


The logo for the South African Bureau of Standards (SABS) features the letters 'SABS' in a bold, black, sans-serif font. A horizontal red line is positioned directly beneath the letters.

South African Bureau of Standards

The background of the slide is a photograph of a laboratory setting. In the foreground, a hand wearing a blue nitrile glove holds a wooden test tube holder. The holder grips a test tube containing a pinkish-red liquid. In the background, there is a rack of several other test tubes, some containing liquids of various colors. To the left, a portion of a blue and white microplate is visible. The overall scene is brightly lit, with a shallow depth of field that keeps the test tube in the foreground sharp while the background is softly blurred.

FY2025/26 Q1, Q2 and Q3 Performance and Status Update
A presentation to the Parliamentary Portfolio Committee on Trade, Industry and Competition
25 March 2026
Blake Mosley-Lefatola – Acting CEO

Table of Contents

SABS

- List of Delegates
- Legislative Mandate
- Strategic Objectives
- FY2025/26 Q1, Q2 and Q3 Non-Financial Performance
- FY2025/26 Q1, Q2 and Q3 Financial Performance
- Corrective Actions to Close Performance Gap
- Key Operational Highlights
- Financial Report and progress on key actions on AFS and audits
- Status update on Key People and Governance Matters
- Status on Cyber attack recovery and protection against attacks

- Mr Blake Mosley-Lefatola – Acting Chief Executive Officer
- Ms Kholofelo Masoga – Chief Financial Officer
- Mr Thabo Sepuru – Acting Chief Operations Officer
- Ms Patricia Tomotomo – Acting Chief Corporate Service Officer
- Prof Bismark Tyobeka – Chairperson of the Board
- Ms Deidre Penfold – Chairperson of Audit and Risk Committee (ARC)

The SABS is the apex national standardisation institution in South Africa, established by the Standards Act, 1945 (Act 24 of 1945). The SABS exists as a public entity under the Standards Act, 2008 (Act 8 of 2008)

The objectives of SABS are as follows:

- *Develop, promote, and maintain South African National Standards (SANS)*
- *Promote quality with respect to commodities, products, and services*
- *Render conformity assessment services and matters connected therewith*

The SABS maintains over 7,600 South African National Standards (SANS), operates 28 testing laboratories and has one of the largest pool of technical experts and technical signatories in Southern Africa.

