



ONDERSTEPOORT
BIOLOGICAL PRODUCTS

CORPORATE PLAN

2021/2022 - 2023/2024



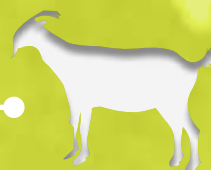
Onderstepoort Biological Products SOC Ltd

INNOVATIVE BIO-SCIENCE

ONDERSTEPOORT BIOLOGICAL PRODUCTS SOC LTD



BOVINE (CATTLE)



CAPRINE(GOAT)



EQUINE(HORSE)



Avian(Poultry)



OVINE(SHEEP)



**INNOVATIVE
BIO-SCIENCE**

Domestic Animal Range



21 22
23 24

CORPORATE PLAN





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EXECUTIVE AUTHORITY STATEMENT

Onderstepoort Biological Products SOC Ltd (OBP) is a developer and manufacturer of animal vaccines whose products are used locally, regionally and overseas. OBP provides solutions for animal health and a healthy national herd, contributing to ensuring food safety and security, the development of much-needed skills and the economic transformation of our country.

This corporate plan complies with the guidelines provided by National Treasury and the Department of Monitoring and Evaluation (DME). The Department of Agriculture, Land Reform and Rural Development (DALRRD) focuses on the seven National Priorities to achieve related outputs. OBP's plan has notable alignment with four of the seven national priorities, which are:

- *Economic transformation and job creation,*
- *Education, skills and health*
- *A capable, ethical and developmental state, and*
- *A better Africa and world.*

The world is in the middle of a COVID-19 pandemic which has required the development and installation of health protocols to protect employees, customers and stakeholders. COVID-19 has also impacted our business-as-usual scenario as human movement and transport of goods locally and internationally has been affected. In this regard, the plan seeks to ensure that OBP remains a going concern and is profitable with a focus on achieving a GMP status for maintenance of access to international markets.

The corporate plan considers relevant policies, legislation and other mandates for which OBP is responsible. It also accurately reflects the strategic outcome-oriented goals and objectives which OBP will endeavour to achieve over the period 2021/22–2023/24.

I hereby endorse the Corporate Plan developed by the Board of ONDERSTEPOORT BIOLOGICAL PRODUCTS SOC LTD, under the guidance of Ms R Kenosi, the Chairperson of the Board.



MRS A. T. DIDIZA, MP

MINISTER: Agriculture, Land Reform and Rural Development

ACCOUNTING AUTHORITY STATEMENT

South Africa, a country famous for its diverse skills, cultures and vast intellectual pool has since its democratic dispensation utilised all these capabilities to overhaul its state-owned enterprises (SOE). There has been a measure of success in many and catastrophic failures in others, which have cost the country dearly. Most recent events in this sphere have resulted in SOEs being under regular scrutiny. OBP, also a SOE, has been at the forefront of animal health for many years and, having managed to maintain its prominence, it can be counted amongst the success stories.

It is a great honour and privilege to be appointed as the new Board of OBP. With our diverse skill sets, we are reminded of and hereby affirm the contribution we will be making in providing strategic direction, influencing performance, enhancing inter-governmental relations and ensuring sound governance at OBP.

We assure the CEO, Exco and all OBP employees that we will guide and support them in ensuring that OBP is financially sustainable, a world-class innovative manufacturer and distributor of animal health products as well as an employer of choice.

It is the view of this Board that the achievement of the OBP strategy is duly reliant on the alignment of the organisational structure and budgets. The Board will rely on the CEO together with management and staff to execute this strategy with PRIDE and to the best of their capabilities. This strategy will be the responsibility of each and every OBP official, from the “boiler room to the boardroom”. In addition, ensuring that the strategic goals and outcomes are aligned to that of the DALRRD, and ultimately that which the national agenda seeks to achieve.

We have no doubt the impact of this time of global economic crises and other uncertainties as a result of the COVID-19 pandemic will cast a wide shadow, including on OBP. The Board is however optimistic that it will be the resolve of the workforce, the effectiveness of the processes and systems, and good governance that will facilitate the successful navigation of the organisation during the challenging times.

The Board hereby presents the Corporate Plan and Annual Performance Plan of OBP and remains accountable in ensuring its efficient and effective implementation.



MS RENE KENOSI

Accounting Authority of Onderstepoort Biological Products SOC Ltd

ACCOUNTING OFFICER STATEMENT

OBP's focus during the 2020/21 period was, *inter alia*, to embark resolutely on the journey towards Good Manufacturing Practices (GMP) compliance and accreditation, including the building of a GMP facility. Progress on the facility was impacted on by the COVID-19 pandemic and related shutdown. Significant progress has been made regarding the upgrade and purchasing of new equipment for the existing facility. A clear roadmap including troubleshooting some of the existing production processes, has been adopted and will be implemented.

To drive this process, OBP will continue to form new partnerships and focus on those that will have the greatest impact on our outcomes. Collaborations with other state institutions, universities and other international organisations to bring in new innovative ideas that will help OBP in its commercialisation still continue. One of the highlights of these relationships was an engagement with a preeminent global expert in bacterial combination vaccines. This is in addition to capturing our intellectual property and process mapping through the use of retired experts to reskill (or transfer skills to) the current staff through a special programme.

We have planned a complete organisational redesign to ensure that we have a ubiquitous business model which is not only compliant but also makes us Fourth Industrial Revolution (4IR) savvy, ensuring that we are aligned with a changing world. One of the key processes was a skills audit to ensure that we have the right people doing the right job. The results of this survey will assist in reorganising our work force for maximum efficiency and using remedial processes to upskill those that require it.

OBP is committed to ensuring that this Corporate Plan will be achieved. I am therefore confident that, working in conjunction with our stakeholders, we will rise above any challenges that are presented to us during the 2021/22–2023/24 MTEF. The four strategic outcome-oriented goals for OBP during the period are:

- Financial growth and sustainability;
- Continuous improvement of business processes;
- Improved customer service; and
- Capable, ethical and developmental leadership.

I wish to express my gratitude to the Minister, the Deputy Minister, and members of the OBP Board for their guidance and support, as well as the Director-General and officials of the DALRRD. I would also like to extend my appreciation to other agricultural SOEs, the ARC, PPECB, CSIR, and the Education fraternity, including the agribusiness community and farmers' organisations, for their contribution through direct and indirect participation and engagements.

Without a dedicated management team and staff, it would be impossible to bring this plan to life. Their commitment and dedication is truly humbling and it is an honour to serve with them as we build OBP to be a world-class organisation.



DR BAPTISTE DUNGU

Accounting Officer of Onderstepoort Biological Products SOC Ltd



OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- was developed by the management of Onderstepoort Biological Products SOC Ltd under the guidance of the Department of Agriculture, Land Reform and Rural Development;
- takes into account all the relevant policies, legislation and other mandates for which Onderstepoort Biological Products SOC Ltd is responsible; and
- accurately reflects the Impact and Outcomes which Onderstepoort Biological Products SOC Ltd will endeavour to achieve over the period 2021/22 to 2023/2024.

Signature: _____
MS LINDIWE MABENA
Manager in the Office of the CEO

Signature: _____
MS ELSPETH GOVENDER
Chief Financial Officer

Signature: _____
DR BAPTISTE K DUNGU
Accounting Officer

Signature: _____
MS RENE KENOSI
Accounting Authority

Approved by:
Signature: _____
HONOURABLE MINISTER
MS THOKO A DIDIZA
Executive Authority

PART A: OUR MANDATE

Onderstepoort Biological Products SOC Ltd is a South African state-owned animal vaccine manufacturing company whose mandate is to manufacture animal vaccines with the aim of preventing and controlling animal diseases that impact food security, human health and livelihoods. The mandate is delivered through continued development of innovative products and efficient manufacturing, which ensures vaccine affordability and accessibility through varied distribution channels.

As a National Key Point utility, OBP is expected to predict, preempt and provide security and availability of vaccines and related biologicals products for use in the prevention, control, management of animal diseases in the context of South Africa's food security needs while running as a profitable enterprise.

As a schedule 3B public entity, the company considers itself to have two national roles, namely:

Public good— to ensure that the government's responsibility in terms of food security and safety is met through the development, security, and availability of critical vaccine reserves; and

Private good— referring to the ability of the organisation to manufacture, distribute and sell vaccines for financial growth and sustainability.

1. Constitutional Mandate

The Bill of Rights in the Constitution sets out in Section 27 (b) that “everyone has the right to have access to sufficient food and water”. The role of OBP is supporting livestock production, which contributes to this absolute right.

2. Legislative Mandate

Onderstepoort Biological Products SOC Ltd is a state-owned company established by the Onderstepoort Biological Products Incorporation Act of 1999 and is responsible for the development, manufacturing, and distribution of animal vaccines. In pursuit of this mandate, OBP supplies vaccines and related biological products within the country and beyond South Africa's borders. OBP is a schedule 3B public entity in terms of the Public Finance Management Act, No. 1 of 1999, and reports to the Minister of Agriculture, Land Reform and Rural Development (DALRRD). OBP is governed by the Onderstepoort Biological Products Act, No. 19 of 1999, read together with the Onderstepoort Biological Products Memorandum of Incorporation (MOI).



Other legislations and strategies applicable to OBP include:

- Intellectual Property Rights from Publicly Financed Research and Development Act, No. 51 of 2008
- Employment Equity Act, No. 55 of 1998
- Basic Conditions of Employment Act, No. 75 of 1997
- Skills Development Act, No. 97 of 1988
- Public Finance Management Act, No. 1 of 1999 (as amended by Act 29 of 1999)
- Relevant Treasury regulations and guidelines
- The Patents Act, No. 57 of 1978
- Copyright Act, No. 98 of 1978
- Trade Marks Act, No. 194 of 1993
- Fertilizer, Farm Feeds, Agricultural Remedies and Stock Remedies Act, No. 36 of 1947
- Animal Protection Act, No. 71 of 1962
- Veterinary and Para-Veterinary Professions Act, No. 19 of 1982
- Animal Disease Act, No. 35 of 1984
- Non-Proliferation of Weapons of Mass Destruction Act, No. 87 of 1993
- Genetically Modified Organisms Act, No. 15 of 1997
- Animal Health Act, No. 7 of 2002
- Intellectual Property Laws Amendment Act, No. 28 of 2013
- Occupational Health and Safety Act, No. 85 of 1993
- Protection of Personal Information Act (POPI), No. 4 of 2013
- Companies Act, No. 71 of 2008
- Department of Science and Innovation Bio-economy Strategy
- Consumer Protection Act, No. 68 of 2008, as amended

3. Policy Mandate

The policy mandate of OBP is derived from government's seven national priorities, to which all the programmes and policies across all departments and agencies are directed.

The critical policy mandates include:

- The DALRRD Strategic Plan 2020-2025
- The National Development Plan
- Agricultural Policy Plan
- The Department of Science and Innovation Bio-economy Strategy

4. Institutional Strategies Over the Three-Year Planning Period

The following are the goals of, and rationale behind the choice of indicators selected to address the challenges to achieve performance excellence, self-preservation, and progress.

- i. *To accelerate the development of globally-competitive products and technological offerings for future needs.*
- ii. *To cultivate congruence between the strategy and a progressive culture in the organisation.*
- iii. *To increase company profitability and position OBP as a top-five company in the market.*
- iv. *To build a high-performance organisation driven by service excellence and internal collaboration.*
- v. *To attract, develop and retain the best talent through technology-inspired human resource strategy.*
- vi. *To constantly drive a culture of accountability to our customers, stakeholders and the shareholder.*



PART B: OUR STRATEGIC FOCUS

The vision, mission and strategic goals are directly linked to the shareholder department in specific terms to the commitment to improve agricultural production, food security and sustainable livelihood through innovative agricultural solutions.

1. VISION

“To be the first choice in animal health solutions”

2. MISSION

“OBP is a customer-centric developer, manufacturer and supplier of cost-effective quality animal health solutions through innovation as a catalyst for food security, skills development and economic transformation.”

3. VALUES

OBP follows **P.R.I.D.E.** as the set of values that guides how it conducts its business:

- **People-First:** *We will create a caring, trustworthy and nurturing work environment for our people.*
- **Respect:** *We will respect our internal and external customers and our stakeholders in all our dealings.*
- **Integrity:** *Our word is our bond; we will not turn back on our promises to our internal and external customers including our stakeholders (thus ensuring the highest level of accountability)*
- **Dedication:** *We will show up on time, prepared and inspired to do our job to the best of our abilities without any excuses.*
- **Excellence:** *We will deliver the best in everything we do, serving our internal and external customers and our stakeholders using innovation as our foundation.*

4. SITUATIONAL ANALYSIS

4.1. Global Market Overview

Globally, the veterinary vaccines market is estimated at about USD 8.0 billion (2020 projections) and expected to reach USD 11.3 billion by 2025. The growth of this market is driven mainly by the increase in pet populations, rising incidence of zoonotic diseases, initiatives by various government agencies and animal associations to maintain animal health, and the rising demand for animal-derived food products. This market is expected to keep growing at a steady pace, especially due to a rise in the number of cattle and poultry in developing countries. The surge in research and development investment in vaccines is driven also by the global pressure to reduce reliance on antimicrobials following an increase in antimicrobial resistance reported worldwide (alliedmarketresearch.com, 2020).

