

Summarised Integrated Report 31 March 2024



TOGETHER, WE ARE THE PULSE, THE LIFEBLOOD FOR THE 21ST CENTURY

The past year has marked a transformative era for SANBS, characterised by significant changes and advancements. We have successfully embraced and executed our digital journey, exemplified by the monumental implementation of the Blood Establishment Computer System (BECS). This achievement not only signifies our leap into the 21st century but also highlights our commitment to innovation and efficiency.

Our dedicated leadership team has steered us through this period of change with resilience, fostering an inclusive and collaborative culture. This has ensured that we remain steadfast in our purpose of saving lives through the provision of essential blood services. The digital transformation has not only enhanced donor experiences and improved efficiencies but has also set new records in blood donations, made possible by the contributions of our donors.

We are proud to share that we celebrated remarkable milestones, such as the unprecedented achievement of bleeding 5,600 donors in a single day.

Together, we are
the pulse, the *lifeblood*
for the 21st century



Donors' contributions are not just numbers; they are lifelines for countless individuals in need.

Our employees have shown exceptional adaptability and resilience, navigating the radical changes brought by the new system while maintaining our core operations.

The iHEALTH strategy, extended to March 2025, continues to guide us, and we are deeply engaged in developing our new five-year strategy. As we shift from a product-focused approach to a customer-centric strategy, we emphasise the importance of collaboration, workforce competence, and employee wellness. Our commitment to environmental sustainability and strategic resourcing ensures that we are not only prepared for current challenges but also future-proofing SANBS for the decades ahead.

It takes a village to save lives. Our journey is made possible by the unwavering support of our donors, the dedication of our medical professionals, and the collaboration of the broader community. By continuing to build a strong leadership team and fostering a culture of excellence, we recognise and appreciate that without the generous and selfless donations from our community, lives cannot be saved. Together, as a united community, we will continue to save lives and make a lasting impact.



OUR APPROACH TO VALUE CREATION, PRESERVATION AND EROSION

At the heart of our integrated report lies our value creation story - a narrative that illustrates how we create, preserve, and sometimes face the erosion of value. This report aims to offer a balanced and accurate reflection of our journey in navigating our strategy, performance, risks, opportunities, trade-offs and future outlook, all while addressing the material financial, economic, social, and governance issues that impact us.

We, as a non-profit organisation, are committed to providing blood transfusion and related services sustainably. To achieve this, we must responsibly manage and apply our resources, creating meaningful outputs and outcomes that truly matter to our community.

The processes of value creation, preservation, and erosion are inherently linked to how we leverage our resources - what we refer to as "capitals" - as part of executing our strategy. The changes in these capitals over time reflect the consequences of our decisions and actions.



VALUE CREATION

We generate value by delivering trusted blood products and services to our patients at a world-class level, while also innovating new treatments to enhance overall healthcare.



VALUE PRESERVATION

Our Board and management team are dedicated to preserving value by safeguarding the interests of our stakeholders. They enhance long-term value through responsible decision-making, taking into account the environmental and community impacts of our operations to maintain future stability.



VALUE EROSION

The Board and management also work diligently to defend against damage that could erode stakeholder value. They strategically leverage our capitals as part of our business model, carefully considering the potential trade-offs of our decisions to mitigate the risk of value erosion or destruction.



INPUTS

Capital available to us



OUTPUTS

How we use the capital to create value



OUTCOMES

Our impact and the value we delivered



Through this holistic approach, we aim to provide our stakeholders with a clear understanding of how we operate, the challenges we face, and the steps we take to ensure that our mission remains sustainable and impactful.

Our value creation approach is firmly rooted in our purpose, described in our business model, and integrated seamlessly into our decision-making processes.

Our Relevance as a Non-profit Organisation Sustaining Value through the Capitals

As a non-profit organisation dedicated to blood transfusion services, our importance today and in the future relies on how we manage different types of capital: financial, social, human, natural, manufactured, and intellectual. Each type plays a vital role in helping us serve our community effectively.

The demand for safe blood products and reliable transfusion services is greater than ever, and our commitment to quality and innovation makes us a key player in healthcare. We understand that our success depends on how well we use these capitals to create lasting value.

Financial capital enables us to invest in advanced technology to ensure blood safety. Social capital helps us build partnerships with community organisations, hospitals and universities, expanding our reach. Human capital represents our dedicated staff, while natural capital highlights our commitment to sustainability. Manufactured capital relates to our facilities and intellectual capital reflects our focus on research and development in transfusion medicine.

These capitals are essential to our operations. By using them wisely, we can make a meaningful impact on patients and communities. Our ability to sustain ourselves and provide long-term value depends on how effectively we manage these resources, ensuring we meet today's needs while preparing for a healthier future.

As we move forward, we will continue to focus on this connection, knowing that our relevance relies on our ability to innovate, adapt, and consistently deliver high-quality services now and in the future.

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)

INPUTS



Financial

- Blood transfusion services
- Receipts from debtors
 - Private patients & institutions - Government hospitals
- Operating expenses
- Capital expenditure
 - IT (process automation) - Innovation
- Improved procurement practices/processes



Intellectual

- Brand, reputation
- Research & development (innovative patient treatment)
- Licence to operate
- Scarce skills
- Board experience
- Academy
- Drone capability
- Achievement of ISO15189 & 100% SANAS accreditation across all sites
- Patient Blood Management (PBM) supply/demand & inventory



Human

- 2 869 employees (FY23: 2 776)
- Investment in skills development & training
- Strong compliance & governance structure
- R1.69bn (FY23: R1.49 bn) salaries
- B-BBEE skills spend R52.8m (FY23: R21.5m)
- Targeted performance management system
- Leadership charter
- Succession, Promotion from within, leadership immersion programmes
- Ethics culture: Ethics Plan



Manufactured

- Donor pool (blood collection)
- Almost 1.1 million donations for the year
- IT systems
 - Migration to eProgesa - SAP ERP
- SANBS sites
 - 2 testing laboratories (Constantia Kloof and Mount Edgecombe)
 - 83 blood banks (one more early FY25)
 - 72 donation centres
 - 7 processing centres
- 25 mobile donor vehicles (58 beds)



Social and Relationship

- Donor - confidentiality of information
- Cornerstone of Health Care Services (gift of life – blood supplied, healthy donors & #IronStrong)
- Transformation strategies
- Stakeholder engagement



Natural

- Water, fuel and electricity usage
- Green lab – Mount Edgecombe
- Waste management
- Greening strategy