Products and Services

SABS

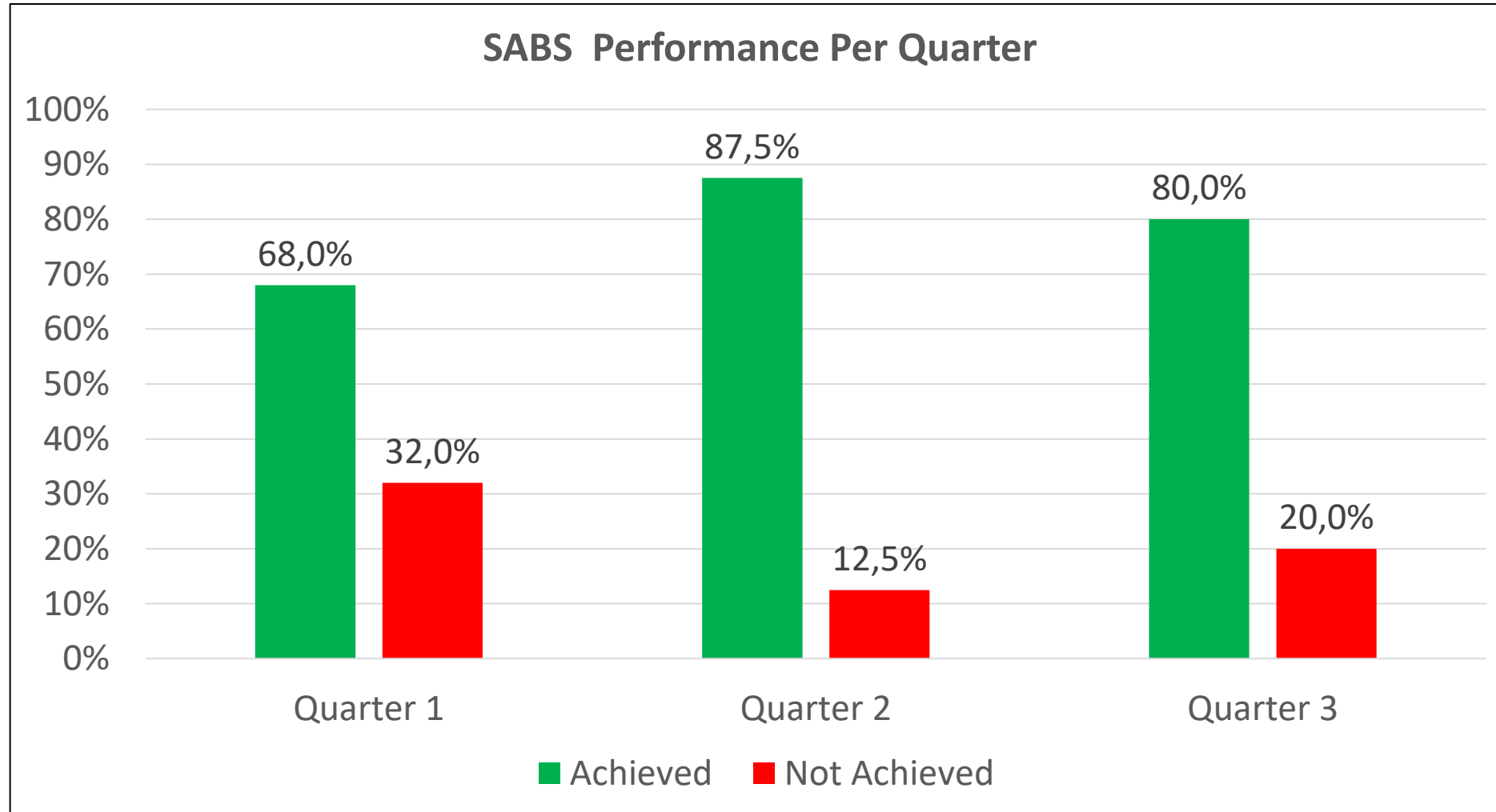
- The SABS is a Schedule-3B Entity under the PFMA
- The SABS Commercial provides Conformity Assessment Services, which includes:
 - Certification of **product** and **management system** Certification
 - **Testing** services, and
 - **Consignment Inspection**
- Open competitive market for conformity assessment services
 - More than 35 Certification bodies accredited by SANAS,
 - Over 1,000 Testing Laboratories operating in South Africa, and
 - More than 200 Inspection Bodies.
- The SABS is an independent Third-party Certification Body and Testing House with its own laboratories



Strategic Objectives

- To achieve the development, promotion, maintenance and the increased use of the South African National Standards that respond to industrial policy, public and market needs
- To provide integrated conformity assessment solutions that respond to industrial policy, public and market needs
- To achieve and maintain sustainability
- To create and maintain a high-performance and good governance culture
- To leverage innovation and technology to enhance information security, efficiency and effectiveness in developing and promoting national standards, deliver conformity assessment and other services to meet market demands

Summary of performance against pre-determined objectives across the three quarters




FY2025/26 Key Performance Indicators – Non-Financial

To achieve the development, promotion, maintenance and the increased use of the South African National Standards that respond to industrial policy, public and market needs



Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Total number of standards published	370	95	71	190	134	280	240
Publish % of standards aligned to the re-imagined priority sectors	80%	5%	14%	20%	33%	55%	60%
Number of case studies conducted and promoted	30	8	8	15	16	22	24
Average number of days to publish standards	300	330	262	325	316	300	359