The challenge associated with the cost of maintaining a cold chain may increase the overall cost of vaccines, which may also dampen growth in developing countries with deficient infrastructure that could otherwise be an enabler. For example, distances that have to be covered transporting vaccines as well as transport infrastructure may limit growth especially in geographies with known extreme temperatures.

4.2. South African Animal Health Market Analysis

The South African animal health industry incorporates several different market segments, namely vaccines, antimicrobials, endo-parasiticides, ecto-parasiticides, anthelmintics, vitamins and minerals, and others (Figure 1 below). OBP participates in the vaccine segment (SAAHA, 2017). The animal health market in South Africa has become very competitive, professional and well established (Churchill, 2017).

The industry is estimated to be worth about R3 billion, 29% of which is vaccines. This makes the vaccine market about R900 million (Figure 2). OBP only has cattle, small stock and horse vaccines. This specific segment represents 57% of total vaccine market. The competitive space OBP competes in is therefore just over R510 million in the domestic market (see Figure 5 below). Because of how different animal health companies are structured, the South African Animal Health Association (SAAHA) figures are often marred by inconsistencies; for example, some companies include Swaziland, Lesotho, Botswana and Namibia into their domestic market sales, thus skewing the figures somewhat.

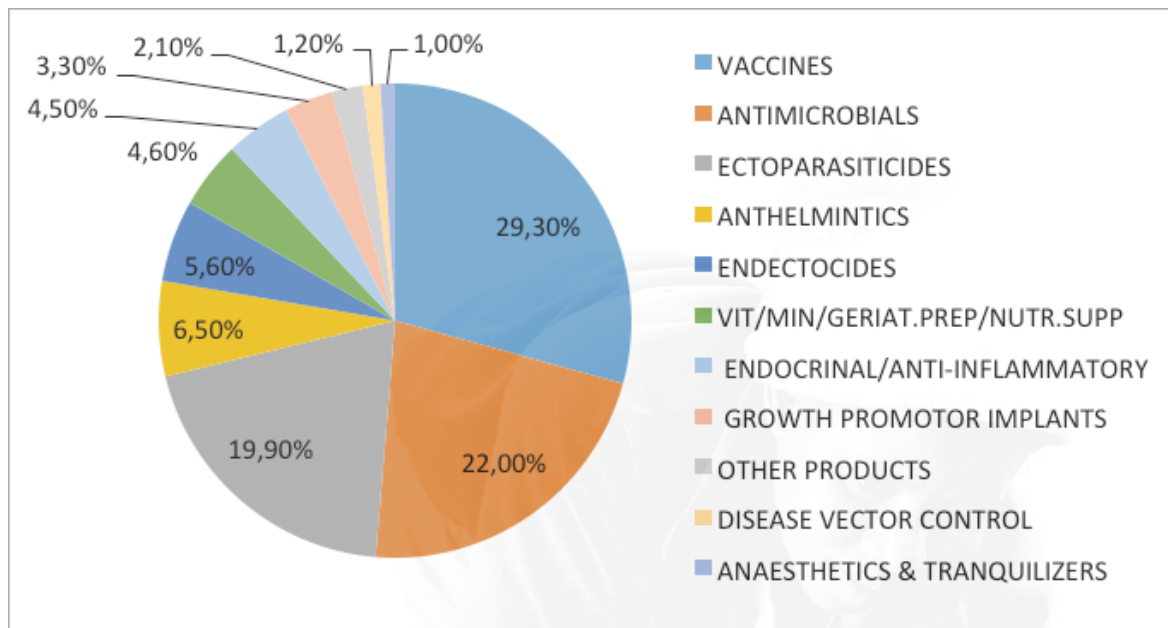


Figure 1: Overall Domestic Market Breakdown (SAAHA, 2017)

The animal vaccine segment of the market is divided into sub-segments that consist of livestock, comprising both large and small stock (cattle, sheep and goats), companion animals (dogs, cats and horses), avian (poultry and birds) and porcine (pigs), to combat bacterial and viral diseases (DAFF, 2017).

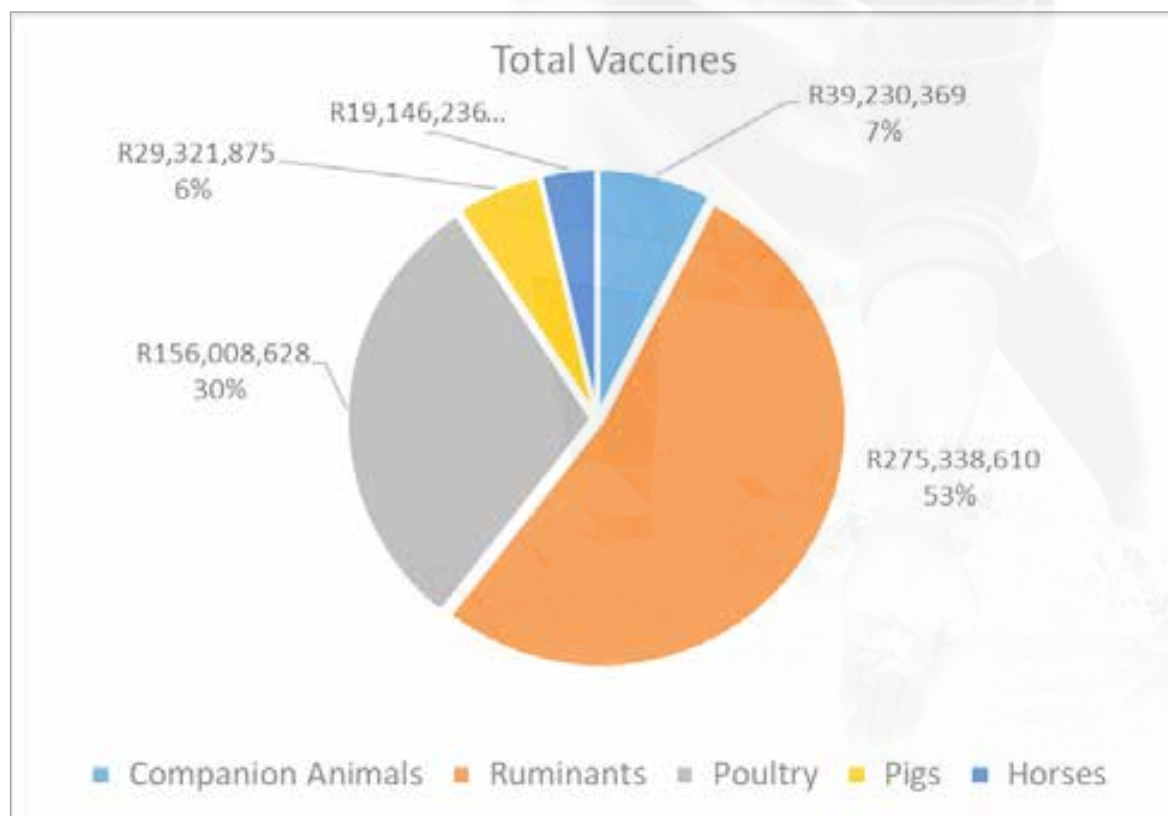


Figure 2: Total Vaccines Market in SA (Source: SAAHA Q1 MAT 2017)

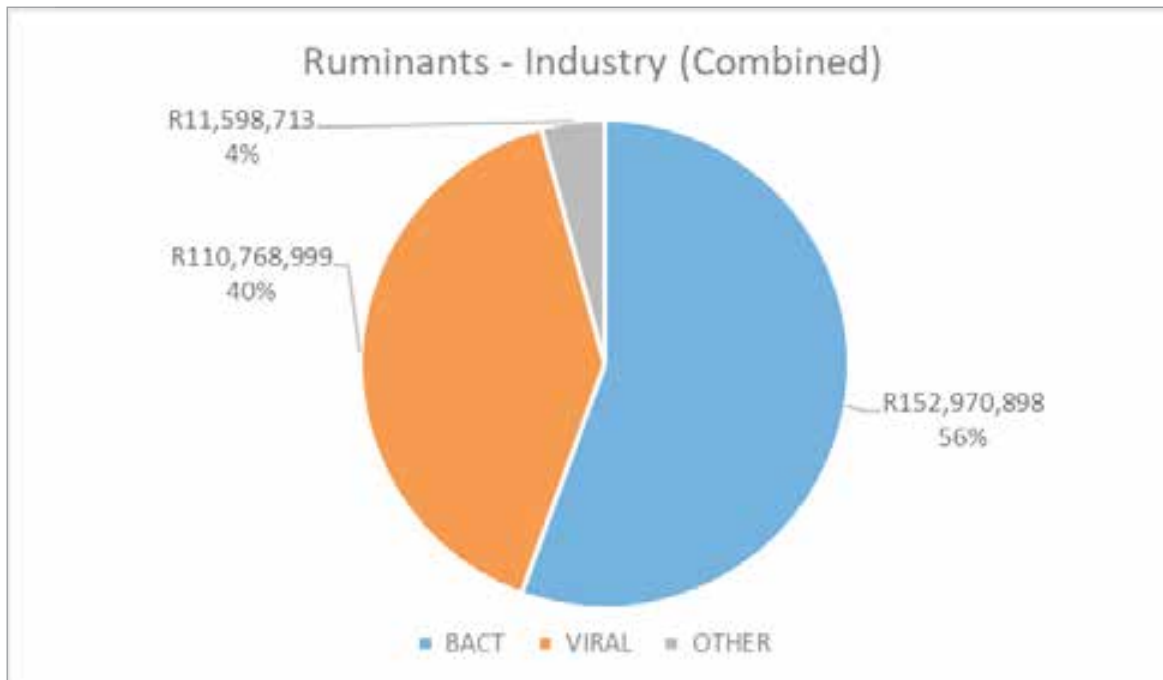


Figure 3: Ruminant Vaccines – Combined (Source: SAAHA Q1 MAT 2017)

