



NEC3 Professional Services Contract (PSC3)

Contract between **Eskom Holdings SOC Ltd**
(Reg No. 2002/015527/30)

and

for **APPOINTMENT OF INDEPENDENT ASSURANCE**
SERVICES FOR AUDIT PREDETERMINED OBJECTIVES
(AoPo) AND SUSTAINABILITY ASSURANCE

Contents:	No of pages
Part C1	Agreements & Contract Data
Part C2	Pricing Data
Part C3	Scope of Work: The Scope

CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Document reference	Title	Page no.s
	This cover page	1
C1.1	Form of Offer & Acceptance	3
C1.2a	Contract Data provided by the <i>Employer</i>	6
C1.2b	Contract Data provided by the <i>Consultant</i>	18

C1.1 Form of Offer & Acceptance

Offer

The *Employer*, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

Independent assurance and validation over selected AoPO and Sustainability Assurance KPIs, with specific focus on addressing FY2026 audit findings, data quality concerns, control weaknesses and reporting risks.

The tenderer, identified in the Offer signature block, has

<i>either</i>	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
<i>or</i>	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Consultant* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

The offered total of the Prices exclusive of VAT is	
Value Added Tax @ 15% is	
The offered total of the Prices inclusive of VAT is	
(in words)	

If Option E or G apply, for each offered total insert in brackets, "(Not Applicable – Cost reimbursable)"

This Offer may be accepted by the *Employer* by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Consultant* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

APPOINTMENT OF INDEPENDENT CONSULTING SERVICES FOR AUDIT PREDETERMINED OBJECTIVES (APOO) AND
SUSTAINABILITY ASSURANCE

Acceptance

By signing this part of this Form of Offer and Acceptance, the *Employer* identified below accepts the tenderer's Offer. In consideration thereof, the *Employer* shall pay the *Consultant* the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the *Employer* and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: The Scope

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the *Employer* during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the *Employer's agent* (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Capacity

**for the
Employer**

Eskom Holdings SOC Ltd, Megawatt Park, 1 Maxwell Drive, Sandton, Johannesburg 2199.

(Insert name and address of organisation)

Name &
signature of
witness

Date

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

APPOINTMENT OF INDEPENDENT CONSULTING SERVICES FOR AUDIT PREDETERMINED OBJECTIVES (APOO) AND SUSTAINABILITY ASSURANCE

Schedule of Deviations

Note:

1. To be completed by the Employer prior to award of contract. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here, and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1		
2		
3		
4		
5		
6		
7		

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf of (Insert name and address of organisation)

Name & signature of witness

Date

Eskom Holdings SOC Ltd, Megawatt Park, 1 Maxwell Drive, Sandton, Johannesburg 2199.

C1.2a PSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
		A: Priced Contract with Activity Schedule
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2: Changes in the law
		X7: Delay damages
		X9: Transfer of rights
		X10: <i>Employer's Agent</i>
		X11: Termination by the <i>Employer</i>
		X18: Limitation of liability
		Z: <i>Additional conditions of contract</i>
	of the NEC3 Professional Services Contract (April 2013) ¹	
10.1	The <i>Employer</i> is (Name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	

11.2(9)	The <i>services</i> are	To provide Distribution with an independent assessment of the reliability, completeness and accuracy of selected AoPO and Sustainability Assurance KPIs, with specific focus on addressing significant FY2026 external audit findings, data quality concerns, control weaknesses and reporting risks. This will enhance audit readiness, improve the quality and defensibility of reported performance information, and reduce the risk of repeat audit findings and future qualifications.
11.2(10)	The following matters will be included in the Risk Register	Cyber and IT Risk The AoPO and Sustainability Assurance review requires the consultant to access relevant systems, electronic records, KPI data and supporting information used in the reporting and assurance processes. As a result, there is a risk of cyber incidents, unauthorised system access, malware, data loss or data corruption that could compromise the integrity, availability or accuracy of information used for KPI reporting and assurance purposes. To mitigate this risk, appropriate IT security measures, access controls and system permissions will be applied, with access restricted to information required for the engagement. The consultant will also be required to comply with applicable Eskom IT security and information governance requirements. Confidentiality Risk The AoPO and Sustainability Assurance review may require the consultant to access confidential and sensitive business information, including KPI data, supporting documentation, audit evidence and other information relevant to the assurance process. Unauthorised access, disclosure, loss or misuse of this information could result in breaches of confidentiality, regulatory non-compliance and reputational damage. To mitigate this risk, appropriate confidentiality requirements and access controls will be incorporated into the contract, and the consultant will be required to safeguard all information obtained during the engagement and comply with applicable Eskom information security and confidentiality requirements. Losses arising from data loss or confidentiality breaches may also be addressed through appropriate contractual provisions.
11.2(11)	The Scope is in	Part 3: Scope of Work
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	1 week