OUTPUTS provide:



Financial

- Red blood cells for transfusion
- Fresh frozen plasma and Cryoprecipitate for patient use
- Hyper-immune, source and recovered plasma for NBI
- Pooled and Apheresis platelets for transfusion
- Platelet Immunology & Immuno-haematology testing
- Stem cell collection, processing, cryopreservation & re-infusing services
- Laboratory testing to facilitate solid organ, stem cell & bone marrow transplants
- Molecular research & development

See our blood products on the SANBS website - www.sanbs.org.za

Being cognisant of our material matters, while managing key risks and opportunities and our strategic objectives (iHEALTH) - all underpinned by sound governance



OUTCOMES



Financial

- Turnover R4.00bn (FY23: R4.00bn flat YoY)
- Total collections: R4.37bn to R4.38bn (flat YoY)
- Employee costs as % total costs 39.3% (FY23: 41.2%)
- Net surplus 6.3% (FY23: 9.8%) vs budgeted net surplus 1.3% (FY23: 1.0%)
- Increased current ratio 7.7 (FY23: 6.6)
- Increased currency volatility impacts on procurement of imported consumables
- Procurement contributed 53.67 out of 54 points (FY23: 48.4) to SANBS B-BBEE score



Intellectual

- Team members occupy honorary positions at leading institutions
- World leading blood transfusion & blood products organisation
- Further embedding of Purpose, Vision & Mission
- PBM – fulfills purpose “Trusted to save lives”
- Publications & development of authors
- Participation in international working groups
- Innovation: CV Plasma trials, mobile donor vehicles, smart fridges
- R&D – clinical trials & funding grants
- Well performing Board with succession plan



Human

- 89.33% black employees (FY23: 88%)
- Strong focus on females, 59.57% female (FY23: 59%), Board 60% (FY23: 58%) & Exco 55.55% (FY23: 50%)
- Strong, competent & focused leadership team
- Reduced overtime with increased focus thereon and filling of vacant posts
- SANBS Formula - DNA score moved from 1.25 to 1.29
- Reduction in tip-offs & more transparent communication
- Aspirational culture journey continues



Manufactured

- Donors: increasing following concerted social media campaigns, donor gifting, number of deferrals reduced
- Doctors: reduced blood supply cutbacks
- PBM – increased efficiencies in available blood stock management
- Mount Edgecombe site functional
- Smart fridges deployed
- Increased donor reach/accessibility with mobile donor vehicle in use
- Remote/work from home enabled for employees where practical



Social and Relationship

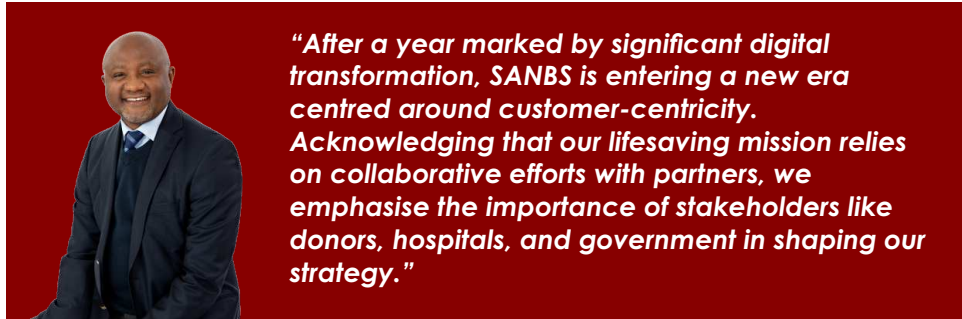
- Continued saving lives & living our purpose
- Compliance with all health/blood regulatory requirements
- Advanced preparation for new regulations e.g., SAHPRA, NHI (participation – influencing & maximising opportunities it creates)
- Positive impact on SA citizens health
- Improved doctor experience (enough blood)
- Achieved B-BBEE level 3 status (FY23: Level 4)



Natural

- Overall carbon emission totals a net 17 451 tons (FY23: 16 511)
- Marginal reduction in energy consumption
- Solar at Mt Edgecombe; basis for further installations
- Borehole water is generating savings; more planned
- Improved recording of waste management data
- Travel increased post pandemic and return to BAU

CHAIRPERSON'S REVIEW



As the Chairperson of SANBS, I am proud to reflect on the past year, it being my first year in this role. It has been a time of significant change and progress for us. We faced challenges, including social issues, power outages, and water shortages, but we remained focused on our mission to save lives.

One of our biggest achievements was the successful rollout of the BECS. This new system has made our operations more efficient and improved the experience for our donors. It shows our commitment to innovation and continuous improvement.

Our success is not just about technology; it is also about the support and engagement of our partners, including donors, hospitals, government bodies, medical aids, patients, doctors, and employees. Their collective efforts are crucial to our mission.

We are also focusing on recognising and appreciating our donors. Their contributions are vital, and we are working to encourage more people, especially from the black community and youth, to donate blood. We want to ensure a positive and rewarding donation experience for everyone.

Supporting our employees is another priority. We have around 2,869 dedicated professionals working across 189 sites. We are committed to providing competitive benefits, ongoing training, and a positive work environment to attract and retain skilled staff.

Looking ahead, we are adopting a customer-centric strategy to improve healthcare efficiency and patient satisfaction. We are also strengthening our partnership with government to support blood policy development, funding and initiatives.

In terms of governance, we have made significant progress, moving from an audit disclaimer to an unqualified audit opinion. This shows our dedication to transparency and accountability. We have also made changes to our Board, with myself replacing Ansie Ramalho, who served SANBS well during her 9 year tenure as a Board member. Shauket Fakie was appointed as the Lead Independent Director.

As we move forward, we will continue to focus on data governance and cybersecurity as part of our five-year strategic plan. Our success depends on the collaborative efforts of our team, stakeholders, and community partners.

I want to thank the Board, Executive team, and all SANBS staff for their hard work and dedication. To our donors, your generous support is fundamental to our success. Together, we will continue to make a significant impact on South Africa's healthcare system.

Thabo Mokgatla
CHAIRPERSON, BOARD OF DIRECTORS



CHIEF EXECUTIVE OFFICER'S REVIEW



"The past year has been transformative for SANBS, marked by the successful launch of BECS, which positions us as a digital leader in South Africa's healthcare landscape. This achievement reflects the collective efforts and dedication of the entire SANBS team. The go-live of BECS in November 2023 was a monumental milestone, enabling uninterrupted operations and ensuring a robust supply of life-saving blood products."



