- Relevant education and awareness campaigns

SANBS response

- This is a key focus area for donor management
- Implementation of revised branch and zone committee rules through intensive engagement and training of committee members
- Donor committee members (branch and zone) meet formally with designated SANBS personnel at least three times a year

Status of current engagements

- Actively engage committee members in donor recruitment initiatives
- Continued with hybrid meetings to enable greater participation by committee members based in outlying areas
- A nominated Council member participates in the GSEC
- Donor for Life Award functions resumed in August 2022. More than 100 donor award functions were held to celebrate donor milestones achieved from 2019 to 2021
- Key donor achievements celebrated and published in local and social media

Metrics used to measure quality of relationships

Extent of concerns/issues raised in GSEC donor structures report
 Zone Forum platform: Issues addressed
 Opportunities for education Initiatives/activities to influence contribution as committee members

Donate blood. give a smile to *someone*





REGULATORS - National Department of Health
South African Health Products Regulatory Authority (SAHPRA) - Ongoing engagement

Current relationship
Fair

Desired relationship
Trusted

Responsible
Executive management

Stakeholder needs, interests and expectations

- Improved patient outcome
- Improved healthcare service delivery
- Sufficient, quality blood products
- Right product, right patient at the right time
- Monitoring of side effects
- Training and education
- Escalation of all major decisions
- Cost-efficient service delivery
- Consultation
- Transparency

Key risks

- Loss of license to operate
- Inability to meet demand
- Morbidity/Mortality
- Poor patient outcomes
- Increased costs
- Delayed payments
- Insufficient healthcare workers for appropriate service delivery
- Poor uptake of patient blood management

Opportunities

- Product and cost efficiencies
- Digitalisation
- Product and service diversity
- Reduce wastage
- Use of big data
- Logistics footprint
- New service delivery models (e.g., SMART fridges)
- Patient blood management

SANBS response

- Adherence to service level agreements
- B-BBEE
- Provision of data/metrics
- Portal for debtors' payments
- Interdependent projects to improve blood product management
- Scientific research and publications
- Education through Transfusion Committees

Status of current engagements

- Regular structured as well as informal interactions and engagements at local, provincial and national level
- Annual Haemovigilance Report
- A national structure to address blood transfusion and related matters at DoH is still lacking
- Improvement in payments

Metrics used to measure quality of relationships

- Number of healthcare workers trained
- One-unit-at-a-time issues
- Discussion platforms
- Publications



REGULATORS - SA National Accreditation System (SANAS)
Regular engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
Medical Director

Stakeholder needs, interests and expectations

- Compliance
- Global interaction
- Harmonisation of Standards

Key risks

- Loss of licence to practice
- Loss of trust from key stakeholders
- Litigation
- Medico-legal risks

Opportunities

- Maintain the high quality of our products and services
- Global collaboration
- Recognition as an industry leader

SANBS response

- Disciplined adherence to Standards of Practice for Blood Transfusion in South Africa
- Maintaining SANAS accreditation to various ISO standards
- Proactive identification of global accreditation standards for implementation
- Participation in the development of relevant national and international quality documents, standards and frameworks

Status of current engagements

- ISO participation – SANBS participates in the various ISO standards' revisions
- SANAS – SANBS participates on their technical committee as blood transfusion experts
- SAHPRA engagement through the PEI blood project
- 100% SANAS accreditation maintained

Metrics used to measure quality of relationships

- 100% SANAS accreditation



MEDICAL FRATERNITY - Doctors, Nurses, Patients and Medical Aid Schemes
Ongoing engagement

Current relationship
Fair

Desired relationship
Trusted

Responsible
Executive management

Stakeholder needs, interests and expectations

- Sufficient, quality blood products and services
- Accurate, timely billing
- Improved patient outcome
- Improved healthcare service delivery
- Training and education
- Escalation of all major decisions
- Cost-efficient service delivery
- Consultation
- Transparency
- Fair and equitable treatment

Key risks

- Insufficient blood stocks – morbidity and mortality
- Unhappy customers
- Reputation of SANBS
- Delayed payments
- Poor patient outcomes
- Increased costs
- Insufficient healthcare workers for appropriate service delivery
- Poor uptake of patient blood management

Opportunities

- New income streams
- SANBS RAD Academy
- Big data
- Digitalisation
- Product and service diversity
- Reduce wastage
- Logistics footprint
- New service delivery models (e.g., SMART fridges)
- Patient blood management

SANBS response

- Continued customer engagements to meet requirements
- Delivery of right product at right time
- Research and development to improve donor and patient care
- Accurate demand planning
- Driving PBM in South Africa
- Clinical guideline development
- PBM short learning programme development

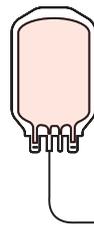
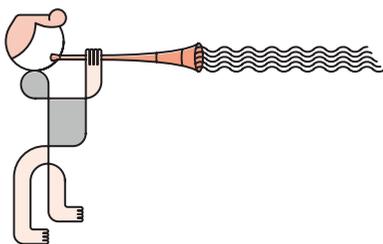
Status of current engagements

- Establishment of and support to various discussion platforms using SANBS data to improve patient outcomes and drive appropriate use of blood products
- Hybrid meetings and educational events
- Participating in ongoing SANBS external customer service surveys to continuously meet the expectations of our stakeholders
- Participate at executive level in the sub-Saharan PBM forum
- Participation in the development of relevant national and international guideline documents, standards and frameworks
- Developing new relationships with private sector hospital groups and healthcare funders
- Number of transfusions per capita

Metrics used to measure quality of relationships

- PBM discussion platforms
- One-unit-at-a-time issues
- Discussion platforms
- Publications

your blood saves lives





SUPPLIERS - Vendors/Suppliers
Ongoing engagement

Current relationship
Fair

Desired relationship
Trusted

Responsible
Chief Financial Officer

Stakeholder needs, interests and expectations

- Payments for goods and services rendered
- Fair, ethical and transparent procurement processes/tenders, etc

Key risks

- Goods and services not delivered at the right time, right quality and as per specifications
- Product quality failure and wastage
- Delayed or no blood or blood products delivery to patients
- System downtime
- Increased costs
- Poor contract management
- Lack of B-BBEE
- Vendors preferring not to do business with SANBS
- Litigation

Opportunities

- Formal engagement plan for critical vendors
- Efficiencies and competencies
- Improved supply chain management
- Just-in-time inventory management
- Digitalisation
- Improved contract management
- Encourage B-BBEE
- Internal training on good procurement processes

SANBS response

- Critical vendor list
- Procurement plan to address B-BBEE
- Flexible procurement and strategic partnership
- Contract management

Status of current engagements

- New procurement policy implemented in FY21, which introduced flexible procurement and strategic partnerships, has resulted in improvements in stakeholder relationships (Positive feedback in supplier engagement survey)
- Further policy improvement during FY22 and ongoing in FY23
- 2022/23 budget approved; Demand Plan updated accordingly
- Preferential procurement significantly increased during the year
- B-BBEE scores increased significantly – SANBS moved to Level 4

Metrics used to measure quality of relationships

- Supplier engagement survey (Top 20 suppliers)
Key performance indicators are:
- Cost of doing business
 - Customer satisfaction and feedback
 - Flexibility and ease of doing business
 - Quality of service
 - Partnership



Your veins: powering
heartbeats



SA AND INTERNATIONAL BLOOD PARTNERS
Regular engagement

Current relationship
Good

Desired relationship
Trusted

Responsible
Executive management and Senior management

Business partners: • NBI • WCBS • ISBT • AfSBT • AABB • SASBT

Stakeholder needs, interests and expectations

- National supply management of all blood products (WCBS) and plasma for fractionation (NBI)
- Collaboration in seamless national product and service delivery
- Alignment of quality and safety
- Ensuring product availability

Key risks

- Disparate approach to common challenges
- Increased legal risk in the absence of collaboration
- Reputation
- Risk of unmet demand for plasma-derived medicinal products

Opportunities

- Integrated South African blood services
- Improved service delivery
- Consistent decision making
- Showcase the work of SANBS at conferences and in publications of these organisations
- Improve SANBS reputation as a centre of excellence globally
- Continuous quality improvement through participation in expert committees

SANBS response

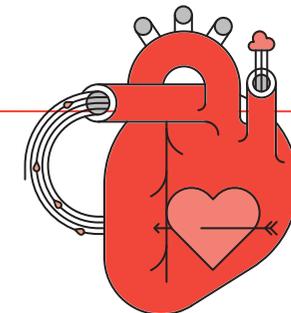
- Service level agreements
- Collaboration on common policies, procedures and standards
- NHI response
- Annual National Blood Safety Committee meetings
- Sharing of blood and blood products when there are localised shortages
- Research collaborations
- Actively encourage participation of employees in many working parties, societies and organisations

Status of current engagements

- Annual National Blood Safety Committee Meeting with representatives from SANBS, WCBS and NBI ensures an ongoing platform for addressing ongoing and acute risks in transfusion medicine
- Quarterly Emerging Infectious Disease (EID) subcommittee meetings with SANBS, WCBS and NBI to assess the global landscape for transfusion transmissible emerging and re-emerging pathogens as well as an ongoing risk-based analysis to inform future decisions on mitigating bacterial contamination of platelets
- SANBS had meetings with NBI, focusing on the demand for plasma-derived medicinal products
- Extensive collaboration with WCBS ensuring a uniform approach to blood safety challenges, pathogen reduction, low collections and product offering
- Collaboration with WCBS (as part of the South African Society for Blood Transfusion) and ISBT on the planning of the scientific programme of the Regional ISBT Congress to be held in November 2023 in Cape Town
- Revision of the "Guidelines for the use of blood and blood products in South Africa"

Metrics used to measure quality of relationships

- Blood safety meeting attendance and engagement
- Meeting the contractual obligations of plasma supply
- Working party membership





LOCAL AND INTERNATIONAL HEALTH AND TRANSFUSION MEDICINE ORGANISATIONS

Current relationship
Good

Desired relationship
Trusted

Responsible
Executive management

E.G.: • WHO • Sub-Saharan PBM group • NICD • SABM • SAGES • VITALANT • SACEMA

Stakeholder needs, interests and expectations

- Better understanding of African and resource constrained countries' transfusion medicine needs
- Appreciation of the role of blood transfusion services as a cornerstone of healthcare delivery in South Africa
- Input from SANBS in developing transfusion medicine-related guidelines

Key risks

- Lack of SANBS representation in key local and international decision-making affecting blood service delivery
- Inability to influence the strategic vision of organisations affecting blood service delivery

Opportunities

- Research collaborations
- Improve SANBS reputation as a centre of excellence globally
- Continuous quality improvement through participation in expert committees

SANBS response

- Actively encourage participation of employees in many working parties, societies and organisations
- Supporting employees to take leading roles in the various organisations
- RAD Academy
- Academic collaborations
- Dual career pathway
- Research collaborations

Status of current engagements

- SANBS are members of several international societies, expert committees and working parties
- Collectively, SANBS employees continue to contribute to multiple international peer-reviewed publications with various working parties
- Participated in the African Blood Regulators Forum
- Participate in a WHO working group established in FY21 to address PBM implementation in Africa as part of the "WHO Action framework to advance universal access to safe, effective and quality assured blood products"
- SANBS employees authored and co-authored four chapters in the AABB-led "Global perspectives and practices in Transfusion Medicine" book
- SANBS in collaboration with UFS drafted the first short learning course on Patient Blood Management for doctors to be launched in this coming year
- Collaborated with NICD on sero-surveillance studies of Covid-19 and ongoing discussions around other potential public health respiratory viruses

Metrics used to measure quality of relationships

- Number of:
- Publications
 - Abstracts
 - Book chapters
 - Guidelines
 - Formal collaborations
 - Grants received





MEDIA
Ongoing engagement

Current relationship
Fair

Desired relationship
Trusted

Responsible
Executive management

Stakeholder needs, interests and expectations

- Reputation/goodwill
- Education and awareness
- Accurate and effective communication
- Public image

Key risks

- Negative publicity
- Poor brand value and reputation
- Poor communications to stakeholders

Opportunities

- Positive brand value
- Increased positive coverage
- Free airtime – social media platforms
- Bloggers

SANBS response

- Formal media strategy
- Communication plan and delegated spokespersons
- Social media policy
- Thought leadership programme
- Authentic brand ambassadors

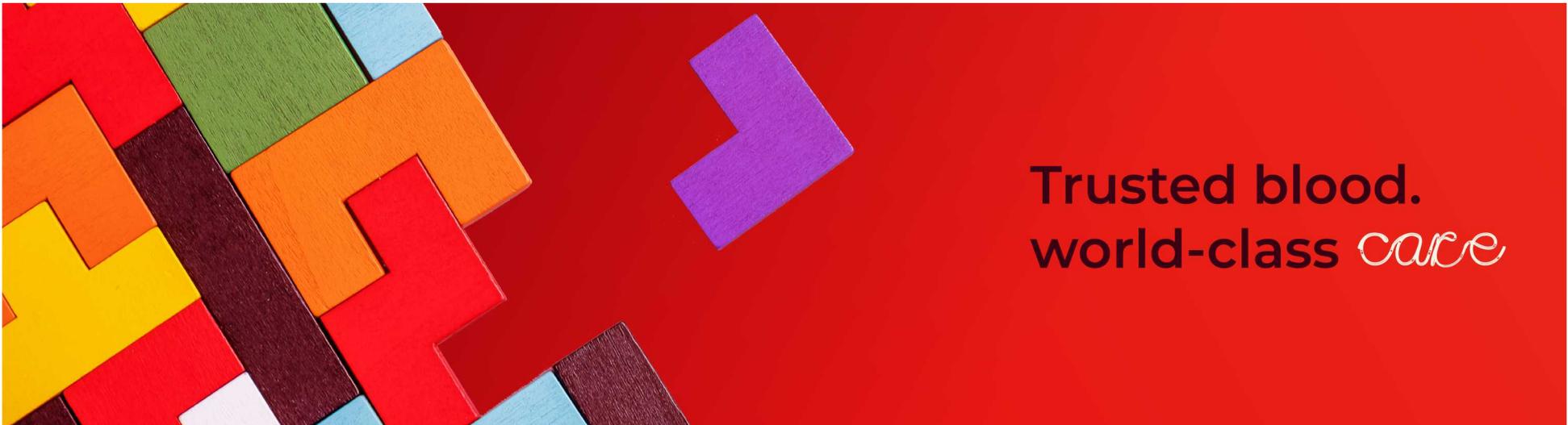
Status of current engagements

- Continuous media engagement in the last year
- Tier 1 and Tier 2 media relationships favourable
- Social media specialist appointed for dedicated attention to expanding social media presence and increasing engagement using these platforms
- Increasing PR value
- Media lists compiled and referenced on the database
- Media drop offs during campaigns

Metrics used to measure quality of relationships

Track positive and negative coverage by surveying the media routinely used

Measure Net Tonality to track positive/negative trend in the media



Trusted blood.
world-class *care*



OUR NATURAL CAPITAL

At SANBS we are committed to minimising the environmental impact of our activities – this is achieved by including environmental imperatives in SANBS' strategy – execution of which is measured against our 'Greening Strategy' KPIs.



What natural capital means to SANBS

Our natural capital includes our environmental stewardship for both our internal operations and our products and services. Our internal aspirational targets assist in minimising our impact on natural resources, enhancing operational resilience against supply constraints.



Ensure sustainable consumption and production patterns



We are committed to decrease wastage and promote appropriate use of blood

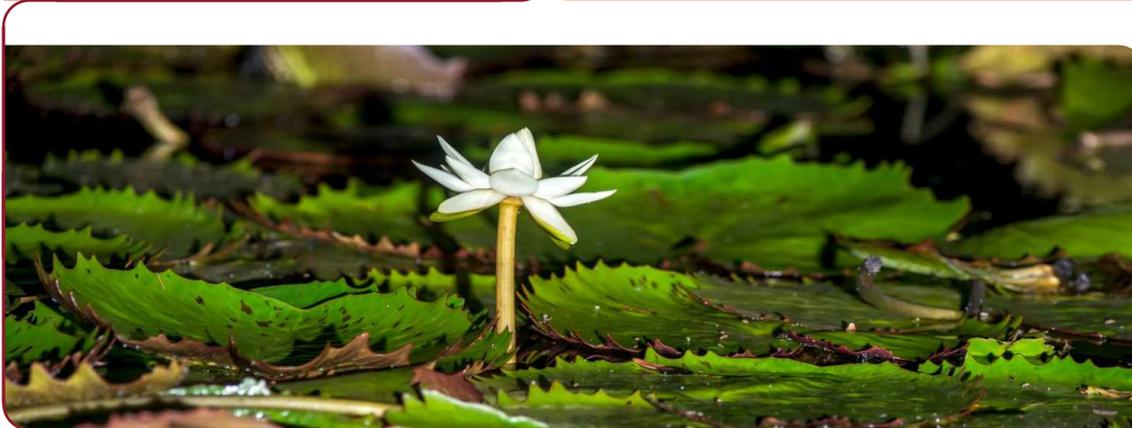


Focused efforts on reducing our carbon footprint



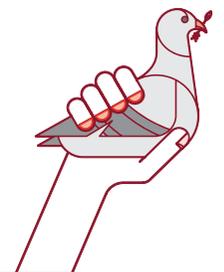
The SANBS Greening Task Team, continues to monitor, measure and introduce initiatives to minimise negative impacts on the environment, through 6 objectives:

- Energy conservation
- Optimisation of water consumption and conservation
- Management of land and air pollution
- Optimisation of procurement
- Environmentally sustainable buildings
- Environmentally conscious culture



Environmental imperatives as we manage our natural capital

For 2022–2023 SANBS's overall carbon emission as presented from the data collected totals a net 16 511 tons (FY22:15 906). This is an overall increase of 3.80% on the previous year and a cumulative 9.41% decrease over the past three years.