2	The Parties' main responsibilities		
25.2	The <i>Employer</i> provides access to the following persons, places and things	access to	access date
		1	To be confirmed
			To be confirmed
3	Time		
31.2	The <i>starting date</i> is.	Upon signing of the contract	
11.2(3)	The <i>completion date</i> for the whole of the <i>services</i> is.	2 years from the start date	
11.2(6)	The <i>key dates</i> and the <i>conditions</i> to be met are:	Condition to be met	key date
		1	Not applicable
			Not applicable
31.1	The <i>Consultant</i> is to submit a first programme for acceptance within	2 weeks	
32.2	The <i>Consultant</i> submits revised programmes at intervals no longer than	2 weeks	
4	Quality		
40.2	The quality policy statement and quality plan are provided within	To be confirmed at negotiations if required	
42.2	The <i>defects date</i> is	52 weeks after Completion of the whole of the <i>services</i> .	
5	Payment		
50.1	The <i>assessment interval</i> is	between the 25th day of each successive month.	
50.3	The amount due is	As stipulated on the Task Orders and per approved assessment payment	
51.1	The period within which payments are made is	Within 30 days of receipt of a commercially and financially correct tax invoice by the Accounts Payable Department for contracts that are valued at less than R50 000 000.00 (Fifty Million Rands) and within 60 days for contracts valued at R50 000 0000.00 (Fifty Million Rands) excluding VAT and above.	
51.2	The <i>currency of this contract</i> is the	South African Rand	
51.5	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands.	

6	Compensation events	Anything that will change the time, cost or scope of the contract which includes the following but not limited to: • Client instructions changing the scope of the Services • Changes to Client-provided information, assumptions, or constraints • Failure by the Client to provide access, approvals, or information by the dates stated • Changes in law after the Contract Date • Unforeseeable events which stop the Consultant from providing the Services • Client suspension or termination-related events • Errors or ambiguities in Client-provided documents. Process to be followed to deal with compensation events is as clause 60 of the NEC professional services: • Early Warning and risk reduction meeting • Assessment of Compensation Events • Quotation and Acceptance Process • Effect on Prices and Programme
7	Rights to material	The <i>Employer</i> owns the <i>Consultant's</i> rights over material/plant prepared for this contract by the <i>Consultant</i> except as stated otherwise in the Scope or Form of Acceptance. The <i>Consultant</i> provides to the <i>Employer</i> the documents which transfer these rights to the <i>Employer</i>. The <i>Consultant</i> will not use material/ plant provided by him under this contract for other work and will not retain for his own use copies of material provided to the <i>Employer</i>.
8	Indemnity, insurance and liability	
81.1	The <i>Employer</i> provides the following insurances	Refer to Z12 of this contract read together with Annexure A.
82.1	The <i>Consultant's</i> total liability to the <i>Employer</i> for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	The total of the Prices
82.2	The Consultant's liability to the Employer is limited to that proportion of the Employer's losses for which the Consultant is responsible under this contract.	

9	Termination	Notwithstanding anything to the contrary in this Agreement, either Party may terminate the <i>Consultant's</i> obligation to provide the services by notifying the other Party for reasons specified under this core clause. Clause 90 will apply.		
10	Data for main Option clause			
A	Priced Contract with Activity Schedule			
21.4	The <i>Consultant</i> prepares forecasts of the total Time Charge and expenses at intervals no longer than	4 (Four) weeks and to be estimated at quotation time.		
11	Data for Option W1			
W1.1	The <i>Adjudicator</i> is	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).		
W1.2(3)	The <i>adjudicator nominating body</i> is:	the Chairman of the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering. (See www.ice-sa.org.za).		
W1.4(2)	The <i>tribunal</i> is:	arbitration		
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.		
	The place where arbitration is to be held is	South Africa		
	The person or organisation who will choose an arbitrator			
	- if the Parties cannot agree a choice or - if the <i>arbitration procedure</i> does not state who selects an arbitrator, is	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.		
12	Data for secondary Option clauses			
X1	Price adjustment for inflation	The prices will remain fixed for 16 months from the base date, thereafter CPA indices will apply as per SEIFSA.		
X1.1	The base date for indices is:	One month prior to tender closing date		
	The proportions used to calculate the Price Adjustment Factor are:	proportion	Linked to index for	Index prepared by
	Variable	0.85		SEIFSA
	Non-adjustable	<u>0.15</u>		
		1.00		

X2	Changes in the law	A change in the law of the project is a compensation event if it occurs after the Contract Date.
X2.1	The law of the project is	the Republic of South Africa
X7	Delay damages	
X7.3	Delay damages for late Completion of the whole of the <i>services</i> are	5% of total value of the Task Order value per day up to a maximum of 10% of the task order amount.
X9	Transfer of rights	The <i>Employer</i> owns the <i>Consultant's</i> rights over material/plant prepared for this contract by the <i>Consultant</i> except as stated otherwise in the Scope or Form of Acceptance. The <i>Consultant</i> provides to the <i>Employer</i> the documents which transfer these rights to the <i>Employer</i>. The <i>Consultant</i> will not use material/ plant provided by him under this contract for other work and will not retain for his own use copies of material provided to the <i>Employer</i>.
X10	The <i>Employer's</i> Agent	
X10.1	The <i>Employer's</i> Agent is Name: Address Tel : Email :	
X11	Termination by the <i>Employer</i>	Notwithstanding anything to the contrary in this Agreement, either Party may terminate the <i>Consultant's</i> obligation to provide the services by notifying the other Party for reasons specified under this core clause. Clause 90 will apply
X18	Limitation of liability	
X18.1	The <i>Consultant's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to:	R0.00 (Zero Rand)
X18.2	The <i>Consultant's</i> liability to the <i>Employer</i> for Defects that are not found until after the <i>defects date</i> is limited to:	The total of the prices with respect to the defective item, plus the amount of the deductibles payable with respect to the resultant damage.
X18.3	The <i>end of liability date</i> is	five years after Completion of the whole of the <i>services/task order</i>.
Z	The <i>Additional conditions of contract</i> are	Z1 to Z14 always apply.