As the Chief Executive Officer of SANBS, I reflect on a transformative year for our organisation, characterised by significant achievements and challenges. A highlight was the successful implementation of the Blood Establishment Computer System (BECS), which went live in November 2023 after its initiation in 2020. This accomplishment showcases our team's dedication, with their collaborative spirit and agile decision-making ensuring uninterrupted operations despite initial challenges. I extend my heartfelt gratitude for their hard work and commitment.

Among our key achievements was establishing a seven-day cover of group O blood prior to the BECS launch, guaranteeing life-saving transfusions amid potential operational hurdles. The positive feedback from donors and our record of 5,600 blood collections in a single day exemplify our commitment to maintaining a reliable blood supply for all South Africans. We are also proud of the work done to streamlining internal processes, and achieving a level 3 B-BBEE accreditation—an improvement over the previous level 4 target.

Financially, we excelled, generating R100.4 million in alternative revenue, exceeding our R80 million target. Innovative projects, such as the smart fridge launched at Rahima Moosa Mother and Child Hospital, led to significant savings for the hospital and improved efficiency. Our RAD Academy hosted 113 learning cafes and webinars attended by 5,500 healthcare professionals and facilitated the African Transfusion Indaba to foster collaboration and knowledge-sharing among several African nations.

We also celebrated increased donations from Black donors to 43.2%, achieved a blood safety index of 95.4%, and maintained 100% SANAS accreditation. We reduced debtor days from 150 to 109, increased cash reserves to R2.347 million, and managed critical stock levels at 97.3%. Furthermore, we initiated strategic workforce planning in preparation for 2030.

Despite our successes, we still face challenges, particularly optimising BECS post-implementation and maintaining a consistent five-day blood supply. We are actively addressing these issues with targeted strategies to boost donor recruitment and retention.

Looking ahead, we are committed to developing a sustainable framework that prioritises patient needs and positions SANBS at the forefront of healthcare innovation. Shifting from a product-centric to a customer-centric approach will ensure long-term growth and solidify our reputation as the trusted provider of blood services in South Africa.

My thanks go to our selfless donors, dedicated employees, invaluable volunteers, and supportive stakeholders. Together, we have achieved remarkable milestones, and I am confident we will continue to make a significant impact on South Africa's healthcare system. Thank you for your unwavering support and commitment.

Ravi Reddy
CHIEF EXECUTIVE OFFICER



MEDICAL DIRECTOR'S REVIEW

"This year has been transformative for SANBS, marked by the successful implementation of the BECS project and significant accomplishments alongside challenges such as a skills shortage and increased demand for blood products. The past year allowed SANBS to fulfill multi-year iHEALTH objectives while facing critical issues in the healthcare sector."



Our FY24 will long be remembered for the implementation of BECS which required substantial investment and resources, leading to the necessary delay of other initiatives. However, the project also resulted in upgrades to IT infrastructure, enabling digitisation of various processes. SANBS received prestigious international accreditations for its Haematopoietic Stem Cell Transplant (HSCT) programme and Tissue Immunology Laboratory, reflecting our commitment to quality standards.

Despite challenges from staff poaching and the overall healthcare worker shortage, SANBS is focused on investing in our workforce, supporting staff in further education, and engaging with stakeholders to address regulatory challenges in laboratory training and accreditation.

Donor wellness remains a priority, supported by the SANBS Iron Programme, which focuses on donor health and the training of collections teams to effectively manage any adverse events. Meeting blood demand is increasingly difficult due to population growth, socio-economic issues, and competition between public and private healthcare systems. In response, SANBS plans to explore donor loyalty programmes while remaining committed to voluntary donation.

While we are proud of our quality products and services, we acknowledge the high costs involved. We remain dedicated to maintaining our quality standards and strategically sourcing supplies to remain sustainable within the local context.

Research collaborations and successful initiatives, such as the Blood Genomics Consortium, position SANBS as a leader in blood safety and contribute to its intellectual capital. Additionally, SANBS is dedicated to supporting blood transfusion services across Africa through collaborations and knowledge-sharing initiatives.

SANBS is also committed to environmental sustainability, managing biological waste effectively and striving for continuous improvements in waste reduction and energy efficiency.

As we prepare for the end of our 5-year iHEALTH strategy and the development of a new plan, we will focus on data governance, skills development, and building strategic partnerships, especially in light of the NHI implementation.

Deep gratitude is expressed to the entire SANBS team, our blood donors, patients, and all our stakeholders for their contributions and support in ensuring a safe and reliable blood supply for all of South Africa. Together, these efforts form a vital chain that impacts the lives of many.

Dr. Karin van den Berg
MEDICAL DIRECTOR

It's not just **blood**. It's saving a **nation**
#Donate blood. **Save lives**



OUR STRATEGIC OBJECTIVES

iHEALTH Framework

The success of SANBS' mission and its long-term financial health are driven by seven key strategic objectives under the iHEALTH framework. These objectives explain what we want to achieve, how we will measure our success, and the actions we take to reach our goals. In our 2023 integrated report we advised that our strategy, originally planned for FY19-FY24 has been extended to the financial year ending 31 March 2025 due to the impacts of COVID-19. The iHEALTH framework shapes our purpose and guides our operations through various projects and initiatives.

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

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

- i
INNOVATION
Improve and expand current products and services through innovation.
- H
HUMAN CENTRED COLLECTIONS
Enhance donor experience through a human centred approach. Enhance brand advocacy.
- E
EXCELLENCE IN PROCESSES
Build administrative rigour in all order to pay processes.
- A
ADMINISTRATIVE RIGOUR
Achieve operational excellence that consistently produces efficient and effective products and services.
- L
LOGISTICS BENCHMARK
Move blood products in the value chain in a timely, effective and efficient manner.
- T
TESTING & QUALITY
Provide top quality testing in an efficient manner.
- h
HEARTS & MINDS
Win the hearts and minds of SANBS employees and stakeholders.

SANBS is committed to supporting various Sustainable Development Goals (SDGs) through its strategic priorities, which encompass economic, environmental, and social targets.

Looking Ahead

Since its launch in 2019, the iHEALTH strategy has been pivotal in driving SANBS' success. Looking ahead to 2025/2026 and beyond, we are strategically transitioning to a customer-centric approach that places stakeholders and patients at the heart of our efforts. This shift positions SANBS as a leader in healthcare innovation and sustainability, paving the way toward 2030.

