24th ANNUAL GENERAL MEETING

of

THE SOUTHERN AFRICAN GRAIN LABORATORY NPC



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FOREWORD BY THE CHAIRMAN

Mr. Boikanyo Mokgatle Chairman 2020/2021

It is an honour to deliver the 24th Chairperson's Report of the SAGL for the financial year 2020/2021. For the past 24 years, the SAGL focussed on the development and improvement of the capacity to provide a broad range of quality analyses required in the production, trade and processing of grains and oilseeds. It has continued to demonstrate methods of performance through participation in relevant proficiency testing schemes and use of appropriate quality control materials. The significance and value of the National Crop Quality Surveys conducted on wheat, maize, soybeans, sunflower seed and sorghum cannot be over-emphasised especially in the context of food security and food safety. These surveys serve as evidence of the grain industry's commitment to provide enough and safe food to the South African society as part of its contribution to the country's food security imperatives. The Trusts' investment in the annual Crop Quality Surveys have created a unique and extremely useful database of crop quality measurements over several seasons and regions. Due to reliability and quality, data can be used for marketing of these products locally, but even more importantly, to potential customers in the rest of the world. The Crop Protection Division of the SAGL, with both ISO 17025

accreditation and OECD GLP Compliance, forms a vital link in the chain to ensure that agricultural remedies comply with regulations. The Crop Protection laboratory was created to align with the strategic imperatives to expand the services base of the laboratory for long-term growth and sustainability. This was the fourth year since the establishment of this division and the laboratory performed well

during the period under review.

STRATEGIC INTENT, AIM AND VALUE

The Southern African Grain Laboratory is an ISO 17025 accredited institution. The focus of the laboratory is grain and oilseed quality testing conducted in the Crop Quality Division. The Plant Protection Products testing is done in the Crop Protection Division.







STRATEGIC INTENT

AIM

VALUE

To be recognised as market leader in grain and oilseed analysis and related services in Southern Africa

<u>¢sanas</u>

To be the analytical service provider of choice for the grain and oilseed industries to enhance competitiveness and sustainability

Accurate measurement,
agricultural prosperity, social
responsibility, and good
governance

Quality Division)

COMPANY HISTORY AND MILESTONES

2018 2021 2010 1997 SANAS accreditation and i Continuous testing SAGL move to Incorporation of the **OECD** Compliance for activities throughthe grain building **SAGL** the Crop Protection out COVID-19 Division (sanas (sanas pandemic 1997 2010 2017 2019 2021 1999 2018 1999 2017 2019 SANAS accreditation Launch of the 20 years SANAS Obtained **Crop Protection** accreditation (Crop

Division

BOARD OF DIRECTORS



MR BOIKANYO MOKGATLE PROCESSING: MILLING



DR ERHARD BRIEDENHANN RESEARCH



MR DEWET BOSHOFF PROCESSING: ANIMAL **FEED**



MR GERRIT ROOS PRODUCTION: SOYBEAN



MR WESSEL LEMMER STORAGE & HANDLING



MR JANNIE DE VILLIERS PRODUCTION: MAIZE (UNTIL APRIL 2021)



MR GEOFF PENNY PROCESSING: BAKING (UNTIL APRIL 2021)



MR ERWIN **POTGIETER** PROCESSING: MILLING



MR DIRK KOK TRADING

(UNITL MAY 2021)



DR DIRK STRYDOM PRODUCTION: WHEAT

(FROM APRIL 2021)



GROOTHOF PRODUCTION: MAIZE (FROM APRIL 2021)



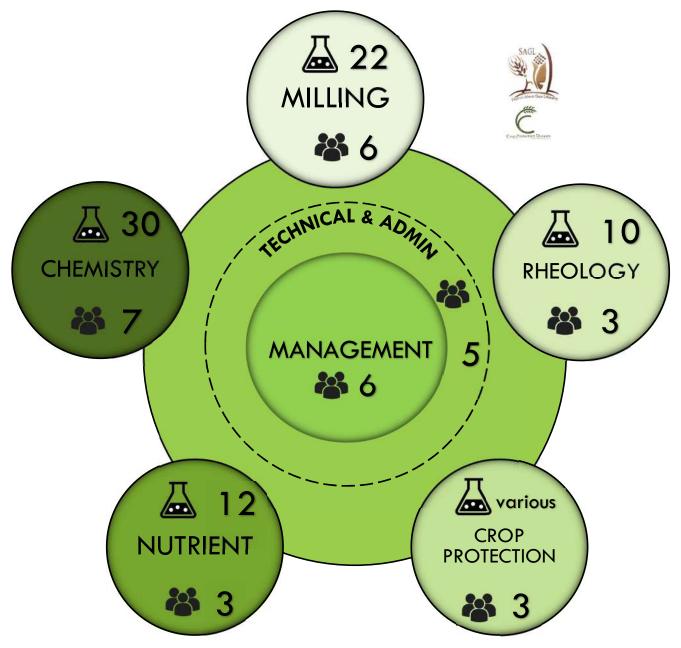
MR CRAIG BINNION PROCESSING: **BAKINGT** (FROM APRIL 2021)