Z1 **Cession delegation and assignment**

- Z1.1 The *Consultant* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Consultant* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

- Z2.1 If the *Consultant* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Employer* within two weeks of the Contract Date of the key person who has the authority to bind the *Consultant* on their behalf.
- Z2.3 The *Consultant* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Consultant* in writing.

Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status

- Z3.1 Where a change in the *Consultant's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Consultant's* B-BBEE status, the *Consultant* notifies the *Employer* within seven days of the change.
- Z3.2 The *Consultant* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Employer* within thirty days of the notification or as otherwise instructed by the *Employer*.
- Z3.3 Where, as a result, the *Consultant's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Consultant's* obligation to Provide the Services.
- Z3.4 Failure by the *Consultant* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *services* in addition to the amounts due in terms of core clause 92.1.

Z4 Confidentiality

- Z4.1 The *Consultant* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Consultant*, enters the public domain or to information which was already in the possession of the *Consultant* at the time of disclosure (evidenced by written records in existence at that time). Should the *Consultant* disclose information to Others in terms of clause 23.1, the *Consultant* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Consultant* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Employer*.

Z4.3 In the event that the *Consultant* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Consultant*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Consultant* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the *Employer's* project works or any portion thereof, in the course of Providing the Services and after Completion, requires the prior written consent of the *Employer*. All rights in and to all such images vests exclusively in the *Employer*.

Z5 Waiver and estoppel: Add to core clause 12.3:

Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

Z6 Provision of a Tax Invoice. Add to core clause 51

Z6.1 The *Consultant* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

Z7 Notifying compensation events

Z7.1 Delete from the last sentence in core clause 61.3, "unless the *Employer* should have notified the event to the *Consultant* but did not".

Z8 *Employer's* limitation of liability

Z8.1 The *Employer's* liability to the *Consultant* for the *Consultant's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z9 Termination: Add to core clause 90.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z9.1 or had a business rescue order granted against it.

Z10 Delay damages: Addition to secondary Option X7 Delay damages (if applicable in this contract)

Z10.1 If the *Consultant's* payment of delay damages reaches the limits stated in this Contract Data for Option X7 or Options X5 and X7 used together, the *Employer* may terminate the *Consultant's* obligation to Provide the Services.

Z10.2 If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the services in addition to the amounts due in terms of core clause 92.1.

Z11 Ethics

For the purposes of this Z-clause, the following definitions apply:

Affected Party means, as the context requires, any party, irrespective of whether it is the *Consultant* or a third party, such party's employees, agents, or Subconsultants or Subconsultant's employees, or any one or more of all of these parties' relatives or friends,

Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,

Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,

Committing Party means, as the context requires, the *Consultant*, or any member thereof in the case of a joint venture, or its employees, agents, or Subconsultants or the Subconsultant's employees,

Corrupt Action means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,

Obstructive Action means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and

Prohibited Action means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Consultant's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Consultant* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Consultant's* obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Consultant's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Consultant* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z12.1 Replace core clause 81 with the following:

81.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

81.2 The *Consultant* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover	For the period following Completion of the whole of the services or earlier termination
Liability of the <i>Consultant</i> for claims made against him arising out of his failure to use the skill and care normally used by professionals providing services similar to the <i>services</i>	Commercial and business to determine.	Commercial and business to determine.
Liability for death of or bodily injury to a person (not an employee of the <i>Consultant</i>) or loss of or damage to property resulting from an action or failure to take action by the <i>Consultant</i>	<u>Loss of or damage to property:</u> The replacement cost where not covered by the <i>Employer's</i> insurance The <i>Employer's</i> policy deductible, as at Contract Date, where covered by the <i>Employer's</i> insurance <u>Bodily injury to or death of a person:</u> The amount required by the applicable law.	Commercial and business to determine.
Liability for death of or bodily injury to employees of the <i>Consultant</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law	Commercial and business to determine.

81.3 The *Employer* provides the insurances stated in the Insurance Table B.

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document

Nuclear Material Damage Terrorism	Per the insurance policy document
--------------------------------------	-----------------------------------

Z13 Nuclear Liability

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Consultant* or any other person against any and all liabilities which the *Consultant* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Consultant* or any other person or the presence of the *Consultant* or that person or any property of the *Consultant* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Consultant* or any other person, or the presence of the *Consultant* or that person or any property of the *Consultant* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

For the purposes of this Z-clause, the following definitions apply:

AAIA	means approved asbestos inspection authority.
ACM	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.

Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Consultant* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z14.2 Upon written request by the *Consultant*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Consultant* may perform Parallel Measurements and related control measures at the *Consultant's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Consultant's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Consultant* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

Annexure A: Notes to Consultants

This is guidance to Consultants to assist their decision making about what cover to arrange in the insurance to be provided by the Consultant. The guidance is not part of the contract, and the Employer carries no liability for it. The Consultant must obtain its own advice.

1. For the purpose of works contracts, insurance provided by Eskom (the *Employer*) has been arranged on the basis of “project” or “contract” value, where the value is the total of the Prices at Completion of the whole of the works including VAT.

A “project” is a collection of contracts or work packages to be undertaken as part of a single identified capital expansion or refurbishment of a particular asset or facility.

A “contract” is a single contract not linked to or being part of a “project”.