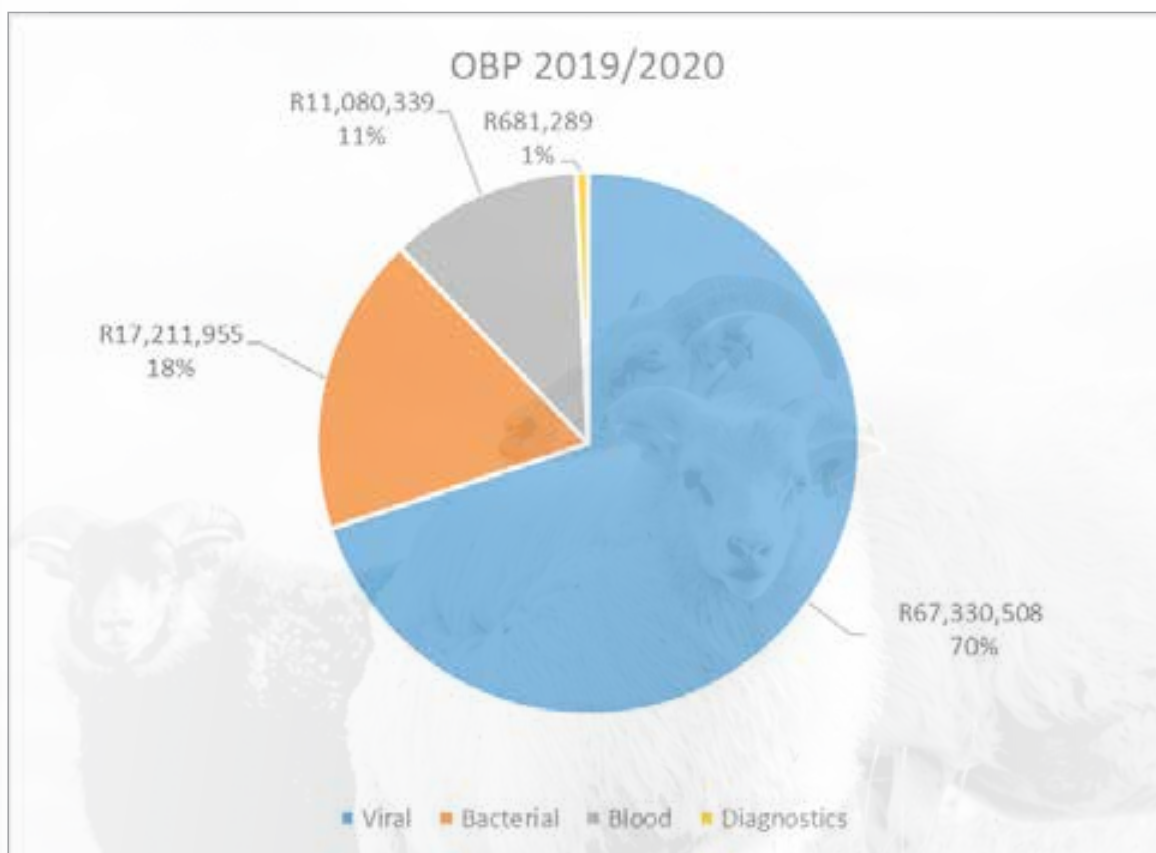


Figure 4: OBP Sales Breakdown

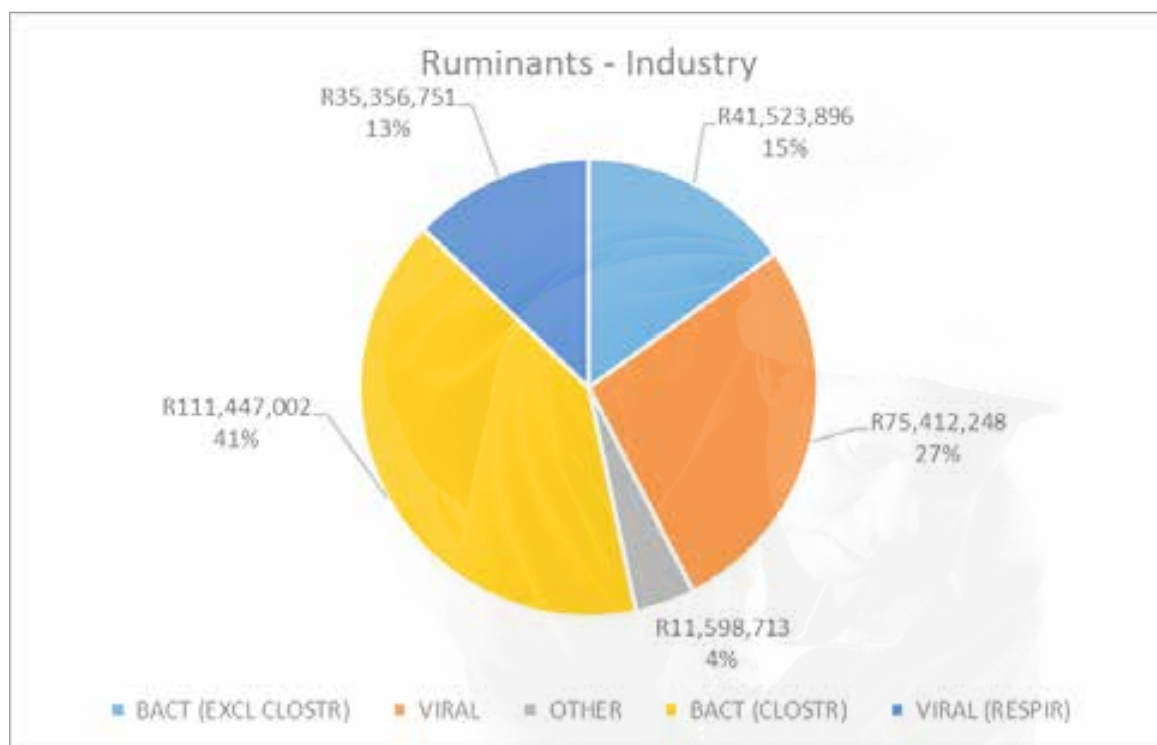


Figure 5: Ruminant Vaccines – Segmented (Source: SAAHA Q1 MAT 2017)

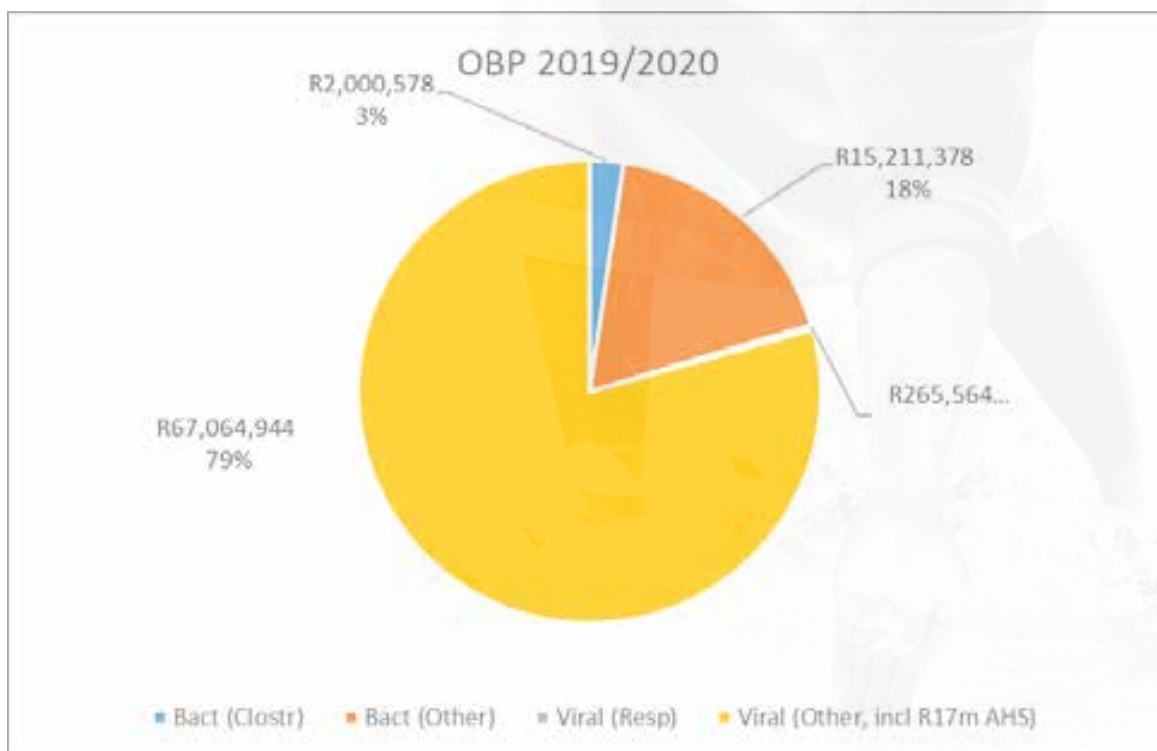
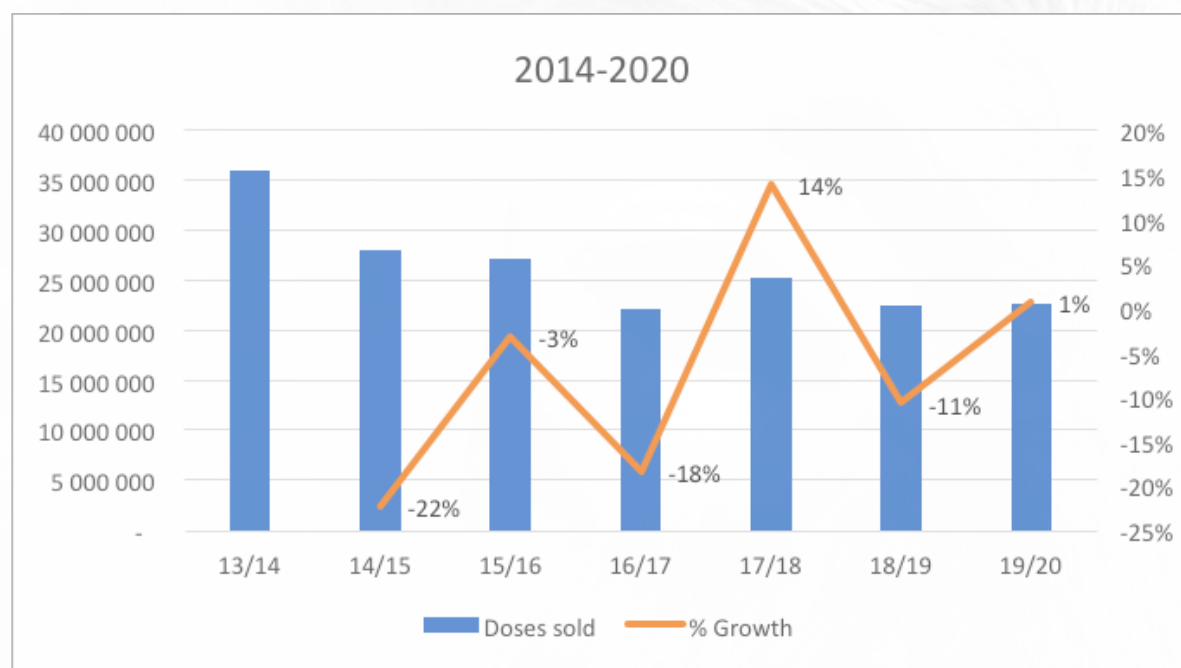


Figure 6: Further Breakdown of OBP's Previous Year Performance

OBP's key market segments are co-ops, vets, wholesalers and other small distribution points such as pharmacies and small businesses. Almost all co-ops, practicing vets and wholesalers have a credit account facility with OBP. There is limited access to certain segments such as feedlots for various reasons, including lack of combination vaccines. OBP currently operates within a "niche" livestock vaccine market, which disadvantages the company because most vaccines are only used annually.

4.3. OBP Products Position Analysis

OBP products comprise of 50 or more veterinary vaccines against viral, bacterial, and protozoal diseases of cattle, sheep, goats, poultry and horses, mostly relevant to South Africa and Africa. These are distributed in Africa, the Middle East and Europe, with most of the sales generated in South Africa and the rest through exports. Likewise, most of the company's local revenue is generated from sale of vaccines to the commercial livestock sector in South Africa and the balance from emerging farmers, the horse industry and through government purchases. The figure below illustrates the decline in fortunes of the organisation, which shows that while revenues may be equal to or slightly above those of seven years ago, the actual units sold were in fact in decline for a number of product lines. The focus should be on the number of units sold in the period and our solutions must be generated in respect of how this will be corrected.



Source: Internal OBP Statistics 2020



5. INTERNAL ENVIRONMENT ANALYSIS

The major challenges hereunder are not finite, but summarise the critical priority issues identified which have a direct impact on the business of OBP. An analysis of the business as well as an insight into the specific components of the organisation reveal the following:

- Loss of market share
- Inconsistent Product Availability
- Aging infrastructure, leading to continuous equipment breakdowns
- Poor product innovation
- Operational Inefficiencies and Quality Assurance (no GMP accreditation)
- Poor Organisational Culture

5.1 Strengths, Weaknesses, Opportunities and Threats Affecting OBP

The key Strengths, Weaknesses, Opportunities and Threats (SWOT) are summarised below. It is important to understand the SWOT analysis as an assessment of *internal* organisational issues. The Strength and Weaknesses are fairly within the control of the company, but the Opportunities and Threats are external to OBP's environment, and while they may be influenced, they are not within the control of the company.