Strengthening SANBS for the Future

Our five-year plan focuses on **sustainable operations, customer-centric care, and employee wellness**. Guided by our six strategic pillars, we are committed to addressing emerging healthcare challenges while continuing to save lives.







We recognise that it takes a village to ensure success—each partnership, every donor, and all our stakeholders play an essential role in helping SANBS fulfill its lifesaving mission. By fostering trust and collaboration, SANBS strengthens its position as a vital healthcare partner.

As we look to the future, our customer-focused approach and strategic priorities will ensure that SANBS remains a trusted force in saving lives.

SANBS 2030 STRATEGY ON A PAGE

 PURPOSE Trusted to save lives	 VISION To be the cornerstone of healthcare services in South Africa, through the gift of life	 MISSION To reliably provide trusted blood products and services to all patients at a level of cost, efficiency, and quality that meets the needs of our stakeholders while innovating to improve patient outcomes
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STRATEGIC PILLARS

 Donor Recruitment and Retention <p>Donors are our lifeblood. We focus on innovative recruitment and retention strategies to ensure a steady and reliable blood supply</p>	 Stakeholder Engagement and Partnership <p>We value every stakeholder. By fostering trust and cooperation, we aim to create a supportive community united in saving lives</p>	 Supply Chain (Logistics, Stores, Inventory) <p>We prioritise efficiency and reliability in our supply chain. By optimising logistics and inventory, we ensure timely and safe delivery of products</p>	 Connecting Patients and Products <p>Our patient-centric approach ensures that transfusion medicine products and services remain accessible and equitable for everyone</p>	 Sustainable Business Model - Financial Sustainability <p>Financial stability is crucial. We prioritise resource optimisation, cost-effectiveness, and innovative funding to ensure a sustainable future</p>	 Fit-for-Purpose Workplace and Workforce <p>Our success relies on a skilled and motivated team. We invest in employee development and a supportive workplace culture</p>
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STRATEGIC OBJECTIVES

<ul style="list-style-type: none"> • Implement an integrated donor loyalty programme • Develop strategic partnerships with key stakeholders to improve donor recruitment • Implement a donor experience optimisation programme to enhance donor retention • Conduct a comprehensive review of donor deferral criteria to reduce deferrals 	<ul style="list-style-type: none"> • Understanding the stakeholder needs (donors, doctors, med aid/ministry of health) • Develop strategic programmes for the 3 stakeholders based on results of the survey • Develop integrated strategy for managing supplier relationships 	<ul style="list-style-type: none"> • Optimise the management, procurement, storage and distribution of consumables and goods • Optimise the management, storage and distribution of blood products • Develop and implement a strategic supplier relations programme aimed at maximising operational efficiencies 	<ul style="list-style-type: none"> • Optimise internal processes in patient facing labs to enhance service delivery • Harness technology by implementing BECS phase 2 and incorporating a technology platform to digitalise processes • Engage with stakeholders and implement a differentiated strategy for product and services 	<ul style="list-style-type: none"> • Implement a robust billing system form order to collect programme • Transparent cost models for product and service • Enhance budgeting processes and monitoring mechanisms to optimise financial performance and resource allocation 	<ul style="list-style-type: none"> • Transform employee experience • Strategic workforce planning • HCM technology integration through implementing SAP success factors
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SUPPORTED BY DIGITALISATION AND INNOVATION BUILT UPON A FOUNDATION OF SOUND VALUES AND CULTURE

 T ransparency	 H onesty	 R espect	 E xcellence	 A ccountability	 D iversity
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UNDERPINNED BY

Integrating sustainability and ethical practices into our operations and decision-making processes



ENVIRONMENT



SOCIAL



GOVERNANCE

PERFORMANCE AGAINST STRATEGY

The past year at SANBS has been transformative, marked by the successful implementation of the BECS system. Reflecting on our performance against the FY24 Scorecard, we celebrate the value created while acknowledging the significant challenges we faced.

The performance against the iHEALTH strategy for SANBS in FY24 is summarised as follows:



I INNOVATION

Alternative Revenue: Achieved R100.4m against a target of R80m.
Publications: Published 14 papers in peer-reviewed journals.
RAD Academy: Ongoing learning and development initiatives, including digital courses and webinars.
Drone Project: Faced challenges with drone operations; exploring alternative solutions.
BECS Implementation: Successfully went live in November 2023, enhancing digital processes and donor convenience.
Smart Fridges: First smart fridge operationalised; additional placements planned.

H HUMAN CENTRED COLLECTIONS

Deferrals: Maintained deferrals at 10.5%, below the target of <15%.
Ferritin Testing: Implemented iron management programmes and digital donor education.
Source Plasma Collections: Collected 38,909 units, below the target of 63,996 units.
Group O Blood: Maintained 3.4 days' cover, below the target of 5 days.
Apheresis Platelets: Collected 21,931 units, just short of the target of 22,000 units.
First-Time Donors (16-30 years): Achieved 65.3%, below the target of >70%.
Black Donors: Increased to 43.2%, above the target of >=38%.
Social Media Engagement: Achieved 112.8% of the target value.

E EXCELLENCE IN PROCESSES

ERP/SAP Systems: Project on hold due to focus on BECS implementation.
Product Compliance: Achieved 100% compliance.
Red Cells Issued vs Ordered: Achieved 97.23%, slightly below the target of >99%.
Wastage: Maintained wastage at 3.97%, below the target of <=5.5%.

Overall, SANBS made significant progress in several areas while also identifying key opportunities for further improvement.

A ADMINISTRATIVE RIGOUR

Debtors' Days: Reduced to 109 days, below the target of <=140 days.
Provision for Credit Losses: Increased to 5.5%, below the target of <=6%.
Gross Revenue: Achieved 96.28% of the budget.
Surplus: Achieved 9.4% of revenue, above the target of >=1%.
ICT SLA Performance: Achieved 96.5%, above the target of 95%.
Net Cash Reserves: Increased to R2,347m, above the target of >=R1,900m.
Business Continuity Management: Successfully tested disaster recovery plans.

L LOGISTICS BENCHMARK

Driver Behaviour Score: Achieved 93%.
Blood Bank Courier Fulfillment: Achieved 98.9%.
NBI Plasma Targets: Collected 190,802 litres, above the target of 170,496 litres.
Critical Stock Levels: Maintained at 97.30%.