2. There are three main “formats” of cover and deductible structure; Format A, Format B and Format Dx.

Format A is for a project or contract value less than or equal to R350M (three hundred and fifty million Rand) inclusive of VAT.

Format B is for a project or contract value greater than R350M (three hundred and fifty million Rand) inclusive of VAT.

In the case of contracts / packages within a project:

- For a contract / package of R50M which is part of a R400M project, Format B will apply
- For a contract / package of R250M which is part of a R6 billion project, Format B will apply;
- For a contract / package of R120M which is part of a R350M project Format A will apply;

For a contract which is not part of a project the same limits apply:

- For a contract of R50M, Format A will apply
- For a contract of R355M, Format B will apply.

Format Dx applies only to Distribution Division projects and contracts. If a Distribution Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover. Cover and deductibles for Distribution Division are per the relevant policy available on the internet web link given below.

Format A generally applies to Transmission Division projects and contracts. If a Transmission Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover.

3. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

Eskom Insurance Department

4. The Insurance which the *Consultant* is to provide against his liability for claims made against him arising out of his failure to use reasonable skill and care (first row in the Insurance Table of clause 81.1 in the PSC3) should also indemnify the *Consultant* for those sums which he could become legally liable to pay as damages arising from any claim first made against him and reported to Insurers sometime after Completion of the whole of the *services*. Hence the *Consultant* needs to ensure that his cover is in place at least until all his liabilities under the contract have expired. Such claims could arise out of any negligent

act, error or omission committed or alleged to have been committed by the *Consultant* in the conduct of professional services in connection with the contract.

C1.2b Contract Data

Part two - Data provided by the *Consultant*

Instructions to the tendering consultant:

1. The consultant is advised to read both the NEC3 Professional Services Contract, April 2013 and the relevant parts of its Guidance Notes (PSC3-GN)² in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on pages 158 & 159 of the PSC3 April 2013 Guidance Notes.
2. The number of the clause in the PSC3 which requires the data is shown in the left-hand column for each statement however other clauses may also use the same data.
3. Whenever a cell is shaded in the left-hand column it denotes this data is optional in PSC3 and would be required in relation to the option selected. The *Employer* should already have made the selection and deleted the rows not required.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The <i>Consultant</i> is (Name): Address Tel No. Fax No.	
22.1	The <i>key people</i> are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	
Only if required		CV's (and further <i>key persons</i> data including CVs) are appended to Tender Schedule entitled .
11.2(3)	The <i>completion date</i> for the whole of the services is	

PART 2: PRICING DATA

PSC3 Option A

Document reference	Title	Page no.s
	This cover page	21
C2.1	Pricing assumptions: Option A	22- 23
C2.2	<i>Staff rates, expenses and the task schedule.</i>	24 -25

C2.1 Pricing assumptions: Option A

1. How work is priced and assessed for payment

From Option A: Priced contract with Activity Schedule

- Identified and 11 defined terms 11.2 (17) The Price for Services Provided to Date is, for each Task, the total of
- the Time Charge for work which has been completed on time-based items on the Task Schedule and
 - a proportion of the lump sum price for each other item on the Task Schedule which is the proportion of work completed on that item.
- (20) The Prices are
- the Time Charge for items described as time based on the Task Schedule and
 - the lump sum price in the Task Schedule for each other item.

From the Core Clauses:

- Identified and 11.2 defined terms (13) The Time Charge is the sum of the products of each of the *staff rates* multiplied by the total staff time appropriate to that rate properly spent on work in this contract.

and

- Assessing the 50.3 amount due The amount due is
- the Price for Services Provided to Date,
 - the amount of the *expenses* properly spent by the *Consultant* in Providing the Services and
 - other amounts to be paid to the *Consultant* less amounts to be paid by or retained from the *Consultant*.

Any tax which the law requires the *Employer* to pay to the *Consultant* is included in the amount due.

2. Staff rates and expenses

Tendering consultants are advised to consult the NEC3 Professional Services Contract Guidance Notes before entering *staff rates* into Contract Data, or in section C2.2 which follows.

This is because *staff rates* can be established in one of three ways:

- rates for named staff,
- rates for categories of staff, or
- rates related to salaries paid to staff.

Rate adjustment for inflation, if necessary, can be based either on actual salary adjustments or by using

Option X1: Price adjustment for inflation.

Expenses associated with employing a staff member in Providing the Services can be listed separately either by the *Employer* in Contract Data provided by the *Employer* or by the *Consultant* in Contract Data provided by the *Consultant*.

As only the *expenses* listed may be claimed by the *Consultant*, all other cost to the *Consultant* associated with Providing the Services must be included within the *staff rates*.

3. The function of the Task Schedule

The Task Schedule may include items of work to be paid for on a rate (Time Charge) or on a lump sum price for the item. Any work ordered during the term of the contract – i. e. before the Completion Date – for which there is no priced item in the Task Schedule is priced using the compensation event procedure and the resulting Price is added into the Price List.

The *task schedule* is prepared by the *Employer* for the *Consultant* to price, or may be prepared jointly with the *Consultant*. It is typically priced in two parts as items of work to be carried out on a time basis and lump sum prices for other items of work. The task schedule must be as complete as possible and fully representative of all the work and *services* which the *Employer* may require the *Consultant* to carry out. The only unknown is when the work is to be carried out; the Task Order will be used to instruct when work to be done.