SWOT Analysis

<p>STRENGTHS</p> <p>Finance</p> <ul style="list-style-type: none"> Financially sustainable SOE <p>Customer</p> <ul style="list-style-type: none"> Strong and trusted brand (locally and internationally) <p>People</p> <ul style="list-style-type: none"> Highly experienced personnel with excellent institutional memories of OBP processes, which are unique in the industry <p>Process</p> <ul style="list-style-type: none"> ISO accredited organisation Local manufacturing infrastructure GMP roadmap Registered products Antigen Bank (access to all antigens) 	<p>WEAKNESSES</p> <p>Finance</p> <ul style="list-style-type: none"> Large unnecessary expenses <p>Customer</p> <ul style="list-style-type: none"> Unable to respond to customer needs with regards to new products Competing with multinational and private companies, which are more flexible <p>People</p> <ul style="list-style-type: none"> Formal qualifications and skills not aligned with technical job requirements. <p>Process</p> <ul style="list-style-type: none"> Poor organisational culture Aging infrastructure and facility Legacy products
<p>OPPORTUNITIES</p> <p>Finance</p> <ul style="list-style-type: none"> New markets Registering new products <p>People</p> <ul style="list-style-type: none"> Strong shareholder support <p>Process</p> <ul style="list-style-type: none"> Potential to increase footprint Expand on the product line for international market using antigen seed-lot <ul style="list-style-type: none"> Investing in improving infrastructure Strong collaborations and partnerships Global warming GMP facility 	<p>THREATS</p> <p>Finance</p> <ul style="list-style-type: none"> Global financial challenges <p>Customers</p> <ul style="list-style-type: none"> Reputational risk New and aggressive competitors <p>People</p> <ul style="list-style-type: none"> Leadership continuity and sustainability <p>Process</p> <ul style="list-style-type: none"> Lagging digital transformation COVID-19 restrictions Lagging implementation of GMP within time frame Undefined business model Global warming Regulatory changes

6. EXTERNAL ENVIRONMENT ANALYSIS

Although a SWOT analysis is a well-established method for assessing the environment in which companies operate, the external environment is influenced by Political, Economic, Social, Technological, Environmental, and Legal (PESTEL) factors, which should be a part of the analysis. This analytical approach is a much more focused and simpler way of comparing like with like while maintaining an appreciation of where the strategy can be targeted to enhance the chance of success at execution. The table below is a summary of the critical issues in PESTEL:

<p>POLITICAL</p> <ul style="list-style-type: none"> • Limited access to government market on veterinary vaccines • Shareholder support • No political commitment to enforce procurement of OBP (local) products • Various trade agreements (India and EU) 	<p>TECHNOLOGICAL</p> <ul style="list-style-type: none"> • Technology – still manual • Combination vaccines and new vaccination technologies • Use of social media platforms • Awareness of e-commerce
<p>ECONOMIC</p> <ul style="list-style-type: none"> • Disposable income due to new markets • Foreign direct investment increase in markets • Weakness of the rand is seen as positive for exports and negative for imports • Adverse economic climate (farmers are under strain) 	<p>SOCIAL</p> <ul style="list-style-type: none"> • More middle class groups with buying power resulting in increased meat markets • More black emerging farmers being converted to commercial farming
<p>ENVIRONMENTAL</p> <ul style="list-style-type: none"> • Emerging and re-emerging animal diseases due to climate change • Regulatory requirements on environmental impact 	<p>LEGAL</p> <ul style="list-style-type: none"> • If used rigidly, Section 217 of the Constitution can be a deterrent • Compliance to regulatory requirements is used as trade barrier • Limited internal legal capacity • IP and patent rights • Licensing opportunities as an export business or daughter registration



7. ONE OBP STRATEGY



We will create a focused organisation which operates as a single unit, eliminating silo mentality, hence the **One OBP Strategy**.

Our people will have an intrinsic knowledge of and a deep belief in our:

One Vision: We will succeed based on our Vision and its ability to pull us all together.

One Goal (3-5-1): What we intend to achieve financially as an organisation.

One Set of Values: Which will be understood by each and every one and become our behaviour code in everything we do every day and the foundation of our organisational culture.

Our Set of Strategic Outcomes: What we need to deliver on as an organisation to contribute to the National Agenda.

Our Business Model: How we do what we do will be known by each and every employee.

Current Strategic Risks: What risks we are facing that will cause us to fail if we are unable to deal with them collectively as an organisation.

Societal Impact: How we contribute to the mandate of the Minister and the National Priorities of our government.

PART C: MEASURING OUR PERFORMANCE

1. Institutional Performance Information
2. Impact Statement

Impact statement	To improve agricultural production, food security and sustainable livelihoods
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3. Measuring Our Outcomes

3.1. Programme: Financial Sustainability

3.1.1. Purpose: To increase revenue and profitability.

Out- come	Outcome Indicator	Annual Targets						
		Audited/Actual Performance			Estimated Performance	MTEF Period		
		2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024
Financial Growth and Sustainability	Improved Revenue (R)	R173 million	R163 million	R177 million	R170 million	R190 million	R205 million	R220 million
	Expanded Product Portfolios	4	3	2	3	2	4	6
	Accessed New Markets	-	-	-	-	2	2	2
	Increased EBITDA (%)	-	-	-	New Indicator	3%	6%	6%
	Improved Market Share	25.4 million doses sold	22.5 million doses sold	22.6 million doses sold	New Indicator	8%	10%	10%

3.2. Programme: Continuous Improvement of Business Processes

3.2.1. Purpose: To ensure the supply of improved quality products to the market through advanced technology.

Out-come	Outcome Indicator	Annual Targets						
		Audited/Actual Performance			Estimated Performance	MTEF Period		
		2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Optimised Business Processes	Improved Production Efficiency	-	7.8	16	7.9	8.0	8.1	8.3
	GMP Compliance	-	-	-	-	40% of GMP roadmap achieved	50% of GMP roadmap achieved	70% of GMP roadmap achieved
	Improved ICT Systems	-	-	-	New Indicator	Board approved ICT Enterprise Architecture Plan	Implement Phase 1 of the approved plan	Implement Phase 2 of the approved plan
	Improved Facilities	-	-	-	-	Vector proof facility	Validation of facility	Approval of facility by DALRRD
		-	83% of bacterial and viral vaccine construction completed	70% of Phase 1 completed	100% of Phase 1 completed /50% of Phase 2	GMP facility	Equipment qualification	Equipment qualification
	Improved Product Availability	-	-	-	85%	90%	92%	95%

3.3. Programme: Customer Service

3.3.1. Purpose: To provide excellent customer service.

Out-come	Outcome Indicator	Annual Targets						
		Audited/Actual Performance			Estimated Performance	MTEF Period		
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved Customer Service	Increased Customer satisfaction	47%	75%	78%	80%	80%	80%	85%
	Retained Customers	-	-	-	New Indicator	90%	95%	100%
	Increased Distribution Channels	-	10	4	2	3	3	3
	Trained Farmers	-	-	-	150	150	250	350

3.4. Programme: Governance and Leadership

3.4.1. Purpose: To drive an ethical and accountable corporate culture.

Out-come	Outcome Indicator	Annual Targets						
		Audited/Actual Performance			Estimated Performance	MTEF Period		
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Capable Ethical and Developmental Leadership	Approved and Implemented Policies in line with Sound Governance Framework	-	-	-	10	27	20	12
	Reduced Staff Turnover	-	-	12%	New Indicator	5%	5%	5%
	Improved Organisational Culture	-	-	-	New Indicator	65%	75%	90%
	Trained and Skilled Staff	-	84%	92%	75%	80%	80%	80%

3.5. Planned Performance Over the Three-Year Period

OBP has always been known as a quality vaccine producer. The brand “Onderstepoort” is associated with innovation and scientific excellence in veterinary vaccines. We have excellent products such as African Horse Sickness and other similar unique vaccines, which are associated with the name OBP. In the next MTEF, 2021-2023, OBP plans to address the following:

- Increase the accessibility of OBP products in rural and emerging markets.
- Adhere to the GMP roadmap.
- Continue with the GMP facility upgrade to acquire certification.
- Finalise the full registration dossiers for existing vaccines.
- Maintain and improve customer support levels.
- Revitalise the OBP brand back to global recognition.
- Increase or develop the number of popular new combination vaccines.
- Build partnerships with private and/or provincial governments to gain access to rural farmers and support rural development programmes.
- Have the right people doing the right job – employees should match the requirements of a job description according to culture, policy and strategy.
- Training and mentoring of staff for continuous improvement and to build a sustainable future.
- Collaboration with other institutions and commercial entities to gain access to new products and technology to build capacity.
- Maintain and gain market share through broadening our product range (introduction to recombinant technology to produce combination vaccines), creating an effective pricing strategy, focusing market efforts, relationship building with end-user customers and effective distribution nodes.



1. Key Risks and Mitigations

Outcomes	Key Risks	Risk Mitigation
Financial Growth and Sustainability	<p>Fraud and corruption</p> <p>Lack of market share growth/loss of market share</p> <p>Insufficient research and development output</p>	<p>Investigate and report all fraud and corruption to the authorities Continuous training and monitoring of legislation updates</p> <p>Review current sales model/develop and implement an effective model Review the current model/improve the costing model with the use of ICT</p> <p>Collaborate with institutions to acquire technologies or licenses</p>
Continuous Improvement of Business Processes	<p>Production inefficiencies</p> <p>ICT system inefficiencies/inadequate functionality/underutilisation</p>	<p>Introduction of GMP and improvement of processes</p> <p>Organisation-wide enterprise architecture and plan rollout</p>
Improved Customer Service	<p>Insufficient research and development output</p>	<p>Explore investment into new (external supplier) product dossier</p>
Capable, Ethical and Development Leadership	<p>Inadequate HR capacity/poor policy and governance framework/poor internal controls</p>	<p>Ensure skills transfer Align training to skills development within current job profiles Develop and implement policies Monitor internal controls</p>

PART D: GOVERNANCE STRUCTURES

1. Board of Directors

In terms of the composition of the Board, the OBP Memorandum of Incorporation (Item 7.1.1.) specifies five (5) directors (including the chief executive officer, who is an ex officio director) as the minimum number of directors of the Company, which is higher than the minimum number of directors required in terms of section 66(2) of the Act, and seven (7) directors as the maximum number of directors of the Company, of which a majority will be non-executive directors as contemplated in King IV. The Board of directors was appointed with effect from 1 November 2020. The current members of the Board are:

- Ms R Kenosi (Chairperson)
- Mr L Nematswerani
- Ms N Sonjani
- Mr L Mabombo
- Prof K Nephawe
- Ms K Naidoo
- Dr B Ntshabele (Ministerial Representative)

In order to execute its duties, the Board constitutes the sub-committees listed in the table below.

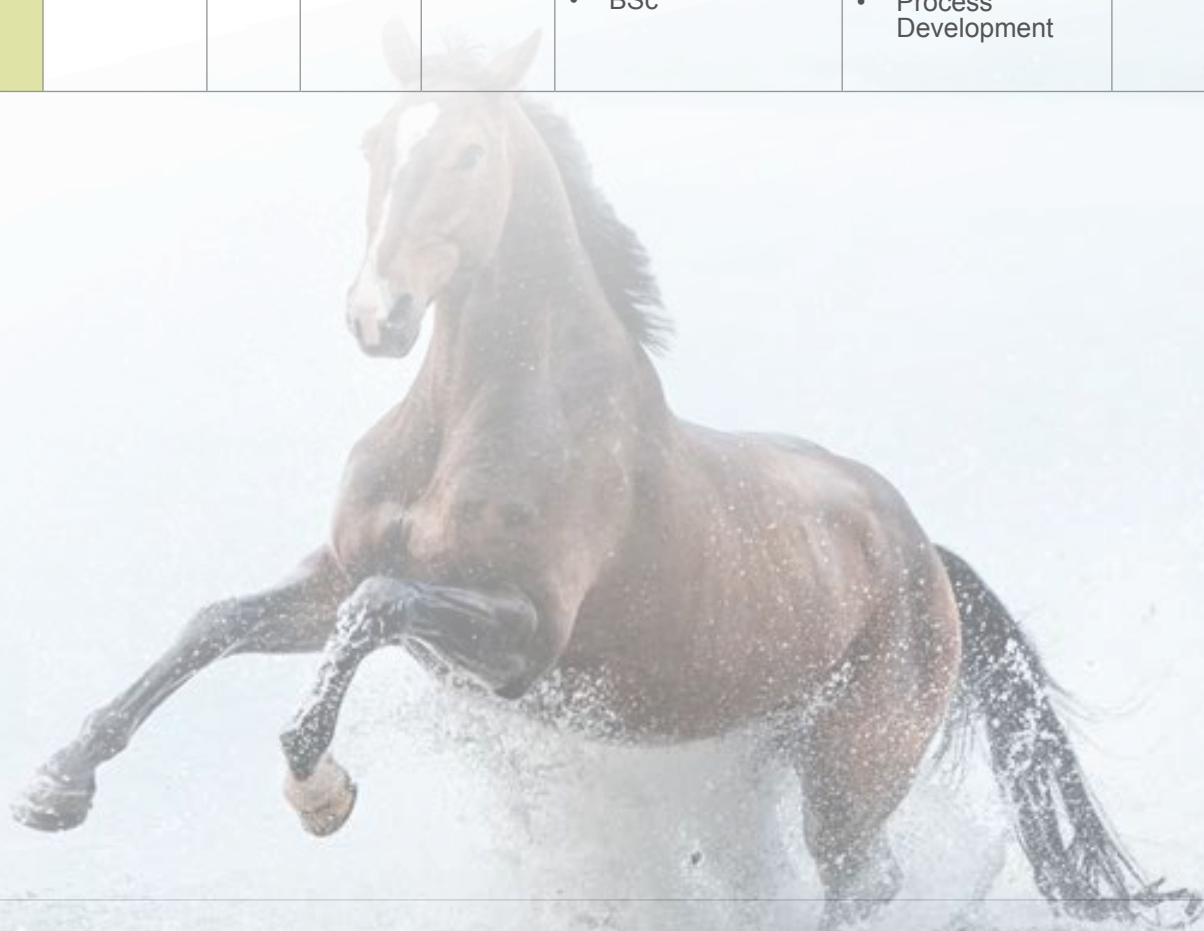
Sub-Committee	Members
AUDIT, RISK & IT COMMITTEE	Ms N Sonjani (Chairperson) Ms K Naidoo Prof K Nephawe Dr B Ntshabele
REMUNERATION, HUMAN RESOURCES & ETHICS COMMITTEE	Mr L Nematswerani (Chairperson) Ms R Kenosi Ms K Naidoo Dr B Ntshabele
OPERATIONS, SALES & MARKETING COMMITTEE	Mr L Mabombo (Chairperson) Ms R Kenosi Mr L Nematswerani Dr B Ntshabele
RESEARCH & DEVELOPMENT COMMITTEE	Prof K Nephawe (Chairperson) Mr L Mabombo Ms N Sonjani Dr B Ntshabele

