

JOINT STATEMENT BETWEEN ESKOM AND DELOITTE CONSULTING

Date: 20 March 2020

ESKOM AND DELOITTE CONSULTING REACH AGREEMENT ON SERVICE DISPUTE

Friday - 20 March 2020: Eskom and Deloitte Consulting are pleased to announce that they have reached a settlement in a legal dispute and that the agreement will be made an order of court in due course. The agreement reached today resolves an outstanding dispute between the parties over services provided by Deloitte Consulting to Eskom from April 2016 to September 2017.

In terms of the agreement, Deloitte Consulting will repay an amount of R150 million to Eskom, representing a portion of the original fees invoiced, in full and final settlement of the matter. The settlement amount was determined after extensive negotiation between the parties in order to avoid protracted and costly litigation.

The parties further agreed:

1. Investigations completed by Eskom and Deloitte showed no evidence of state capture or corruption;
2. Eskom benefited from the services that Deloitte Consulting rendered during the period of engagement, and Eskom continues to benefit from these services;
3. There were technical irregularities within the procurement process, and Deloitte Consulting accepts that it participated in this irregular procurement process; and
4. Deloitte Consulting is entitled to compensation for the value it delivered to Eskom.

ENDS