 *Target not achieved*

 *Target achieved*

To provide integrated conformity assessment solutions that respond to industrial policy, public and market needs

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Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Number of new public sector clients and organs of state serviced (incl. industrial park, SEZs)	10	0	0	4	4	7	7
Number of MSMEs and black industrialists supported	300	80	112	150	354	220	368
Number of new test methods developed and approved to support MTDP priorities	15	0	0	3	3	9	10
Number of new Certification Schemes developed	2	0	0	0	0	1	1
Maintain 100% of Accreditations for Laboratories and Certification	100%	100%	100%	100%	100%	100%	100%


 *Target not achieved*

 *Target achieved*

To create and maintain a high-performance and good governance culture

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Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Vacancy rate of critical positions	<=5%	<=10%	-	<=8%	8%	<=7%	7%
Employee retention rate (%)	=>95%	=>95%	98,3%	=>95%	95%	=>95%	93,8%
% Progress against the approved annual Employee Engagement Action Plan	80%	20%	0%	40%	40%	60%	60%
% of competency assessments conducted on all employees	80%	New Competency Framework and Plan approved	Competency Framework and Plan approved	30%	30%	50%	51%

 *Target not achieved*

 *Target achieved*


FY2025/26 Key Performance Indicators – Financials

To achieve and maintain sustainability

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Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Year-on-Year growth in revenue of the SABS Group	6,1%	6,1%	-	6,1%	<6,1%	6,1%	10,2%
Operating Margin of the SABS Group	5,6%	5,6%	-	5,6%	<5,6%	5,6%	-15,2%

Q1 and Q2 Actuals were not available at the time of Q1 reporting


 Target not achieved

 Target achieved

Blue-Sky Indicators

Contribution to the dtic commitments


Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Average year-on-year reduction in turnaround time in Testing, LCV and Certification services	20%	Determine and sign-off in-scope processes	In-scope processes signed off	Approve methodology and baseline	Methodology and baseline approved	10%	17%
Number of MSME's in industrial parks and SEZ's serviced	50	5	0	20	20	30	41

 *Target not achieved*

 *Target achieved*

Contribution to the dtic commitments


Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Number of MSME's trained in the ARSO Eco Mark scheme	Train at least 10 stakeholders	Develop the framework for implementing Eco Mark Scheme in SA	Workshops to deep dive the technicalities of the Scheme is planned	Approval of Eco Mark Scheme	Eco Mark Scheme approved	Develop training material for the Eco Mark Scheme	Training material developed for the Eco Mark Scheme
% of reported Mark Scheme transgression cases closed	80%	5%	0%	20%	50%	50%	50%

 *Target not achieved*

 *Target achieved*

Contribution to the dtic commitments


Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
% Year-on-Year growth in the number of valid SABS Mark permits	3%	0,5%	-	1%	16%	2%	8%
Number of new women appointed into Technical Committees	10	0	3	3	16	7	16

 *Target not achieved*

 *Target achieved*

Contribution to the dtic commitments

Outcome Indicator	FY2025/26 Annual Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual
Number of stakeholders trained in management and governance systems and standards	3000	400	392	1000	1304	2000	2059
B-BBEE Level achieved	Level 4 (unaudited)	Approval of the detailed B-BBEE Plan	Detailed B-BBEE plan presented but not approved	8% variance from plan	<8%	Variance of 2%	13,3%

 Target not achieved

 Target achieved

Corrective Actions to Close Q3 Performance Gap

Corrective Actions

Performance Indicator	Corrective Actions
Total number of standards published	The increased publication rate in Q4 will address the shortfall. As of end of February the total publications were 352 against the annual target of 370.
Average number of days to publish standards	Review and monitor overdue projects to ensure on time delivery of publications. Ongoing monitoring of SABS Technical Committees.
Employee retention rate (%)	<ul style="list-style-type: none"> • Improve turnaround times for recruitment • All Executives and HC team must have a KPI that states that Recruitment processes for approved positions must be completed within 45 calendar days from the date of vacancy advertisement • The OD project which was commissioned in August 2025 seeks to put in place incentive schemes, such as pay progression and short-term incentives, amongst others. These interventions will serve as employee retention, coupled with other employee value proposition (EVP) measures. as part of attraction, retention and EVP.