2. Executive Management

The table below profiles the current OBP senior executive team:

Name	Position	Age	Gender	Race	Qualification	Area of Expertise	Years of service
Dr Baptiste Dungu	Chief Executive Officer	58	Male	African	<ul style="list-style-type: none"> • PhD • MSc Veterinary Production • BVSc (Honours) Epidemiology and Reproduction • DVM Diplome d'État • Professional Management Certificate 	<ul style="list-style-type: none"> • Strategy and Business Development • Production Management • Vaccinology • Vaccine Research and Development • Animal Health 	1 year 10 months
Elspeth Govender	Chief Financial Officer	39	Female	Coloured	<ul style="list-style-type: none"> • MBA • BSc (Hons) Applied Accounting • Fellow Member of Association of Chartered Certified Accountant (FCCA) 	<ul style="list-style-type: none"> • Strategic and Operational Financial Management • Supply Chain Management • Auditing • ICT Governance • Corporate Governance 	2 months
Dr Jacob Modumo	Business Development Officer	57	Male	African	<ul style="list-style-type: none"> • MBL • MSc Tropical Disease • Postgraduate Diploma in Marketing Management • BVSc 	<ul style="list-style-type: none"> • Sales & Marketing • Veterinary Science • Quality Control • Management 	23 years

Name	Position	Age	Gender	Race	Qualification	Area of Expertise	Years of service
Dr Bethuel Nthangeni	Chief Scientific Officer	48	Male	African	<ul style="list-style-type: none"> • PhD Biochemistry • MBL • MSc • BSc (Hons) • BSc 	<ul style="list-style-type: none"> • Research & Development 	10 years
Lizette Janse van Rensburg	Chief Operation Officer	39	Female	White	<ul style="list-style-type: none"> • MSc Chemistry • Postgraduate Diploma Business Administration (PDBA) • BSc (Hons) • BSc 	<ul style="list-style-type: none"> • Operations Management • Pharmaceutical Manufacturing • Quality Management • Project Management • Process Development 	5 months





3. Organisational Structure

Based on the Corporate Plan and mandate, the operations of the OBP consist of a manufacturing plant, research and development, and support functions. The macro organisational structure is aligned to the corporate plan, but the revised organisational structure has yet to be implemented.

Currently, the operations of OBP are executed through four divisional executives: Chief Operations Officer, Chief Financial Officer, Chief Scientific Officer, and Business Development Officer.

Morar Inc was appointed with effect from February 2018 as an external service provider to fulfil the internal audit function for a three-year period.

The approved macro organisational structure is as follows:

ORGANISATIONAL STRUCTURE



PART E: FINANCIAL PLAN

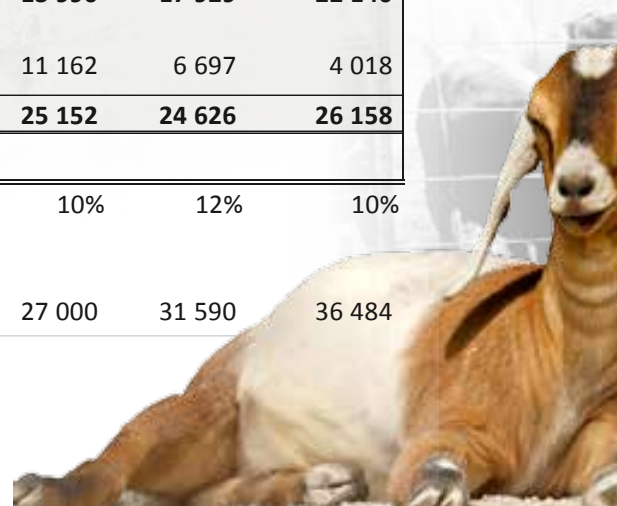
1. Financial Performance

ONDERSTEPSPOORT BIOLOGICAL PRODUCTS SOC LTD FINANCIAL PERFORMANCE INCOME STATEMENT				
Description	Revised Estimate	BUDGET MTEF		
	2020-21	2021-22	2022-23	2023-2024
Gross Revenue	170 000	190 000	205 000	220 000
Local	102 000	120 000	123 000	132 000
Export	68 000	76 000	82 000	88 000
Discount Granted	13 600	20 900	22 550	24 200
Net Revenue	156 400	169 100	182 450	195 800
COST OF SALES	34 000	38 000	41 000	44 000
GROSS MARGIN	122 400	131 100	141 450	151 800
Other income	3 267	3 463	3 671	3 891
	125 667	134 563	145 121	155 691
EXPENSES	112 067	120 573	127 191	133 551
Staff Cost	89 063	93 516	98 192	103 102
Travel	2 012	2 112	2 218	2 329
Marketing	3 489	3 663	3 847	4 039
Water and Electricity	11 351	11 919	12 515	13 140
Depreciation	12 391	13 010	13 661	14 344
Repairs and maintenance	7 481	7 855	8 248	8 661
Animal Feed	3 290	3 455	3 628	3 809
Research and development	11 333	11 899	12 494	13 119
Audit fees	3 124	3 280	3 444	3 617
Computer expenses	2 610	2 740	2 878	3 021
Insurance	2 170	2 279	2 392	2 512
Coal	1 890	1 985	2 084	2 188
Security	2 200	2 310	2 426	2 547
Other	12 585	13 214	13 875	14 569
Grant Recovery	(18 655)	(19 587)	(20 567)	(21 595)
Included in COS	(34 267)	(33 078)	(34 142)	(35 849)
OPERATING PROFIT/(LOSS)	13 600	13 990	17 929	22 140
Interest	18 603	11 162	6 697	4 018
PROFIT BEFORE TAX	32 202	25 152	24 626	26 158

OPERATING PROFIT/(LOSS) as a % of Gross Sales

8% 10% 12% 10%

EBITDA 25 990 27 000 31 590 36 484



2. Financial Position

ONDERSTEPOORT BIOLOGICAL PRODUCTS SOC LTD				
STATEMENT OF FINANCIAL POSITION				
	Revised Estimate	BUDGET MTEF		
	2020-21	2021-22	2022-23	2023-2024
Non Current Assets	392 451	445 227	446 762	453 495
Property plant and equipment	392 451	445 227	446 762	453 495
Current Assets	383 017	288 126	255 065	227 171
Inventory	82 493	83 769	84 607	87 145
Receivables	28 823	22 831	18 762	19 325
Cash and cash equivalents	271 701	181 526	151 697	120 701
Total Assets	775 468	733 353	701 827	680 666
Equity and Liabilities	751 041	714 298	686 314	667 753
Share capital	1	1	1	1
Accumulated surplus/(deficit)	338 408	363 560	388 186	414 344
Deferred income	412 632	350 737	298 127	253 408
Current liabilities	24 427	19 055	15 514	12 913
Trade and other payables	3 796	1 518	607	243
Deferred income	20 632	17 537	14 906	12 670
Total equity and liabilities	775 468	733 353	701 828	680 666



3. Statement of Cash Position

ONDERSTEPOORT BIOLOGICAL PRODUCTS SOC LTD STATEMENT OF CASH POSITION				
	Revised Estimate	BUDGET MTEF		
	2020-21	2021-22	2022-23	2023-2024
Cash flows from operating activities	R' 000	R' 000	R' 000	R' 000
Cash receipts from Stakeholders	218 823	175 992	194 069	204 437
Cash paid to suppliers and employees	(134 557)	(134 685)	(192 100)	(206 313)
Cash utilised in operations	84 266	41 307	1 969	-1 876
Interest income	(18 603)	(11 162)	(6 697)	(4 018)
Net cash from operating activities	65 663	30 146	(4 728)	(5 894)
Cash flows from investing activities				
Purchase of property, plant and equipment	(80 201)	(120 321)	(25 102)	(25 102)
Net cash from investing activities	(80 201)	(120 321)	(25 102)	(25 102)
Cash flow from investing activities				
Government grant	-	-	-	-
Total cash movement for the 12 months	(14 538)	(90 175)	(29 830)	(30 996)
Cash at the beginning of the 12-months	286 239	271 701	181 526	151 696
Total cash at the end of the 12 months	271 701	181 526	151 696	120 700

* Included in the Purchase of property, plant and equipment is R25 million relating to internal capex. The balance is for the GMP.

	2021-22	2022-23	2023-2024
Capital Expenditure	80 201	120 321	25 102



4. Budget Allocation Per Programme

	Revised estimate			
R thousands	2020-21	2021-22	2022-23	2023-2024
Financial sustainability	29 985	32 461	34 005	35 523
Continuous improvement of business processes	85 764	93 163	98 761	104 435
Customer services	13 845	15 079	16 240	17 256
Human resources management and development	16 474	17 870	19 186	20 337
	146 068	158 573	168 192	177 551

5. Dividend Policy

The Minister of Agriculture, Land Reform and Rural Development is the shareholder of OBP for the government of the Republic of South Africa. It therefore follows that a dividend, which is a return on the shareholder's investment, if any is declared, will accrue to Treasury.

6. Borrowing Programme

Treasury funded the modernisation and recapitalisation of OBP in 2013. OBP has not requested any additional funds from Treasury at this point. It should be noted that OBP, as a 3B entity, may not borrow funds unless authorised by notice in the National Government Gazette by the Minister or The Accounting Authority (Board), subject to any conditions the Minister may impose. OBP has not initiated any process of borrowing funds.

7. Capital Expenditure

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Capital Expenditure	80 201	120 321	25 102

Expenditure relates to both internal capex from OBP's own cash resources and GMP facility, which is funded by the National Treasury.

8. Materiality

8.1 Purpose

The purpose of this document is to record and submit the suggested levels of materiality and significance for consideration by the governance structures of OBP and for approval by the Executive Authority in agreement with the Minister of Agriculture, Land Reform and Rural Development.

8.2 Background

In terms of Treasury regulation 28.3.1, the Accounting Authority has to maintain an agreed framework of acceptable levels of Materiality (Section 55 of the Public Finance Management Act, No. 1 of 1999, as amended) and Significance (Section 54 of the Public Finance Management Act, No. 1 of 1999, as amended) with the Minister of Agriculture, Land Reform and Rural Development.

IAS 320 defines materiality as follows: “Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful.”

The framework of acceptable levels of materiality and significance, for the interpretation of and compliance with the Public Finance Management Act, No. 1 of 1999, as amended, requires that OBP should consider in the preparation of its financial statements to include materiality.

The following factors have to be taken into account:

- Guidelines issued by the National Treasury;
- The nature of the business of OBP;
- Statutory requirements affecting OBP;
- The inherent and control risks associated with OBP; and
- Quantitative and qualitative issues.

The qualitative characteristics that are to be considered to assess materiality include, but are not limited to the following aspects:

- New ventures that OBP has entered into;
- Procedures/processes required by legislation and regulation (for example, PFMA and the Treasury Regulations);
- The nature and circumstances relating to any fruitless and wasteful expenditure and unauthorised expenditure incurred by or for OBP;
- Any fraudulent or dishonest behaviour of an officer or employee of OBP at senior or management level;
- Importance of information to users;
- Unusual transactions entered into that are not of a repetitive nature; and
- Transactions entered into that could result in reputational risk to OBP.

The following two levels of materiality are applicable:

- i) **Financial Statement Level Materiality**, which is the overall threshold used in evaluating whether an identified misstatement is material to the financial statements as a whole. This threshold is considered both in quantitative and qualitative terms.
- ii) **Account Balance Level Materiality**, which is the threshold used in evaluating the effectiveness of internal controls and in planning and evaluating the results of direct substantiation procedures. More specifically, it is the maximum amount of error that can be tolerated in an individual account balance in order to conclude that the financial statements as a whole are not materially misstated based on the assessed financial statement level materiality. Account balance level materiality is considered only in quantitative terms.

8.3 Significance

Any transaction or circumstances that may have a significant impact on OBP, regardless of the monetary value, is considered significant for the framework.

8.4 Review

The materiality and significance framework will be reviewed annually and will be included in the Corporate and Annual Performance Plan for OBP. Any changes to the approved framework will be agreed with the Minister of Agriculture, Land Reform and Rural Development. After approval by the Minister, the framework will be amended.