C2.2 Staff rates, expenses & the task schedule

The *staff rates* and *expenses* exclude VAT.

1. The *staff rates* are:

PROFESSIONAL SERVICES PRICELIST			
The rates in this section are subject to an annual escalation . The hourly fee rates expressed in this pricelist are exclusive of Value Added Tax. All % markups are not subject to escalation.			
Principal/Staff Category	Experience/Work Context	Unit	Rate per Hour (excluding VAT)

2.

The above is subject to the following:

- A request for services will be given to the *Consultant* by the *Employer* in the form of a Task Order. Signatories of both parties on the Task Order are required prior commencement of any work by the *Consultant*. A Task Order is an instruction to perform works as requested by the *Employer*.
- The level of skill (dependant on the complexity of work), amount of hours and disbursements (i.e. kilometres travelled and nights' subsistence) will be negotiated prior to the issue of the Task Order by the *Employer*.
- The escalation will only be applicable from the date of approval.
- CPI will not apply to items relating to "Actual cost"
- *Consultant* to submit a report every six months to convey to the *Employer* their coaching and knowledge transfer efforts, especially for Previously Disadvantaged Individuals.
- The hourly rates include any required travel to the Employer's regional offices and up to a 30km radius from a base (as agreed to by the *Employer's Agent*) to site.
- The travelling rates apply beyond a 50km radius from an agreed base and will be adjusted annually using the ruling Consumer Price Index.
- The first 50km of any given trip is considered free and will not be claimed from the *Employer* for travel reimbursement purposes.
- The *Consultant* will be required to provide quotation/s when the need arises for non-bill rates, for the approval of *Employer's Agent*. *Employer's Agent* has the right to reject quotation/s and do its own market research, should the *Consultant's* quotation/s not be acceptable to *Employer's Agent*. Where quotation/s are required, Eskom will not pay the *Consultant* to supply quote/s.
- The cost component from the *Consultant* for Specialised Professional and other services, will be assessed at task order level by the *Employer's Agent* prior commencement of service.

PART C3: SCOPE OF WORK

Document reference	Title	Page no's
C3.1	This cover page <i>Employer's Scope</i>	24 25-32
	Total number of pages	8

C3.1: EMPLOYER'S SCOPE

Contents

1.	Description of the <i>services</i>	26
1.1.	Executive overview	26
1.2.	Interpretation and terminology	26
2.	Specification and description of the <i>services</i>	26 - 27
3.	Constraints on how the <i>Consultant</i> Provides the Services.	28
3.1.	Management meetings	28
3.2.	<i>Consultant's key persons</i>	28
3.3.	Provision of bonds and guarantees	28
3.4.	Documentation control and retention	28
3.4.1.	Identification and communication	28
3.4.2.	Retention of documents	28
3.5.	Records and forecasting of <i>expenses</i>	28
3.6.	Records and forecasting of the Time Charge	28
3.7.	Invoicing and payment	29
3.8.	Contract change management	30
3.9.	Inclusions in the programme	30
3.10.	Quality management	30
3.11.	The Parties use of material provided by the Consultant	30
3.12.	Management of work done by Task Order	31
3.13.	Health and safety	31
3.14.	Procurement	31
3.15.	Correction of Defects	31
3.16.	Working on the Employer's property	32
3.17.	Cooperating with and obtaining acceptance of Others	32
3.18.	Things provided by the Employer	32
3.19.	Cataloguing requirements by the Consultant	32
3.20.	List of drawings	32

1. Description of the services

1.1. Executive overview

During the FY2026 external audit, findings were raised in respect of the System Average Interruption Duration Index (SAIDI). The reported achievement could not be relied upon to determine whether the approved target had been met, with the auditors noting that reported results may be either overstated or understated. This underscores the need to strengthen data quality, calculation methodologies, reporting processes, governance arrangements and the sufficiency of supporting evidence for KPI reporting. In response to these findings and to enhance confidence in reported performance information, Distribution proposes the appointment of a suitably qualified and independent consultant to perform a validation and other assurance services over selected AoPO and Sustainability Assurance KPIs ahead of the FY2027 external audit. The engagement will assess the completeness, accuracy, reliability and readiness of KPI information, including compliance with approved reporting criteria, KPI technical definitions, Shareholder Compact requirements and applicable reporting frameworks. The engagement will further evaluate the adequacy of supporting evidence, data quality controls, reporting methodologies and governance processes, while providing benchmarking and recommendations to address identified gaps and strengthen future reporting. Independent validation will support improved data quality, stronger governance and controls, enhanced audit readiness and reduced risk of repeat audit findings and qualifications.

1.2. Interpretation and terminology

The following abbreviations are used in this Scope:

Abbreviation	Meaning given to the abbreviation
AoPO	Audit of Pre-determined Objectives

2. Specification and description of the services.

The scope of work entails:

1. Obtain an understanding of the existing KPI's, reporting processes, systems, methodologies, governance arrangements and key controls.
2. Review the application of approved KPI technical definitions, methodologies, reporting criteria and relevant Shareholder Compact requirements.
3. Review the governance and methodology supporting the Measurement Specification Documents (MSDs) for the KPIs and identify areas requiring improvement.
4. Review the integrity, completeness, accuracy and consistency of KPI data and reported information.
5. Review KPI calculations, methodologies and assumptions and identify potential calculation or data quality issues.
6. Assess the adequacy of supporting documentation, audit trails and evidence maintained to support reported KPI results.
7. Review key controls, reporting processes and governance arrangements over KPI reporting.
8. Identify data quality, methodology, control, governance and reporting gaps and recommend appropriate improvements.
9. Review FY2026 AoPO and Sustainability Assurance external audit findings and related remediation actions and identify outstanding matters requiring management attention.
10. Benchmark KPI reporting and governance practices against relevant leading industry practices, or back test models for reasonableness and recommend practical improvement actions.
11. Provide advisory support to management to strengthen KPI reporting, governance, controls, supporting evidence and audit readiness.
12. Provide management with an assurance report setting out observations, identified gaps, recommendations (including external audit remediations) and proposed improvement actions.
13. Provide advisory support to management in preparing for and responding to relevant external audit queries and engagements, while management retains responsibility for all representations, responses and decisions provided to the external auditors.

Expected Deliverables

For each September and March run, the consultant will be required to provide the following tangible deliverables:

1. KPI diagnostic assessment report documenting the reporting processes, systems, methodologies, governance arrangements, key controls and risk areas for the selected KPIs.
2. KPI compliance assessment setting out the extent of alignment with approved KPI technical definitions, methodologies, reporting criteria and relevant Shareholder Compact requirements.
3. MSD governance and methodology review report identifying gaps in the Measurement Specification Documents and recommending practical improvements.
4. KPI data validation report detailing the results of procedures performed over the integrity, completeness, accuracy and consistency of KPI data and reported information.
5. KPI calculation and methodology validation report covering the calculations, methodologies, assumptions, manual adjustments and identified calculation or data-quality issues.
6. Supporting evidence and audit-trail assessment evaluating the adequacy, completeness and traceability of documentation and evidence supporting reported KPI results.
The proposed engagement will provide Distribution with an independent assessment of the reliability, completeness and accuracy of selected AoPo and Sustainability Assurance KPIs, with specific focus on addressing significant FY2026 external audit findings, data quality concerns, control weaknesses and reporting risks. This will enhance audit readiness, improve the quality and defensibility of reported performance information, and reduce the risk of repeat audit findings and future qualifications.
7. KPI controls and governance assessment documenting the design and effectiveness of key controls, reporting processes and governance arrangements.
8. Gap and improvement action register/ report detailing identified data-quality, methodology, control, governance and reporting gaps, together with recommended corrective actions, responsible stakeholders and proposed implementation timeframes.
9. External audit findings and remediation assessment report covering relevant FY2026 AoPo and Sustainability Assurance findings, the status and adequacy of remediation actions, and outstanding matters requiring management attention.

3. Constraints on how the *Consultant* Provides the Services.

3.1. Management meetings

Regular meetings of a general nature may be convened and chaired by the *Employer's Agent* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As determined by the Employer's agent	As determined by the Employer's agent	<i>Employer's Agent or delegate and Consultant</i>
Overall contract progress and feedback	As determined by the Employer's agent	As determined by the Employer's agent	<i>Employer's Agent or delegate and Consultant</i>
Model Validations	30 September, 31 January, 31 March of the duration of the contract	Microsoft Teams Meeting	<i>Eskom technical staff</i>
Presentation of valuations	Duration of the contract – per scope of work	Microsoft Teams Meeting	<i>Eskom technical staff and auditors</i>

Meetings of a specialist nature may be convened as specified elsewhere in this Scope or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the *services*. Records of these meetings shall be submitted to the *Employer's Agent* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

3.2. Consultant's key persons

The *Consultant* to submit their organisational structure to the *Employer*.

3.3. Provision of bonds and guarantees

N/A

3.4. Documentation control and retention

3.4.1. Identification and communication

Further Employer's documentation requirements shall be specified on the Task Order.

3.4.2. Retention of documents

The *Consultant* retains copies of the reports for a period of 10 years following Completion or earlier termination.

3.5. Records and forecasting of expenses

The *Consultant* shall maintain clear records of expenses and be submitted on request to the Employer.

3.6. Records and forecasting of the Time Charge

The *Consultant* shall maintain clear records of time charged and be submitted on request to the Employer.

3.7. Invoicing and payment

The following details shall be shown on or attached to each Invoice to show how the amount due has been assessed:

- Date of Invoice
- Date of delivery of Service
- Invoice Number
- Invoice Amount excluding VAT
- PO Number
- Task Order Number
- GR Number
- Payment Status (either Paid or Unpaid)

The statement will also reflect the following summaries:

- Invoice payments outstanding <= 30days
- Invoice payments outstanding > 30days <=60 days
- Invoices payment outstanding > 60days <=90 days
- Invoices payment outstanding > 60days <=90 days
- Invoices payment outstanding > 90days
- Total of Invoices where the *Consultant* has received payment
- Total of Invoices where the *Consultant* is awaiting payment

The *Consultant* shall address the tax invoice to ESKOM HOLDINGS SOC LIMITED and include on it the following information:

- Name and address of the *Consultant* and the *Employer*.
- The contract number and title.
- *Consultant's* VAT registration number.
- The *Employer's* VAT registration number 4740101508.
- Description of service provided for each item invoiced based on the Price List.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.

Within one week of assessing the amount due by *Consultant* in terms of core clause 50.1, the *Consultant* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Employer's Agent's* payment certificate.