Operational Highlights

Operational highlights as at Q3

- SANAS upliftment of the partial suspension of accreditation within the scope of cement product Certification (22 May 2025).
- Currently the cement lab is operating at 100% and the turnaround time has improved.
- Held a successful annual SANAS surveillance audit (full accreditation scope) for product and system certification done in Q3 with positive assessment outcomes.
- Published three key standards of interest to policy makers and public sector entities:
 - SANS 55000-Asset management
 - SANS 37004- Governance of organization
 - SANS 31050- Risk Management-Guidelines for managing an emerging risk to enhance resilience
- 15 Laboratories were assessed by SANAS with recommendation for continuation of accreditation.
- As at the end of Q3 we have noted an improvement on TAT of 19% in Certification, 17% in both Local Content Verification and Laboratories on key processes.
- Approval of the SABS Digital Transformation Strategy-Vision 2031 by the Board (Q2):
 - Rollout of the SABS Certification Information Management System (CIMS) progressing ahead of plan.
 - The replacement of the outdated and unsupported SABSTAN platform underway- Kick-off done on the 28 November 2025.
 - Rollout of the SABS Laboratory Information Management System at contracting phase and planned kick-off meeting during March 2026.
- Integrated Customer Database: Certification data clean-up completed; testing and automation to be conducted in April 2026.
- We are establishing an Operational Excellence Centre (war room), to enable real-time operational performance dashboards-360°.