T TESTING & QUALITY

Blood Safety Index: Achieved 95.4%, above the target of >=95%.
Accreditation: Maintained 100% SANAS accreditation.
ISO 9001 Standards: Implementation complete; formal certification audit planned.
Crossmatch Turnaround Time: Achieved 86.7%, below the target of >90%.
Units Available for Use: Achieved 68%, below the target of >=93%.

h HEARTS & MINDS

B-BBEE: Achieved Level 3 with 92.99 points.
Employee Turnover: Maintained at 8.64%, above the target of <=8%.
DNA Culture Survey: Achieved a score of 1.29, below the target of >=1.31.
Stakeholder Satisfaction: Appointed a dedicated Stakeholder Manager.
Patient Blood Management: Faced challenges in achieving the target of 42%.
Ethics Project: Established an Ethics Committee and help desk.



HUMAN CAPITAL

At SANBS, we recognise that our continued success hinges on the dedication and expertise of our people. By investing in their growth, well-being, and development, we create a thriving human capital environment. This, in turn, empowers our workforce to become not just valued contributors, but true leaders who shape a sustainable future for SANBS and the communities we serve.

Our people are our greatest asset. We focus on creating a supportive and rewarding workplace where everyone can thrive.

Key Outcomes in Human Capital:

Employee Well-being

- **Health and Wellness:** We prioritise the physical, mental, and financial well-being of our employees. Programmes like "Better Me" help manage chronic health conditions, and we offer mental health support and financial wellness education.
- **Work-life Balance:** We strive to ensure our employees have a healthy work-life balance to prevent burnout and promote overall well-being.

Training and Development

- **Continuous Learning:** Through the RAD Academy, we offer various learning opportunities to help our employees grow and stay updated with the latest skills.
- **Career Growth:** We support career development with programmes like dual career pathways, allowing employees to explore different roles within the organisation.

Recognition and Rewards

- **Performance-based Rewards:** We recognise and reward high performance with a revamped reward strategy, including financial bonuses and informal recognition such as birthday vouchers and project completion bonuses.
- **Long-service Awards:** We celebrate employees who have dedicated many years to SANBS, acknowledging their loyalty and hard work.

Diversity and Inclusion

- **Equal Opportunities:** We are committed to creating a diverse and inclusive workplace. Our workforce includes a significant number of women and people from various backgrounds.
- **Ethics and Culture:** We promote an ethical culture with a dedicated Ethics Committee and help desk, ensuring a respectful and inclusive environment for all.

Leadership and Succession Planning

- **Strong Leadership:** We focus on developing strong leaders through training and succession planning, ensuring we have the right people in place to guide SANBS into the future.
- **Employee Engagement:** Regular CEO Family Meetings and feedback loops ensure open communication and that employee concerns are addressed promptly.











SOCIAL AND RELATIONSHIP CAPITAL

We prioritise cultivating relationships based on trust with our diverse stakeholders. These connections are the foundation of our ability to positively impact lives and inspire a broader donor base. Fostering strong, enduring relationships and staying engaged with our key stakeholders are essential for the success and sustainability of our operations.

Our efforts underway and planned for building trusted relationships

Ongoing efforts are underway to strengthen our relationships with stakeholders in alignment with SANBS's strategic priorities. Special focus will be placed on stakeholders identified as having high power and high interest. Key actions will include enhancing communication, regularly reassessing mutual expectations, and identifying opportunities for mutual benefit. We acknowledge that building trust is a gradual process that demands sustained commitment and consistency over time.

	Needs	Engagement	Focus
 Employees	Fair rewards, safe work environment, job security and growth opportunities.	Regular CEO Family Meetings, wellness programmes and performance recognition.	Enhancing employee well-being, development and engagement.
 Donors	Health education, satisfaction, fair treatment.	Digital donor experiences, wellness programmes and recognition events.	Improving donor experience and retention.
 Regulators	Compliance, quality standards and patient outcomes.	Regular reporting, adherence to standards and collaborative projects.	Ensuring compliance and maintaining high standards.
 Medical fraternity	Quality blood products, timely billing and patient outcomes.	Continuous education, feedback platforms and collaborative research.	Enhancing service delivery and patient care.
 Funders/Payers	Cost-effective services and accurate billing.	Regular meetings, transparent cost models and improved billing systems.	Ensuring financial sustainability and efficient service delivery.
 Suppliers	Fair procurement processes and timely payments.	Strategic partnerships, regular feedback and contract management.	Building strong supplier relationships and ensuring supply chain efficiency.
 SA and International Blood Partners	Collaboration, quality standards and product availability.	Joint projects, regular meetings and shared guidelines.	Enhancing blood safety and service delivery through collaboration.
 Media	Accurate information and public awareness.	Media strategies, crisis communication and social media presence.	Maintaining a positive public image and educating the community.

SANBS' CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

By actively supporting these goals, we demonstrate our commitment to being a responsible corporate citizen, positively impacting our communities and fostering a sustainable future!

3 GOOD HEALTH AND WELL-BEING

Good Health and Well-being

- **Increased Life Expectancy and Access to Health Services:** SANBS aims to be the cornerstone of healthcare services in South Africa by providing reliable blood products and services, which are vital for community well-being.
- **Donor Health and Wellness:** The Iron Programme ensure donors maintain healthy iron levels, promoting overall health and wellness.
- **Innovative Blood Storage Solutions:** Introduction of smart fridges for efficient blood storage and delivery, particularly in high-risk areas.

4 QUALITY EDUCATION

Quality Education

- **Learning and Development Initiatives:** Investment in employee growth through the RAD Academy and bursary programmes.
- **Collaborations with Universities:** Inclusion of transfusion medicine in medical curricula and offering online short courses in Patient Blood Management.
- **Training for Healthcare Professionals:** Significant increase in the number of trained healthcare professionals through CPD-accredited educational events.

5 GENDER EQUALITY

Gender Equality

- **Empowering Women:** Over 50% female representation in the workforce, Executive Committee and Board.
- **Equitable Reward and Remuneration:** Commitment to fair remuneration practices that promote race and gender parity.

8 DECENT WORK AND ECONOMIC GROWTH

Decent Work and Economic Growth

- **Enterprise and Supplier Development:** Successful programmes achieving high B-BBEE scores and creating new job opportunities.
- **Cultural and Leadership Initiatives:** Promoting an inclusive and supportive work environment for employees to thrive.

9 INDUSTRY INNOVATION AND INFRASTRUCTURE

Industry, Innovation, and Infrastructure

- **Research and Development:** Leading in research initiatives such as the Blood Genomics Consortium and various academic collaborations.
- **Technological Advancements:** Implementation of BECS and smart fridges to enhance operational efficiency.