MR JAAP VAN DER **WESTHUIZEN** ALTERNATE (UNTIL APRIL 2021)

The Board would like to acknowledge and appreciate the late Mr Dirk Kok for his dedication and passion showed through his contribution to the work of the SAGL. His loss was a blow for the laboratory. May His soul rest in eternal peace.

CORE BUSINESS AND CAPABILITIES



The scope of testing in the crop quality and the crop protection divisions is focused on the needs of the agricultural industry and in line with an increasingly dynamic regulatory environment, the scope is expanded to ensure continued compliance in the agricultural industry in South Africa.

The Southern African Grain Laboratory (SAGL) complies with the requirements of the international ISO/IEC 17025 standard for testing laboratories as well as the OECD Principles of Good Laboratory Practice. With this accreditation, the laboratory can provide fit-for-purpose, accurate and internationally accepted measurement results.

FOCUS AREAS

CROP QUALITY SURVEYS: Maize, Wheat, Soybeans, Sunflower and Grain Sorghum	BREEDING Wheat cultivar samples	IMPORTED wheat & maize	CUSTOMER requests	TRAINING courses offered	PROFICIENCY SCHEMES offered (Ringtests)	RESEARCH PROJECTS (Examples)
Grading, Milling and Physical testing	Milling and Physical testing	Grading, Milling and Physical testing	Grading, Milling and Physical testing	Wheat and wheat flour analysis	Grading	-Milling Index Calibration -Maize Meal Calibration -Yellow Maize Calibration
Nutritional Values	Nutritional Values	Nutritional Values	Nutritional Values	Maize meal quality analysis	Wheat flour	-Mycotoxin analyses for research study on characterising fungal communities
Rheological and baking tests (Wheat)	Rheological and baking tests	Rheological and baking tests (Wheat)	Rheological and baking tests (Wheat)	Grading	Maize meal	-Fortification analyses for new Regulations -Shelf-life studies on final wheat & maize products
Amino Acids, Vitamins, Minerals		Mycotoxins	Amino Acids, Vitamins, Minerals	ISO 17025 quality systems	Wheat colour	-Data mining of crop quality data -Investigation: recommended changes to maize grading regulations
Mycotoxins			Mycotoxins	Mycotoxins	Soybean and soybean meal quality	-Sampling devices evaluation

FOCUS AREAS (CONTINUED)

The focus areas of the Crop Protection Division:

PHYSICAL AND CHEMICAL STUDIES ON FORMULATED PLANT PROTECTION PRODUCTS

Physical tests

 CIPAC (Collaborative International Pesticides Analytical Council) methods, In-house developed methods or Sponsor methods are applied

Active ingredient

- Method development and validation - international specifications
- Quantitation: active ingredient content before and after accelerated storage stability

Packaging stability

 Visual observations and mass balance before and after storage

Stability testing

- Accelerated storage stability (2 year shelf life)
- Cold storage stability (0 °C)
- Freeze/Thaw stability

5-BATCH TESTING (OECD GLP OR ISO 17025)



5-Batch analysis is a regulatory requirement in the global Agrochemical Industry



Five or more batches of technical material, from a specific manufacturer, are analysed to determine the impurity profile and to assess the purity and concentration of the active ingredient



All relevant impurities (of toxicological significance) are quantified to ensure compliance with international specifications



This work is usually conducted according to OECD GLP (OECD Series on Principles of Good Laboratory Practice (GLP) and Compliance Monitoring)

PRESENTATIONS

- Investigation into effect of discolouration and water damage on maize quality MFSC Trade Group Meeting: February 2021
- Maize flour calibration study on White Maize Global Grain Network Meeting: March 2021
- The role of testing laboratories in food safety Food safety summit: June 2021
- Mycotoxin monitoring SA Maize and Wheat Crop Surveys Romer Labs (DSM) Webinar: May 2021
- Feedback on wheat related activities Wheat Forum Meeting: September 2021
- Feedback on sorghum related activities Sorghum Forum Meeting: October 2021
- Feedback on maize related activities Maize Forum Meeting: October 2021

POPULAR ARTICLES



- The 100 g baking test evaluation score determination, Theresa de Beer
- Local and imported wheat quality examined, Jolanda Nortjé