Energy and carbon

Sustainability objective 1: Conserve energy

- Reduce the carbon footprint, particularly electricity usage from the national grid.

2022/2023 update

Carbon emissions

For 2023, the measured power consumption was 8.85kWh (FY22: 9.59kWh), 7.72% lower than 2022.

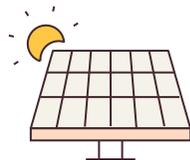
- In Mount Edgecombe, solar energy complements power supplied. It produced 600 326kWh (FY22: 694 750kWh) of power with a carbon saving of 618.3 tons (FY22: 715.6 tons). The energy produced is lower than the previous FY primarily due to the damage caused to the system by the flooding experienced in Durban in April last year.
- Environmental awareness campaigns provided guidance on how to reduce power consumption.

Progress against our objective

- While reduction in energy consumption has been marginal, solar at Mount Edgecombe has set the precedent for further installations.
- LED light bulb installations were rolled out to additional sites.
- Electricity and other carbon statistics are published on the SANBS intranet site and accessible by all employees.
- Renovations to the SANBS Head Office building have been deferred while implementing BECS. Plans include solar generated power.

Plans for 2023/2024

- A solar feasibility assessment of the SANBS-owned sites was done and recommendations are planned over 2–3 years.



Water

Sustainability objective 2: Optimisation of water consumption and conservation

- Reduce the consumption of water at all SANBS's operations.
- Deploy rainwater harvesting technologies for SANBS-owned properties.
- Prevent or minimise disposal of trade effluent.

2022/2023 update

- At Head Office, borehole consumption was 5 377kl (FY22: 4 351kl), with estimated savings of R236 508 (FY22: R144 000).
- The borehole at Mount Edgecombe generated approximately 2 205kl (FY22: 1 921kl) and savings of R93 119 (FY22: R76 000).
- The borehole at the Gqeberha Zone headquarters, commissioned in March 2023, generated approximately 18kl and a saving of R777.
- R330 404 was saved as a result of borehole consumption over FY23. This amounts to a 7 600kl savings.

Progress against our objective

- Reducing water consumption has been limited, but, an additional borehole water tank will redirect water to the garden irrigation system.
- In the Eastern Cape, a borehole was installed at the Zone headquarters in Gqeberha.

Plans for 2023/2024

- Plans for the installation of another 10 – 12 boreholes are already at an advanced stage.





Land and air pollution

Sustainability objective 3: Manage land and air pollution

- Waste will be managed in a sustainable manner following the waste hierarchy of prevention, reuse, recycle, recovery and disposal, to reduce the waste discarded in landfills and resultant carbon emissions.
- Reduce the use of fossil fuels for personal and business travel.
- Dispose of all electronic waste according to the Electronic Waste Association of South Africa (eWASA) guideline.
- Reduce paper use and ensure spent cartridges are recycled.
- Prevent or minimise noise and air pollution.



2022/2023 update

- Significant efforts to improve recording of waste data has enabled us to better manage and control our waste outputs.

General waste

- A service provider separates general waste for recycling and minimal landfill disposal.
- While 33 tons of carbons were saved (an increase of 39% over the previous FY), recyclable waste has increased considerably by 43% (156 tons) (FY22: 109 tons). Contamination of recyclable waste has resulted in nearly 88 tons sent to landfill. Measures are being implemented to create further awareness on the need for better separation of recyclable waste at source.

Flight travel

- Carbon emissions from business related flights (242 tons) is higher than the previous year (111 tons), which was attributable to increased travel post the lifting of pandemic induced travel restrictions and international flights resumed.

Road travel

- Road travel comprises the use of couriers to deliver blood and blood products. It also includes the SANBS fleet to transport employees to donor clinics and to fetch collected blood for testing and processing as well as mileage claimed by employees for the use of their own vehicles for business purposes.
- There was a slight increase of 1.49% in the transportation of blood and an increase of 17.1% in the use of the SANBS fleet and mileage claims by employees, resulting from the return to business as usual after the pandemic.

Printing

- Printing volumes have decreased when compared to the previous financial year, resulting in a net impact on the environment of 55 109 kg (FY22: 62 990kg).
- By implementing duplex printing, we have contributed to saving nearly 428 cedar trees (FY22: 400).

Progress against our objective

- The overall emission has decreased by 3.98% (FY22: 12.7%). While there has been an increase in diesel consumption to power generators during loadshedding and increased local and international flights, there has been a marked decrease in the courier mileage travelled and energy consumption at our sites.

Plans for 2023/2024

- Identify reasons for the majority of recyclable waste sent to landfill.
- Continued focus on analysis of data gathered to date to identifying improvement initiatives.



Procurement

Sustainability objective 4: *Optimise procurement*

- Ensure that the products and services procured for SANBS are as sustainable as possible, with the lowest environmental impact.

2022/2023 update

- Fewer new initiatives were undertaken to optimise our green “procurement” but we continue to purchase energy efficient computers, recycle paper and invest in more fuel-efficient vehicles.

Plans for 2023/2024

- The Executive: Corporate Services will drive plans to engage key vendors to explore opportunities to reduce carbon emissions along the entire supply value chain.



Green building

Sustainability objective 5: *Green building*

- Ensure that all SANBS-owned buildings are built and operated in an environmentally sustainable way.
- The Mount Edgecombe site is a certified as a 5 Star Green building.
- This site also achieved the NET ZERO accreditation from the Green Building Council of South Africa (GBCSA).

2022/2023 update

- Upgrading of Constantia Kloof has been deferred until the focus on BECS reduces.

Plans for 2023/2024

- Plans for re-zoning and upgrading of our offices and laboratories in Constantia Kloof, and replicating greening initiatives implemented at Mount Edgecombe.



Culture change

Sustainability objective 6: *Culture change*

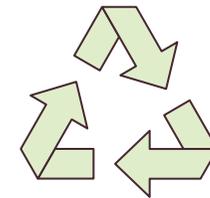
SANBS operations are undertaken in a sustainable manner by environmentally conscious SANBS employees.

2022/2023 update

- A Greening dashboard was implemented and updated quarterly.
- Environmental awareness campaigns are undertaken by the Safety and Environment department.

Plans for 2023/2024

- Continue to monitor and reduce our carbon footprint and impact on the environment and identify areas for improvements.





OUR HUMAN CAPITAL

Being deliberate and intentional about our continued investment in our people and empowering them to lead into the future are key factors in SANBS' success in delivering on our mandate.



What human capital means to SANBS

Our human capital refers to our people. Our overarching objective is to create a rewarding and safe workplace by providing a holistic offering to our people that spans a range of services intended to enhance the health, wellness and work-life balance.

Celebrating the people behind the blood

At SANBS, we firmly believe that our employees, made up of a diverse and wonderful generational mix, are the lifeblood of our organisation. It is through the dedication, expertise, and commitment of our people that SANBS is able to effectively deliver on our purpose of being trusted to save lives. Our employees play a pivotal role in ensuring that we remain a resilient and agile organisation, capable of meeting the ever-growing demands of providing safe and adequate blood supply to the nation.

In this report, we delve into the invaluable contributions of our employees and shed light on their role in driving our success, as well as the support and initiatives underway to reward and grow our people.





EMPLOYEE INSIGHTS AND EXPERIENCES

Letsie Strydom
Manager: Learning & Development Technical 1



IN WHAT WAYS HAVE YOU PERSONALLY EXPERIENCED AND WITNESSED GROWTH AND DEVELOPMENT SINCE JOINING SANBS?

In 2005, I joined SANBS as a DCO on the MIDWIT branch's mobile team, later becoming Clinic Supervisor for a new clinic that my team and I built from the ground up. I also pursued my HR diploma and later joined the Learning & Development department as an L&D practitioner, which led to obtaining a certificate in Occupationally Directed Education, Training,

and Development, funded by SANBS. I eventually advanced to becoming a manager of L&D Technical 1 and achieved dual registration with both SANC and HPCSA. I also enhanced my change management expertise by becoming a Prosci® Certified Change Practitioner.

I collaborated on significant projects, such as developing a short course on Patient Blood Management with the University of the Free State.

I had the privilege of being seconded into the role of L&D Senior Manager, marking a significant learning curve, and I'm deeply grateful to SANBS for the incredible opportunities and growth I've experienced.

CAN YOU HIGHLIGHT ANY SPECIFIC OPPORTUNITIES OR CHALLENGES THAT HAVE CONTRIBUTED TO YOUR PROFESSIONAL GROWTH WITHIN THE COMPANY?

Navigating donor collection targets and lockdown challenges transformed into opportunities, pushing me to innovate, meet goals, and keep the L&D department adaptable during the pandemic. Managing a virtual team, unfamiliar with online training, prompted resourceful solutions like using YouTube and receiving valuable leadership coaching.

HOW HAS SANBS SUPPORTED YOUR CAREER ASPIRATIONS AND PROVIDED AVENUES FOR ADVANCEMENT?

SANBS recognised my potential and invested in my development. Various short courses, including HIRA, GLP, GMP, Udemy, Game Changer, Supervisory Development, and Wits Digital, all contributed to my career growth, and I seized every opportunity presented.

HAVE THERE BEEN ANY NOTABLE MILESTONES OR ACHIEVEMENTS IN YOUR CAREER JOURNEY AT SANBS THAT YOU WOULD LIKE TO MENTION?

Being a member of the SMLTSA phlebotomy scientific advisory committee has been a significant highlight. Joining SANBS was one of the best decisions I've ever made, as it allowed me to expand my skills through experiences like the Change Management team on the BECS project.

Marion Vermeulen
Executive: Transfusion Medicine and Technical Services



IN WHAT WAYS HAVE YOU PERSONALLY EXPERIENCED AND WITNESSED GROWTH AND DEVELOPMENT SINCE JOINING SANBS?

I joined SANBS as an 18-year-old matriculant and, for several years, focused on practical work, gradually taking on more responsibilities and becoming a supervisor. At 32, I pursued formal education through a bridging course in Biomedical Technology and with financial support from SANBS, I was able to study further.

CAN YOU HIGHLIGHT ANY SPECIFIC OPPORTUNITIES OR CHALLENGES THAT HAVE CONTRIBUTED TO YOUR PROFESSIONAL GROWTH WITHIN THE COMPANY?

I had numerous growth opportunities, but the most significant was attending a summer school course on research methodologies at the University of California, thanks to a Fogerty grant. I was offered a three-month sabbatical in San Francisco, which provided me with mentorship, networking opportunities, research collaborations, and lasting friendships, ultimately contributing to the introduction of a reference laboratory and Biorepository.

HOW HAS SANBS SUPPORTED YOUR CAREER ASPIRATIONS AND PROVIDED AVENUES FOR ADVANCEMENT?

SANBS, especially Ravi Reddy, supported my career growth by connecting me with external opportunities. This led to my roles in ISBT working parties, including serving as the secretary of the Global Blood Safety Working Party and now as an elected executive of the Transfusion Transmitted Infectious Disease (TTID) Working Party. I am also the Chair of the International Society for Blood Transfusion (ISBT) TRY IT programme, which allows me to mentor young researchers in LMIC. Additionally, I'm a member of the African Society for Blood Transfusion, collaborate with their research working party, and hold positions in the South African Society for Blood Transfusion, including vice president and co-president of the upcoming ISBT conference.

HAVE THERE BEEN ANY NOTABLE MILESTONES OR ACHIEVEMENTS IN YOUR CAREER JOURNEY AT SANBS THAT YOU WOULD LIKE TO MENTION?

My PhD stands out as a significant accomplishment, which I undertook while raising three children and working. Over 20 years, I earned my undergraduate diploma, degree, master's, and PhD. I also take pride in my authored manuscripts and contributions to a book. Notable milestones include becoming a manager, my involvement in the seven-year REDS III research initiative, and my role as the principal investigator for the SARS-COV-2 convalescent plasma programme.

I am honoured to serve as the Executive for Transfusion Medicine and Technical Services, where I aim to guide the organisation's direction and mentor future leaders.

Thomas Moroene
HR Business Partner



IN WHAT WAYS HAVE YOU PERSONALLY EXPERIENCED AND WITNESSED GROWTH AND DEVELOPMENT SINCE JOINING SANBS?

Since joining SANBS in 1986, I've experienced significant personal growth and career development. Beginning as a Blood Bank Medical Tech and later transitioning to the role of Blood Bank Shift Senior, I led a dedicated team in this vital department.

Over my tenure, I rotated across all departments, gaining valuable experience in Technical Services and working in all SANBS laboratories, providing me with a holistic understanding of the organisation's operations.

I currently serve as an HR Business Partner (HRBP), a role that has provided me with invaluable insights into SANBS's core business and made the organisation feel like a second family to me.

CAN YOU HIGHLIGHT ANY SPECIFIC OPPORTUNITIES OR CHALLENGES THAT HAVE CONTRIBUTED TO YOUR PROFESSIONAL GROWTH WITHIN THE COMPANY?

I started as a Student Blood Bank Medical Tech at SANBS and advanced to become a Senior Blood Bank Tech, gaining extensive experience across all Technical Divisions.

SANBS recognised my potential and supported my further education, for which I am grateful. As an HR Business Partner (HRBP), I've played a key role in enhancing customer service, fostering strong internal relationships, attracting new clients, and retaining top talent which have kept SANBS competitive.

HOW HAS SANBS SUPPORTED YOUR CAREER ASPIRATIONS AND PROVIDED AVENUES FOR ADVANCEMENT?

SANBS has been instrumental in supporting my career aspirations. With the assistance from SANBS, I successfully completed several academic qualifications, including a National Diploma in HR, a B.Tech Degree in Labour Relations Management from UNISA, a B.Tech Degree in Human Resource Management (also from UNISA), and a Postgraduate Diploma in Labour Law from UJ.

HAVE THERE BEEN ANY NOTABLE MILESTONES OR ACHIEVEMENTS IN YOUR CAREER JOURNEY AT SANBS THAT YOU WOULD LIKE TO MENTION?

During my career at SANBS, I've achieved several notable milestones: a Certificate of Outstanding Personal Achievement for exceptional accomplishments, nearly 40 years of dedicated service with SANBS, the role of Employee Trustee for the SANBS Provident Fund in collaboration with Alexander Forbes, and recognition in the SANBS Wellness Wall of Fame for contributing over 165 units of blood.



In supporting the theme of a solid foundation ("back to basics"), Human Capital Management has prioritised doing the basics well.

OUR ASPIRATIONS



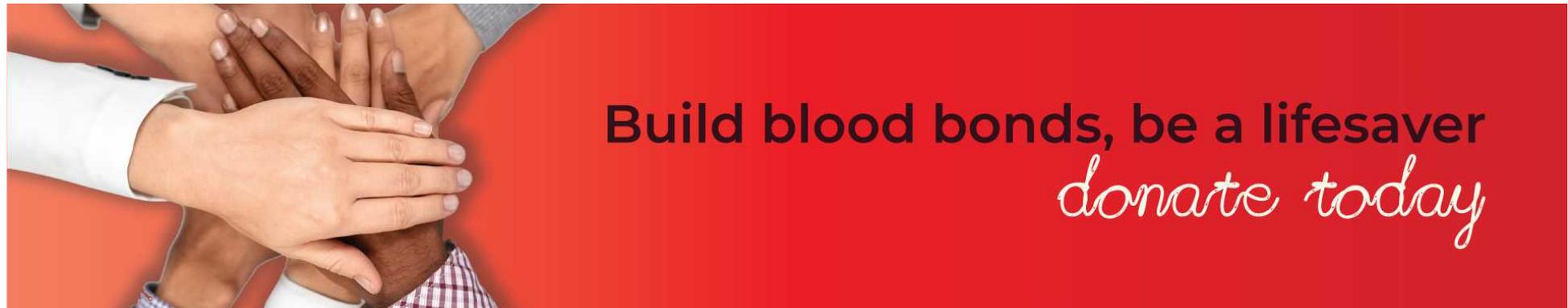
EMPLOYEE CONTRIBUTIONS DRIVING OUR SUCCESS

Dedication and Commitment: The dedicated employees of SANBS form the backbone of our organisation. They possess a shared passion for our mission and work tirelessly to fulfil it. Whether they are involved in collecting, testing, processing, or distributing blood products, our people understand the critical nature of their roles in saving lives. They consistently go above and beyond, embodying the values that define SANBS. The long tenure of many of our employees, serves as a testament to their dedication and steadfast commitment.

Expertise and Professionalism: SANBS prides itself on the high level of expertise and professionalism demonstrated by our employees. We have assembled a team of skilled professionals across various disciplines, including medical, laboratory, administrative, and logistical fields. Through continuous learning and development opportunities, supported by our RAD Academy, we ensure that our people remain up-to-date with the latest advancements in their respective domains. This expertise enables us to maintain the highest standards of quality and safety in every aspect of our operations.

Resilience and Adaptability: In an ever-changing healthcare landscape, SANBS recognises the importance of resilience and adaptability. Our employees possess the ability to overcome challenges and embrace change, which is supported through our agile employee wellness programme, ensuring that our organisation remains at the forefront of blood services. Whether it be responding to emergencies, implementing new technologies, or navigating regulatory frameworks, our employees' resilience enables us to maintain our crucial role as a reliable blood service provider.

Employee Well-being and Engagement: At SANBS, we understand that the well-being and engagement of our employees are vital for their overall satisfaction and performance. We are committed to fostering a supportive and inclusive work environment that prioritises the physical and mental health of our employees. Through various initiatives, such as our wellness (through our service provider: Life Healthcare), culture and ethics programmes, recognition schemes, and career development opportunities, we invest in our employee's growth and satisfaction, ultimately enabling them to thrive in their roles.





The various initiatives below illustrate our commitment to continually support our people, create an environment conducive to reach their full potential, and feel valued for what they do.