10 REDUCED INEQUALITIES

Reduced Inequalities

- **Promoting Equality:** Ensuring fair treatment and opportunities for all employees, regardless of race or gender.
- **Support for People with Disabilities:** Learnership programmes for young people with disabilities to enhance their skills and employability.

11 SUSTAINABLE CITIES AND COMMUNITIES

Sustainable Cities and Communities

- **Community Engagement:** Initiatives include the vegetable garden programme to improve nutritional status and health in local communities.
- **Corporate Social Responsibility:** Participation in Mandela Day to support community development and well-being.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible Consumption and Production

- **Waste Management:** Efforts to reduce waste through recycling and sustainable practices.
- **Energy Conservation:** Solar energy initiatives and LED light installations to reduce carbon footprint.

13 CLIMATE ACTION

Climate Action

- **Greening Strategy:** Focus on reducing environmental impact through energy conservation, water optimisation and waste management.
- **Carbon Emission Reduction:** Solar installations and borehole water usage to decrease reliance on non-renewable resources.

17 PARTNERSHIPS FOR THE GOALS

Partnerships for the Goals

- **Collaborations with Local and International Partners:** Working with universities, healthcare institutions, and international organisations to advance blood transfusion practices and research.
- **Stakeholder Engagement:** Building strong relationships with stakeholders to ensure effective service delivery and community support.



NATURAL CAPITAL

At SANBS, we are committed to reducing our environmental impact by integrating environmental objectives into our organisational strategy. Our progress in achieving these goals is measured against the KPIs of our 'Greening Strategy.'

Key Outcomes in Natural Capital:

Sustainability Objective 1: Conserve energy and reduce the carbon footprint.

Energy Conservation

- **Solar Power:** SANBS uses solar panels at its Mount Edgecombe site, which produced enough energy to save 537.6 tons of carbon emissions.
- **LED Lights:** Energy-efficient LED lights installed at more sites to save electricity.

Carbon Emissions

- **Overall Emissions:** SANBS's total carbon emissions were 17 451 tons, a 5.70% increase from the previous year due to more business activities and reduced solar power generation.

Sustainability Objective 2: Optimisation of water consumption and conservation.

Water Conservation

- **Boreholes:** SANBS uses boreholes to reduce reliance on municipal water. This saved about 10,691 kiloliters of water and R504,708 in costs.
- **Rainwater Harvesting:** Rainwater harvesting systems at our properties are intended to save more water.

Sustainability Objective 3: Manage land and air pollution.

Waste Management

- **Recycling:** SANBS increased recycling efforts, saving 38.7 tons of carbon emissions by recycling 156 tons of waste.
- **Reducing Landfill Waste:** Decreased non-recyclable waste sent to landfills from 88 tons to 80 tons.

Travel and Transportation

- **Flight Emissions:** Carbon emissions from business flights increased to 344 tons due to more travel for conferences and business activities.
- **Road Travel:** Increased use of vehicles for transporting blood and employees led to higher carbon emissions.

Printing and Paper Use

- **Duplex Printing:** By using double-sided printing, SANBS saved nearly 560 cedar trees, reducing their environmental impact.

Sustainability Objective 4: Optimise procurement.

SANBS will be engaging with suppliers to ensure that products and services procured have the lowest environmental impact across the entire supply value chain.

Sustainability Objective 5: Green building

SANBS is dedicated to sustainable building practices, with the Mount Edgecombe site achieving a 5-Star Green Building certification and NET ZERO accreditation. We will be upgrading our CK offices and laboratories to replicate these initiatives, with a Green Building Consultant appointed and regulatory approvals reaching finalisation.

Sustainability Objective 6: Culture change

SANBS promotes a culture of sustainability, with environmentally aware employees and a regularly updated Greening dashboard. The Safety and Environment department conducts awareness campaigns, with a commitment to continuously monitor and enhance our carbon footprint and greening initiatives under the management of Corporate Services.





INTELLECTUAL CAPITAL

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

We leverage our intellectual capital to drive innovation and excellence in blood transfusion. With a skilled workforce of 2 869 professionals, SANBS is guided by an experienced Board and Executive Committee, ensuring strong governance and strategic direction.

Key Outcomes in Intellectual Capital:

Quality Commitment

SANBS maintains a blood safety index of 95% and has achieved 100% SANAS accreditation for eight consecutive years. Recent accreditations from JACIE and EFI further underscore our commitment to excellence.

Research and Development

Recognised as a centre of excellence, SANBS leads the Blood Genomics Consortium and has contributed to 14 publications in peer-reviewed journals. The organisation's research efforts focus on clinical trials, cellular therapies, and genetic testing.

RAD Academy

Established in 2021, the RAD Academy focuses on expanding knowledge production, structured knowledge dissemination and creating a proactive learning environment. It empowers SANBS' workforce with the latest skills and knowledge.

Knowledge Dissemination

SANBS collaborates with universities to integrate transfusion medicine into medical curricula and offers CPD-accredited educational events. The learning experience portal further enhances knowledge sharing.

Ethical Standards

With a dedicated Ethics Committee and an ethics help desk, SANBS upholds the highest ethical standards, fostering trust and confidence among stakeholders.



MANUFACTURED CAPITAL

It is essential for SANBS to have the necessary resources, including a strong infrastructure and well-defined internal processes and procedures, to guarantee the equitable distribution of blood and blood products to individuals, irrespective of where they are located.

Key Outcomes in Manufactured Capital:

The Backbone of Operations

SANBS' manufactured capital includes a network of 72 donation centres, 83 blood banks, 7 processing centres, and 2 state-of-the-art testing laboratories. This extensive infrastructure ensures that blood and blood products are collected, processed and distributed efficiently across the country.

Innovation in Action

At the Mount Edgecombe facility, visitors can witness the "Journey of Blood," an interactive experience that showcases the meticulous process of blood collection and testing. This facility, along with others, is equipped with cutting-edge technology, including the recently implemented BECS.

Smart Solutions

SANBS has introduced smart fridges at Rahima Moosa Mother and Child Hospital, ensuring that blood is stored optimally and can be accessed quickly in emergencies.

Meeting Blood Demand

Despite challenges and logistical hurdles, SANBS remains committed to meeting the demand for blood. The organisation has implemented a comprehensive Platelet Strategy to ensure a sufficient supply of this critical component.



OUR FINANCIAL CAPITAL

As a result of bedding down a strong finance team and various process improvement initiatives in recent years in the finance space, we achieved excellent results for the FY24. This is despite a challenging external environment and the implementation of eProgesa, our new BECS.