Financial Report

Financial Performance

SABS

SABS GROUP	YTD December 2025							ANNUAL		
	Actual	Budget	YTD Variance Budget vs Actual	YTD Variance % Budget vs Actual	YTD Prior year	YTD Variance CY Actual vs PFY Actual	YTD Variance CY Actual vs PFY Actual	Year End Forecast	Annual Budget	Budget and forecast % variance
	Rm	Rm	Rm	%	Rm	Rm	%	Rm	Rm	
Revenue	354.8	392.6	(37.7)	-9.6%	321.9	32.9	10.2%	512.1	525.4	-2.5%
Tests & Services	108.9	111.6	(2.6)	-2.3%	77.9	31.1	39.9%	148.4	147.7	0.4%
Business solutions and advisory services	5.7	8.9	(3.2)	-36.0%	9.0	(3.2)	-36.2%	8.8	12.2	-27.3%
Product and system certification	206.3	238.8	(32.5)	-13.6%	210.7	(4.4)	-2.1%	310.0	320.5	-3.3%
Sale of publications	33.8	33.3	0.5	1.6%	24.4	9.4	38.5%	44.9	45.0	-0.2%
Other Income	18.7	17.5	1.2	6.8%	19.9	(1.2)	-5.8%	26.6	23.4	13.9%
Rental Income	11.8	13.6	(1.8)	-13.0%	11.2	0.6	5.3%	16.1	18.1	-11.3%
Sundry Income	6.9	3.9	3.0	75.6%	8.6	(1.7)	-20.2%	10.6	5.2	101.4%
Government Grant	205.0	224.9	(19.9)	-8.8%	197.4	7.6	3.8%	276.0	299.8	-7.9%
Core Funding-Baseline	200.9	200.9	(0.0)	0.0%	194.5	6.3	3.3%	267.8	267.8	0.0%
Other income recognised	4.1	24.0	(19.9)	-82.9%	2.9	1.3	44.1%	8.2	32.0	-74.4%
Total income	578.5	635.0	(56.4)	-8.9%	539.2	39.3	7.3%	814.8	848.6	-4.0%
Administrative and operating expenses	(610.6)	(664.0)	53.4	-8.0%	(612.5)	(8.0)	19.1%	(848.5)	(879.1)	-3.5%
Employee benefits	(396.0)	(398.6)	2.6	-0.7%	(332.6)	(63.4)	19.1%	(526.3)	(532.9)	-1.2%
Other Expenses	(214.6)	(265.4)	50.8	-19.1%	(179.9)	(34.7)	19.3%	(322.1)	(346.1)	-6.9%
Profit/(Loss) from Operations	(32.0)	(29.1)	(3.0)	10.3%	26.7	(68.7)	-220.2%	(33.7)	(30.5)	10.5%
Depreciation	(36.9)	(33.0)	(3.9)	11.8%	(40.3)	3.4	-8.5%	(49.4)	(43.9)	12.5%
Government grants in respect of assets	14.9	14.7	0.3	2.0%	15.5	(0.5)	-3.4%	19.9	19.5	1.7%
Operating Profit/(loss)	(54.0)	(47.4)	(6.6)	13.9%	1.8	(65.8)	-3110.4%	(63.2)	(54.9)	15.2%
Finance Income or Costs	26.2	49.2	(23.0)	-46.8%	39.0	(12.9)	-32.9%	35.6	65.6	-45.8%
Gains/Losses On Investments	31.1	6.4	24.7	386.0%	15.2	15.9	104.2%	42.0	8.5	392.0%
Other non-operating income	4.8	-	4.8	0.0%	2.6	2.2	86.6%	1.3	5.2	-74.8%
Other non-operating expenses	(10.0)	(13.7)	3.7	-43.7%	(29.3)	19.3	-65.9%	(14.4)	(21.3)	-32.4%
Profit/ (loss) before corporate charges and tax	(1.9)	(5.6)	3.7	-106.1%	29.3	(31.2)	-106.6%	1.2	3.2	-60.9%
Taxation	(10.1)	-	(10.1)	0.0%	(10.1)	-	0.0%	(10.1)	-	0.0%
Net profit/ (loss) for the period	(12.0)	(5.6)	(6.4)	74.8%	19.2	(31.2)	-162.3%	(8.8)	3.2	-376.2%