What SANBS is doing to support employees with learning and development opportunities

The RAD Academy was further promoted through an internal employee launch

- Objectives:**
- Promote participation and a culture of ongoing learning and growth within the business
 - Position the academy as a vehicle for research, self-development and higher learning
 - Support cross divisional collaboration

What SANBS is doing to foster a strong culture of ethics and integrity

The SANBS code of ethics was officially launched and applies to the Board, all levels of leadership, and every employee

- Objectives:**
- Sets out what we expect from ourselves and it serves to emphasise our responsibility to our patients, donors, employees and other stakeholders
 - Promote ethical behaviour and responsibility by articulating the intrinsic values that drive all employees to do the right things.

Read more on our culture programme on page 72.

What is SANBS doing to promote fair and equitable reward and recognition

SANBS is currently in the process of reviewing its remuneration philosophy to ensure a balanced and equitable distribution of compensation across specialist and leadership positions

- Objectives:**
- Retain top talent and critical skills
 - Ensure appropriate remuneration practices

What SANBS is doing to ensure an agile recruitment/talent acquisition process

SANBS is launching a SMART agile process for recruitment

- Objectives:**
- Fill vacancies timeously for effective business continuity
 - Ensure an effective hiring process
 - Ensure a smooth employee onboarding process

What SANBS is doing to equip leadership to lead change

SANBS ensures change leadership capacity building i.e., visible change management in the organisation to ensure leaders are able to lead the change

- Objectives:**
- Seamless implementation of strategic projects such as BECS with minimal disruption to operations
 - Change specialists keep the project teams agile and build a deeper understanding of the value of change management in the organisation
 - Creation of a corporate services (CS) division in 2023 as part of our organisational realignment to ensure efficient support to the core value chain
 - > This CS division includes SHE, Procurement and Admin and Facilities, and is designed to give focus to the services that support the blood value chain

What SANBS is doing to create promotional opportunities

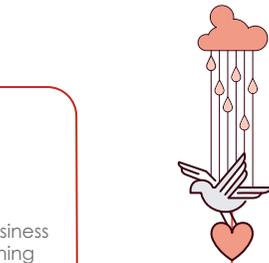
SANBS places emphasis on succession planning and aims for 70% of vacancies to be filled from within

- Objectives:**
- Create growth opportunities for SANBS employees
 - Grow a talent pipeline for organisational sustainability

What SANBS is doing to promote employee wellness

Employee wellness remains a key value point for SANBS. Life Healthcare is our new Employee Wellness service provider, and chronic ill health is tightly managed through our medical surveillance

- Objectives:**
- Promote holistic wellbeing of employees for optimal mental and physical health
 - Reduce work stress and enable employees to perform at their best



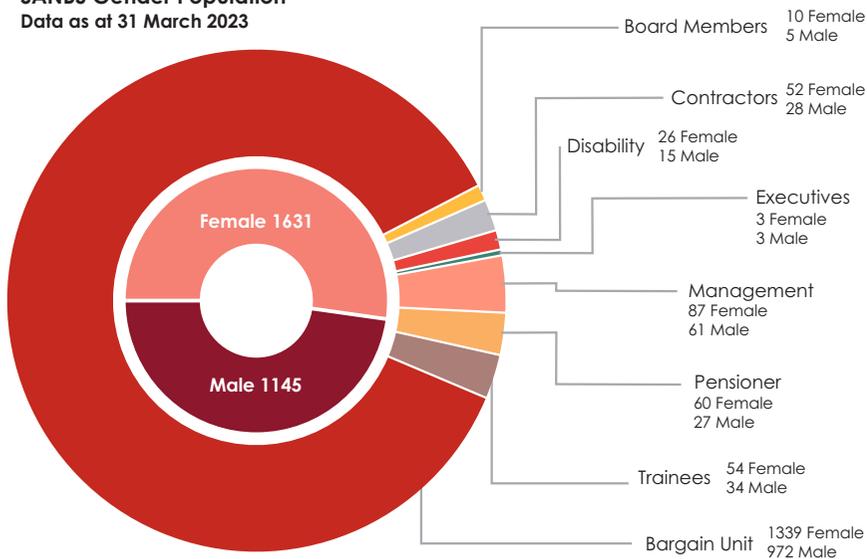


What SANBS is doing to promote equal opportunities

SANBS strives to ensure a diverse and transformed inclusive workforce, appropriately representative of society

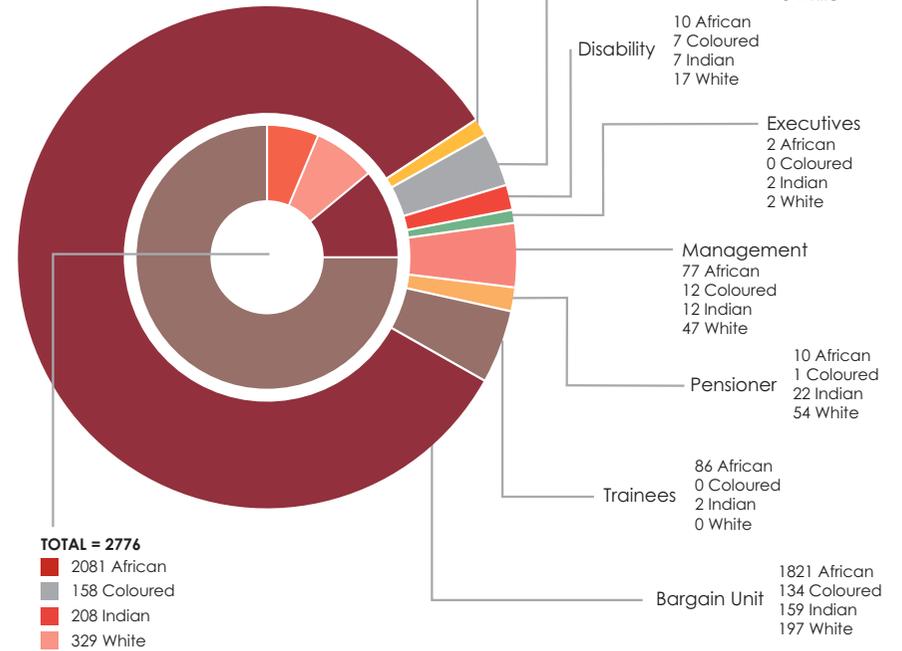
Objectives:
• Gender equality

SANBS Gender Population Data as at 31 March 2023



Objectives:
• A transformed organisation

SANBS Race Population Data as at 31 March 2023



Your blood.
their health

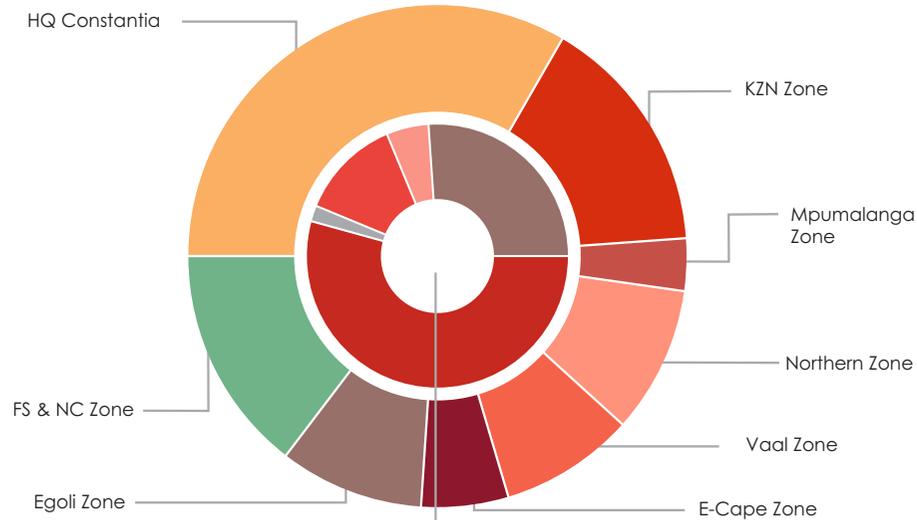




Objectives:

- Opportunities for people with disabilities

Data as at 31 March 2023



EMPLOYEE GROUP TOTAL = 70

E-Cape Zone	2
Egoli Zone	6
FS & NC Zone	11
HQ Constantia	31
KZN Zone	11
Mpumalanga Zone	1
Northern Zone	5
Vaal Zone	3

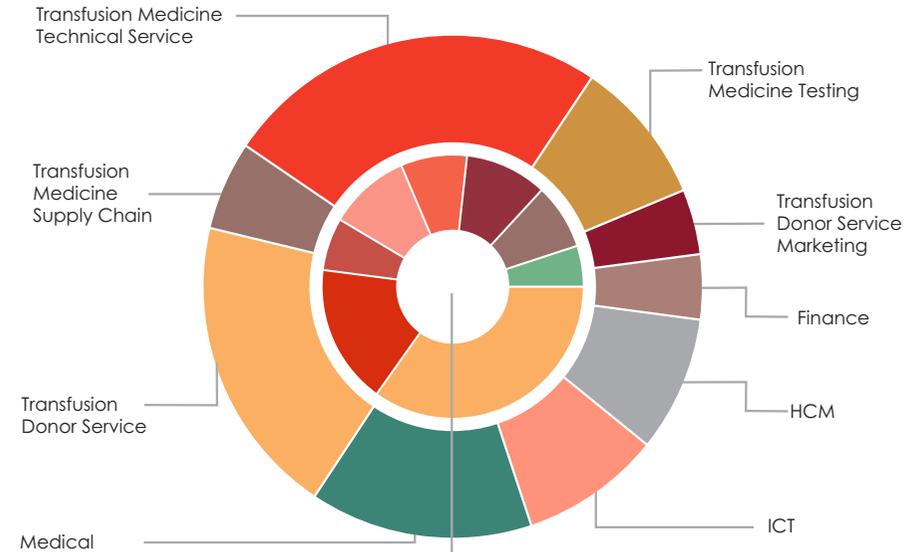
TOTAL = 70

Bargain Unit = 39
Contractors = 1
Disability = 8
Management = 3
Trainees = 19

Objectives:

- Promotional opportunities

Data as at 31 March 2023

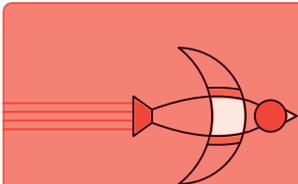


DIVISION TOTAL = 150

Finance	1
HCM	9
ICT	9
Medical	27
Transfusion Donor Service	39
Transfusion Medicine Supply Chain	4
Transfusion Medicine Technical Service	51
Transfusion Medicine Testing	9
Transfusion Donor Service Marketing	1

TOTAL = 150

E-Cape Zone
Egoli Zone
FS & NC Zone
HQ Constantia
KZN Zone
Mpumalanga Zone
Northern Zone
Vaal Zone



As we continue to evolve and face new challenges, we remain committed to investing in our employees, ensuring their well-being, and empowering them to deliver on our purpose with excellence. Together, we will continue to be the trusted source of life-saving blood products for the people of South Africa.



TRANSFORMING SANBS THROUGH A DELIBERATE AND THOUGHTFUL CULTURE CHANGE PROGRAMME

With a vibrant and dynamic workforce, SANBS recognised the crucial need to embark on a transformative journey. In 2018, we initiated the process of collaboratively crafting an ambitious culture known as our DNA, the SANBS Formula. This involved all employees to discover what was required for SANBS to be 'Trusted to save lives', and make it come to life in the hearts and minds of all our people.

Our ethics management baseline assessment plan commenced in 2018 and we have made remarkable progress since then. The journey included an intentional approach to the culture journey. Recognising that the appropriate culture must support strategy implementation, the leadership committed to annual employee engagement feedback with deliberate leadership reflections and development. Commitment from the leadership team to constantly review the 'own impact' on the people they work with resulted in improved communication across the organisation. This required careful consideration and application of the organisational design tactics and tools. We continue to work in collaboration with the Ethics Office to ensure our roadmap remains on course to achieve an ethical culture. To this end we plan to implement our next ethics assessment in the new financial year to measure progress since 2018.

Appointment of ethics ambassadors

During the course of last year, the SANBS Ethics Management Strategy and Plan was enhanced with the appointment of ethics ambassadors to ensure a seamless integration into the purpose, vision and strategic goals, reinforcing the THREAD values.

Ethics ambassadors were nominated by their colleagues to:

- Promote and advocate for ethics in their respective areas of responsibility
- Ensure that ethics remains high on the agenda for both formal and informal
- Stimulate ethics talks in the organisation and encourage all employees to do the right thing

The time is *always* right
to do what is *right*.

- Martin Luther King

Good governance

An Ethics Committee is in the process of being established to formally track the progress of the Ethics Strategy Management Plan. This is driven by the Compliance and Ethics Officer with assistance from the Ethics Ambassadors.

What gets measured gets done!

Embracing diversity

To effectively alleviate prejudices and promote unity at the workplace, diversity must be celebrated. A good team and a strong business are made up of people with different backgrounds and experiences and we appreciate that this brings different points of view, with new perspectives to broaden our horizons.

Through our interactive webinars, called Learning Cafés, we encourage employees to speak up and share their points of view. This is supported by policies on elimination of all types of harassment at the workplace.

Our ability to reach unity in diversity will be the beauty and the test of our civilization - Mahatma Gandhi

Open and honest conversations

Understanding what is in the hearts and minds of our people takes place through the DNA culture survey. This encourages all employees to rate critical success factors for ensuring a fully motivated and engaged team to deliver on our very important purpose, being trusted to save lives.

The outcomes of the survey drive important conversations on topics that matter.

The single most important ingredient in the recipe for success is transparency because transparency builds trust - Denise Morrison



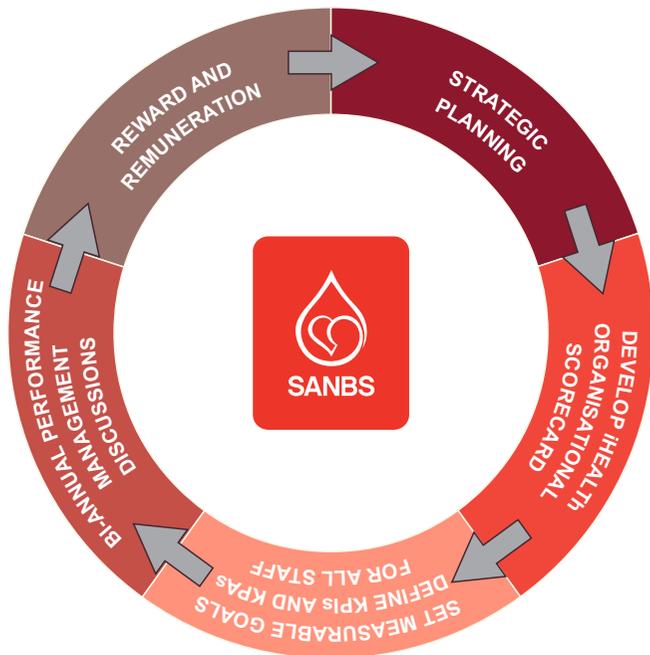
REMUNERATION REPORT

Remuneration at SANBS is linked directly to successful execution of strategy and employees are rewarded for value delivered.

The organisation's remuneration philosophy is aligned to SANBS' iHEALTH Strategy in that it ensures that employees are able to work towards and promote the achievement of strategic objectives within the organisation's affordability.

Read more about SANBS' strategic priorities on page 35.

REMUNERATION PROCESS



Our THREAD values lie at the heart of our philosophy

The remuneration approach is designed to support the behaviours, skills and superior/high performance required to underpin and embed the desired ethical organisational culture of accountability, excellence and performance.

The SANBS Remuneration framework is designed to support the attraction, engagement and retention of our key talent that drives business strategy and execution, by motivating employees through:

- Consultation and development of employees through employee value proposition
- Connecting to individual goals and values
- Collaboration and engagement inspiring employees to perform
- Recognising and celebrating employees' milestones, such as long service



REWARDING KEY TALENT

As part of the broader talent management framework, our Remuneration Policy and practice includes pay progression opportunities for eligible employees. Rewards include financial and non-financial components. The revised remuneration approach also includes the development of dual career paths for specialist and certain management roles.

The organisation encourages career growth and mobility for all employees, while the organisation has also clearly identified business imperative roles.

During the period under review, management was able to process wage increases implemented at the start of the financial year, settle the annual salary negotiations and process salary increases without disputes being referred to the CCMA for mediation.

As part of the total rewards approach, the RAD Academy supports the structured learning opportunities, enhanced digital learning opportunities and career growth to support the employee value proposition.

Employees are encouraged to keep their skills sets updated and continuous professional development is acknowledged, by means of certificates when studies or programmes are completed. Whether funded by SANBS or self-funded, we acknowledge the commitment of our employees to self-development.

Non-financial rewards (cross collaboration opportunities) such as inter divisional projects and collaborations are valued as an important part of individual development and inclusivity. Individual coaching is available for employees who request it, especially newly appointed leaders.

REMUNERATION GOVERNANCE

The governance of remuneration falls under the scope of the Human Capital Management division and the Human Resources and Remuneration Committee (HR and Remco), which in turn advises the Board. The Board approves the business strategy and targets at the beginning of every financial year, and thereafter reviews the results at the end of the financial year before making a final decision regarding the payment of any incentives (if applicable).

 Read the HR and Remco Report on page 92

EQUITABLE REWARD AND REMUNERATION (RACE AND GENDER PARITY)

SANBS is committed to remaining sustainable while placing equal importance on the equitable rewarding of our valued employees. Our philosophy is meant to attract, develop, retain and celebrate the successes of our individual employees within the context of our altruistic mandate of being "Trusted to save lives."

