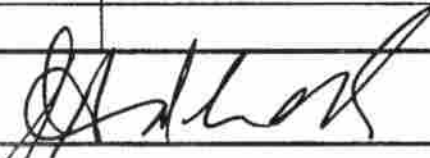


## Annexure B

<b>NOTICE TO ATTEND DISCIPLINARY HEARING PERSONAL DETAILS</b>			
<b>NAME OF THE ALLEGED OFFENDER:</b>	Mr Matshela Koko	<b>UNIQUE NO.:</b>	0676209
<b>DEPARTMENT:</b>	Generation Division	<b>POSITION:</b>	Group Executive, Generation
<b>ALLEGATIONS OF MISCONDUCT</b>			
See attached Annexure 1.			
<b>GENERAL</b>			
Having regard to all the allegations levelled against you as set out above, Eskom will at the hearing of this matter argue that :			
<ol style="list-style-type: none"> <li>1. The misconducts levelled against you are of a serious nature.</li> <li>2. Your conduct has the potential of exposing Eskom to legal and reputational risk.</li> <li>3. The charges individually and cumulatively have resulted in a complete breakdown in the relationship of trust and confidence between you and Eskom.</li> <li>4. If found guilty, Eskom will, given the seriousness of the misconduct, submit that a sanction of dismissal be issued.</li> </ol>			
<b><u>ADMINISTRATIVE DETAILS</u></b>			
<b>BE ADVISED THAT THE DISCIPLINARY HEARING WILL TAKE PLACE AT:</b>			
<b>DATE:</b>	To be advised	<b>TIME:</b>	To be advised
<b>PLACE:</b>	To be advised		
<b>MANAGER'S SIGNATURE</b>			
<b><u>RIGHTS</u></b>			
Kindly take note that you have the following rights:			
<ul style="list-style-type: none"> <li>• To present your case/defence</li> <li>• To call witnesses</li> <li>• To be legally represented, at your own cost. Eskom will also be legally represented.</li> </ul>			
Kindly note further that if you fail to attend the hearing, the hearing will continue in your absence.			

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The parties must exchange all relevant documentation to be relied upon at the hearing at least 24 hours prior to the enquiry.

**SERVICE**

SERVED BY:		RECEIVED BY:	
SIGNATURE		SIGNATURE:	
DATE:		DATE:	

**AT THE DISCIPLINARY ENQUIRY HELD AT ESKOM HOLDINGS SOC LIMITED  
MEGAWATT PARK, SUNNINGHILL**

In the matter between:

**ESKOM HOLDINGS SOC LIMITED**

Employer

and

**MATSHELA KOKO**

Employee

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**ALLEGATIONS REGARDING MISCONDUCT**

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**NOTIFICATION**

- 1 This Charge Sheet has 2 sections, namely –
  - 1.1 The allegations regarding the alleged conflict of interest; and
  - 1.2 The allegations which emanate from a complaint by a whistle-blower.
- 2 Eskom reserves the right to supplement, amend or vary the charges set out below.

**CHARGE 1: MISCONDUCT 2.1: CONTRAVENES OR FAILS TO COMPLY WITH ESKOM'S CONDITIONS OF SERVICE, AGREEMENTS WITH TRADE UNIONS, OPERATING REGULATIONS, SECURITY AND/OR SAFETY MEASURES, PROCEDURES, DIRECTIVES AND APPLICABLE STATUTORY REQUIREMENTS**

**Count 1**

- 3 You knew or reasonably ought to have known prior to August/September 2016 that your stepdaughter, Ms Choma, was appointed as a non-executive

director at Impulse International Proprietary Limited ("Impulse International"), and acquired a shareholding.

- 4 Despite the above, you failed, alternatively neglected to, disclose your relationship/s in accordance with Eskom's policies and procedures. Accordingly, it is alleged that you contravened or failed to comply with Eskom's conditions of service, agreements with trade unions, operating regulations, security and/or safety measures, procedures, directives and applicable statutory requirements.

### **Count 2**

- 5 You knew or reasonably ought to have known that your wife and Mr Pather had business dealings. *What about it?*
- 6 You alleged that you were informed in February 2017 that Ms Choma was a beneficiary to the Mokoni Trust, which held a 35% shareholding in Impulse International since 21 September 2016. You also stated that at that stage you declared her interest in the Mokoni Trust to Eskom. You did so through the submission of a declaration of interest e-form in which you declared that Ms Choma "... is a beneficiary in a Trust which owns 35% interest in Impulse ..." and further that the circumstance under which a conflict of interest could arise was "if the company does business with Eskom." It is therefore contended that the declaration was inadequately completed, alternatively completed in such a manner as to mislead Eskom in that –
  - 6.1 There was no full declaration of the extent of Impulse International's contractual relationship with Eskom, its value and that most of the contracts were awarded after Ms Choma had become involved with Impulse International;
  - 6.2 There was no declaration that Impulse International was in fact doing business with Eskom; and
  - 6.3 The declaration, in other words, suggested that a conflict of interest could arise, without a full disclosure that a conflict of interest had already arisen.

- 7 You took no steps to declare the conflict or perceived conflict of interest forthwith (or at least within five days) in accordance with Eskom's conflicts of interest policy.
- 8 Accordingly, it is alleged that you contravened or failed to comply with Eskom's conditions of service, agreements with trade unions, operating regulations, security and/or safety measures, procedures, directives and applicable statutory requirements.

**CHARGE 2: MISCONDUCT 2.27: IS NEGLIGENT IN THE PERFORMANCE OF HIS DUTIES**

- 9 You were negligent in the performance of your duties in relation to your interaction and/or engagement with Impulse International.
- 10 You failed or neglected to confront alternatively instruct an employee of Eskom to confront Mr Pather for an explanation of why Impulse International did not make disclosure of the conflict or perceived conflict of interest having regard to Ms Choma's role in Impulse International.