8.5 Materiality Framework

12	Quantitative (Amount)	Qualitative (Nature)
<p>Section 50</p> <p>Fiduciary duties of Accounting Authorities.</p> <p>1) The Accounting Authority for a public entity must:</p> <p>c) On request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way may influence the decisions or actions of the executive authority or that legislature.</p>	<p>Any fact discovered of which the amount exceeds the materiality figure must be disclosed.</p> <p>The following parameters are derived from rand values of certain elements of OBP's most recent audited annual financial statements:</p> <ul style="list-style-type: none"> Total Assets – 1%-2% of book value of assets: R7 705 325-R 15 410 651 Total revenue – 1%-5% of total revenue: R1 587 440-R 7 937 200 Gross Profit – 2%-5% of net gross profit: R2 232 692-R 5 581 731 <p>(The rand value calculated per above elements may require averaging in the interests of prudence.)</p> <p>The average amount as per above three criteria is <u>R11 525 457</u>.</p>	<ul style="list-style-type: none"> Any item or event of which specific disclosure is required by legislation, law or GAAP. Any fact discovered of which its omission or misstatement, in the Board's opinion, could influence the decisions or actions of the executive authority or legislature. The company is in a loss position.



12	Quantitative (Amount)	Qualitative (Nature)
<p>Section 54</p> <p>Information to be submitted by Accounting Authorities for approval by the Minister:</p> <p>Before the public entity concludes any of the following transactions, the Accounting Authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit particulars of the transaction to its Executive Authority for consideration and approval.</p> <ul style="list-style-type: none"> Establishment or participation in the establishment of a company; Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement; Acquisition or disposal of a significant shareholding in a company; Acquisition or disposal of a significant asset; Commencement or cessation of a significant business activity; and A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement. 	<p>Acquisition or disposal of a significant asset:</p> <ul style="list-style-type: none"> Acquisition of an operational nature: Market value greater than R20 million (as per DOA) Acquisition of a strategic nature: Market value over R20 million (as per DOA) Disposal: Market value over R20 million (as per DOA) 	<ul style="list-style-type: none"> Any participation outside of the approved strategic plan and budget. Any acquisition or disposal of any asset that would increase or decrease the overall operational functions of the Board or Company, outside of the approved strategic plan and budget. Disposal of the major part of the assets of the company. Any business activity that would increase or decrease the overall operational functions of the Board or company, outside of the approved strategic plan and budget. The decision on which non-financial issues may be considered at any time requires careful judgement at a strategic level, and should therefore rest with the Board as representative body of the Shareholder/ Executive Authority.

12	Quantitative (Amount)	Qualitative (Nature)
<p>Section 55</p> <p>Disclosure in the Annual Report and Annual Financial Statements</p> <p>The annual report and financial statements referred to in sub-section (1) (d) must:</p> <p>a) Fairly represent the state of affairs of the public entity, its business, financial results and performance against predetermined objectives as well as its financial position as at the end of the financial year concerned;</p> <p>b) Include particulars of the following:</p> <ul style="list-style-type: none"> • Losses due to criminal conduct • Irregular expenditure • Fruitless and wasteful expenditure • Any criminal or disciplinary steps taken as a consequence of such losses or irregular/fruitless/wasteful expenditure • Any losses recovered or written off • Any financial assistance received from the state and commitments made by the state on its behalf • Any other matters that may be prescribed. 	<ul style="list-style-type: none"> • Any loss through criminal conduct. • Any irregular, fruitless and wasteful expenditure as defined by the PFMA will be disclosed irrespective of the amounts involved. • Losses through any expenditure, if the combined total exceeds the materiality figure used in the preparation of the Annual Financial Statements – 1% of total revenue, or R1 587 440. 	<ul style="list-style-type: none"> • Any identified loss through criminal, reckless or negligent conduct.
<p>Section 66</p> <p>Restrictions on borrowing, guarantees and other commitments</p>	Any Amount	<p>This public entity may not borrow money, nor issue a guarantee, indemnity or security, nor enter into any other transaction that binds or may bind the institution to any future financial commitment unless acting through the relevant Executive Authority (PFMA section 66(3)(c)).</p>

PART F: RISK MANAGEMENT PLAN

OBP is facing a wide spectrum of risks, such as sustainability, production, fraud and corruption, business development, research and development, human resources and technology, etc. In the face of all this, it is of utmost importance that a sound and effective risk management philosophy and process is adopted.

Enterprise risk management enables management to deal effectively with uncertainty, associated risk and opportunity, enhancing the capacity to build value.

Value is maximized when management sets strategy and objectives to strike an optimal balance between growth and return goals and related risks, and efficiently and effectively deploys resources in pursuit of the outcome-based goals. OBP's high-level approach to management of risk is embedded in the risk management principles, the risk management process, roles, responsibilities, and governance.

1. Risk Management Process Overview

OBP has adopted a coordinated enterprise-wide holistic approach in which all departments consider all risks. It also describes the role players, policies, protocols, methodologies, reporting requirements and deliverables interacting within the enterprise-wide risk management process.

The risk management process is guided by a methodology that allows a consistent approach to be applied throughout the organisation and facilitates the interaction on risk management activities.

The risk management (RM) process is integrated into the organisation's processes in the following steps:

1.1 Internal Environment

- Tone of an organisation (RM philosophy and risk appetite, integrity and ethical values, and environment in which it operates)

1.2 Objective Setting

- Objectives must exist before management identify potential events.

1.3 Risk Identification

- Identification of internal and external events that impact on the achievement of the objectives – ongoing.

1.4 Risk Assessment

- Risk analysis, considering likelihood and impact, as a basis for determining how they should be managed.

1.5 Risk Response

- Treat, terminate, tolerate or transfer? How will risk be managed? By whom? What structures?

1.6 Control Activities

- Policies, procedures and management interventions – ensuring risk responses are effectively carried out and exercising control over risks.

1.7 Information and Communication

- Build awareness and regular risk reporting upwards and downwards, throughout the organisation.

1.8 Monitoring

- Set and monitor key risk indicators to embed risk responses through ongoing management activities and independent evaluation. Risk mitigation activities are continuously monitored and reviewed with the aim of tracking the status of the risk against the plan and confirmation that all assumptions that have been made are still valid.
- The aim is to lower the risk and, in the event that risk mitigation has not succeeded in establishing or decreasing the risk, report it and initiate actions to re-evaluate the risk in an iterative manner.
- The monitoring and control will be performed by the risk owner and divisional head.

2. Roles and Responsibilities of Governance Structures

KEY ROLES	RESPONSIBILITY
Oversight	
Review risk progress and internal controls	Board Audit, Risk & IT Committee, Board of Directors (BoD)
Perform oversight on risk management roles and responsibilities in line with the terms of references	Board Audit, Risk & IT Committee, BoD
Oversee the design and implementation of ERM	CEO, Risk Manager
Create a culture of risk management	CEO, Risk Manager
Provide policies, frameworks, methodologies and tools to the business units and key functional areas for identification, assessment, and management of risks	Risk Manager
Report to Board of Directors on the effectiveness of risk management systems and the effectiveness of the internal control system, and satisfy itself that the relevant internal controls have been implemented for all risk areas to be reviewed from time to time	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD

KEY ROLES	RESPONSIBILITY
Reporting	
Review risk reports quarterly and ensure that recommended actions to remedy/correct weaknesses are implemented	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Report to the Board on the effectiveness of risk management systems and the effectiveness of the internal control system for the Board to satisfy itself that the relevant internal controls have been implemented for all risk areas to be reviewed from time to time	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Assess whether the risk areas of the OBP company's operation have been covered in the scope of internal and external audits	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Strategic risks, emerging risks and incidents	CEO, Risk Manager
Communicate the risk framework and methodology to all management levels and to employees	Risk Manager
Progress with implementation of corrective actions to address risks	Risk Manager
Report to the Audit, Risk & IT Committee on the risk process and resultant risk/ reward profiles.	Risk Manager
Compile a consolidated risk register on an annual basis	Risk Manager
Risk Assessment & Mitigation	
Assist the Board in reviewing the risk management process and identifying the significant risks facing OBP	Board Audit, Risk & IT Committee, BoD
Review the company's major policies with respect to risk assessment and risk management	Risk Manager, Board Audit, Risk & IT Committee, BoD
Consider and review the company's changing risk profile	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Adopt and approve risk management plans	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Monitor management's implementation of approved risk management strategies and controls response in addressing recommendations pertinent to risk areas recommended by Internal Audit	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD

KEY ROLES	RESPONSIBILITY
Risk Assessment & Mitigation	
Assist in compiling risk registers for all functional areas at strategic, operational and project levels	Risk Manager
Facilitate risk assessments	Risk Manager
Perform reviews of the risk management process to improve the existing process	Risk Manager
Ensure that the necessary risk management documentation is developed in respect of the risk management process	Risk Manager
Identify and assess risks and update risk information	Management
Review, update and maintain risk registers	Management
Design, implement and manage risk mitigation strategies and interventions	Management
Report and provide assurance on the performance of internal controls	Management
Governance and Assurance	
Approve the risk management policy, framework and strategy	Board Audit, Risk & IT Committee; BoD
Review and approve the risk management maturity of OBP	Board Audit, Risk & IT Committee; BoD
Delegate the responsibility of risk management to Audit, Risk & IT Committee	BoD
Review the risk management maturity of the company	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Evaluate the adequacy of risk management systems and processes	CEO, Risk Manager, Board Audit, Risk & IT Committee, BoD
Use the outputs of risk assessments to compile the internal audit plan and investigate the effectiveness of risk mitigating controls and provide assurance on the effectiveness	Internal Auditors
Each risk will have a nominated owner, who will be responsible for the following: <ul style="list-style-type: none"> Updating the risk information; Providing assurance regarding the risk controls; Coordinating the implementation of action plans for managing the risk; and Reporting on any developments regarding the risk. 	CEO, Management

KEY ROLES	RESPONSIBILITY
Governance and Assurance	
The Audit, Risk & IT Committee will facilitate a review of the effectiveness of the OBP risk management processes	Board Audit, Risk & IT Committee, BoD
A Business Continuity Plan will be developed, implemented, and tested annually to ensure continuous maintenance	CEO
The Fraud Prevention and Anti-Corruption Plan should be implemented and monitored; incidents should be reported to the CEO monthly	CEO

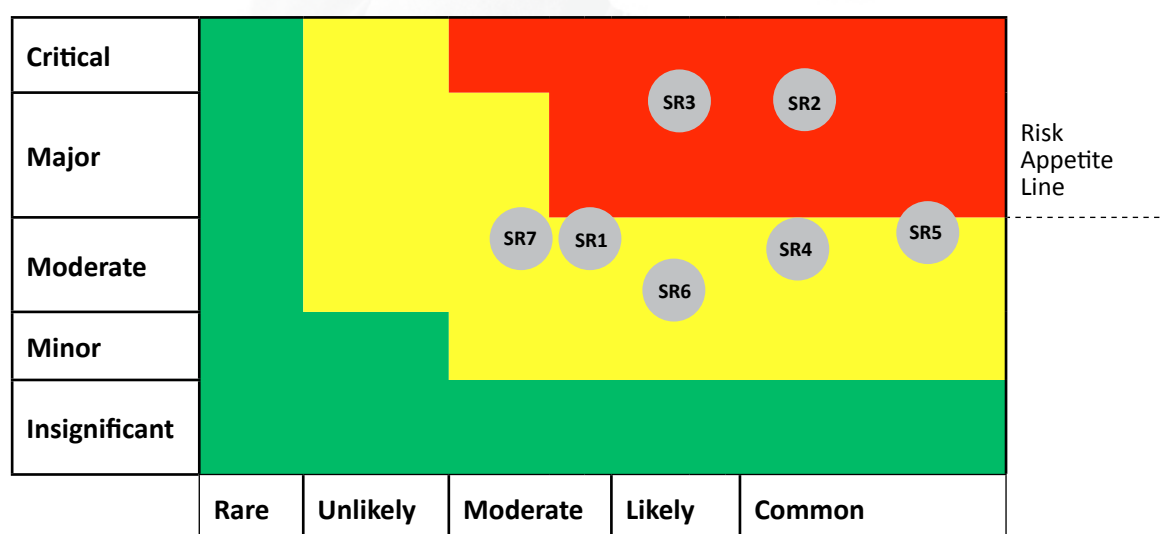
During the risk assessment, each of the identified risks is assessed against the applicable set of criteria resulting in the risk being expressed in terms of its likelihood of occurrence and the assessed consequence. For ease of interpretation, the result of the assessment is graphically presented in risk map matrix in Figure 1 below.