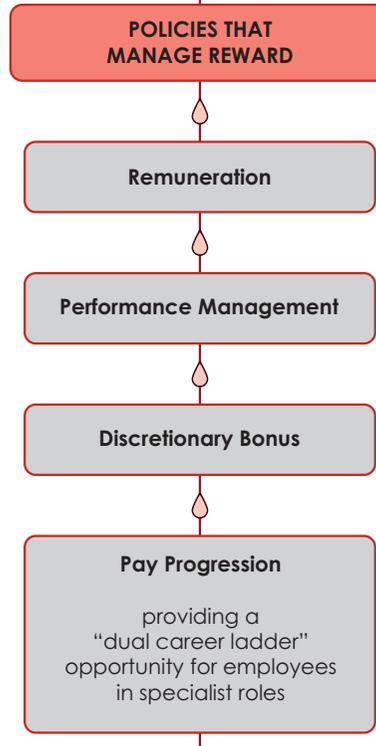
In the previous reporting period, management conducted a pay equity exercise to determine if there are any inequalities in pay across race and gender. The outcome of the exercise was that there is no material inequality in the way the organisation remunerates employees across race and gender. The differences that were identified were due to the length of tenure of various employees.

It is the organisation's philosophy that no employee should be paid below the minimum of the applicable salary scale, and this is verified through a process conducted by internal auditors annually. Our role profiles are reviewed regularly for accuracy and our job grading process is conducted independently to ensure alignment to industry benchmarks.

The organisation uses the services of independent remuneration service consultants to review and benchmark remuneration levels on a regular basis. During FY23, 21st Century performed this benchmarking of SANBS employee remuneration.

Although SANBS is a not-for-profit organisation and therefore not ordinarily able to afford to remunerate its employees in accordance with the private sector market-related salaries and incentive bonuses, the remuneration scales and policies are benchmarked with similar size organisations nationwide. This is in keeping with the recommendations made by the consultants as SANBS competes in the market for several specialist/specialised skills. See SANBS' annual financial statements (link) for disclosure of remuneration paid.

The organisation's rewards programmes are guided by the following policies which are reviewed annually for relevance by the Human Resources and Remuneration Committee.



The main objective is to ensure that the organisation's remuneration policies and talent management practices are fair, inclusive, competitive and in line with best practice.

The organisation's remuneration structure is designed holistically to achieve optimal performance and consists of monetary and non-monetary rewards.



Guaranteed

SANBS employees are remunerated on a Total Cost of Employment (TCE) basis, which is the base pay excluding fringe benefits, and the salary increases for management and employees are performance-based. For union members who are in the bargaining unit, their salary increment is negotiated with the labour partners annually. The SANBS Board approves all salary increases annually.



Benefits

All employees are eligible for fringe benefits such as retirement funds, healthcare, life cover, dreaded diseases and disability cover. Employees within the bargaining unit also qualify for other benefits such as overtime and various allowances.



Incentive Bonus

SANBS employees are currently eligible for a performance-related incentive bonus, which is equivalent to a 13th cheque, if specific approved targets and metrics are achieved in the applicable financial year.



Recognition

Informal recognition and celebration of achievement (Long Service Awards); Formal awards for recognition of extraordinary achievement and service above and beyond the call of duty. Long Service awards are a unique celebration at SANBS. Birthday vouchers were also introduced from January 2023.

LOOKING FORWARD

The remuneration landscape in SANBS has been reviewed and looking ahead, various elements of the reward philosophy will be explored to come up with the most appropriate rewards mix to cater for our various employee demographics.

Considering the economic climate SANBS is also exploring ways to give employees more flexibility in their remuneration structure. We will always endeavour to educate our employees about the best options for their future security.

We continue to refine our remuneration philosophy and will ensure our pay scales are appropriate through ongoing benchmarking. Working with our labour partners, individual employees' inputs through our "family meetings, and based on the THREAD values, we also incorporate employees' views on what constitutes appropriate rewards' mix.

NON-EXECUTIVE DIRECTOR REMUNERATION

Further to the remuneration of SANBS employees, the Non-Executive Directors (NEDs) who comprise the governing body are remunerated for the work they do.

To ensure fair remuneration commensurate with their responsibilities, SANBS ensures that the requirements of the Companies Act No. 71 of 2008 and King IV Report on Corporate Governance for South Africa, 2016, Principle 14, are aligned with the organisation's policy and practices in this regard.

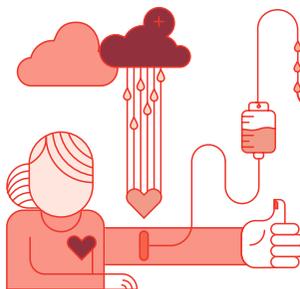
To this end, SANBS has a NED Remuneration Policy which sets out the key principles related to the fees of NEDs and to provide a framework for the Company to attract and retain qualified and experienced NEDs to drive the Company forward, while keeping it under effective control.

The principles that underpin this Policy are:

- Transparency regarding the Remuneration Policy and the disclosure of the NED remuneration;
- Accountability to members and other stakeholders; and
- Fairness, responsibility and affordability by the Company.

NED fees consist of three components – a monthly retainer, meeting fees and special fees.

The National Council in accordance with the Memorandum of Incorporation approves the fees of the NEDs.



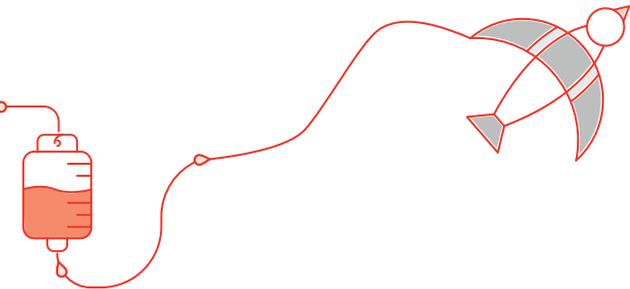
ACCOUNTABILITY AND DISCLOSURE

In the interest of transparency, below in the table, containing the elements of NED fees, are the amounts paid to each director during the reporting period, with comparative figures for the prior year.

NAME	31 March 2023 R'000	31 March 2022 R'000
Ansie Ramalho	695	693
Faith Burn	493	506
John Black (Joined 20.11.2021)	484	105
Shauket Fakie	661	551
Caroline Henry (Joined 20.11.2021)	500	98
Patricia Knox (Retired 20.11.2021)	-	411
Gary Leong	529	456
Thabo Mokgatla	616	429
Lerato Molefe (Joined 22.11.22)	121	-
Phindile Mthethwa	504	447
Rob Theunissen (Retired 20.11.2021)	-	415
Monica Vaithilingum	555	492
TOTAL	5 158	4 603

PricewaterhouseCoopers is the independent external consultant that assisted with the Non-Executive Directors (NED) fee benchmarking in FY23. The comparator group chosen for this benchmarking exercise consisted of JSE-Listed companies of approximately the same size from mainly the health and logistics industries.

 The number of Board meetings and committee meetings attended by the various NEDs are reported on page 85.





OUR INTELLECTUAL CAPITAL

SANBS is an organisation with exceptionally strong intellectual capital, and also recognised as a centre of excellence.



OUR EMPLOYEES

SANBS has a talented, skilled and trained workforce of 2 776 people (FY22:2 612).

We employ a range of skills including health care specialists such as doctors, nurses, technologists, technicians, phlebotomists, scientists, and all the various supporting roles in the health care sector. Important too, are supply chain experts in our logistics space and IT specialists, accountants, and business professionals, etc.



LEADERSHIP

Experienced Board

Our Board comprises of twelve individuals with with a diverse skills base and experience in governance roles.



For details of our Board, see page 87.

Experienced Management Team

We have an experienced Executive Team who have a combined 127 years tenure at SANBS. New skills brought on board allow fresh thinking and challenge.



For details of our Executive Committee see page 22.



What intellectual capital means to SANBS

At SANBS, Intellectual Capital encompasses the expertise and knowledge within our organisation. It serves as a key driver enabling us to carry out our mission and achieve sustainable growth.



QUALITY

Quality is a crucial part of SANBS and is fundamental to us being a trusted provider of blood and blood services to the citizens of South Africa. Quality processes ensure we are able to track our activities and manage them optimally, from the screening process of blood donors to the transfusion of blood products to patients.

The quality teams are integrated into the operational areas and are approached as advisory experts.

Optimal quality of SANBS is achieved through:

- An entrenched quality culture
- International standards accreditation
- Quality improvements through quality failure logging
- Reducing wastage and adverse effects
- Improving service quality with insight from our stakeholder experience
- Employees log improvement opportunities to allow a proactive response

Product Compliance to the Standards

Most notable are:

- **Blood safety index** – we strive to achieve a target of $\geq 95\%$ and have consistently done so since inception in 2020
- **Accreditation** – Our annual external SANAS assessment to maintain our accreditation status has enjoyed a 100% result for 7 years
- **ISO 9001 standards** – in FY23 we conducted baseline audits for our support areas and have completed gap analyses – we intend to be fully compliant with ISO 9001 standards



ACKNOWLEDGEMENT AS A CENTRE OF EXCELLENCE

Acknowledgement of SANBS as a centre of excellence is rapidly being confirmed by national and international peers and stakeholders through ever-increasing invitations to participate, present or lead national and international meetings, publications and working groups.

Over the past year, we have successfully continued our strategy of expanding research and publication capacity among a growing proportion of SANBS employees and divisions, with 14 publications in peer-reviewed scientific journals. A number of these were authored/co-authored by first-time authors from the SANBS team.



SANBS R.A.D. ACADEMY

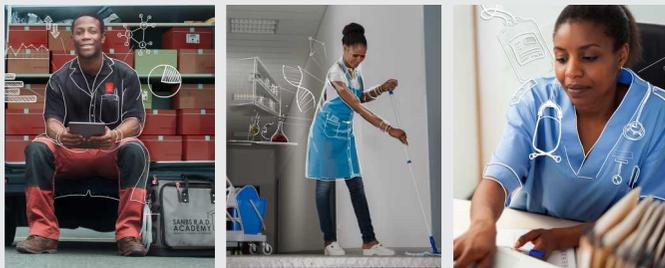
RESEARCH, ADVISORY AND DEVELOPMENT

The journey to transform SANBS by embracing change and empowering our people to deliver outstanding results was the main reason we created the SANBS R.A.D Academy, with great pride in 2021. The vision of the RAD Academy is to “future-proof SANBS, its people, products and processes” in support of the SANBS iHEALTH strategy. The Academy started with the organisation recalibrating its approach to transforming learning and innovation. Oversight of the RAD academy is by the Clinical Governance Committee.

OUR ACHIEVEMENTS TO DATE

The Academy has four strategic goals with clearly aligned outputs for each goal.

We are progressing well with the initiatives relating to each of these goals as demonstrated in the tables that follow. All outputs in green have been achieved/done; those in black are in progress and on track; the one output in amber is behind regarding new users. One output shown in red will be resolved as part of the HR structure planning when a dedicated instructional design team is established.



GOALS

1 Implement a business aligned structure

What this means for SANBS

Governance, human resources and infrastructure developed to support successful implementation and execution of the Academy strategy

Output

- Aligned operational & governance structure
- Operating space & laboratory infrastructure plan
- ICT & digital infrastructure plan
- Purpose: improve data integrity

2 Expand knowledge production

What this means for SANBS

Knowledge translated into improvements in transfusion medicine practices and blood service quality

Output

- Research agenda established
- Research publication produced
- Post-Grad training programme established
- External research funding secured
- Foundations laid
- New practices/products/technologies developed/adopted/implemented

3 Structured knowledge dissemination

What this means for SANBS

Technical assistance that enables policy framework development, institutional and infrastructure design required to run an effective blood service

Output

- Blood transfusion science included in tertiary curricula
- Expand, standardise and accredit training programmes
- Effective knowledge dissemination platforms
- Capacity building partnerships with formal collaborations established

4 Create a renewal and proactive learning environment

What this means for SANBS

A motivated workforce with appropriate mix of scientific people and business skills to successfully execute the SANBS mandate of saving lives

Output

- Embed and position the learning and skills development process for critical skills development and maximum return for business
- Design Structured and blended leadership development initiatives for all levels
- Develop a clearly defined Learning Strategy
- Content Libraries (Internal and External)
- Develop digital learning strategies
- Grow our own talent programmes



OUR MANUFACTURED CAPITAL

It is imperative for SANBS to have the necessary means, including robust infrastructure and well-established internal processes and procedures, to ensure the equitable availability of blood and blood products to individuals regardless of their location.

As an organisation, we provide trusted blood products and services, and these need to be available to all patients in good time, of a world class quality and cost. We also have to be able to meet growing expectations and demands.

We extend coverage to all through:

- Collecting blood at key population concentration points
- Services available in traditional and new areas
- Curbing blood shortages in previously under serviced areas
- **Initiatives including use of:**
 - > mobile units in collections
 - > smart fridges
 - > drones

Coverage index

The intent is to ensure coverage on an equitable basis to the entire geographical location that we serve, both urban and rural areas. Additionally, we want to ensure equitable coverage to both the public and private sector.

- Total SA Coverage (issues per 1000 pop.)
- SA Public Sector Coverage
- SA Private Sector Coverage
- % Blood Availability to hospitals performing caesarean sections



What manufactured capital means to SANBS

Our manufactured capital includes our business structures and processes, including physical assets, infrastructure (corporate offices and sites), products and services. Through these, we are able to provide a personalised, safe and efficient experience to advance our purpose of being trusted to save lives; ensuring our long-term sustainability.

Mount Edgecombe

We are particularly proud of Mount Edgecombe which was opened during our FY21. Here we implemented the "Journey of Blood" experience where donors and external stakeholders can visit Mt Edgecombe and be educated on the journey of blood with access to view the laboratories via viewing decks and access information on the processes via electronic interactive screens.

Back to basics and strengthening our foundation

During FY23, guided by our overall iHEALTH strategy, we identified a number of strategic projects to further strengthen our internal processes and service delivery. When looking at the work done and results achieved, it is evident that we have made significant progress in building upon the strong foundations that support our operations. We have also identified areas that require further strengthening and improvement.

Throughout the year, we have engaged in deep reflection and introspection, allowing us to gain valuable insights into our processes and procedures. This introspective approach has revealed opportunities to simplify our operations, enhance efficiencies, reduce costs, increase productivity, and foster improved collaboration across teams. By addressing these areas, we can solidify a sustainable business for the future, ensuring long-term value for SANBS and all its stakeholders.





OUR FINANCIAL CAPITAL

As a result of various process improvement initiatives in the finance space, we achieved excellent results for the 2022/2023 financial year and this despite an external environment that has continued to be extremely challenging.



What financial capital means to SANBS

Our financial capital consists of the pool of funds that is available to us to collect blood, conduct research and development, provide services and invest in technology, people and growth. It is largely obtained through grants and financing, generated through our operations.

CFO FINANCIAL REVIEW

INTRODUCTION

It is with pleasure to present the 2022/2023 financial year's CFO report wherein we will talk not only about the accomplishments and strategic initiatives but also outline the financial performance of SANBS in an environment that has continued to be extremely challenging. Despite these challenges, and as a result of various process improvement initiatives in the finance field, SANBS achieved excellent results for the 2022/2023 financial year. SANBS remains committed to providing trusted blood products and services to all patients at a world-class level of cost and quality.

The environment in which we are operating

We could not have asked for a better start to the year as we saw the National State of Disaster being lifted and expectations of an economic recovery being created. The doom and gloom of economic restrictions brought on by various stages of lockdowns was a thing of the past. Unfortunately, the feelings of euphoria did not last as it became very clear that the Russia-Ukraine war was going to have a devastating effect on the world.

The Russia-Ukraine war, which sparked the largest conflict in Europe since World War II, had repercussions that have continued unabated around the world. Not only has the war in Ukraine set off geopolitical alignment, it has caused economic hardship far from the epicentre of the fighting. It contributed to volatile and elevated commodity and energy prices, which exacerbated food shortages and stoked inflation in many regions across the world, leading to rising interest rates and cost of credit.

The effect of this on the South African economy is that it has affected the ability of private patients to pay their debt to SANBS, as well as payment from government and government institutions coming under pressure.

Increased collection efforts

SANBS, which embarked on several initiatives to improve cash collection levels in the previous financial year, reaped the benefits of those improvement initiatives in the current year as we saw a steady increase in monthly cash collected throughout the year, despite the hardship brought on by the pressures identified above.

SUMMARY OF SIGNIFICANT FINANCIAL RESULTS FOR THE YEAR ENDING 31 MARCH 2023

Outstanding financial results

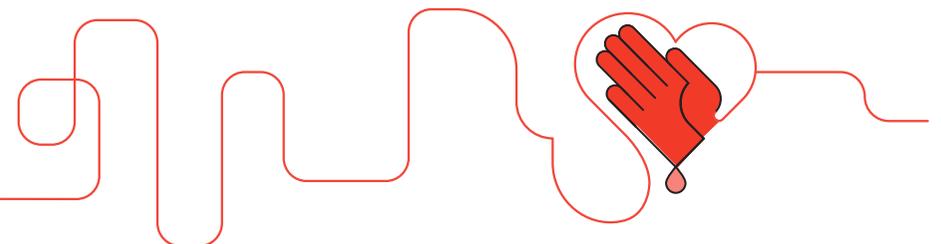
SANBS set a new milestone and achieved outstanding financial results for the 2022/2023 financial year, with an overall surplus of R394.0m. The achieved surplus was R143.4m greater than the forecast surplus for the year and represented an 85% increase on the prior year's surplus of R212.0m. The higher surplus than forecast is a result of a lower-than-expected provision for doubtful debts, due to improved collection efforts, continued focus on efficiencies, and strict expenditure control across the business, while striving to provide reliable and best-quality service.