Key Outcomes in Financial Capital:

Surplus and Revenue

- **Surplus:** SANBS achieved a surplus of R247.7 million. This is lower than last year's R394.0 million because of increased provisions for doubtful debts.
- **Revenue:** Remained steady at R4.0 billion, despite challenges in the public sector with staffing shortages and infrastructure issues.

Expense Management

- **Expenses:** Increased by 4.8% as SANBS worked to normalise operations after the pandemic and fill vacancies.
- **Other Income:** Rose by R7.4 million, mainly from selling assets.

Interest Income and Working Capital

- **Interest Income:** Grew from R108.0 million to R181.6 million due to higher interest rates and more cash on hand.
- **Working Capital:** Improved to R648.0 million from R591.0 million last year.

Accounts Receivable and Debtors Days

- **Accounts Receivable:** The amount owed to SANBS decreased from R1.843 billion to R1.491 billion after writing off some debts that could not be collected.
- **Debtors Days:** Reduced from 149 days to 108 days, thanks to focused efforts on debt collection.

Tshepo Kgage
CHIEF FINANCIAL OFFICER



MATERIAL MATTERS

In today's rapidly changing environment, understanding our key issues (material matters) is essential for creating value in the short, medium, and long-term. These issues shape our strategy, risk management, and the opportunities we pursue as we aim for sustainability.

SANBS' material matters focus on addressing critical challenges and leveraging opportunities to ensure sustainable value creation and effective service delivery.



1. Access to Highly Specialised/Portable/Scarce Skills

- **Importance:** Critical for fulfilling SANBS' mission and adapting to a dynamic environment.
- **Risks:** Talent shortage, loss of institutional knowledge, competition for skilled professionals, accreditation limitations and nurse emigration.
- **Opportunities:** Enhancing employee engagement, leadership pipeline development, skills development, dual career pathways, recognition and rewards and streamlined recruitment.
- **Outlook:** Focus on skills development, partnership with HPCSA, structured succession planning, education opportunities, cross-functional collaboration, employee well-being, capacity building initiatives and strategic workforce planning.



2. Meeting Blood Demand – Blood Products, Group O and Apheresis Platelets

- **Importance:** Ensuring a safe and adequate blood supply is critical for healthcare delivery and financial stability.
- **Risks:** Blood shortages, shrinking donor base, professional nurse shortages and donor health issues.
- **Opportunities:** Weekend platelet collection strategy, social media campaigns, patient blood management, donor wellness programmes and customer centricity.
- **Outlook:** Increase pooled platelet manufacture, motivate plasma donations, extensive social media campaigns and enhance donor communication.



3. Future Changing World

- **Importance:** Embracing innovation and automation to enhance patient outcomes and ensure donor safety.
- **Risks:** Inability to respond to changing healthcare needs, failure to adopt advanced technology, data literacy and analytics skills gaps and cybersecurity risks.
- **Opportunities:** Formalising data governance, enhancing business intelligence, expanding cloud adoption, infrastructure enhancement for BECS, RAD Academy engagement, research collaborations, support for Africa, translational research Andeans profile enhancement.
- **Outlook:** Maximise synergies, data analytics, BECS stabilisation, automate blood banks, expand cellular therapies, enhance BI resources, implement data literacy training, develop formal cloud strategy, governance and data management and donor app development.



4. Financial and Organisational Sustainability

- **Importance:** Maintaining robust governance, leadership, business continuity, stakeholder management and financial stability.
- **Risks:** Difficulty in collecting outstanding debt, rising operational costs, supply chain disruptions, reputational risks and blood product demand challenges.
- **Opportunities:** Inventory optimisation, business process improvements, skills and competency development, debt management, debt collection system enhancement, refined budgeting, procurement contracting, efficient delivery and revenue stream diversification.
- **Outlook:** Debt management initiatives, procurement and contract management, stakeholder engagement, tariff management and cost management.



5. Environmental Sustainability

- **Importance:** Reducing environmental impact through a proactive "Greening Strategy."
- **Risks:** Negative environmental impacts and reputational risks.
- **Opportunities:** Accelerating recycling, processing and issuing blood closer to source, promoting sustainability culture, digitalisation strategy, rainwater harvesting and sustainable procurement.
- **Outlook:** Re-zone and upgrade offices, develop Environmental Sustainability strategy, monitor greening initiatives, borehole installation, solar feasibility assessment and reduce carbon emissions.



6. Economic, Social and Political Impact

- **Importance:** Navigating economic uncertainties, social unrest and political volatility.
- **Risks:** Blood supply maintenance, timely service delivery, revenue collection, unrest, logistical disruptions, weather-related disruptions and employee safety concerns.
- **Opportunities:** Stakeholder engagement and education, business continuity plans, sustainability initiatives and water management.
- **Outlook:** Enhanced business continuity, investment in resilience, water security measures, internal infrastructure improvements, security and safety enhancements.

SANBS – A WELL GOVERNED ORGANISATION

A social licence to operate as an admired organisation with a respected reputation that builds trust with our stakeholders

Our unwavering commitment to an ethical organisational culture that inspires a lived embodiment of the values of the organisation

WE BELIEVE THAT CORPORATE GOVERNANCE IS CRITICAL TO

Our consistently high-performance levels which create value for SANBS and our stakeholders, instilling confidence in our operations and building trust

Effective control, supported by the necessary systems and controls for governance, including ethics, stakeholder management, risk, compliance, and assurance

Features of Governance at SANBS include:

Strong Leadership and Ethical Governance

SANBS is guided by a strong Board of Directors and leadership team that committed to ethical and effective governance. The Board sets the strategic direction, oversees the implementation of policies and objectives, and embodies integrity, competence, responsibility, accountability, fairness and transparency.

During the reporting period, the following leadership changes took place:

- Chairperson Change:** Ansie Ramalho's nine-year term concluded at the Annual General Meeting in November 2023. Thabo Mokgatlha was elected as the new Chairperson on 25 November 2023.
- Lead Independent Director:** Shauket Fakie was appointed as the Lead Independent Director from the board-appointed directors.
- Board Member Resignation and Appointment:** Dr. John Black emigrated, and Dr. Leonard Hyera was appointed on 25 November 2023, holding the directorship until 6 March 2024. The Board is in the process of filling this vacancy with a qualified medical practitioner.
- New Executive Appointment:** Sibusisiwe Sibanda was appointed as the Corporate Services Executive on 1 June 2023.