 Mikotoksiene – natuurlike (maar ongewenste) kontaminante onder die vergrootglas, Hannalien Meyer



- Improving quality control systems in the oilseeds industry, using proficiency schemes, Wiana Louw
- Quality testing on grain and oilseeds: a vital link in the value chain, Wiana Louw
- Registration and monitoring of agricultural remedies: the role of testing facilities, Wiana Louw



- Broodkoring nuwe kultivars vrygestel,
 Jolanda Nortjé
- Pre harvest grading proficiency schemes what is the aim? Wiana Louw
- Broodkoring nuwe kultivars sien die lig,
 Jolanda Nortjé
- Quality overview of the 2020 maize crop,
 Jolanda Nortié
- Maize discolouration and water damage what is the impact on quality? Wiana Louw
- Quality of local and imported wheat examined, Jolanda Nortjé

PROFESSIONAL AFFILIATIONS



















COMMITTEES:

Co-opted on various Industry Technical Committees Wheat Focus Editorial Committee SA-RFTL Forum: SA-Regulatory Food Testing Laboratory Forum Technical Committees of the SA Winter Cereal Industry (SAWCIT)

HUMAN CAPITAL

VACANCIES AND APPOINTMENTS

- Ilse Terblanche (Rheology) deceased
- Marlize Hammes (Chemistry) retired
- Zanele Skhosana (Nutrient) resigned

Vacancie

New appointment

- McDonald Khoza (Rheology)
- Sanele Makhoba (Nutrient)

MEET THE SAGL TEAM



PROFICIENCY TESTS OFFERED

In its capacity as reference laboratory for grains and oilseeds, SAGL offers proficiency testing to participants from South Africa and other countries in Africa. For the past four years SAGL has acted as the expert laboratory for the East African Proficiency Scheme (EAPT).

The participants use the Proficiency testing as independent assessments of their quality control measures to monitor equipment, personnel and analytical methods. These proficiency tests serve as a powerful tool for a laboratory or testing facility to demonstrate competency to stakeholders in the grain and oilseed sector. The proficiency tests offered by the SAGL are detailed below.

Please contact us for our price list and more information on check samples which we have available.

Contact Person: Theresa de Beer

Email: Theresa.deBeer@sagl.co.za

Tel: +27 12 807 4019

DESCRIPTION	INTERVAL	PRODUCT	LOCAL PARTICIPANTS	INTERNATIONAL PARTICIPANTS	COUNTRIES	TOTAL
SAGL Annual Pre-Harvest	Per Season	Maize	-	-	-	-
Maize Grading Proficiency						
Test						
SAGL Annual Pre-Harvest	Per Season	Soya beans	14	-	-	14
Soybeans Grading						
Proficiency Test						
SAGL Annual Pre-Harvest	Per Season	Sunflower	14	-	-	14
Sunflower Grading						
Proficiency Test						
SAGL Minolta Dry Colour	Bi-monthly	White bread flour &	10	1	Botswana	11
Proficiency Test		Cake flour				
SAGL Maize Grading	Quarterly	2 x White Maize	7	2	Lesotho &	9
Proficiency Test		2 x Yellow Maize			Namibia	
SAGL Maize Meal Quality	Quarterly	2 x Super Maize Meal	3	3	Swaziland,	6
Proficiency Test		2 x "Special" Maize			Lesotho,	
		Meal			Namibia &	
					Botswana	
SAGL Wheat Grading	Quarterly	Wheat	16	2	Lesotho &	18
Proficiency Test					Namibia	
SAGL Wheat and Flour	Quarterly	Wheat, Wheat flour &	20	10	Ghana,	30
Proficiency Test		Brown bread flour			Nigeria,	
					Lesotho,	
					Swaziland,	
					Senegal,	
					Namibia,	
					Cameroon,	
					Botswana	

COMPLIANCE CERTIFICATES AND AWARDS



ISO 17025 ACCREDITATION AND OECD GLP COMPLIANCE

The scope of SAGL's accreditation is aligned with the needs of the Industry. It expanded over the years as regulatory requirement and needs changed.

Technical Signatories form the backbone of a successful quality system and the development and training of laboratory personnel to become technical signatories remains a primary focus of the SAGL since 1999 when the laboratory achieved its accreditation. SAGL prides itself in maintaining this solid foundation.