Revenue increased by 10% to R4.0bn during FY2023 which was lower than the 13% increase achieved in FY2022. The increase was a result of the tariff increase and the increase in demand for blood and blood products as well as cellular therapeutic services during the year. Cellular products, at 75.4% of total revenue for both the 2022/2023 and 2022/2021 financial years, remained the highest contributor to total revenue.

Expenses increased by 7.4% as activity levels spurred on by pent-up demand in the previous financial year started to normalize. We were also able to fill in permanent positions at a quicker rate than we did previously to ensure that all vacancies are filled based on the business needs of SANBS.

Other income decreased by R30.4m as the profit in the prior year related to the profit made on the disposal of assets.

Net interest income increased from R54.0m to R108.0m, as interest rates and cash balances increased during the year.





Net working capital was R591.5m as at 31 March 2023, up from R558.0m on 31 March 2022. Accounts receivable increased during the year from a total gross amount of R1.794bn to R1.843bn. The breakdown between the private sector and the government sector remained consistent.

The total gross amount due at 31 March 2023 was:

Accounts Receivable	2023		2022	
	R000s	%	R000s	%
Private Sector	939.930	51%	914.887	51%
Government Sector	903.070	49%	879.009	49%
	1.843.000		1.793.896	

Debtors Days decreased from 155 days to 149 days, mostly due to the write-off of R137m non-government debtors older than 2018, but also due to the focused efforts on debtors by the Debtors task team that was formed in the previous financial year. This task team, which includes the CEO, CFO, Medical Director, and other executives, continues to meet weekly to review the debtors balance, collections, and progress on engagements with large debtors. Engagements include discussions with national and provincial departments of health and some medical aids to ensure timely collections. A renewed focus on the process improvement of the end-to-end Order-to-Collect cycle also commenced in the 2022/2023 financial year.

The impact on future collections, especially from private patients, remains uncertain, especially as there is a concern that the economy will continue to deteriorate due to the pandemic and other socio-economic pressures.

 Details of our results are contained in our Annual Financial Statements on the SANBS website.

Update on the credit note irregularity previously reported

We have previously reported a control weakness discovered in October 2018, which led to refunds and payments that were made to medical aids.

The quantification of the credit notes issued to the 53 medical aid schemes was completed during the 2019 financial year.

The credit note issue and audit disclaimer remained an ongoing focus of management and our Audit Committee, and during the 2021/2022 financial year, all but ten medical aid agreements were concluded, 5 of which are on hold as they related to the GEMS litigation case. This matter was finalised during the financial year and of the 5 remaining at the end of the 2021/2022 financial year, only 3 remained unresolved at the end of the 2022/2023 financial year. We carry a provision of R705k which we believe is adequate.

EXTERNAL AND INTERNAL AUDITORS

The independence of our external auditors is very important and any non-audit services performed by Deloitte are approved by the Audit Committee, prior to services being rendered. During the year, Deloitte assisted with the administration of our anonymous tip-off line. Our internal audit function was outsourced to Mazars – having been appointed in this capacity since September 2019. SNG Grant Thornton have subsequently taken over the internal audit function from Mazars.





FINANCIAL OUTLOOK OVER THE MEDIUM TO LONG TERM

The 2022/2023 financial year saw us remaining focused on process improvements, identification of cost-reducing efficiencies and automation of finance processes that would lead to elimination of manual processes which results in delays and errors.

Additional internal improvement areas were identified, with plans developed, cross-functional task teams set up and clear objectives set for the 2022/2023 financial year. Focused optimisation and business improvement efforts, specifically for the end-to-end Procure-to-Pay and Order-to-Collect process, and continued in the current year with planned completion in FY2024.

With the world remaining a volatile and uncertain place and the global economic outlook struggling, the projects that we have embarked on take on more of an important and significant meaning. Ensuring the efficiency and effectiveness of all processes, improvement of cash collections, tight expenditure control, and continued management of investments and cash reserves becomes paramount. Global inflation and energy uncertainty will continue to have a significant impact on the business landscape. It is therefore important that strategic partnerships that are being formed are firmed up and we work together with all stakeholders in contributing to the affordability of healthcare and continued service delivery to our people. SANBS remains committed to providing trusted blood products and services to all patients at a world class level of cost and quality.

APPRECIATION

The Finance team was under tremendous pressure with several changes in leadership and challenges around stability, capacity and continuity. Despite these pressures, management, with the support of the Audit Committee and the Board, achieved excellent results and managed to navigate these challenges skillfully.

Thanks are extended to the Executive Committee for their support during the year. The dedication and tenacity of the Finance team are commendable and deserve mentioning. It is through their continued efforts that SANBS's financial management and reporting is completed timeously and accurately, with the required governance and compliance to all applicable laws and regulations. This support is greatly appreciated under very difficult circumstances.

Very special thanks are extended to the teams from all the different business areas that worked together tirelessly to achieve the increased efficiencies and overall success of this past financial year.

We appreciate the cooperation and engagement during the year of our service providers, our medical aid partners, as well as the National and Provincial Departments of Health. We look forward to continued and renewed trusted partnerships and remain committed to living up to our purpose of being "Trusted to save lives."

TSHEPO KGAGE
CHIEF FINANCIAL OFFICER





OUR GOVERNANCE

GOVERNANCE PHILOSOPHY

Good governance underpins our value creation

The Board of SANBS serves as the focal point and custodian of corporate governance in the Company. The way it performs its duties sets the tone for ethical and effective leadership and it endeavours to embody the characteristics of integrity, competence, responsibility, accountability, fairness and transparency.

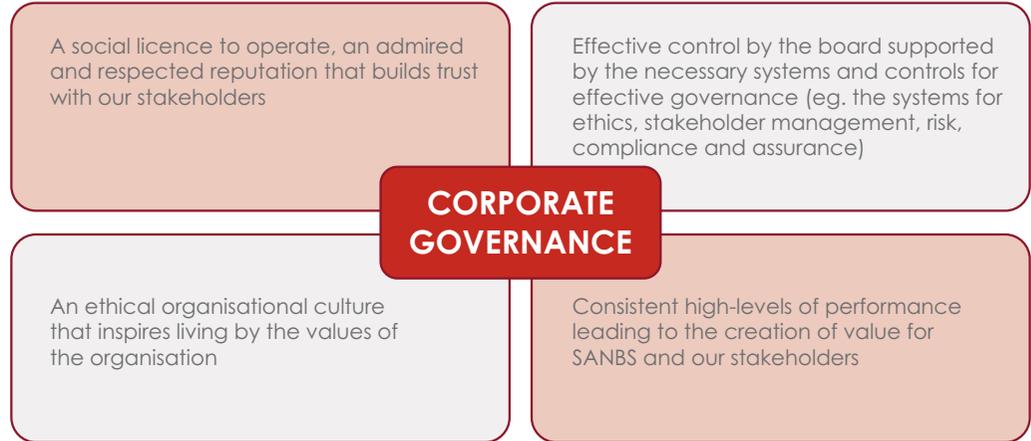
For the year ended 31 March 2023 the Board is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, King IV and other applicable regulatory and legislative requirements.

Corporate Governance Aligned to King IV™ Principles

King IV underpins SANBS' governance approach and the corporate governance principles and practices which inform this. This chapter summarises our alignment to the principles of King IV across the following categories:

- Leadership, ethics and corporate citizenship;
- Strategy, performance and reporting;
- Governing structures and delegation of authority;
- Governance of functional areas; and
- Stakeholder relationships.

We believe that Corporate Governance is key to:



King IV™

In the tables that follow we give a comprehensive overview of what we have in place at SANBS in response to the requirements of King IV and the committees that are responsible for monitoring them.



Every last drop
of blood is *precious*



IV

LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

Principle 1, 2 and 3

LEADERSHIP AND ETHICS



PRINCIPLES 1–2 applied

The Board leads SANBS ethically and effectively. The Board governs the ethics of SANBS in a way that supports an ethical culture.

The Board endeavours to embody integrity, competence, responsibility, accountability, fairness and transparency in its conduct. It establishes a model of ethical leadership and upholds SANBS' values.

In compliance with legal obligations, all Board members act in the best interests of SANBS with diligence, skill and care in fulfilling their duties.

The Board leads in the establishment and enforcement of an ethical code and culture within SANBS. The Code of Ethics was recently revised and is being embedded within the organisation according to set milestones to support an ethical culture. The Governance Social and Ethics Committee (GSEC) is charged with oversight of ethics within the organisation and has a standing agenda item at each of its meetings.

At every meeting of the Board and Committees, there is a standing agenda item where Board members are required to declare interests with respect to any item on the agenda.

SANBS has a Conflicts of Interests Management policy. Each Board member submits a written declaration of interests at least once a year or as and when their circumstances change.

Regular Ethics Assessments inform the ethics programme, as well as Ethics training sessions are conducted on an ongoing basis.



CORPORATE CITIZENSHIP



PRINCIPLE 3 applied

The Board ensures that SANBS is and is seen to be a responsible corporate citizen.

As a non-profit company incorporated and operating in terms of the Companies Act, that has saving lives as its purpose, contributing to society lies as the heart of everything SANBS does on a day-to-day basis. In addition, SANBS is committed to its objectives in the following areas:

a) Workplace (including employment equity and the safety and dignity of employees).

→ See Human Capital on page 102

b) Economy (including economic transformation, prevention, detection, response to fraud and corruption).

→ See Material Matter 7 on page 28

c) Society (including public health and safety, consumer protection, community development and protection of human rights).

→ See Social and Relationship Capital on page 46

d) Environmental protection (including responsibilities in respect of pollution and waste disposal and our greening strategy).

→ See Natural Capital on page 104 and Material Matter 6 on page 28

SANBS not only collects blood, but its operations span the entire blood value chain, an important component of which is educating donors about ensuring their own health as well as living a healthy lifestyle and creates awareness about diseases. This forges a relationship of ever-increasing care and trust.

→ SANBS is mindful of its impact on the environment and has adopted a 'Greening Strategy'. See page 62.



STRATEGY, PERFORMANCE AND REPORTING

Principle 4 and 5

STRATEGY AND PERFORMANCE



PRINCIPLE 4 applied

The Board appreciates that SANBS' core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

The 5-year iHEALTH strategy, which commenced in 2019, has been extended until 2025.

Board strategy sessions are held annually to ensure that the iHEALTH strategy remains relevant and aligned to the dynamic environment in which we operate.

To monitor the progress towards achieving this strategy, a fully integrated process encompassing strategy, risk and opportunity, and performance management has been established. This process supports and enables the tracking of performance and achievement of the strategic objectives of SANBS.

REPORTING



PRINCIPLE 5 applied

The Board ensures that reports issued by SANBS enable stakeholders to make informed assessments of SANBS' performance, and its short-, medium-and long-term prospects.

The Board ensures transparency to stakeholders both in the good and bad times by providing thorough, timely and balanced information, and in so doing, promoting stakeholders' confidence in the business. SANBS reports the results of its performance internally and to stakeholders. The Board is responsible for providing reporting guidelines regarding quality and depth of reports, meaningfulness and relevancy to meet internal and external needs.

SANBS publishes an annual integrated report and audited financial statements (LINK) to ensure all stakeholders remain informed. The integrity of the information included in the reports is overseen by the Board, with specific areas of reporting reviewed and challenged for appropriateness by the relevant Board committees, as well as the internal functions with the AFS being assured by external audit.



GOVERNING STRUCTURES AND DELEGATION

Principle 6, 7, 8, 9 and 10

ROLE AND RESPONSIBILITIES OF THE BOARD



PRINCIPLE 6 applied

The Board serves as the focal point and ultimate custodian of corporate governance in SANBS.

Through the GSEC, the Board considers matters related to governance and reviews the corporate governance framework.

SANBS has an established governance structure which encompasses the donor structure.

See the governance structure on page 98.

The Chairperson is responsible for leading the Board and for ensuring the integrity and effectiveness of the Board and its committees.

The Lead Independent Director assists the chair with the responsibility of leading the Board and is a means by which the Board ensures continuity, should the chair not be available, and for succession.

The Board appoints the CEO and sets the terms of employment. The CEO is responsible for the effective management and running of the business in executing the strategy and objectives set by the Board.

The Board of Directors Charter outlines the roles and responsibilities of the Board, its composition and the relevant procedures of the Board. This Charter is reviewed annually or when necessary.

The Board exercises its leadership role by:

- Setting the strategic direction of the company,
- Approving policy and planning which give effect to the direction provided (including formulation of risk and governance frameworks and embedding of ethics/culture),
- Overseeing and monitoring of implementation and execution by management, and
- Ensuring accountability for the Company's performance by means of reporting and disclosure.



blood is a life story



The following leadership changes took place during the reporting period:

- Ms. Lerato Molefe was elected during the Annual General Meeting in November 2022. Lerato's appointment is part of our 'board's succession planning efforts, ensuring a diverse and skilled mix of individuals. We are thrilled to have her on board, bringing her legal and governance expertise as a professional non-executive director.
- Mr. Thabo Mokgathla was appointed as the Lead Independent Director from the board-appointed directors. This crucial role assists the chair in executing the responsibilities of leading the board and ensures continuity, which is especially important as a new chair will assume the position by the end of 2023.
- As Dr. John Black has emigrated, the Board is currently in the process of filling his directorship with a qualified medical practitioner possessing suitable knowledge and experience to fulfill the requirements for clinical oversight.

Furthermore, the nine-year term of the Board Chairperson will conclude at the upcoming Annual General Meeting in November. Thabo Mokgathla has been elected as the successor.

BOARD AND BOARD COMMITTEE MEETING ATTENDANCE

	Board (4 Ordinary, 3 Special)	Risk, Technology & Information Governance	Nominations	Clinical Governance	Human Resources & Remuneration	Governance Social & Ethics	Audit
Non-Executive directors							
Ansie Ramalho (Chairperson)	6/6		1/1		4/4	4/4	
Caroline Henry	7/7	4/4					5/5
Faith Burn	6/7	4/4		4/4			5/5
Gary Leong	6/6	4/4			4/4	4/4	
John Black	7/7		5/5	4/4	4/4		
Lerato Molefe*	2/3	1/1				1/1	2/2
Monica Vaithilingum	7/7		5/5	4/4			
Phindile Mthethwa	7/7	1/1	4/4		4/4	4/4	
Shauket Fakie	7/7				4/4		5/5
Thabo Mokgathla	7/7		5/5			4/4	5/5
Executive directors							
Ravi Reddy	7/7	4/4				4/4	
Karin van den Berg	7/7	4/4		4/4			

*appointed 19 November 2022

α - apology

BOARD FOCUS 2023

- Continued to oversee implementation and embedding of the iHEALTH strategy and key strategic initiatives/ projects and ESG imperatives
- Monitored performance against iHEALTH Strategy
- Approved extension of iHEALTH Strategy to 2025
- Oversight of appointment of a Chief Financial Officer
- Oversight of the BECS project variation of value and approval of the project implementation schedule as recommended by the RTIG
- Approval of the Annual Financial Statements and Integrated Report
- Approval of wage and salary mandates and approved incentive bonuses for qualifying employees as recommended by the HRRC
- Considered the Strategic Risk Report as recommended by the RTIG
- Approved the Director Development Training Plan
- Approved the appointment of SNG Grant Thornton as the internal auditors to replace outgoing Mazars
- Approval of procurement as per DoA
- Considered the nomination of director candidates as proposed by the Nomination Committee
- Review of Mol

→ See Chairpersons report on page 15

- Review of Zone and branch rules
- Appointment of LID
- Continued engagement with Council and zone structures

BOARD FOCUS 2024

Several of the focus areas listed above for 2023 continue in 2024 with an emphasis being placed on the following:

- Driving Board and Executive Committee succession planning
- Continuing to oversee execution of the iHEALTH strategy
- Oversight of key strategic projects, especially BECS, Order-to-Collect, Procure to Pay
- Monitoring of performance against the iHEALTH Strategy
- Adoption of the new Strategic Risk Register and monitoring thereof
- Continued relationship building with National Council
- Board evaluation



COMPOSITION OF THE BOARD

PRINCIPLE 7 applied



The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.