Our Board



Shauket Fakie

Lerato Molefe

Karin van den Berg

Ravi Reddy

Caroline Henry

Phindile Mthethwa

Gary Leong

Monica Vaithilingum

Thabo Mokgatlha

Faith Burn

IV Compliance with King IV™ Principles

SANBS aligns its governance practices with the King IV Report on Corporate Governance for South Africa, 2016. This includes principles related to leadership, ethics, corporate citizenship, strategy, performance, reporting, governing structures and stakeholder relationships.

Comprehensive Governance Structures

SANBS has established several Board committees to support its governance framework, including:

- 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 Terms of Reference, ensuring focused oversight and effective discharge of duties.

Regular Board and Committee Evaluations

SANBS conducts regular evaluations of the Board, its committees, and individual directors to ensure continued improvement in performance and effectiveness. An external performance evaluation was conducted in FY24, highlighting the high quality of governance and the Board's commitment to King IV compliance.

Clear Delegation of Authority

SANBS has a well-defined Corporate Delegations of Authority (DoA) framework that documents the powers and limits of the Board, Executive Management, and other employees. This ensures clarity in roles and responsibilities, promoting effective decision-making and accountability.

Our Executive



 TENURE 39 YEARS RAVI REDDY CHIEF EXECUTIVE OFFICER	 TENURE 16 YEARS KARIN VAN DEN BERG MEDICAL DIRECTOR	 TENURE 7 YEARS FRANS MONKWE CHIEF INFORMATION OFFICER	 TENURE 29 YEARS SIEMI PRITHVI RAJ EXECUTIVE: TRANSFUSION DONOR SERVICES AND MARKETING	 TENURE 36 YEARS MARION VERMEULEN EXECUTIVE: TRANSFUSION MEDICINE AND TECHNICAL SERVICES
 TENURE 2 YEARS TSHEPO KGAGE CHIEF FINANCIAL OFFICER	 TENURE 5 YEARS DANIEL OLIFANT CHIEF HUMAN CAPITAL OFFICER	 APPOINTED 1 JUNE 2023 SIBUSWWE SIBANDA CORPORATE SERVICES EXECUTIVE	 TENURE 3 YEARS AVRIL MANDUNA COMPANY SECRETARY	

IV Compliance with King IV™ Principles *Cont.*

Robust Risk and Opportunity Management

SANBS has integrated risk management as a crucial part of its operations through its Enterprise Risk Management (ERM) framework. The RTIG oversees risk management, ensuring that risks and opportunities are effectively managed within the organisation's risk appetite and tolerance levels.

Effective Compliance Management

SANBS upholds robust values and strives for full compliance with laws, regulations, and relevant standards. The Board, through the RTIG, approves a Compliance Programme supported by a Compliance Management Policy and Manual. Compliance Champions in various business units oversee compliance management within their respective units.

Transparent Reporting and Accountability

SANBS is committed to transparency and accountability, providing stakeholders with comprehensive, timely, and well-balanced information. The organisation publishes an annual integrated report and financial statements, ensuring stakeholders are informed about its activities and performance.

Focus on Ethics and Corporate Citizenship

SANBS enforces an ethical code and culture within the organisation. The GSEC oversees organisational ethics, ensuring that SANBS acts ethically and maintains an ethical culture across the organisation.

Future-proofing SANBS

Committed to Saving Lives

SANBS is dedicated to saving lives and preparing for the future, ensuring confidence among donors, recipients, employees, and communities. Together, we strive to make every blood donation count.

In the past year, SANBS honoured 6 778 milestone donors across 36 Donor for Life Award functions, recognising contributions from 2020 to 2022.

Expanding our Donor Pool

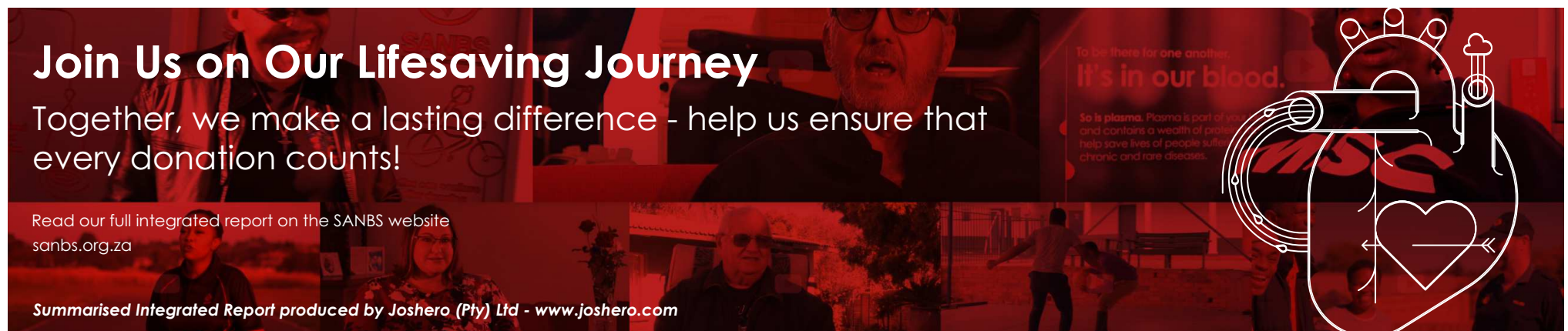
We are focused on attracting younger and more diverse donors, especially Black donors, to strengthen and diversify our donor base. With donor centres and mobile units nationwide, we aim to collect 3,000 units of blood daily. Currently, less than 1% of the population donates, and we aim to increase this number by dispelling myths and building trust.

In 2024, 65% of first-time donors were Black, indicating growth in this important group. The proportion of Black donors has grown from 4.1% in 2005 to 43.3% in 2024, with contributions from Black donors now at 43.3%, up from 41.3% last year.

Innovative Blood Collection

SANBS leads innovative blood collection initiatives, such as the #TheColourOfOurBlood campaign, which celebrates diversity and encourages everyone to donate. Our "We Are the Pulse" campaign educates the nation on the critical importance of blood donation, reaching audiences through a comprehensive media strategy.

The #1Nation5000Units Mall to Action campaign, South Africa's largest single-day blood collection event, exceeded its target by securing 6 725 units of blood, with SANBS contributing 5 683 units, including 2 883 units of Group O.



Join Us on Our Lifesaving Journey

Together, we make a lasting difference - help us ensure that every donation counts!

Read our full integrated report on the SANBS website sanbs.org.za

Summarised Integrated Report produced by Joshero (Pty) Ltd - www.joshero.com