Revenue



Expenses



Net Profit



Financial Position

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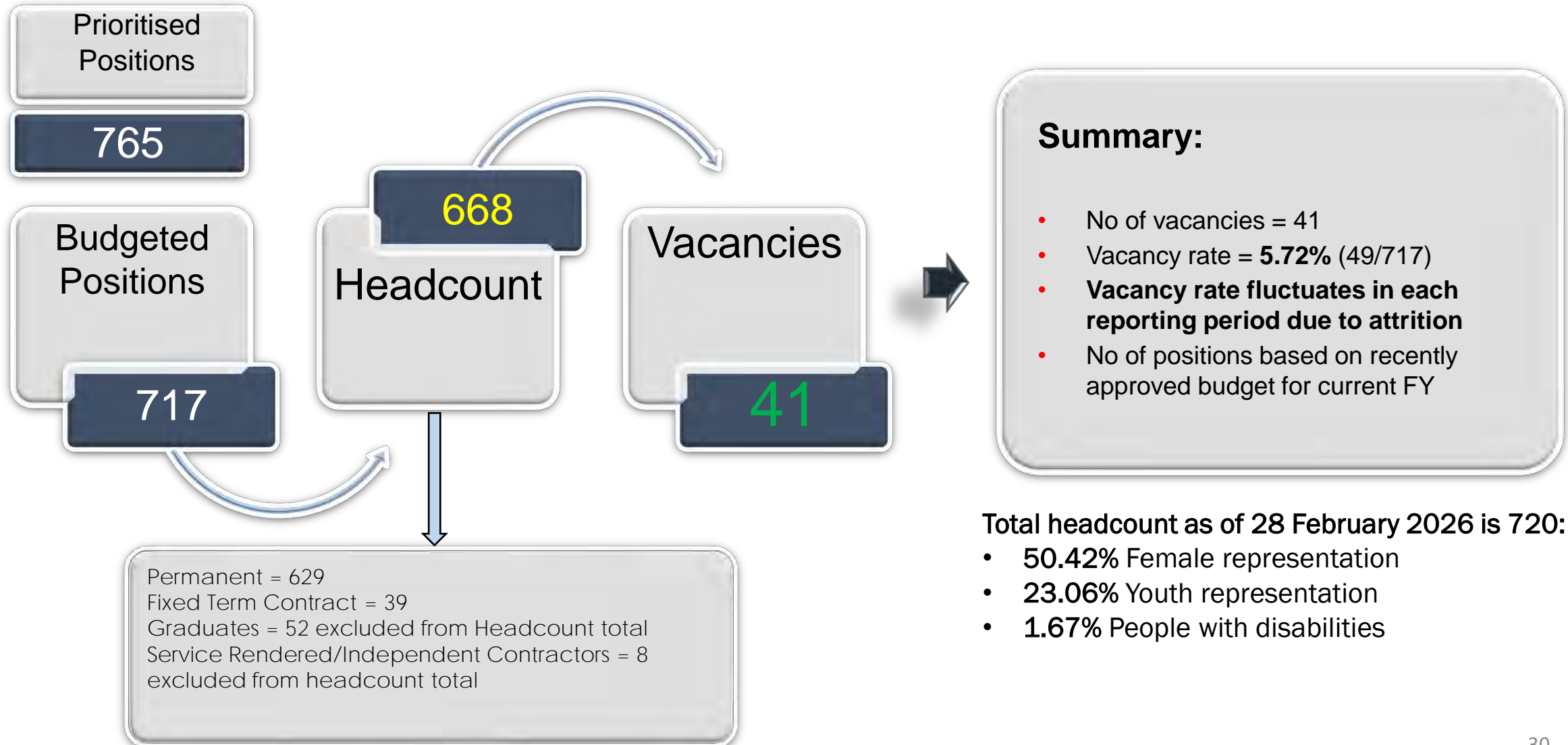
	GROUP		
	Dec-25	Mar-25	PY var
	R'm	R'm	R'm
ASSETS			
Non-current Assets	1 007.4	979.1	↑ 28.4
Currents Assets	874.3	819.5	↑ 54.8
Total Assets	1 881.7	1 798.6	↑ 83.1
EQUITY AND LIABILITIES			
EQUITY	969.2	981.2	↓ - 12.0
LIABILITIES			
Non-current liabilities	490.7	502.9	↓ - 12.3
Current Liabilities	421.9	314.5	↑ 107.4
Total Liabilities	912.5	817.4	↑ 95.1
Total Equity and Liabilities	1 881.7	1 798.6	↑ 83.1
Current Ratio	2.07	2.75	↓ - 0.67
Solvency Ratio (Total Assets/Total Debt)	2.06	2.28	↓ -0.22

- **Non-current assets increase of R28.4:**
 - Increase in investment at FV through P&L of R31.1m
 - Increase in PPE of R10.5m
 - Decline in Right of use of 11.9m
- **Current assets increase of R54.8:**
 - Increase in trade and receivables of R106.2m
 - Decline in cash and cash equivalents of R87.3m
 - Increase in tax receivable of R22.8m
- **Current liabilities increase of R107.4:**
 - Increase in trade and payables of R105.5m, mainly contract liabilities and deferred income
- **Current ratio of 2.07**, indicating that SABS has a strong short-term liquidity and will be able to cover current liabilities 2x
- **Solvency ratio of 2.06**, reflecting a strong long-term financial position