The *Consultant* shall comply with the *Employer's* E-Invoicing process when submitting invoices for payment. The *Consultant* must at all times comply with Eskom's Vendor Management System requirements to ensure invoices are processed and paid timeously. It is the *Consultant's* responsibility to ensure that Eskom is informed of any changes in its organisation that would affect its vendor status, and to ensure that the necessary actions and due diligences are taken to ensure compliance with the Vendor Management System. The Employer will not be held responsible for the delay on payment of invoices as a result of the Consultant's non-compliant status on the Eskom Vendor Management System and no interest will be claimable in this instance.

2.6.1 Payment Item Descriptions

The descriptions given for the payment items in the Price List, indicate the work to be allowed for in the tendered rates and prices for such payment items, and are for the guidance of the *Consultant* and do not necessarily repeat all the details of work and materials required by and described in the *Employer's* Scope.

2.6.2 Prices to be Inclusive

The *Consultant* shall accept the payment provided in the Contract and represented by the rates and prices tendered by him in the Price List, as payment in full for executing and completing the work as specified.

Where the *Consultant* has priced an item as "nil" or "0-00" it will be deemed that no charges are or will be incurred against such an item. In the event of no price having been entered against any item, the tendered rate, price, or sum will be taken as "nil" or "0-00".

2.6.3 Measurement Meetings

The *Consultant* shall attend meetings with the *Employer's Agent* where all matters concerning payment shall be discussed. In particular the *Contractor* shall submit for the meeting a monthly statement together with all calculations and supporting data in substantiation of any payments.

3.8. Contract change management

Any additional requirements to the compensation event clauses in section 6 of the core clauses; such as the use of standard forms will be confirmed at the time of the compensation event.

3.9. Inclusions in the programme

As specified on the Task Order.

3.10. Quality management

The *Consultant* shall comply with the quality requirements contained in Part 5 - Quality Requirements to this *Employer's* Scope.

The *Consultant* shall:

- Develop and implement a **Quality Method Statement** based on ISO 9001 and specific to the contract scope of work. The Quality Method Statement shall address all business management processes applicable to the contract and demonstrate how Eskom's requirements will be consistently achieved and maintained.
- Maintain an approved **Quality Policy** aligned with the organization's strategic direction and documented **Quality Objectives** that support the effective delivery of the contracted services.
- Maintain documented information defining **roles, responsibilities and authorities** relevant to the scope of work. Objective evidence may include organizational charts, job descriptions, work instructions, duty statements, procedures, manuals, and similar documented information.
- Maintain documented information for the **Control of Externally Provided Processes, Products and Services**, including the selection, management, monitoring, and evaluation of suppliers, subcontractors, and other external service providers that may impact quality and contractual compliance.
- Make all quality-related documentation available to Eskom upon request and ensure that the above requirements are implemented and maintained throughout the contract period.

3.11. The Parties use of material provided by the Consultant

Employer's purpose for the material

Clause 70.1 states that the *Employer* has the right to use the material provided by the *Consultant* for the purpose stated in the Scope, for any purpose.

Restrictions on the *Consultant's* use of the material for other work

As specified on the Task Order.

Transfer of rights

The *Employer* owns the *Consultant's* rights over the designs and reports prepared for this contract by the *Consultant* except as stated otherwise on the scope.

The *Consultant* shall not challenge or assist any other party challenging at any time the validity or ownership of any of the intellectual property rights relating to the material created and developed for this contract.

3.12. Management of work done by Task Order

The Task order which lists the items of services to be carried out will be prepared by the *Employer* and will be sent to the *Consultant* to price as per the agreed Eskom standard rates.

3.13. Health and safety

The *Consultant* shall at all times comply with the health and safety requirements prescribed by law as they may apply to the *services*.

The *Consultant* shall comply with the health and safety requirements contained in Part 3 – Safety Requirements of this Scope of Work

3.14. Procurement & SDL&I

BBBEE and preferencing scheme

SANAS accredited BBBEE certificate or valid sworn affidavit (DTI template, duly completed, dated and signed by both deponent and the commissioner of oaths, and stamped by the commissioner of oaths) or CIPC BBBEE Certificate for EME companies.

SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals**Transformation – BBBEE Improvement or Retention Plan**

Transformation remains an area of focus, where Eskom continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialization, create employment and contribute to skills development.

Eskom encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific goals, Eskom also requests that tenderer/s submit/s their B-BBEE improvement or retention plan within 30 days of signing the contract.

Tenderer/s are therefore requested to indicate the extent to which they will maintain (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period if their B-BBEE status is level 2 or 3. Tenderer/s with a B-BBEE status level 4 at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of B-BBEE Level 3 by the end of the first year of the contract and thereafter improve their B-BBEE status level or migrate by one level higher.

Tenderer/s with a B-BBEE recognition status of Level 5 to Level 8 or non-compliant at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of Level 4 by the end of the first year of the contract and thereafter improve at least one B-BBEE Level higher of each year from the second year of the contract.

Tenderer/s are requested to submit their B-BBEE Improvement Plan as an essential document within 30 days of signing the contract.

NB: A valid B-BBEE certificate or Sworn Affidavit is a condition for contract award, if your company's annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you can submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Small Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless an entity is at least 51% Black owned you are required to obtain a Sworn affidavit. If your Annual Total Revenue is above R50m you need to submit a Valid B-BBEE certificate

Local Procurement Content

"Local Procurement Content" refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component. The services will be rendered within the borders of South Africa; local procurement content is 100%.