ISO 17025 Accredited Since 1999
Scope: 22 Methods
Technical Signatories: 15





ISO 17025 Accredited Since 2017
Flexible Scope: HPLC & GC/GC-MS,
Density
Technical Signatories: 3





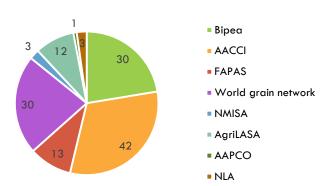
OECD Principles of GLP Compliant Since 2017 Study Directors: 2



SANAS audits/inspections during 2020/2021:

- Crop Protection Division ISO 17025 Audit: 28 October 2020
- Crop Quality Division ISO 17025 Audit: 17 & 18 February 2021
- Crop Protection Division OECD GLP Inspection: 24 & 25 November 2021

PROFICIENCY PARTICIPATION



Participation in proficiency schemes, to demonstrate competence, is used to benchmark the laboratory to the international measurement system.

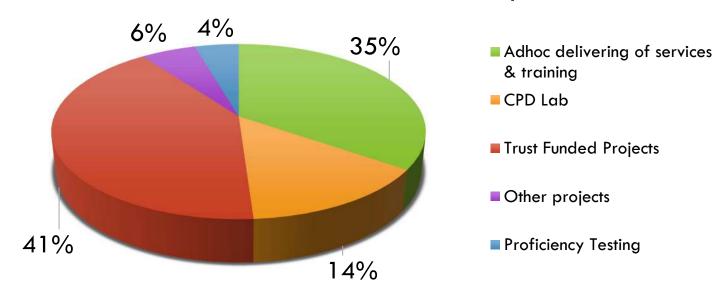
The SAGL annually analyse a total of 134 proficiency samples, 116 international and 18 local. These samples represent 630 different analyses.

FINANCIAL POSITION

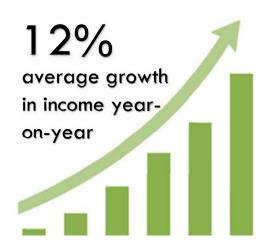
The annual financial statements were prepared on the basis of accounting policies applicable to a going concern. The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. However, Capex is required to sustain the organisation. The directors are not aware of any material noncompliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company. The Independent Auditors' Report indicates no material inconsistencies between the Directors' Report and the audited financial statements.

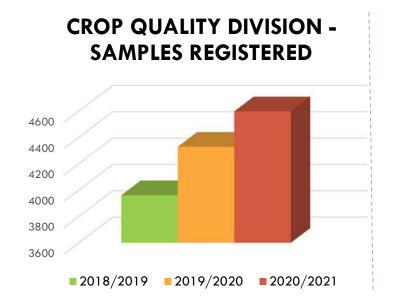
REVENUE SOURCES 2020/2021

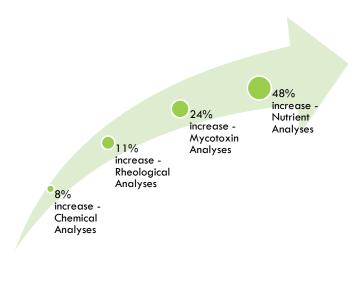






FINANCIAL POSITION (Continued)

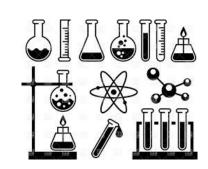




40,829

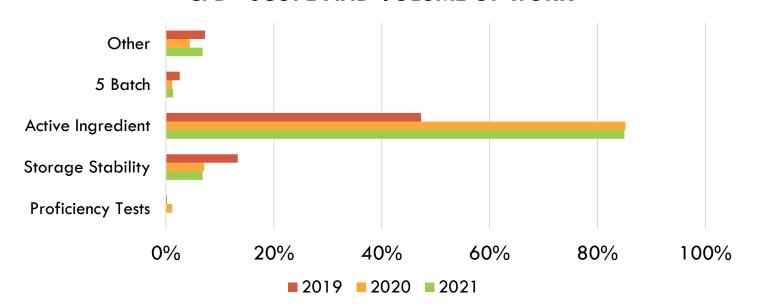


analyses conducted



338
studies registered
in the CPD laboratory

CPD - SCOPE AND VOLUME OF WORK



CONCLUSION

The SAGL continues to pride itself as the reference laboratory of choice.

The relevance and reputational structure built over the years do differentiate it from the rest and positioned it amongst the world's best institutions.

This wouldn't have been possible without the industry's continued solid support for sustainability of its structures.

The SAGL is committed... and will continue to support and enhance

ACKNOWLEDGEMENTS

Gratitude to fellow Board members for support, commitment, and strategic leadership. A special word of gratitude to Jannie de Villiers and Geoff Penny for their contribution over many years. We wish them all the best with the new phase in their lives.

To the Executive Committee members, thank you for all sacrifices and hard work.

Lastly, acknowledge the ever-hard-working management team and staff for keeping the SAGL's flag so visibly high. Your courageous and concerted efforts are highly commendable.

Mr. Boikanyo Mokgatle Chairperson 2020/2021