Achievements

Management reports	Financial Governance	External funding	Customer statements	2024/25 financials	Demand Plan
<ul style="list-style-type: none">▪ Capability to produce monthly Management Reports restored in October 2025 reporting September 2025 numbers▪ Ability to monitor the financial performance of the organisation	<ul style="list-style-type: none">▪ Delegation of Authority▪ Materiality Framework▪ Travel Management Policy and Procedure▪ SCM Policy and Procedure▪ Inventory Management Policy▪ Capex Policy and Procedure▪ Fundraising Framework▪ Pricing Policy▪ Business Continuity Procedures – post cyberattack	<ul style="list-style-type: none">▪ Engaged the dtic▪ Engaged potential funders - NEF, IDC▪ Engaged universities for potential research opportunities and technical advice on capital budgeting - UJ	<ul style="list-style-type: none">▪ Restored capability to issue monthly statements as December 2025 following 202411 cyber incident▪ Improved ability to collect – however we still have collection backlogs	<ul style="list-style-type: none">▪ AFS submitted to the auditors, NT and the dtic▪ System challenges<ul style="list-style-type: none">• Transaction catch-up: Accounts payable three-way matching and expenditure management still a challenge	<ul style="list-style-type: none">▪ 58% of the demand plan awarded compared to 25% of prior year

Status Update on People and Governance Matters



Competency Management

- The competency management project was commissioned in August 2025, to conduct competency assessments and develop **Competency Dictionary** for the organisation. The competency assessments reports, will be used to inform compulsory behavioural competencies which will be embedded in the performance management processes, to inform individual development plans, employee career progression and training plans.

Graduate Development Programme (2024 –2026)

The 24-month Graduate Development Programme continues to provide technical training and practical work experience to support the graduates in developing workplace competence and confidence.

Learnership Programme

- The six learners enrolled on the Learnership Programme continue to receive structured workplace exposure aligned to the learnership programmes.
- The purpose of the learnership is to provide the learners workplace experience necessary for the completion of the learnership programme. Learners attend one day of class-room based training per week.

YES (Youth Employment Services) Programme

- The four YES programme learners placed within the ICT and Knowledge Management Division, are progressively building their workplace skills under the guidance of the mentors/coaches.
- These learners are funded by external sponsors.

Talent Management and Development

Youth Development Programmes – April 2026 intake

- The 24-month Graduate Development Programme will be utilised differently to implement youth development through three **complementary programmes** that will make a broader and more meaningful contribution to the Skills Development Pillar of the B-BBEE Scorecard for the organisation, while also advancing youth employment and inclusion objectives.
- The programmes are:
 - SABS funded Yes Programme (12 months)
 - 12- month Internship Programme for Graduates
 - 12-month Learnership of learners with Disabilities
- Preparations are underway to ensure the commencement of the programme in April 2026.

SABS Funded YES Programme – April 2026 intake

- The Programme will support government`s broader youth employment and economic inclusion agenda, thus actively contributing to a national imperative of reducing unemployment.
- Enable a two-level improvement in the organisation`s B-BBEE level, while also advancing youth employment and inclusion objectives.

12-month Internship Programme – April 2026 intake

- The programme will focus on workplace experience, mentorship and employability skills.
- This intake will contribute Skills Development on B-BBEE scorecard.

Learnership Programme – April 2026 intake

- Improved representation of youth with disabilities within our skills development initiatives which influence Skills Development Pillar of the B-BBEE Scorecard, while also advancing youth employment and inclusion objectives.