The scale for both likelihood and consequence indicates low as 1 and high as 5. The risks that fall in the red and yellow areas are actively mitigated and monitored with the intention to move the risk to the low risk area (green or yellow).



3. Risk Map Matrix

The risk map matrix and the key risk register below represent the strategic risks identified in consideration of the outcome-based goals and key performance indicators. The identified risks are threats that can impact on the achievement of OBP's outcome-based goals. The risks are realigned when the goals and business context change. The risks identified are categorized and reported in relation to the strategic outcomes.



3.1 Key Risks

No.	Risk Description
SR1	Fraud and Corruption
SR2	Insufficient Research and Development Output
SR3	Lack of Market Share Growth/Loss of Market Share
SR4	Production Inefficiencies
SR5	Threat to Financial Sustainability
SR6	Inadequate HR Capacity
SR7	ICT System Inefficiencies/Inadequate Functionality/Underutilization
SR8	Poor Response to Infectious Disease Outbreaks and Business Disruptions

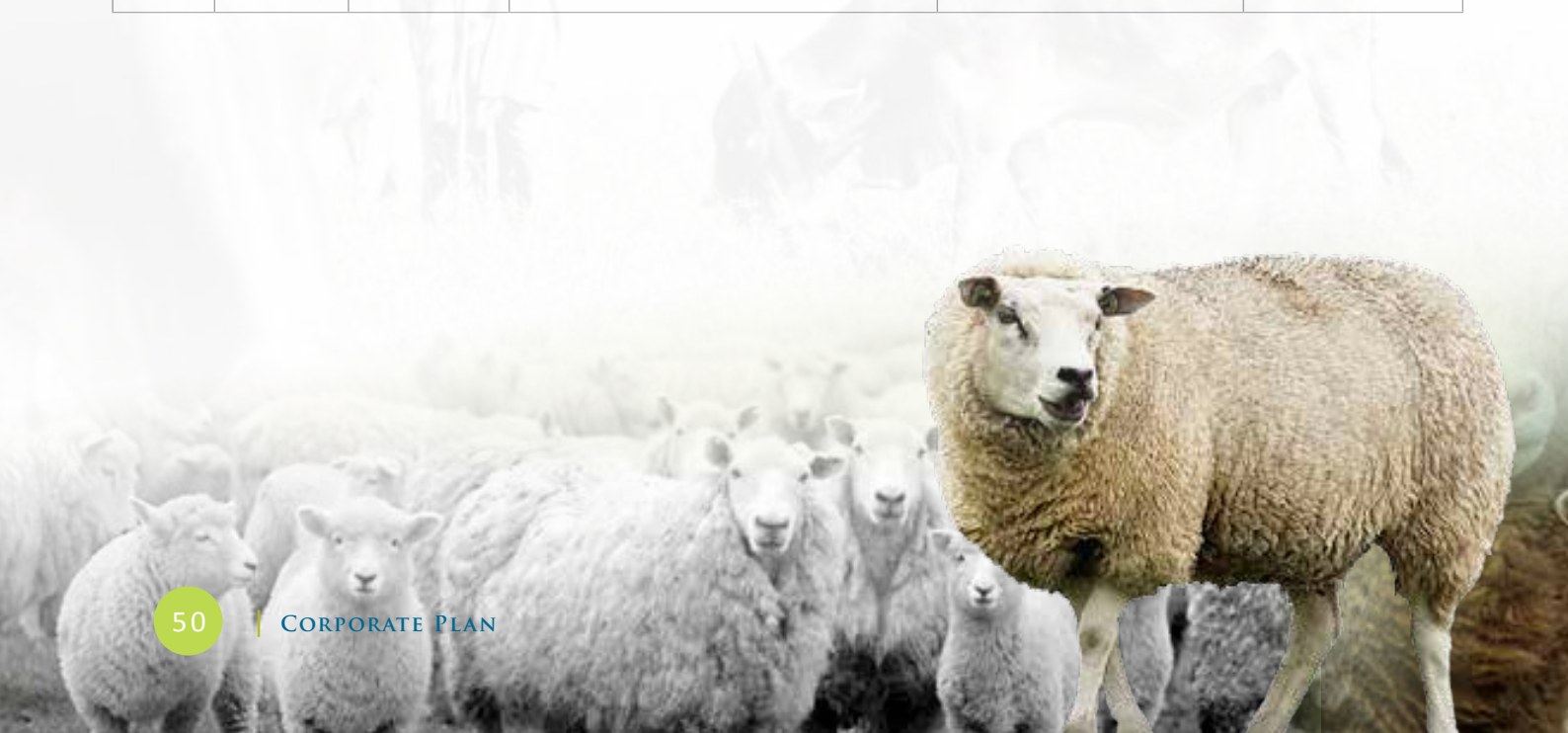
3.2 Outcome-Based Goals: Over the Next Three Years

- Financial growth and sustainability
- Continuous improvement of business processes
- Improved customer service
- Capable, ethical and developmental leadership

3.2 Key Risks Register

Risk No.	Risk Category	Risk Description	Mitigation Plan	Risk Owner	Time Frame (From Date to Date)
SR1	Fraud and Corruption	Fraud and Corruption	<p>Conduct awareness on fraud prevention, including the following:</p> <ul style="list-style-type: none"> • Code of Ethics/Conduct • Delegations of Authority • Declaration of Conflict of Interest. <p>Review and update Fraud Prevention Strategy and Plan</p> <p>Improve whistle-blower reporting and awareness</p>	CEO	Continuous
SR2	Research and Development	Insufficient Research and Development Output	<p>Review and update R&D strategy</p> <p>GMP Project – Phase 3 to address R&D infrastructure</p> <p>Completion of Animal Facility feasibility study</p> <p>Source outside funding - collaborations with partners</p> <p>R&D, Production and Sales & Marketing integrated planning</p>	CSO	<p>Q4 2021</p> <p>Per Project Plan</p> <p>Ongoing</p> <p>Biannually</p>
SR3	Business Development	Lack of Market Share Growth/Loss Of Market Share	<p>Review, update and implement of marketing strategy effectively (see detailed action plans)</p> <p>Evaluate performance against departmental operational plan/ performance contracts</p> <p>Re-evaluate product list and diversity</p> <p>Improve forecasting</p> <p>Stakeholder engagement (provincial governments)</p> <p>Stability Programme to improve product shelf life (QC)</p> <p>Develop government and emerging strategy</p>	BDO	<p>Q4 2021</p> <p>Quarterly</p> <p>Quarterly</p>

Risk No.	Risk Category	Risk Description	Mitigation Plan	Risk Owner	Time Frame (From Date to Date)
SR4	Production	Production Inefficiencies	Validate processes Implement innovative process improvement and streamlining Appoint a mechanical engineer to address equipment failure and preventative maintenance programme Reduce batch failure Analyse production processes to address challenges with producing monovalent and multivalent vaccines	COO	Per Project Plan Per schedule Per schedule
SR5	Financial	Threat to Financial Sustainability	Create monthly management accounts for distribution to Management Appoint personnel to address capacity Departmental delegation of authority Improve costing model Improve production efficiency Improve product range	CFO	Monthly
SR6	Human Resources	Inadequate HR Capacity and Capabilities	Review and update HR strategy Review and update HR policies Address lack of career path/ladder Create succession plan/skills transfer programme	Lack of Career Path/ Ladder Succession Plan/Skills Transfer	Q4 2021



Risk No.	Risk Category	Risk Description	Mitigation Plan	Risk Owner	Time Frame (From Date to Date)
SR7	Technology	ICT System Inefficiencies/Inadequate Functionality/Underutilization	Address ICT system inefficiencies, inadequate functionality and/or underutilization Ensure effective information security	Inadequate ICT infrastructure. Information security.	Q4 2021
SR8	Sustainability	Poor Response to Infectious Disease Outbreaks and Business Disruptions	Identify and implement continuous adaptation interventions to reduce the impact or lasting impact of the disaster and disruption Review and implement Business Continuity Plan (BCP)	CEO	Q4 2022

OVINE(SHEEP)



PART G: FRAUD MANAGEMENT PLAN

OBP defines fraud as the deliberate and premeditated use of deception to gain advantage from a position of trust and authority. Fraud prevention is concerned ultimately with the effective utilisation of resources and the minimization of waste, mismanagement, and fraud.

OBP is committed to preventing fraud at its origin. Fraud flourishes in an environment where there are insufficient controls to prevent waste, abuse, and mismanagement. It is recognised by the entity that emphasis on fraud prevention rather than the fraud investigation will lead to a reduction of these opportunities for waste, abuse, and mismanagement.

The entity is committed to the following fraud strategy:

- Promotion of its fraud prevention principles to ensure awareness that fraudulent acts against OBP by contractors, suppliers, and staff will not be tolerated
- Development and implementation of fraud management strategies to cultivate a culture of fraud prevention among OBP staff
- Encouragement of the reporting of instances of fraud and corruption within OBP
- Maintaining policies that promote ethical conduct by management, staff, and those who deal with OBP.

OBP strategy components to manage fraud include the following:

- Prevention:** This will be achieved through a fraud policy and fraud prevention plan. This is the most important component of fraud strategy. Regular fraud risk assessments and audits must be undertaken to identify opportunities for fraud and prevention and minimization procedures implemented in day-to-day operations. All staff should have a copy of the Code of Conduct, be aware of their obligations to act honestly and report fraudulent and corrupt conduct, and also be adequately trained. An environment in which dishonest conduct by staff is actively discouraged will be cultivated and maintained.
- Detection:** An effective system of internal controls and compliance with those controls will be maintained. Fraud will be detected through internal controls, internal audit, external audit and reporting structures.
- Investigation:** Formal procedures for the investigation and allegation of dishonest and/or fraudulent behaviour should be established. Investigation will be done internally and externally.
- Response:** A response policy will help in responding to fraud and reacting appropriately to events where fraud allegations are proven true. This may include taking disciplinary action, pressing criminal charges, or referring to outside agencies. Where appropriate and as a deterrent, the proven cases of fraudulent or corrupt conduct and the disciplinary action taken should be publicised.

1. Reporting

OBP has a hotline reporting channel that is confidential, allowing staff to report fraud and corrupt conduct and secure protection from reprisal via the provisions of the Protected Disclosures legislation. Below is the Action Plan to implement OBP's fraud strategy:

1.1 Fraud Management Implementation Plan

Activity	Responsible Person	Due Date
Establish a committee to coordinate fraud prevention activities	CEO/Company Secretary	Q1-Q2
Development and review of the Fraud Policy	Development – Risk Manager Approval – Risk/Fraud Committee	Q3-Q4
Review and promotion of OBP's code of conduct	Human Resource Manager/ Company Secretary	Q3-Q4
Information session about Corporate Governance in the public sector	Company Secretary	Q3-Q4
Strengthening of departmental disciplinary processes	Human Resource Manager	Q1-Q2
Introductory training on Protected Disclosure Act	Human Resource Manager	Q3-Q4
Promoting official whistle-blowing channels/fraud hot line	Human Resource Manager/ Company Secretary	Q3-Q4
Compilation of fraud risk map	Risk Manager	Q3-Q4
Internal Audit	Internal Auditor	Quarterly



1.2 Roles, Responsibility and Governance

Role	Responsibility
Board	<p>Corporate Governance Management and monitoring of fraud and corruption risk exposures e.g. monitor compliance to fraud and corruption legislation</p> <p>Their responsibilities include the following:</p> <ol style="list-style-type: none"> Establish and monitor the fraud risk profile; Approve and provide input into mechanisms and methodology for the identification, control and monitoring of fraud and corruption risk exposures; and Approve and provide input into mechanisms for prioritising fraud and corruption risk exposure in order to carry out further proactive procedures e.g. fraud detection reviews. <p>Oversight of management of critical fraud risks and areas that are core for the functioning of OBP, such as research, production and revenue.</p>
Audit and Risk Committee	<p>Management of fraud risk as part of the overall risk management processes</p> <p>These responsibilities include the following:</p> <ol style="list-style-type: none"> assist the Board in the operation of adequate fraud risk management by ensuring that regular fraud risk assessments (at least annually) are conducted; and the “top rated” fraud risk are reported to Board and managed accordingly.
Internal Audit Unit	<p>Testing of the effectiveness of anti-fraud controls and the risk management process, including the compliance to the PFMA in respect of conducting annual fraud risk assessments.</p> <p>Monitoring and evaluation of performance of proactive anti-fraud procedures e.g. conducting fraud detection reviews and suspicious transaction analysis</p>
Chief Executive Officer	<p>Management of fraud risks and the implementation of anti-fraud controls and reporting requirements</p>
Executive Committee	<p>Active involvement with the prevention of fraud within OBP by:</p> <ol style="list-style-type: none"> Ensuring that appropriate internal controls are in place to minimise fraud and other irregularities; Ensuring that internal controls are operating effectively; Providing ethical advice and support to staff; Providing input for developing fraud control strategies and implementation timetables as required to address fraud and corruption risks identified in their area of responsibility during risk assessments; and Providing progress reports on the implementation of fraud control strategies when requested.