Procurement spends on entities with a minimum 51% black ownership

Tenderers are encouraged to procure/spend on designated groups on the following paid invoices for both:

- the indirect expenses (e.g. overheads) on goods and services supplied to the contractor/supplier by designated groups; and
- direct spend on goods and services supplied by the subcontractors for the execution of the scope of work.

Activities, as a proportion of the local procurement content, which may be subcontracted to designated black owned enterprises are recorded in a table below.

Procurement from Designated Group	Eskom target	Tenderer proposal
Black Owned	5.0%	
Black Women Owned	3.0%	
Black Youth Owned	2.0%	
Black Persons with Disability	1.0%	

Jobs.

Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Potential jobs directly attributable to the contract: Junior KPI/data analyst; assurance graduate or trainee; reporting and evidence-support administrator.

Type of Jobs to be created	Number of Jobs to be created
Selection on the potential jobs indicated above	Minimum of 3

Type of Jobs to be retained	Number of Jobs to be retained
Tenderer to propose	

Skills development

Tenderers are required to identify and develop candidates to be upskilled in the SFIA (Skills Framework for Information Age) skills profiles listed below. The candidates selected for skills development shall be currently unemployed graduates from university, schools and technical, vocational, education and training (TVET) campuses of South Africa.

Tenderers are required to propose scope-aligned development for currently unemployed graduates from South African universities and technical and vocational education and training (TVET) colleges. Relevant development areas are KPI data validation and reconciliation; calculation and methodology testing; interpretation and application of approved KPI technical definitions, MSDs and reporting criteria; controls and governance assessment; sustainability-performance information; evidence management and audit trails; and findings, remediation tracking and report preparation. Supervised trainees shall not replace the experienced specialists responsible for independent review and quality assurance

The threshold will be as follows to ensure successful implementation of this initiative:

- ✓ The successful tenderer will be obligated to **skill one** candidate for every **R2 Million** spend cumulatively through purchase orders/instructions awarded to the supplier.
- ✓ The tenderer will be expected to submit a letter of competence/proof of attendance/service contract/certificate of compliance as proof that a candidate has been appointed for work experience. The supplier will be required to implement this requirement within a month after the threshold is reached.

Candidates shall be from all provinces in the country, and their composition shall be a representative of the population demographics of South Africa.

The process of developing these skills shall involve the participation by tenderers directly and through their supply network. In certain cases, the SETA's accredited training providers can be approached to participate in developing critical and scarce skills.

Note: Tenderers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers also are advised to approach their relevant SETAs to access grants, subsidies and incentives as well as South African Revenue Services for tax rebates that are earmarked for skills development initiatives.

SDL&I Retention and Performance Security

Eskom will apply a retention of 2.5% of the invoice amount for failure to meet SDL&I obligations.

As security for the fulfilment of SDL&I obligations, Eskom will apply a retention of 2.5% on every invoice amount (excluding VAT) for failure to submit SDL&I performance reports biannually; or failure to meet the SDL&I obligations in this contract. The retained amounts shall only be released to the contractor upon:

- The tenderer will be expected to submit their performance reports on a biannual basis towards SDL&I obligations.
- Should the report yield non-compliance results, Eskom will retain 2.5% of the invoice amount.
- Should the compliance results be positive, Eskom will release the retained funds to the tenderer.

Reporting and Monitoring

- The suppliers shall submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 60 (sixty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.

Preferred subconsultants

N/A

Subcontract documentation, and assessment of subcontract tenders

The *Consultant* shall be responsible for Providing the Service. The *Consultant* submits the name of each proposed Subconsultant to the *Employer* for acceptance as per Clause 24.2.

Limitations on subcontracting

The *Employer* may require that the *Consultant* must subcontract certain specialised work, or that the *Consultant* shall not subcontract more than a specified proportion of the whole of the contract.

Attendance on Subconsultants

The *Consultant* shall be responsible to attend to their Subconsultants. All requirements stated in the *Employer's* Scope shall be subjected to Subconsultant.

3.15. Correction of Defects

Correction of defects will be 4 (four) weeks from when a defect has been formally notified.

3.16. Working on the Employer's property

Most of the work is performed outside the *Employer's* property; however, should there be a need to do work on the *Employer's* property it will be confirmed at Task order level. All Eskom procedures shall be maintained.

***Employer's* entry and security control, permits, and site regulations**

The *Consultant* shall at all times comply with the Eskom health and safety requirements as well as the requirements prescribed by the site location or the law as they may apply to the services.

People restrictions, hours of work, conduct and records

It is very important that the *Consultant* keeps records of his people working on the *Employer's* property, including those of his Sub-consultants. The *Employer's Agent* shall have access to these records at any time. These records may be needed when assessing compensation events.

Normal business hours will apply unless otherwise stated on the task order.

3.17. Cooperating with and obtaining acceptance of Others

The *Consultant* will co-operate with Others in obtaining and providing information which they need in connection with the services.

Where necessary to provide the services, the *Consultant* may hold or attend meetings with Others. The *Consultant* will inform the *Employer* of these meetings beforehand, and the *Employer* may attend them.

3.18. Things provided by the Employer

The *Employer* will provide any available information or data that may be related to and required for Providing the Service, if available.

3.19. Cataloguing requirements by the Consultant

As stipulated on the Task Order.

3.20. List of drawings**Drawings issued by the Employer**

As stipulated on the Task Order.

Drawing number	Revision	Title