Shauket Fakie
Appointed NED
Tenure: 3 years

Lerato Molefe
Appointed NED
Tenure: 1 year

Karin van den Berg
Ex officio Executive Director
Tenure: 3 years

Ravi Reddy
Ex officio Executive Director
Tenure: 3 years

Caroline Henry
Donor NED
Tenure: 2 years

Phindile Mthethwa
Donor NED
Tenure: 5 years

Gary Leong
Donor NED
Tenure: 3 years

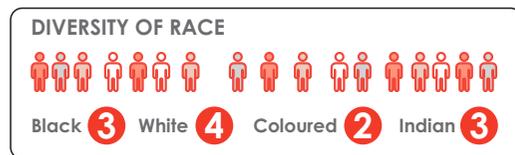
Ansie Ramalho
Donor NED
Tenure: 9 years

Monica Vaithilingum
Appointed NED
Tenure: 3 years

Thabo Mokgatha
Appointed NED
Tenure: 2 years

Faith Burn
Donor NED
Tenure: 5 years

John Black
Donor NED
Tenure: 2 years





					
<p>Ansie Ramalho Donor NED Age: 50 - 64</p> <p>Knowledge/Skill & Experience Corporate Governance/Ethics Legal/Regulatory Strategy Risk Management Stakeholder Management</p> <p>Intellectual Capital Leadership strategy Directorship experience</p> <p>Qualifications Baccalaureus Juris, Unisa (1988) Baccalaureus Legum, Unisa (UNISA), South Africa (1991) Diploma in the Law of Insolvency (AIPSA) (1993) Certificate in International Insolvency Law (UP) (2000) Certificate Programme in Financing & Accounting (Wits Business School) (2004) Certificate of Coaching Skills (Results Coaching System) (2014)</p>	<p>Caroline Henry Donor NED Age: 50 - 64</p> <p>Knowledge/Skill & Experience Accounting Finance Audit Risk Management Stakeholder Management</p> <p>Intellectual Capital Leadership strategy Directorship experience</p> <p>Qualifications B Com (WITS) (1990) B Compt Acc (Hons) (UNISA) (1993) CA (SA) (1993) (SAICA)</p>	<p>Faith Burn Donor NED Age: 50 - 64</p> <p>Knowledge/Skill & Experience Corporate Governance/Ethics Audit Strategy Risk Management Information Communication and Technology</p> <p>Intellectual Capital Directorship experience</p> <p>Qualifications B.Sc. (Mathematics and Computer Science) - RAU (1989) B.Sc. Hons (Mathematics) – RAU (1992) M.Sc. (Mathematics) – RAU (1997) Masters in Business Leadership (MBL) elective in poroject management – UNISA (2000) Certified internal auditor (CIA) - institute of internal auditors (IIA) USA (2014)</p>	<p>Gary Leong Donor NED Age: 30 - 49</p> <p>Knowledge/Skill & Experience Corporate Governance/Ethics Audit Risk Management</p> <p>Intellectual Capital Directorship experience</p> <p>Qualifications BCOMPT : UNISA (2001) Applied Cost and Management Accounting (ii) Applied Auditing : UNISA (2002) Certified internal auditor (CIA) : Institute of Internal Auditors USA (IIA) (2005) Certified in control self-assessment (CCSA) : IIA (2005) Certified financial services auditor (CFSA) : IIA (2009) Certified information Systems auditor (CISA) : ISACA (2010) Certified in risk management assurance (CRMA) : IIA (2015) Senior management development programme : Gordon Institute of Business Science (GIBS) (2012) MPhil Internal Audit (2019)</p>	<p>John Black Donor NED Age: 30 - 49</p> <p>Knowledge/Skill & Experience Medical, Health and related industry experience</p> <p>Intellectual Capital Directorship experience</p> <p>Qualifications MBChB (UCT) (2001) Dip HIV Man (SA) (2007) FCP(SA) (2011) Cert ID (SA) (2013)</p>	<p>Lerato Molefe Appointed NED Age: 30 - 49</p> <p>Knowledge/Skill & Experience Corporate Governance/Ethics Legal/Regulatory Strategy Risk Management Stakeholder Management</p> <p>Intellectual Capital Leadership strategy Directorship experience</p> <p>Qualifications BA (Economics, Government) (Smith College, 2000) Masters in Law and Development (The Fletcher School, Tufts University, 2006) Juris Doctor (Harvard Law School, 2006) Executive MBA (Saïd Business School, University of Oxford, currently undergoing expected 2024)</p>



Monica Vaithilingum

Appointed NED
Age: 50 - 64

Knowledge/Skill & Experience
Corporate Governance/Ethics
Medical, Health and related industry experience

Intellectual Capital
Directorship experience

Qualifications
Paediatric Haematologist- HPCSA accredited (2001)

Specialist Paediatrician-FCPaeds, College of Medicine of South Africa - (1995)

Medical Doctor-MBChB, Natal Medical School (currently Nelson R Mandela School of Medicine) (1988)



Phindile Mthethwa

Donor NED
Age: 50 - 64

Knowledge/Skill & Experience
Corporate Governance/Ethics
Accounting
Strategy
B-BBEE (incl ESD)
Stakeholder Management

Intellectual Capital
Leadership strategy
Directorship experience

Qualifications
B.Comm (Accounting and Human Resources)- Wits University (1996)

Management Development Programme – Stellenbosch University (2001)

B Theology Auckland Park Theological Seminary (ATS) (2017)



Shauket Fakie

Appointed NED
Age: 65+

Knowledge/Skill & Experience
Accounting
Finance
Audit
Risk Management

Intellectual Capital
Directorship experience

Qualifications
B.COMPT -UNISA (1984)

CA(SA) (1986)

CA (Australia) (1988)



Thabo Mokgatla

Appointed NED
Age: 30 - 49

Knowledge/Skill & Experience
Corporate Governance/Ethics
Accounting
Finance
Audit
Risk Management

Intellectual Capital
Directorship experience

Qualifications
BCom – NWU (1995)

Hons Bcomp/ CTA – UNISA (1998)

CA(SA) (2001)



Ravi Reddy

Ex officio Executive Director
Age: 50 - 64

Knowledge/Skill & Experience
Strategy
B-BBEE (incl ESD)
Medical, Health and related industry experience

Intellectual Capital
Leadership strategy
Directorship experience

Qualifications
National Diploma: Medical Technology – ML Sultan Technikon (1988)

B Tech: Biomedical Technology – ML Sultan Technikon – (1994)

Post Graduate Diploma in Business Management



Karin van den Berg

Ex officio Executive Director
Age: 50 - 64

Knowledge/Skill & Experience
Corporate Governance/Ethics
Medical, Health and related industry experience

Intellectual Capital
Directorship experience

Qualifications
MBChB – UFS (1993)

Medpro-X – UNISA (2000)

PostGrad Dip Transfusion Medicine – UFS (2011)

MMedSci – UFS (2014)



The SANBS Board composition is prescribed in the MOI. The Board comprises a maximum of 15 directors. A minimum of six (6) and a maximum of ten (10) non-executive directors may be elected by the National Council and is made up of a majority of Non-Executive Directors who are classified as (1) Donor Directors appointed at the Annual General Meeting by National Council and (2) Appointed Directors who are appointed by the Board of Directors. A maximum of two Executive Directors (ex-officio) also form part of the Board.

We consider the demographics of South Africa in the composition of the Board which shall also reflect the responsibilities vested and the duties the Board is required to discharge and perform.

To bolster the skills on our Clinical Governance Committee (CGC) and Governance Social and Ethics Committee (GSEC), we have three co-opted members on the CGC and one co-opted member on the GSEC.

Board member onboarding and induction

Induction of newly appointed Directors takes place through a customised programme for each Director who are also supported with external training where required.

External advisors

The Board and its respective committees may engage external advisors where needed to effectively discharge its obligations at the expense of the Company.

COMMITTEES OF THE BOARD



PRINCIPLE 8 applied

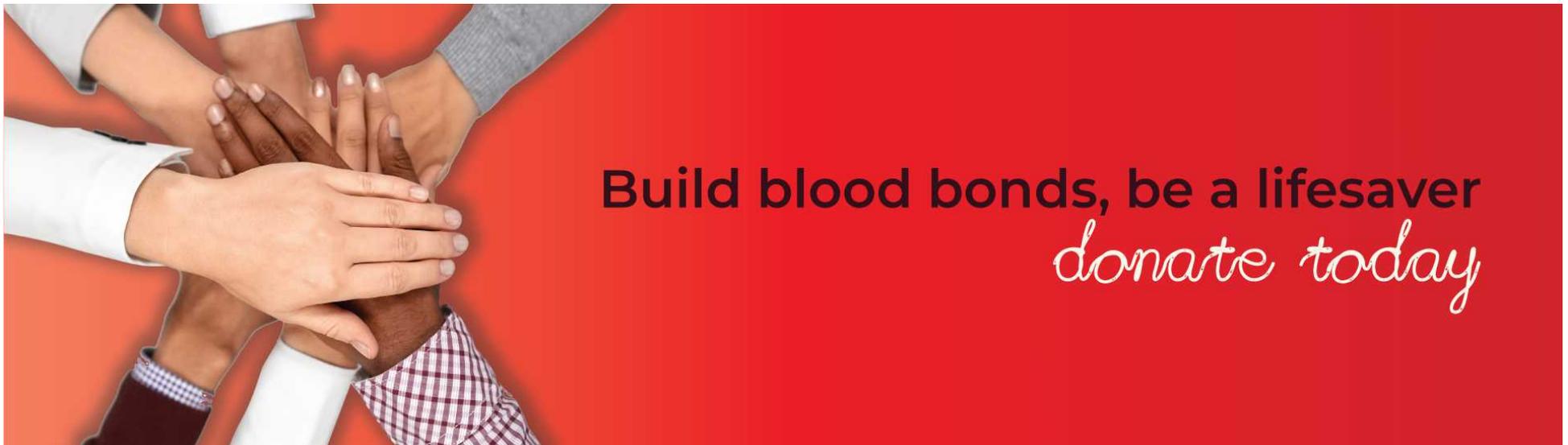
The Board ensures that its arrangements for delegation within its own structures promote independent judgement and assists with the balance of power and the effective discharge of duties.

To support our Board, as the governing body, with its broader steering and oversight role, the Board has constituted six Board committees:

- Audit Committee
- Governance, Social and Ethics Committee (GSEC)
- Human Resources and Remuneration Committee (HR and Remco)
- Clinical Governance Committee (CGC)
- Nomination Committee (NomCom)
- Risk, Technology and Information Governance Committee (RTIG)

Each committee operates under its own Terms of Reference as approved by the Board. The Terms of Reference set out the relevant committee's responsibilities in accordance with applicable laws and regulations.

A summary of the Board committees' 2023 focus areas, membership for the reporting period and focus for the ensuing year are set out in the Board committee's reports.





AUDIT COMMITTEE

Board Committee Focus 2023 and Outlook for the Year Ahead 2024 Committee purpose and how it contributes to value creation

The overarching role of the Committee entails assisting the Board in providing independent oversight of:

- The effectiveness of the Company's internal controls environment through the assurance functions and services, with a particular focus on combined assurance arrangements, including external assurance service providers internal audit service providers, management, and the finance function
- The integrity of the annual financial statements ('AFS'), integrated annual report ('IAR') and other financial reports issued by the Company



Shauket Fakie

Members of the committee during the period 1 April 2022 to 31 March 2023

Shauket Fakie (Chairperson)
 Faith Burn
 Caroline Henry
 Lerato Molefe (Appointed 19 November 2022)
 Thabo Mokgatla

DECLARATION

The committee has executed its responsibilities in accordance with an approved mandate.

RISKS



CAPITALS



KING IV™



STAKEHOLDERS



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

Financial Controls and Compliance

- Finalised the appointment of the CFO position
- Monitored the enhancement of the financial control environment; supply chain management; and reviewing the work performed by the internal auditors including deliberating on recommendations made and overseeing that any weaknesses are expeditiously addressed
- Oversight of progress with outstanding settlement agreements with medical aids
- Considered reports from the Risk Committee in terms of existing strategic and emerging risks and mitigating controls
- Oversight and review of reports relating the progress with the BECS project
- Considered any procurement expenditure in line with the Delegations of Authority Framework and recommending such expenditure for approval by the Board
- Review of accounting principles and application
- Oversaw adherence to all applicable legislation and prescripts

Combined Assurance

- Reviewed the effectiveness of the combined assurance framework, internal control environment and overseeing that identified weaknesses were appropriately and expeditiously addressed
- Interacted with management and other assurance providers in striving to ensure a reliable and effective control environment which will result in an unqualified audit opinion for the coming financial year-end
- Considered reports from the Risk Committee in terms of existing strategic and emerging risks and mitigating controls

Internal Audit

- Approved the appointment of the Internal Auditors, SNG, following the end of the term of Mazars
- Approved the Internal Audit Plan
- Assessed the skills and effectiveness of the internal auditors and considered the overall internal control environment within SANBS
- Ensured that the internal audit plan is risk-based and monitored adherence to the plan by internal audit
- Considered internal audit reports together with management's comments and provided oversight of appropriateness and timeliness of addressing control deficiencies identified by internal audit



Financial Statements and Going Concern

- Considered, reviewed, and recommended the annual financial statements for approval by the Board
- Considered and recommended to the Board that SANBS will be a going concern in the foreseeable future
- Reviewed the budget for the year ending 31 March 2024 and recommended the budget for approval by the Board

External Audit

- Assessed the independence and objectivity of the external auditors and obtained confirmation from Deloitte that there are appropriate controls to safeguard auditor independence when providing non-audit services
- Determined the external auditors' fees, pre-approved the non-audit scope and fees, and the auditor's terms of engagement
- Considered the external auditors' audit scope and plan
- Recommended the external auditor for appointment by the National Council

Other recurring matters addressed by the committee during 2023 included:

- Considered Finance and Supply Chain Management Reports and progress on Procure to Pay Project (P2P)
- Reviewed the outstanding debtors and the aging thereof and progress on Order to Collect Project (O2C)

Finance Function

- Oversight of corrective actions to resolve the finance function competence challenges and monitoring progress to increase capacity

Integrated Reporting

- Considered the Integrated Report and recommended to the Board for approval
- Considered outcomes of KPI's assured for inclusion in the integrated report

Future Focus Areas 2024

- Oversight of remaining corrective actions to resolve the finance function competence challenges
- Monitor the enhancement of the financial control environment; supply chain management; and reviewing the work performed by the internal auditors including deliberating on recommendations made and overseeing that any weaknesses are expeditiously addressed
- Interact with management and other assurance providers in striving to ensure a reliable and effective control environment





HUMAN RESOURCES AND REMUNERATION COMMITTEE

Board Committee Focus 2023 and Outlook for the Year Ahead 2024 Committee purpose and how it contributes to value creation

The overarching role of the Committee is to assist the Board in ensuring that:

- A competent executive management team is in place with reference to appointment, competency, remuneration, performance management and executive succession planning
- A Remuneration policy for all employees is in place to assist in achieving the Company's strategy
- Remuneration of non-executive directors is fair and responsible



Phindile Mthethwa

Members of the committee during the period 1 April 2022 to 31 March 2023

- Phindile Mthethwa (Chairperson)
- Ansie Ramalho
- Shauket Fakie
- Gary Leong

DECLARATION

The committee has executed its responsibilities in accordance with an approved mandate.

RISKS



CAPITALS



KING IV™



STAKEHOLDERS



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

- Human capital management – received and considered quarterly reports on Employee Relations, Human Resources Operations, Organisational Development, Employee Wellness and Transformation, Compensation and Benefits, Learning and Development (SANBS RAD Academy), Strategy Level Risk Register and Treatment Actions, Key Tactical Level Risks currently managed by HCM, 360° Leadership Assessments, ongoing Culture DNA Programme, Labour Court and CCMA cases, salary and wage negotiations
- Reviewed the Executive Management Structure
- Reviewed the CEO's performance and made recommendations to the Board
- Reviewed succession plans for executive managers and business imperative vacancies and monitored the strengthening of the leadership depth and talent management
- Received for consideration the Non-Executive Director benchmarking report undertaken by PwC and recommended Non-Executive Directors' remuneration to the Board for approval at the National Council meeting
- Considered the report from 21st Century for SANBS Staff remuneration benchmarking
- Opined on the payment of discretionary bonuses taking into consideration the financial sustainability of the Company as well as achievement of performance criteria
- Reviewed and recommended the Discretionary Bonus Policy for approval to the Board
- Opined on alternative rewards structures and retention mechanisms as part of an enhanced rewards strategy for high performing employees and scarce and critical skills
- Monitored the Talent Acquisition plan for Senior Managerial positions
- Ensured the continued drive of the performance culture to enable strategy execution
- Close monitoring of labour related matters
- Monitoring the implementation of transformation initiatives including the Code of Good Practice on the elimination and prevention of harassment at the workplace

Future Focus Areas 2024

- Continued oversight on alternative rewards structures and retention mechanisms as part of an enhanced rewards strategy for high performing employees and scarce and critical skills
- Review of performance measurement criteria for executive management and other employees, salary and wage negotiations
- Oversight of succession planning for Executive management and senior leadership
- Monitoring of Talent Acquisition plan for Senior Managerial positions
- Review pay equity (equal pay for equal work) and internal pay mix



GOVERNANCE, SOCIAL AND ETHICS COMMITTEE

Board Committee Focus 2023 and Outlook for the Year Ahead 2024 Committee purpose and how it contributes to value creation

The overarching role of the Committee entails discharging its statutory duties by ensuring that the Company acts ethically and that there is an ethical culture with regards to:

- Sustainable development
- Corporate citizenship
- Stakeholder relationships

The Committee relies on the work of the Human Resources and Remuneration Committee ("HRRC") with respect to employment equity as well as the safety and the dignity of employees, and the Clinical Governance Committee ("CGC") as regards the safety of employees and the provision of safe blood, ensuring that at least annually it obtains assurances from both committees that their respective responsibilities have been adequately addressed.



Gary Leong

Members of the committee during the period 1 April 2022 to 31 March 2023

- Gary Leong (Chairperson)
- Ansie Ramalho
- Thabo Mokgatlha
- Lerato Molefe (from 19 November 2022)
- Phindile Mthethwa
- Brendan Damons (outside co-opted member)
- Ravi Reddy (CEO)

DECLARATION

The committee has executed its responsibilities in accordance with its Board approved mandate.