Role	Responsibility
Management Committee and Supervisors	<p>Divisional Managers assist the ExCo to fulfil its responsibilities in respect of fraud prevention and management by:</p> <ol style="list-style-type: none"> Reporting to the ExCo on the functioning of the internal controls in place, i.e. adequacy and effectiveness; Ensuring that internal controls are operating effectively; Providing ethical advice and support to staff; Providing input for developing fraud control strategies and implementation timetables as required to address fraud and corruption risks identified in their area of responsibility during risk assessments; and Providing progress reports on the implementation of fraud control strategies when requested.
Risk Manager	The responsibilities are extended to include the management of fraud risks.
Employees (includes the Board of Directors, management, and all permanent and temporary employees, contractors and consultants employed by OBP)	It is the responsibility of each employee to familiarise themselves with the contents of the Fraud Prevention Plan and their individual responsibility to comply with the requirements of the Plan.
Other Stakeholders (includes customers, contractors, suppliers, and other service providers, as well as members of the general public)	<p>The current OBP Fraud Management documentation does not specify the responsibilities for customers, contractors, suppliers, and other service providers, including members of the public, in complying with the fraud prevention documentation of OBP. The Fraud Management Plan and Policy should be extended to include these parties.</p> <p>All stakeholders, including OBP employees and management, should be aware of OBP's Fraud Prevention Plan and are encouraged to report fraudulent activities that might impact OBP.</p> <p>Adherence to the Code of Conduct and all fraud prevention policies and strategies is essential for all contractors, stakeholders, other service providers and the general public when dealing with OBP.</p>



PART H: TECHNICAL INDICATOR DESCRIPTORS (TID)

Indicator Title	Increased Sales Revenue
Definition	Gross sales revenue generated (R)
Source of Data	Sales and Finance departments
Method of Calculation	Direct sales revenue generated before discount or any other incentive
Assumptions	Animal health market continues to grow
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Achieve R190 000 000 in sales
Indicator Responsibility	Business Development Officer

Indicator Title	Expand Product Portfolio
Definition	Number of new products introduced
Source of Data	Research & Development
Method of Calculation	Quantitative
Assumptions	Products under R & D perform as anticipated
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	2 products registered
Indicator Responsibility	Chief Scientific Officer

Indicator Title	Access New Markets
Definition	Submission of dossiers in specific countries to register new/ improved products with the regulatory authority
Source of Data	Research & Development for dossier information
Method of Calculation/Assessment	List of product dossiers submitted and/or contracts of newly-appointed sales agents (countries)
Assumptions	Products meet the regulatory requirements and/or country allows existence of company representatives
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	2 markets
Indicator Responsibility	Business Development Officer

Indicator Title	Increased Earnings before Interest Tax Depreciation and Amortisation (EBITDA) (%)
Definition	Increase of EBITDA – total revenue less expenses
Source of Data	Monthly Management Accounts
Method of Calculation/Assessment	Revenue less expenses before any interest, taxation, depreciation and amortisation
Assumptions	Reporting data is complete and up to date
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	3% increase
Indicator Responsibility	Chief Financial Officer

Indicator Title	Improved Market Share
Definition	Increased number of vaccine doses sold compared to the previous year
Source of Data	Navision system
Method of Calculation/Assessment	Comparison of doses sold with previous year
Assumptions	There is an increase demand for OBP's products
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	8% increase in sales compared to the previous year
Indicator Responsibility	Business Development Officer

Indicator Title	Improved Production Efficiency
Definition	Number of existing products whose processes are reviewed in terms of an index to measure efficacy
Source of Data	Production and Supply Chain departments
Method of Calculation/Assessment	Quantitative
Assumptions	All resources required for production are available
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Improve production efficiency to 8.0
Indicator Responsibility	Chief Operations Officer



BOVINE (CATTLE)



CAPRINE(GOAT)



EQUINE(HORSE)



OVINE(SHEEP)



Avian(Poultry)

OBP produces veterinary vaccines for livestock protection against bacterial and viral diseases. Cell Culture and Fermentation technologies are employed in producing our quality vaccines. Apart from vaccines, OBP produces a range of diagnostic reagents for use by the veterinary laboratories to assist in diagnosing a range of livestock diseases. With the manufacturing plant having been in existence since 1968, an infrastructural upgrade project is underway to modernise the facility and introduce new technologies into our process as we strive to meet our customer expectations.

Indicator Title	Good Manufacturing Practice (GMP) Compliance
Definition	Introducing quality management system to align with GMP requirements
Source of Data	Quality Assurance
Method of Calculation/Assessment	Qualitative: Percentage of achievement against the modernisation plan Action items achieved divided by Total items on GMP roadmap X 100
Assumptions	Progress is ongoing
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	GMP compliance achieved for OBP plant
Indicator Responsibility	Chief Operations Officer

Indicator Title	Improved ICT Systems
Definition	Embark on an enterprise architecture plan for the organisation
Source of Data	ICT Enterprise Architecture Plan
Method of Calculation/Assessment	Qualitative and quantitative
Assumptions	All departments have provided complete business processes
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Business process supported by ICT at the optimum level to allow best execution of strategy
Indicator Responsibility	Chief Financial Officer

Indicator Title	Improved Facilities
Definition	Project Plan Phases 100% completed
Source of Data	QA and QC
Method of Calculation/Assessment	Qualitative
Assumptions	Progress is ongoing
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Vector-Proof Facility completed
Indicator Responsibility	Chief Operations Officer

Indicator Title	Improved Facilities
Definition	Project Plan Phases 100% completed
Source of Data	QA and QC
Method of Calculation / Assessment	Qualitative
Assumptions	Progress is ongoing
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	GMP Facility completed
Indicator Responsibility	Chief Operations Officer

Indicator Title	Improved Product Availability
Definition	Top 20 products that are quality assured and ready for market
Source of Data	Production and Supply Chain departments
Method of Calculation/Assessment	Percentage of Top 20 products that passes quality and is eventually sold
Assumptions	All resources required for production are available
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Improved production output of Top 20 products to 90%
Indicator Responsibility	Chief Operations Officer

Indicator Title	Increased Customer Satisfaction
Definition	Proportion of customers interviewed that are satisfied with OBP's service
Source of Data	Outcome of customer survey report and CRM report
Method of Calculation/Assessment	Compare results of submitted market survey report showing both qualitative and quantitative responses with the previous survey
Assumptions	Majority of customers who need OBP's service are satisfied
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Achieve 80% customer satisfaction
Indicator Responsibility	Business Development Officer

Indicator Title	Customer Retention (Top 20)
Definition	Customers who are ranked in the top 20 based on sales revenue they generated for OBP from 1 April to March of the previous year
Source of Data	Finance and Sales departments
Method of Calculation/Assessment	Clients ranked from the highest to lowest according to sales revenue generated as compared to the previous within the same period
Assumptions	All top 20 clients of the previous year continued to purchase products from OBP.
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Top 20 customers continue to purchase products from OBP
Indicator Responsibility	Business Development Officer

Indicator Title	Increased Distribution Channels
Definition	Establishment of new distribution points to improve access of OBP's products to emerging farmers, targeting rural areas
Source of Data	Sales and Finance (CRM) departments
Method of Calculation / Assessment	Number of new and small entrepreneurs who have access to OBP's credit facility
Assumptions	Able to offer credit facility to qualifying applicants
Disaggregation of Beneficiaries (where applicable)	Target for women – 50% of those targeted must be women over the three-year cycle Target for youth – 60% targeted must be youth over the three-year cycle Target for people with disabilities – 5% must be people with disabilities over the three-year cycle Previously disadvantaged communities (level 1 & 2)
Spatial Transformation (where applicable)	N/A
Desired Performance	2 new distributors based in rural areas Existence of company which complies to B-BBEE level 1 or 2
Indicator Responsibility	Business Development Officer

Indicator Title	Farmer Training
Definition	Number of smallholder farmers and emerging farmers trained on animal health related matters
Source of Data	Sales and Marketing departments
Method of Calculation/Assessment	Submission of attendance register or letter of appreciation from the organiser and email correspondence. This must also be in some module of the CRM (less paper and more tech)
Assumptions	Farmers will be allowed to attend training in groups
Disaggregation of Beneficiaries (where applicable)	<p>Target for women – 20% of those targeted must be women over the three-year cycle</p> <p>Target for youth – 40% of those targeted must be youth over the three-year cycle</p> <p>Target for people with disabilities – 5% must be people with disabilities over the three-year cycle</p>
Spatial Transformation (where applicable)	N/A
Desired Performance	150 farmers trained
Indicator Responsibility	Business Development Officer

Indicator Title	Approved Policies and Governance Framework
Definition	Number of policies developed or reviewed and approved
Source of Data	OBP Quality Assurance
Method of Calculation/Assessment	Quantitative
Assumptions	All stakeholders (unions, Exco) are consulted for policy updates
Disaggregation of Beneficiaries (where applicable)	<p>Target for women – N/A</p> <p>Target for youth – N/A</p> <p>Target for people with disabilities – N/A</p>
Spatial Transformation (where applicable)	N/A
Desired Performance	27 policies up-to-date and implemented
Indicator Responsibility	Chief Executive Officer

Indicator Title	Reduced Staff Turnover
Definition	The number of employees who resign/retire/are dismissed from the company over a year calculated over total staff compliment
Source of Data	Human Resources
Method of Calculation/Assessment	Quantitative
Assumptions	The work climate is conducive to attracting and retaining the right talent
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	5% reduction in turnover
Indicator Responsibility	Chief Executive Officer

Indicator Title	Improved Organisational Culture
Definition	Improve the work environment to be a more pleasant place for employees to work
Source of Data	Human Resources
Method of Calculation/Assessment	Quantitative Qualitative
Assumptions	Poor organisational culture Low staff morale and threatening environment
Disaggregation of Beneficiaries (where applicable)	Target for women – N/A Target for youth – N/A Target for people with disabilities – N/A
Spatial Transformation (where applicable)	N/A
Desired Performance	Improved culture Become employer of choice
Indicator Responsibility	Chief Executive Officer

ACRONYMS

ONDERSTEPSPOORT BIOLOGICAL PRODUCTS SOC LTD

ARC	Agricultural Research Council	IT	Information Technology
BDO	Business Development Officer	4IR	Fourth Industrial Revolution
B-BBEE	Broad-Based Black Economic Empowerment	LSD	Lumpy Skin Disease
		Ltd	Limited
BDO	Business Development Officer	MOI	Memorandum Of Incorporation
BoD	Board of Directors	MTEF	Medium-Term Expenditure Framework
BVSc	Bachelor of Veterinary Science	MBA	Master in Business Administration
CEO	Chief Executive Officer	MBL	Master of Business Leadership
CFO	Chief Financial Officer	MSc	Master in Science
COO	Chief Operations Officer	N/A	Not Applicable
COOPS	Co-operatives	OBP	Onderstepoort Biological Products SOC Ltd
COS	Cost of Sales		
COVID-19	Corona Virus Disease 2019	PESTEL	Political, Economic, Social, Technological, Environmental and Legal
CRM	Customer Relationship Management		
CSIR	Council for Scientific and Industrial Research	PFMA	Public Finance Management Act
CSO	Chief Scientific Officer	PhD	Doctor of philosophy
DAFF	Department of Agriculture, Forestry and Fisheries	P.R.I.D.E	People-first, Respect, Integrity, Dedication, Excellence
DALRRD	Department of Agriculture, Land Reform and Rural Development	QA	Quality Assurance
DoA	Delegation of Authority	QC	Quality Control
DME	Department of Monitoring and Evaluation	QMS	Quality Management System
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization	R	Rand
EE	Employment Equity	R&D	Research and Development
ExCo	Executive Committee	RM	Risk Manager
FCCA	Fellow Members of Association of Chartered Certified Accountant	RVF	Rift Valley Fever
FY	Financial Year	SA	South Africa
GDP	Gross Domestic Product	SAAHA	South African Animal Health Association
GMP	Good Manufacturing Practice	SCM	Supply Chain Management
ICT	Information Communications Technology	SOE	State-Owned Enterprise
		SWOT	Strength, Weaknesses, Opportunities, Threats



CORPORATE PLAN

ONDERSTEPSPOORT BIOLOGICAL PRODUCTS SOC LTD



BOVINE (CATTLE)



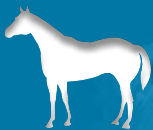
CAPRINE(GOAT)



OVINE(SHEEP)



Avian(Poultry)



EQUINE(HORSE)

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