**CHARGE 3: MISCONDUCT 2.29 COMMITS AN ACT OR OMISSION, WHICH IS DETRIMENTAL TO ESKOM ALTERNATIVELY, MISCONDUCT 2.28 IS NEGLIGENT IN THE PERFORMANCE OF HIS DUTIES**

- 11 You knew, alternatively should have known, that at the time when Ms Choma transferred 25% of her shareholding into the Mokoni Trust, the Mokoni Trust was awarded a further 10% shareholding.
- 12 You failed, alternatively neglected, to enquire and/or investigate either personally alternatively instructing an employee of Eskom to enquire and/or investigate -
  - 12.1 the basis upon which, or the terms on which Ms Choma, acquired the 25% shareholding in Impulse International when you became aware of it during August / September 2016;
  - 12.2 the commercial terms upon which the additional 10% shareholding in Impulse International was transferred to the Mokoni Trust and/or;

- 12.3 the reasons why the Mokoni trust was awarded a further 10% shareholding in Impulse International;
- 12.4 the reason(s) for the Impulse International contracts being either emergency or sole sourcing contracts, without a tender process having been followed; and/or
- 12.5 why was it that after Ms Choma became involved with Impulse International, the number of contracts it acquired from Eskom had gone from an initial contract (concluded during 2014) to a further 9 contracts with a total combined value of R380 million.
- 13 Accordingly, you committed an act or omission, which is detrimental to Eskom, alternatively you were negligent in the performance of your duties.

**CHARGE 4: MISCONDUCT 2.1: CONTRAVENES OR FAILS TO COMPLY WITH ESKOM'S CONDITIONS OF SERVICE, AGREEMENTS WITH TRADE UNIONS, OPERATING REGULATIONS, SECURITY AND/OR SAFETY MEASURES, PROCEDURES, DIRECTIVES AND APPLICABLE STATUTORY REQUIREMENTS**

- 14 It is alleged that you knew alternatively should have known further alternatively failed alternatively neglected to enquire and/or investigate either personally alternatively instructing an employee of Eskom to enquire and/or investigate whether Impulse International –
- 14.1 was appointed without Eskom complying with the relevant procurement policies and procedures; and/or
- 14.2 was paid without complying with the relevant policies and procedures.
- 15 Accordingly, it is alleged that you contravened or failed to comply with Eskom's conditions of service, agreements with trade unions, operating regulations, security and/or safety measures, procedures, directives and applicable statutory requirements.

**CHARGE 5: MISCONDUCT 2.1: CONTRAVENES OR FAILS TO COMPLY WITH ESKOM'S CONDITIONS OF SERVICE, AGREEMENTS WITH TRADE UNIONS, OPERATING REGULATIONS, SECURITY AND/OR SAFETY MEASURES,**

**PROCEDURES, DIRECTIVES AND APPLICABLE STATUTORY REQUIREMENTS ALTERNATIVELY MISCONDUCT 2:35: CONDUCTS HIMSELF/HERSELF IN A WAY THAT IS REASONABLY REGARDED AS UNACCEPTABLE IN TERMS OF ESKOM'S VALUES AND ETHICS**

- 16 You undermined alternatively usurped the authority of some members of your executive team when you were appointed as the interim Group Chief Executive("GC"). Therefore you contravened or failed to comply with Eskom's conditions of service, agreements with trade unions , operating regulations, security and/or safety measures, procedures, directives and applicable statutory requirements, alternatively you conducted yourself in a way that is reasonably regarded as unacceptable in terms of Eskom's values and ethics. *How.*
- 17 On or about 1 February 2017 you issued an instruction/s to Frans Sithole ("Sithole"), a Project Director of the Kusile power station project, who in turn informed Mr Abram Masango ("Masango"), the Group Executive: Group Capital about the instruction -
- 17.1 Mr Gopal Kambi ("Kambi"), a Project Manager for a consultant company at Kusile (Arup Tata) must be removed from the Kusile power station project. *Kambi*
- 17.2 GTC Company must be removed from the Kusile power station project.
- 17.3 Mr France Hlaukudi ("Hlaukudi"), a Senior Manager: Contract Management must be removed from the Kusile power station project.
- 18 Both Sithole and Masango met with you to understand the reasons for your instructions. Your response was that Sithole must look for reasons in order to comply with your instructions. If not, you would do it yourself.

**CHARGE 6: MISCONDUCT 2.1: CONTRAVENES OR FAILS TO COMPLY WITH ESKOM'S CONDITIONS OF SERVICE, AGREEMENTS WITH TRADE UNIONS, OPERATING REGULATIONS, SECURITY AND/OR SAFETY MEASURES, PROCEDURES, DIRECTIVES AND APPLICABLE STATUTORY REQUIREMENTS ALTERNATIVELY MISCONDUCT 2:35: CONDUCTS**

**HIMSELF/HERSELF IN A WAY THAT IS REASONABLY REGARDED AS UNACCEPTABLE IN TERMS OF ESKOM'S VALUES AND ETHICS**

- 19 It is alleged that you removed the Kusile Tender Committee's submission to negotiate with the ERI for cabling units 1 to 6 and instructed that the scope should be awarded to ABB.
- 20 Accordingly, it is alleged that your conduct was in contravention of Eskom's Procurement and Supply Management Procedure 32-188.
- 21 Without derogating from the generality of clause 20 above, Eskom contends that you have disregarded and undermined the decisions of properly constituted committees established in terms of Eskom's Policies and/or Procedures, and/or disregarded and/or undermined and/or failed to follow the recommendations and decisions established in terms of Eskom's Procurement Policies.