

## Annexure 1

### BOARD POSITION

1. Background: The Eskom Board was appointed on 20 January 2018 and directed to immediately remove all Eskom executives who were facing allegations of serious corruption and other acts of impropriety. The Board was mandated to address the 'looting' and corruption through State Capture; appoint a new credible Executive; address the identified governance, ethical and procurement failures at Eskom. This mandate has been successfully achieved
2. Since its appointment in January 2018 the Board has, notwithstanding the Board Committee meetings, had **36 Board meetings (1.5 meetings/month)** as at end February 2020 and taken decisions and actions, those within its control for immediate implementation and others with recommendations and actions within proposed timeline.
3. Some of the key decisions and actions of the Board since 2018 are:
  - 3.1 The appointment of credible executive management.
  - 3.2 A comprehensive Board submission and appearance at Zondo Commission on State Capture.
  - 3.3 From the onset and at the first meeting in January 2018, the Board resolved that 'No employee should be doing business with Eskom' and anyone found to be doing business would be in violation and face disciplinary action including dismissal.
  - 3.4 Created the new governance structure and initiated the turnaround strategy at Eskom.
  - 3.5 Initiation of the unbundling process which was endorsed and improved upon by the Presidential and Ministerial Task Teams.
  - 3.6 Various disciplinary processes had been embarked upon, with a number of successes in the drive to 'root out corruption' as per the Board's initial mandate.
  - 3.7 Highlighting and explaining the critical financial position of Eskom which contributed to the explicit Government support in February 2019 Budget announcement. This was followed with the special appropriation for further support which was approved by Parliament in 2019.
  - 3.8 As Board started losing Members, it had recognized and escalated the need for more capacity on the Board.
4. Recently and following the appointment of the new Group Chief Executive, the Board took the following key decisions in January 2020:
  - 4.1 Approved as a matter of priority, a "Planned Predictable Process" of fixing the operations of Eskom, which has been communicated, implemented and is being tracked and reported.
  - 4.2 Approved the initiation of Eskom's Divisionalisation programme as the first step towards unbundling.
  - 4.3 Approved the new GCE to restructure the Exco in such a manner that it delivers on its key performance indicators and deliverables as per agreed compacts. This has been tabled and approved with certain areas for review, and is at the implementation stage, being tracked and reported.

- 4.4 The Board will provide oversight and not become operational AND will hold the Exco accountable for delivery on its agreed key performance indicators and key performance areas.
- 4.5 Eskom has now a Plan of how to address its current situation and its future going forward
5. Some of the other successes following the engagements of Board and the SIU, that has led to the recovery of monies, amongst others are:
- Court decision on the Tegeta matter in favour of Eskom.
  - Initiating the MYPD Court process.
  - Trillian contract.
  - Recovery of money from Mckinsey.
  - Dismissal of previous executives and refund of pension payouts.
6. Further information and details are reflected in the presentation and supporting documentation submitted hereto with the pack.