RISKS



CAPITALS



KING IV™



STAKEHOLDERS



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

- **Ethics Management:**
 - > Oversight and implementation of the Ethics Strategy Management Plan
 - > Monitored progress to achieve objectives of the integrated Ethics and Culture Programme – including SANBS Code of Ethics (including recognising gender neutrality) and appointment of Ethics Ambassadors and consultants for the provision of Compliance and Ethics services
 - > Oversight of the improvement in culture and organisational well-being and tracking of key metrics against targets
 - **Reviewed governance documents and policies to continually improve and embed good governance and the structural arrangements that support it, including:**
 - > Whistleblowing Policy and Tip-Offs Report – including analysis of trends and mechanisms of addressing findings and implementing corrective actions
 - > Anti-fraud and Anti-Corruption Policy and awareness training
 - > Policy and Procedure Management Policy – defining strategic and operational type policies
 - > Stakeholder Management Policy to embed a systematic approach to the management of stakeholder practices and processes to maximise value for stakeholders and SANBS
 - **Gender Classifications** – following gazetting of the new Code of Good Practice on the Prevention and Elimination of Harassment in the workplace. As an example – SANBS' policies are being reviewed and amended to reflect gender neutral language
 - **Stakeholder Management** – Monitor progress with implementation of the SANBS Stakeholder engagement strategy – Stakeholder reports including consideration of stakeholder risks
 - **Workplace/Social and Economic Development/Corporate Citizenship** - B-BBEE report and audit to retain level 4 rating
 - **Social Environment/Corporate Citizenship:**
 - > Considered feedback provided, in relation to donor committee activities
- ➔ See stakeholder engagement page 50.
- > Branch and zone donor committee rules reviewed and updated following input provided by a broad range of affected stakeholders
 - > Considered activities contributing to donations, charitable giving and socio-economic development

Future Focus Areas 2024

- Adoption and oversight of the revised Ethics Strategy Management Plan/integrated Ethics and Culture Programme
- Monitor outcomes of the SANBS stakeholder database review through the influence/power lens
- Consider SANBS corporate citizenship contributions including the development of communities and environmental initiatives



CLINICAL GOVERNANCE COMMITTEE

Board Committee Focus 2023 and Outlook for the Year Ahead 2024 Committee purpose and how it contributes to value creation

The overarching role of the Committee is to:

- Assist the Board to oversee the quality, safety and sufficiency of blood products and related services as well as the safety of donors, blood recipients and employees; and
- Guide the Executive management team in the development of business practices and processes to ensure quality, safe blood products and related services as well as the safety of donors, blood recipients and employees. Specifically excluded from the role of the Committee is the occupational health and safety of employees, as this is included in the role of the Governance, Social and Ethics Committee.



Dr Monica Vaithilingum

**Members of the committee during the period
1 April 2022 to 31 March 2023**

- Dr Monica Vaithilingum (Chairperson)
- Dr John Black
- Faith Burn
- Dr Mada Ferreira *
- Dr Nomusa Mashigo*
- Adv Candice Slump*

Executives

- Dr Karin van den Berg

* Independent members of the Committee who are not members of the Board

DECLARATION

The committee has executed its responsibilities in accordance with its Board approved mandate.

RISKS



CAPITALS



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STAKEHOLDERS



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

The overall focus of the committee is to ensure donor, recipient and staff safety whilst SANBS continues to build on the iHEALTH strategy and strengthen its position as a cornerstone of healthcare. The focus of the committee for the period under review centred on the oversight of risks within its purview.

R⁶ Inability to consistently meet all demand for specific blood products - group O RBC; pooled platelets; apheresis platelets; rare donors; reagent donors; plasma

Human Centred Donor Care

- Monitored the #IronStrong project that was expanded to address all aspects of donor iron that may impact on donor health and wellness. The revised, board-approved new Donor Iron Strategy will focus on providing donors with more tolerable iron tablets, improved communication with donors and staff, education on understanding the importance of iron testing and supplementation, and further research into factors associated with and the outcomes of iron deficiency among blood donors.
- Noted counselling of HIV-donors lagged behind the target of 60% with improvement after implementation of mitigation steps to address root causes and challenges within SANBS control.
- Approved the removal of the upper age limit for repeat whole blood donors and requests for bi-annual doctors' letters for older donors.
- Noted the remedial measures to limit bleeding of underage donors and ensuring compliance with approved inter-donation intervals for the different types of donations as well as for different age groups.

Patient Blood Management (PBM)

- Monitored the rollout of the project plan for PBM.
- Noted that the impact of the PBM programme in the private sector has not been as successful as initially envisaged. In response, SANBS changed its focus from private clinicians and associations to collaborations with private hospital groups and medical schemes to accelerate the awareness and uptake of the programme.
- Noted that the first short learning, internationally peer-reviewed programme on PBM, developed in Africa for Africa in collaboration with the University of the Free State, had its first intake of learners in August 2023.

Blood Establishment Computer System (BECS)

- Continued oversight of the BECS implementation and change management initiatives, including training of staff and the plans to ensure the safety and sufficiency of the blood supply during the Go Live period.
- Noted reasons for delays experienced with the service provider and actions taken to remedy and ensure progress within revised timelines.

Platelet Strategy

- Approved the alternative Platelet Strategy as the original strategy was found to be too expensive for SA to afford. The revised Platelet Strategy is specifically aimed at ensuring a sufficient platelet supply. It involved a comprehensive approach to optimise collections and production, growing donor pools and educating clinicians on the appropriate use of this extremely scarce resource. Project and training plans are being implemented.
- Noted that a strategic scorecard has been developed to measure how SANBS would meet its strategic aims and objectives concerning blood products.



Non-compliance to regulatory requirements

Quality

- Congratulated the medical team on the JSE Accreditation audit which went very well
- Noted results of SANAS audits and that all sites maintained accreditation

Regulation of Blood Services

CGC was apprised of:

- Developments regarding SAHPRA to take over the regulation of the Blood Services and that SAHPRA would sub-contract with SANAS to perform audits of the Blood Services on their behalf
- SANBS and WCBS are engaging with SAHPRA and SANAS to ensure that we appropriately influence the process

Medico-legal

- Reviewed and approved SANBS' medical malpractice insurance placed in the international market
- Closely monitored potential medico-legal cases, including reported mortality cases and the potential impact on SANBS' insurance and reputation
- Tracking and tracing of patients – management had deliberated on the issue and was seeking a legal opinion following cases where SANBS was implicated in the error
- Medico- Legal and Haemovigilance Reporting Guidelines and Terminology document will become a part of the Committee induction pack when completed

Policies and Terms of Reference

Reviewed amendments to the following policies and terms of reference:

- Integrated Blood Safety Policy
- Risk Based Hierarchical Blood Issuing Policy
- Voluntary Vaccination included in the Occupational Health and Employee Wellness Policy
- Revisions in the HIV in the Workplace Policy; required under Labour laws and regulations
- Terms of reference for the National Blood Safety Committee and Emerging Infectious Diseases Committee



Uncertainty as to the impact of the NHI implementation on the SANBS business model

CGC noted:

- Professor Clearly from the University of Cape Town had been engaged on the impact of the National Health Insurance (NHI) implementation on SANBS operations
- Management indicated certain gaps not addressed in this report and sought additional input from leading health economists (Prof Charles Hongoro, Prof Ozyar Mahmoned and Dr Sifiso Mtshali) from eLazen
- The report was well received and their feedback was used to guide certain strategic discussions around the SANBS business and cost-recovery models



Compromised safety and quality of blood products

Blood Bank Automation

- Oversight of the SMART Fridge pilot project with the first SMART Fridge being handed over to the Rahima Moosa Mother and Child Hospital with plans to deploy an additional ten fridges over the next few years
- The successful completion of the Blood Bank Automation project saw a significant improvement in our crossmatch turn-around-times
- Loadshedding remained a challenge when hospital generators fail – a plan has been developed to place generators at Blood Bank sites; approval from public hospitals is awaited

Haemovigilance

- Noted the findings of the Haemovigilance surveys and supported the implementation of actions to address the gaps identified
- Noted that for the first time, the annual Haemovigilance Report, a mandatory requirement, was authored by the Independent Haemovigilance Committee. This introduces a new level of independent oversight of the workings of blood services in South Africa

Other:

Oversight of and guidance on the SANBS RAD Academy and related research and development activities.

Noted the:

- Progress made in operationalising the SANBS RAD Academy
- High-quality international peer-reviewed publications
- Expansion of the SANBS Mobile Stem Cell Transplant unit and their application for JACIE accreditation
- Delivery of the first SMART Fridge
- Various research projects, including the COVID antibody waning study, the Reveos study and the work done under the NIH Fogarty grant collaboration with the University of California San Francisco and the University of Cape Town

Future Focus Areas 2024

The key focus areas for the CGC for the year ahead will be four strategic pillars namely:

- Meeting the demand for key blood components such as Group O red blood cell and apheresis platelets while protecting donor health and wellness
- Adequate data and information life-cycle management and governance
- Maintaining adequate and appropriate stakeholder engagement and public confidence (Strategic Risk)
- Maintaining appropriate quality systems, accreditation and regulation (Regulatory and Compliance)

Strategic Risks

The CGC will monitor the Strategic Risk Register for which the Committee is responsible

Other

- Monitor the Go Live of BECS to ensure its impact on the safety and sufficiency of the blood supply is minimised
- Provide guidance on workforce planning to meet the changing demands and landscape of healthcare services in South Africa



NOMINATION COMMITTEE

Board Committee Focus 2023 and Outlook for the Year Ahead 2024 Committee purpose and how it contributes to value creation

The overarching role of the Committee entails assisting the Board in ensuring that:

- The Board and its Committees are appropriately constituted with the right skills, qualification and training;
- Qualified directors are identified for nomination, election and appointment to the Board through a formal and transparent process; and
- There is an established and maintained Board continuity programme and an evaluation of the Board and Committees.



Thabo Mokgatla

Members of the committee during the period 1 April 2022 to 31 March 2023

- Thabo Mokgatla (Chairperson)
- Ansie Ramalho (from 27 November 2022)
- Dr John Black
- Phindile Mthethwa (until 27 November 2022)
- Dr Monica Vaithilingum

DECLARATION

The committee has executed its responsibilities in accordance with its Board approved mandate.

KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

- Considered board structure, size and composition (Incl. skills requirements, succession planning, rotation schedule, members tenure, age, transformation, gender)
- Identification and recommendation of director candidates to the Board for nomination
- Oversight of the appointment of the Lead Independent Director
- Monitored the performance of the Board against targets for race and gender representation
- Oversight of vetting of candidates prior to nomination as directors
- Engaged National Council on the nomination processes
- Reviewed and recommended Board succession planning – for replacement of directors whose tenure is reaching completion
- Director development, training and development plans
- Ensured the incoming directors understand the complexities of SANBS business underpinned by a Board Induction Programme; amended during the year

Future Focus Areas 2024

- Continued assessment of optimal board composition
- Ensuring effective nomination process and engagement in this regard with Council
- Oversight of Board evaluation
- Facilitation of director development



RISKS



CAPITALS



KING IV™



STAKEHOLDERS





RISK, TECHNOLOGY AND INFORMATION GOVERNANCE COMMITTEE

Board Committee Focus 2023 and Outlook for the Year Ahead 2024 Committee purpose and how it contributes to value creation

The overarching role of the Committee is to assist the Board in overseeing that the following areas support the Company in setting and achieving its strategic objectives:

- The governance of risk management, including the system of compliance risk governance
- Technology and Information governance



Faith Burn

Members of the committee during the period 1 April 2022 to 31 March 2023

- Faith Burn (Chair)
 Ansie Ramalho (until 27 November 2022)
 Caroline Henry
 Gary Leong
 Lerato Molefe (from 19 November 2022)
 Phindile Mthethwa (from 27 November 2022)
- Executives**
 Ravi Reddy
 Dr Karin van den Berg

DECLARATION

The committee has executed its responsibilities in accordance with its Board approved mandate.

RISKS



CAPITALS



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STAKEHOLDERS



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

- Monitored the continued growth in maturity of enterprise risk management: Enterprise Risk Management Policy, Framework and Risk Appetite and Tolerance, Risk monitoring report (incl emerging risks, opportunities, Business Continuity Plan (BCP))
- Noted the outcome of the Business Continuity Management (BCM) project being the development of Business BCP for individual business areas, recognising both the operational variability and geographic dispersion of the operating sites. In terms of multiple risks materialising, the individual BCPs would be able to deal with the multiplicity of risks, with elevated coordination of all structures of Management
- Reviewed the IT Risk Register, Cyber-security Report, Investments, BECS update (including causes for delays, budget extensions and decisions required in response to ongoing delays)
- Provided input and support to management on Strategic Projects – BECS implementation and change management, the Modernisation progress of the ERP system, drone project, inventory optimisation project
- Insurance programme renewal review
- Proactive tracking of changes in the regulatory environment and overseeing the need to appoint external consultants to fill the positions of Compliance and Ethics Officer positions, while these posts remained vacant
- Continued enhancement of procurement processes and contract management
- Monitored the Strategy Level Risk Register and emerging risks
- Considered the Information privacy and data protection obligations on SANBS – including the creation of internal and external privacy policies, with the latter being drafted for public-facing interfaces e.g., SANBS website

Future Focus Areas 2024

The Committee will remain focused on overseeing the management of the risks associated with:

- Strategic projects, with an emphasis on the BECS go live and BECS phase II, the Order-to-Collect process and the Procure-to-Pay process, and the ERP Modernisation next phases
- Forex losses and exposure - Foreign Exchange Contracts as a Risk Management Tool
- The revised Strategic Risk Reporting and the continuous monitoring of the risks this may reveal

EVALUATION AND PERFORMANCE OF THE BOARD



PRINCIPLE 9 applied

The Board ensures that the evaluation of its own performance, and that of its committees, its Chairperson and its individual members, supports continued improvement in its performance and effectiveness.

The Board ensures that assessments of the individual Directors, the Chairperson of the Board, the Board as a whole and the Board committees are conducted to support continued improvement in performance and effectiveness. Assessments are conducted by an independent external company every two years or when the Board deems it necessary.

The Lead Independent Director is appointed to lead the evaluation of the Chairperson's performance if a Lead Independent Director is not already in place.

A performance evaluation is being conducted in 2023. Every alternate year, the Board schedules in its yearly work plan an opportunity for consideration, reflection and discussion of its performance and that of its committees, its Chairperson and its members as a whole Board.

The Nominations Committee has considered service providers which can undertake the next Board evaluations that are scheduled to take place in the latter part of 2023.



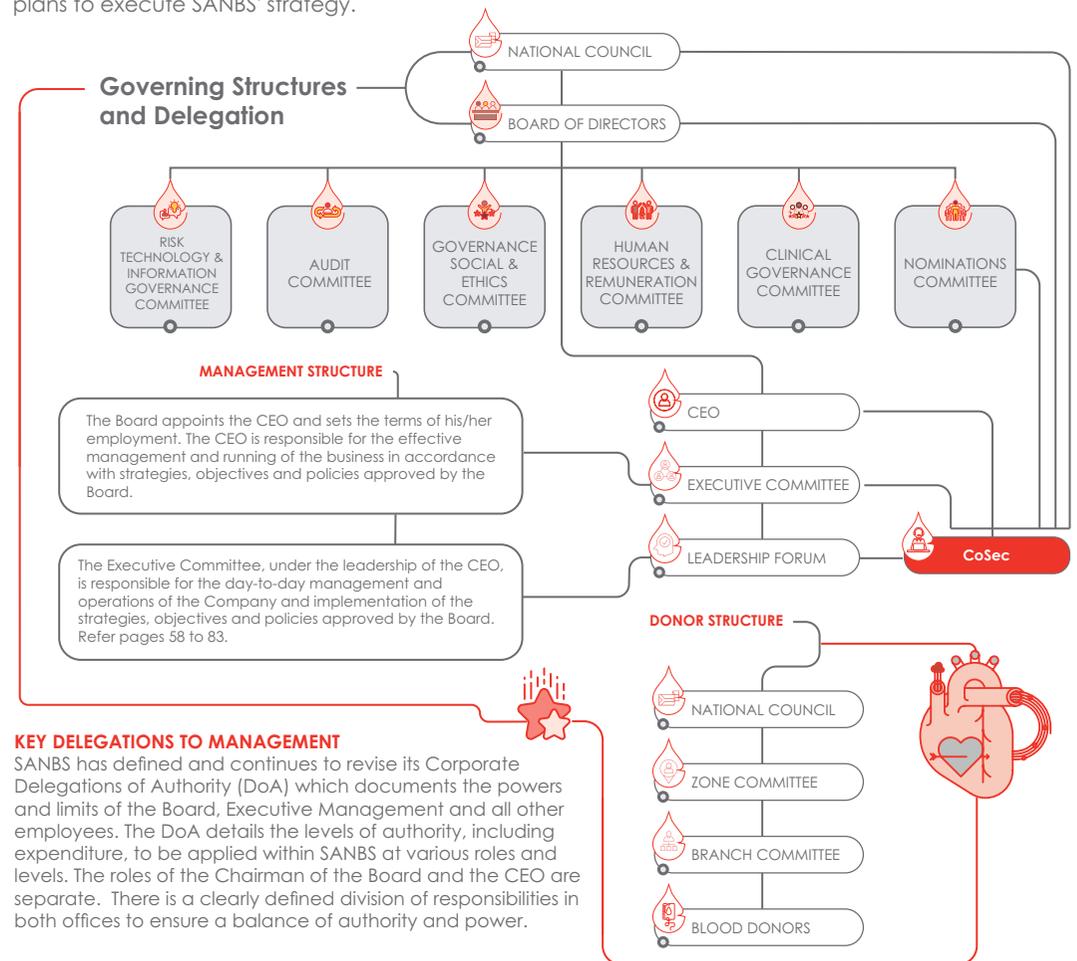
APPOINTMENT AND DELEGATION TO MANAGEMENT



PRINCIPLE 10 applied

The Board ensures the appointment of, and delegation to management contributes to role clarity and the effective exercise of authority and responsibilities.

To ensure the effective execution of the SANBS strategy, the Board has assigned the responsibility of implementing the strategy to the CEO. The CEO is entrusted with designing and implementing detailed plans to execute SANBS' strategy.





IV

FUNCTIONAL GOVERNANCE AREAS

Principles 11, 12, 13, 14 and 15

RISK GOVERNANCE



PRINCIPLE 11 applied

The Board governs risk in a way that supports SANBS in setting and achieving its strategic objectives.

SANBS has established risk management as an integral part of all activities and a core capability. Enterprise Risk Management (ERM) contributes to and ensures the continued growth and success of SANBS. Through the ERM process, identified risks and opportunities are evaluated and treated, guided by the Board-approved risk appetite and tolerance levels, ensuring continual prioritisation of responses to risks.

SANBS, being legally mandated to provide blood and blood products, aims to protect itself, its donors and the broader stakeholder base from possible adverse effects of risks that may impact the achievement of its strategic objectives and has accordingly adopted a conservative risk tolerance approach.