Update on Policies and SOPs

Policies and SOPs Approved in September/October 2025:

Frameworks have been approved:

Policies and SOPs are currently being socialised for inputs, with staff for PRC of early March 2026:

Policies and SOPs are being finalised, to be socialised for inputs in February and be served at PRC of early March 2026:

- SOP477 Facilities Support Management Procedure
- SOP478 Facilities Management Procedure
- SOP800 Maintenance Services Procedure
- SOP603 G Standards Approval Committee
- SOP231 Strategic Stakeholder
- SOP232 Strategic Partnership
- Specialist: Policy & Compliance mandated to fast-track policy review through PRC

- Change Management Framework
- Talent Management Framework
- Mentorship and Coaching
- Competency Framework
- Work Integrated Learning
- Succession Matrix for Exco

- SOP248 Absenteeism and Incapacity procedure
- SOP257 Remuneration Procedure CP257 Remuneration Policy
- CP242 Job Evaluation Policy
- SOP242 Job Evaluation Procedure
- CP258 Organisational Design
- SOP258 Organisational Design
- Supply Chain Management Policy
- Supply Chain Management Procedure
- Pricing Policy
- Travel Management Policy and Procedure
- SOP 253 Conditions of Service
- CP230B Planning and Reporting
- SOP230B Planning and Reporting

- Performance Management
- Learning and Development
- Employment Equity
- Grievances Procedure
- Recognition and Reward
- Leave Administration

Institutional Update

- Restructuring the IT function to position it for better execution ability – Advertising for Chief Digital Information Officer position.
- Interventions to improve state of employee and labour relations via 5 staff meetings held, workplace forum meeting held and establish training of change agents Forum.
- In process of overseeing the implementation of TSU Report.
- Implementing new payroll and PMS system.
- Facilities and Labs Capex – R57m and from this, R43m is Facilities related projects and thus far – R28m has been spent. The remaining R15m will be spent in March 2026.



TSU Investigation

- The **dtic** and the TSU have submitted the report, which was presented to the Board at the end of January 2026.
- The action plan on the recommendations was put in place and presented to the Board for implementation.
- Implementation is underway, for the report which was presented to the Board.
- There are additional cluster specific reports that were subsequently received and are yet to be presented to the Board by the **dtic** and TSU. In addition, there are certain cluster specific reports that are being finalised within the **dtic**.

Status Update on the recovery from the Cyber Attack

A. Cyber Attack Recovery

- i. Cyber Attack Recovery : Upscaled ICT Infrastructure capability by appointing 28 additional people. 2 system administrators to address audit findings. 4 independent contractors appointed to assist with BI reports. 11 consultants appointed via SITA contract, 2 x Developers, 2x Business Analysts, 2x Business Intelligence, 2x Database administrators, 2x Architecture specialist, 1 x ICT Governance.
- ii. Establish a security Operations Centre 24/7 to track threats by appointing service provider in Aug 2025
- iii. DTIC – deployed 2 resources to assist in redesign of network security management.
- iv. A service provider appointed 4 disaster recovery (DRAS) and Back-up services capability in Aug 2025 to ensure data integrity + operational continuity.
- v. Network segmentation – isolate legacy systems running on unsupported operating system and thereby threatening the risk and the network.
- vi. Implementing measures to address technical vulnerabilities by procuring 2 additional firewalls- 31 March 2026.
- vii. Improved Board oversight via TechCom subcomm, established.
- viii. Disaster Recovery testing done in Dec 24 and another planned for March 2026

Update on Cyber Attack

ASSESSMENTS & COMPLIANCE STATUS

Independent Reviews & Remediation

State Security Agency (SSA) issues a report on 25th September 2025 in relation to the cyber attack incidents

- Eleven key recommendations were identified, and nine (9) were implemented.
- The two (2) that are still outstanding through the network segmentation project.

After the cyber attack incident, SSA conducted a **Technical Vulnerability Assessment in June 2025**

- About **351** vulnerabilities were identified, and to date, **94%** findings have been addressed.
- The **6%** outstanding findings are addressed through the network segmentation project.

The Auditor-General of South Africa (AGSA) reported a total of nine (9) audit findings for the 2023/24 financial year.

- **5 findings** have been successfully **closed**.
- **4 findings** are **still in progress** and are currently being addressed.

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