The SANBS ERM Framework outlines how risk management is implemented, practiced and maintained across SANBS on a strategic level and how risk management is embedded in all business units ensuring an effective integration of risk management in all business areas.

The Risk, Technology and Information Governance (RTIG) Committee, as delegated by the Board, assumes responsibility for the oversight and governance of risk and opportunity management.

Responsibility for risk and opportunity management is delegated to the Chief Financial Officer and the Senior Manager: Enterprise Risk Management.

→ See Risk and Opportunity Management on page 29

INFORMATION AND TECHNOLOGY GOVERNANCE



PRINCIPLE 12 applied

The Board governs technology and information in a way that supports SANBS in setting and achieving its strategic objectives.

The Board ensures that SANBS has a formalised governance process for technology and information, and this is supported by enabling technology and information management strategies, governance models and security protocols. This is achieved through SANBS' IT Governance Framework adherence to which is monitored on an ongoing basis. SANBS ensures that it considers its technology and information management risks on an ongoing basis as part of the ERM process.

The outsourced Internal Audit Function conducts regular IT governance audits.

The RTIG Committee, as delegated by the Board, assumes responsibility for the governance and direction of technology and information.

Policies are premised on the COBIT 2019 framework for information technology governance. SANBS aligns information security to the National Institute of Standards and Technology (NIST) Cybersecurity Framework and ISO 27001.

Comprehensive Business Continuity Plans have been developed which allow SANBS to respond to incidents and disasters in an organised manner where these cannot be prevented or minimised by existing controls.

→ See the CEO's Review on page 17

See Material Matter 4 on page 27

See the RTIG Committee Report on page 97

COMPLIANCE GOVERNANCE



PRINCIPLE 13 applied

The Board governs compliance with applicable laws, and has adopted non-binding rules, codes and standards in a way that supports SANBS in being ethical and a good corporate citizen.

SANBS maintains robust values and is committed to achieving full compliance with laws, regulations and relevant standards.

The Board through the RTIG Committee approves a Compliance Programme which is supported by a Compliance Management Policy and Manual.

Legal compliance implementation is delegated to the Company Secretary's office, which office provides monitoring of applicable new and evolving laws and regulations to the Board.

On an annual basis, SANBS confirms its scope of laws, regulations and standards of compliance in a regulatory universe, and through its committees assesses its levels of compliance with key prescripts.

Compliance Champions are formally appointed in the various business units and are responsible for all matters relating to compliance management that affect their respective Business Units. A Compliance Management Committee has been established to ensure effective oversight of all compliance-related activities and to act as a platform for information sharing with the Compliance Champions.

Assurance over Compliance is provided by the Compliance Management Function using the Compliance Risk Management Plans (CRMPs) to monitor compliance with relevant laws and legislation.



REMUNERATION GOVERNANCE



PRINCIPLE 14 applied

The Board ensures that SANBS remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short-, medium-and long-term.

The Board is responsible for reviewing the recommendations of the Human Resources and Remuneration Committee and approving/ratifying them from time to time. A Non-Executive Director Remuneration Policy sets out the key principles related to the fees of Non-Executive Directors (NEDs).

SANBS has a Remuneration Policy and related employment equity policies, that articulate SANBS' direction on fair, transparent and responsible remuneration to enable organisational performance and sustainability.

Relevant human resources policies and procedure documents are in place to guide all HR initiatives.

Responsibility for the management of Human Capital is delegated to the Chief Human Capital Officer.

→ See the Remuneration Report on page 73

→ See the HR and Remco Report on page 92

ASSURANCE



PRINCIPLE 15 applied

The Board ensures that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of SANBS' external reports.

There are several assurance role players for corporate governance within SANBS. The Audit Committee, as delegated by the Board, exercises oversight on the combined assurance model to ensure that it is applied and incorporates various assurance functions holistically supporting achievement of assurance objectives.

SANBS has adopted a risk-based combined assurance model. It includes all components of combined assurance as recommended by King IV i.e. the integration, coordination and alignment of risk management and assurance processes and services. Combined assurance is implemented in terms of the approved Combined Assurance Framework.

A Combined Assurance Forum, including relevant assurance providers, coordinates combined assurance within SANBS. The Forum is chaired by the Chief Financial Officer (CFO) who in turn reports to the Audit Committee whose authority has been delegated by the Board.

Combined assurance is also a key component of SANBS' risk strategy.

→ See Risk and Opportunity Management on page 29

→ See the RTIG Committee Report on page 97



STAKEHOLDER RELATIONSHIPS

Principle 16

STAKEHOLDERS



PRINCIPLE 16 applied

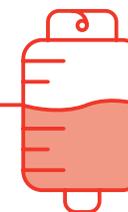
In the execution of its governance role and responsibilities, the Board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of SANBS over time, and factors this into strategic, operational and project efforts.

To foster responsiveness to stakeholder needs and mitigate potential Reputational risks, SANBS has implemented a Stakeholder Management Policy. The GSE Committee exercises oversight over stakeholder engagement and accountability for stakeholder management at Exco level has been delegated to the Executive: Donor Services and Corporate Marketing.

Additionally, a dedicated Stakeholder Engagement Manager is being recruited to enhance effective engagement with stakeholders. Effective engagement with stakeholders entails integrating stakeholder considerations into planning and implementing perception management strategies. These measures aim to proactively address stakeholder concerns and prevent any potential reputational risks from materialising.

→ See Stakeholder Engagement on page 50

→ See the GSEC Report on page 93





OUR OUTLOOK AND ANCILLARY INFORMATION

CHALLENGES, UNCERTAINTIES AND DISRUPTIVE FACTORS FY24

Looking forward, we are strengthening our foundation to embrace the challenges, uncertainties and disruptive factors that may affect the achievement of our strategic objectives.

We consider our vulnerabilities in our strategic planning and the potential implications for the organisation and the opportunities these present. By doing so we can continue to respond with agility to meet the needs of our stakeholders, and remain an important role player as the cornerstone of healthcare services in South Africa.

Our strategic path ahead, aligned to the six capitals, is positioned to deliver value and yield positive results in the short, medium and long term. This is demonstrated in each depiction below.



FINANCIAL CAPITAL

- New revenue streams (increased source plasma collection for NBI), cellular therapies, research grant funding
- Manage bad debts rigorously by improving debt collections tactics
- Optimise process cost efficiency for delivery of blood products

Challenges, uncertainties and disruptive factors

- Persistence of the Ukrainian/Russian war and their macro impact on global economies; impact on our exchange rates and the cost impact as SANBS is billed in Euros
- Financial sustainability (collecting what is owed to us)
- Government and medical aids financial sustainability and ability to pay for blood
- Keeping the service fees for blood low

Mitigating factors/opportunities

- We may have to consider a hedging strategy
- Strong financial management leadership provided by the new CFO
- Building the required capability and capacity in the Finance team
- Rejections by Medical Aids understood and reduced from lofty highs of 25% to around 3.5%
- Improved cash collection efforts
- Constant meetings held with important stakeholders and Medical Aid Schemes
- Well-managed bad debt provision
- Leveraging technology to manage debt collection efforts
- Alternative revenue streams
- Process improvements to increase first-time payment rates
- Strengthening our Procure to Pay process

STRATEGIC PRIORITY



RISK



MATERIALITY THEMES





MANUFACTURED CAPITAL

- Expand products and services through innovation
- Mainstream digitalisation of business processes (outside of BECS & ERP)
- Mobile Donor Centres/vehicles of the future
- Process automation (Smart fridges for issue of blood, decentralised processing of blood)
- Digitalisation of Order-to-Pay Processes
- Inventory Management enhancement

Challenges, uncertainties and disruptive factors

- Maintaining and increasing the donor base
- Patient blood management and reduced demand
- Blood supply, given concerns, areas affected by riots/protests/strikes and floods
- Supply and logistics uncertainties for critical consumables

Mitigating factors/opportunities

- Implementation of the new BECS system
- Upgrading of SAP and implementing SAP S4 HANA
- Process improvements (better models for service delivery) – donor convenience, smart fridges
- Increasing regional blood collection to reduce the cost of blood collection and distribution
- Engaging communities to supply enough blood for their own needs
- Use of drones in emergency situations
- New blood collections models
- Donor health initiatives
- Inventory Management enhancement
- Supply Chain Management enhanced

STRATEGIC PRIORITY



RISK



MATERIALITY THEMES



HUMAN CAPITAL

- Drive a performance culture in SANBS with differential reward based on performance
- Attraction and retention of critical employees
- Driving culture improvement programme
- Cross functional team work
- Reskilling of employees and preparation to adapt to Digitisation & AI with a clearly defined learning strategy through SANBS' Academy
- Wellness – holistic health and wellbeing to achieve requisite balance
- Change Resilience – to adopt new Targeted Operating Model (TOM) and new systems
- Succession planning

Challenges, uncertainties and disruptive factors

- Skills shortages (especially nursing)
- Work-life balance and potential burnout
- Filling vacancies
- Loss of critical employees
- Consequences of macroeconomic environment and rising cost of living
- Labour requirements

Mitigating factors/opportunities

- Change – leadership, strategy, performance measurements, systems and processes
- Culture/change initiative (DNA)
- Improve wellness – health of employees
- Revise employee value proposition to attract and retain critical employees; including dual career streams, identifying promotional opportunities, flexible pay (eg reduced contributions to funds)
- Effective talent management and succession planning
- Workforce planning/skills
- Driving an ethical culture through implementation of the Ethics Plan
- Refining and revision of policies and procedures
- Cross functional team to resolve labour demands

STRATEGIC PRIORITY



RISK



MATERIALITY THEMES





INTELLECTUAL CAPITAL

- Reskilling of employees and preparation to adapt to Digitisation & AI with a clearly defined learning strategy through SANBS' RAD Academy
- Development, commercialisation and delivery of cellular therapies
- Translational R-search – To be an internationally recognised research unit known for innovation and collaboration
- Enhance brand advocacy
- Integrity of information management systems

Challenges, uncertainties and disruptive factors

- Adapting to and embracing digital transformation, mindful of information and cyber risks
- Increasing technological advancements requiring an appropriately skilled workforce
- Future-proofing SANBS

Mitigating factors/opportunities

- Revised Target Operating Model including recent appointment of Corporate Services Executive
- Creating “future fit” employees, a SANBS employee who is agile and adaptive to the new way of work
- Dual career pathway implementation
- Robust Information Management Security systems
- Research and Development – involvement in clinical trials and funding grants/ cellular therapies and genetic testing therapy
- Research on convalescent plasma for alternative revenue streams
- Research and operational collaborations with key local and international stakeholders
- Research and development through SANBS' RAD Academy
- Expanding our footprint and targets for whole blood, source plasma and platelet collections
- Innovating with regards to logistics with the rollout of Smart fridges and the drone project

STRATEGIC PRIORITY



RISK



MATERIALITY THEMES



SOCIAL AND RELATIONSHIP CAPITAL

- Increase stakeholder satisfaction
- Continue to meet the quality control requirements of regulatory bodies and national standards to satisfy internal and external customer needs
- Improved communication and engagement with stakeholders (BECS & donor app) and blood partners
- Improving the donor experience
- Increased focus on ESG

Challenges, uncertainties and disruptive factors

- Impact of a potentially deteriorating SA healthcare system on SANBS
- General health/wellness of the population
- Burden and cost of compliance in general

Mitigating factors/opportunities

- Stakeholder mapping, building a stakeholder engagement plan, establishing and strengthening relationships with certain key stakeholders
- Working synergistically with other SA Blood Partners & NBI etc
- Stakeholder engagement – Department of Health
- Continued focus on Research and Development
- Good governance – maintaining confidentiality of donor information
- Improve donor health with iron supplementation
- Improve wellness – health of donor pool and employees
- Limiting additional financial burden on the health systems
- Meeting requirements of ISO 9001 standards

STRATEGIC PRIORITY



RISK



MATERIALITY THEMES





NATURAL CAPITAL

- Contributing to a sustainable future
- SANBS operations are undertaken in a sustainable manner by environmentally conscious SANBS employees

Challenges, uncertainties and disruptive factors

- Lack of awareness of how behaviours and choices affect the environment
- Legislative pressure on compliance with environmental laws and associated punitive action

Mitigating factors/opportunities

- Greening SANBS strategy and initiatives
- Remote work opportunities reducing real estate foot print and associated costs
- Waste management
- Green lab – Mount Edgecombe
- Contribution to UN 2030 sustainable development goals
- Safety and environmental awareness interventions

STRATEGIC PRIORITY



RISK



MATERIALITY THEMES



Blood giving: a powerful act of
compassion





Acronyms and Corporate Information

ACRONYMS

AABB	Association for the Advancement of Blood & Biotherapy	Hb	Haemoglobin
ASfBT	African Society for Blood Transfusion	HCM	Human Capital Management
AFS	Annual Financial Statements	HEV	Hepatitis E virus
ATM	Automated Teller Machine	HWC	Health and wellness centre
BAU	Business as usual	HIV	Human Immunodeficiency Virus
B-BBEE	Broad Black Based Economic Empowerment	HPC-A	Haematopoietic Cell Collection Apheresis
BCM/P	Business Continuity Management/Planning	HR	Human Resources
BECS	Blood Establishment Computer Systems	IA	Internal Audit
BW	Blood work	ICT	Information, Communications and Technologies
CAA	Civil Aviation Authority	ICU	Intensive Care Unit
CO	Chief Executive Officer	IFRS	International Financial Reporting Standards
CFO	Chief Financial Officer	iHEALTH	SANBS Strategic objectives 2019 – 2024
CGC	Clinical Governance committee	IRC	Integrated Reporting Committee
CMH	Charlotte Maxeke Hospital	IRF	Integrated Reporting Framework
CIO	Chief Information Officer	IPC	Infection Prevention Control
COO	Chief Operating Officer	IR	Integrated Report
Col	Conflict of interest	ISBT	International Society for Blood Transfusion
CoSec	Company Secretary	ISMS	Information management Security Services
CSR	Corporate Social Responsibility	ISO	International Organisation for Standardisation
DCP	Dual Career Pathway	IT	Information Technology
DoA	Delegation of Authority	JACIE FACT	International Standards for Hematopoietic Cellular Therapy Product Collection, Processing, and Administration
DoH	Department of Health	King IV™	King IV Report on Corporate Governance for South Africa 2016
DRP	Disaster Recovery Plans	KPA	Key Performance Area
D&O	Directors and Officers	KPI	Key Performance Indicator
DNA	Culture renew programme	KZN	KwaZulu-Natal
ERM	Enterprise Risk Management	LAN	Local Area Network
ERP	Enterprise resource planning	LoA	Level of Assurance
EWP	Employee wellness programme	MOI	Memorandum of Incorporation
Ex vivo	Experiments/measurements in/on tissue in an external environment	NAT	Nucleic Acid Amplification Testing
FBC	Full blood count	NBI	National Bioproducts Institute
Financial year	Financial year	NCOP	National Council of Provinces
g/dL	Grams Per Decilitre	NDoH	National Department of Health
GACP	General Accepted Compliance Principles Framework	NEDs	Non-Executive Directors
GBCSA	Green Building Council of South Africa	NHI	National Health Insurance
GDP	Gross Domestic Product	ORCA	Outsourced Risk and Compliance Assessment
GMP	Good Manufacturing Practice		
GSEC	Governance, Social and Ethics Committee		



PBM	Patient Blood Management
PEI	Paul Ehrlich Institute
PO	Purchase Order
POC	Proof of Concept
PPE	Personal protective equipment
PRT	Pivotal Response Treatment
PT	Proficiency Testing
QC	Quality Control
QMS	Quality management systems
RAD	Research, Advisory and Development Academy
RBC	Red blood cells
R&D	Research and Development
RED	Recipient Epidemiology and Donor
RTIG	Risk Technology and Information Governance
SABMR	South African Bone Marrow Registry
SABPP	South African Board for Personnel Practice
SADC	Southern African Development Community
SAHPRA	South African Health Products Regulatory Authority
SLA	Service level agreement
SANAS	South African National Accreditation Systems
SANBS	South African National Blood Service
SAP	Systems Applications and Products in Data Processing
SASBT	South African Society for Blood Transfusion
SASSA	South African Social Security Agency
SLA	Specialised Laboratory Services
STI	Short Term Incentive
SOP	Standard Operating Procedures
TAT	Turn Around Time
TIG	Technology and Information Governance
T.H.R.E.A.D	SANBS' core values
TTI	Transfusion Transmissible Infection
TR	Translation Research
VTOL	Vertical Take Off and Landing
VUCA	Volatile Uncertain Complex Ambiguous
WAN	Wide Area Network
WCBS	Western Cape Blood Service
WHO	World Health Organisation
YOY	Year-on-Year

CORPORATE INFORMATION

SANBS REGISTRATION NUMBER

2000/026390/08

REGISTERED OFFICE ADDRESS

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EXECUTIVE COMMITTEE

Ravi Reddy – Chief Executive Officer*

Karin van den Berg – Medical Director*

Daniel Olifant – Chief Human Capital Officer

Frans Monkwe – Chief Information Officer

Marion Vermeulen – Executive: Transfusion Medicine and Technical Services

Rianda Kruger – Acting Chief Financial Officer (1 October 2021 to 31 July 2022)

Sibusiswe Sibanda – Executive: Corporate Services (appointed 1 June 2023)

Siemi Prithvi Raj – Executive: Transfusion Donor Service and Marketing

Tshepo Kgage – Chief Financial Officer (appointed 1 August 2022)

*Executive Directors**

NON-EXECUTIVE DIRECTORS

Ansie Ramalho

Caroline Henry

Faith Burn

Gary Leong

John Black

Lerato Molefe

Monica Vaithilingum

Phindile Mthethwa

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save

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