



20 November, 2019

RESPONSE TO AMABUNGANE'S ENQUIRY

- 1. KPMG submitted the proposal to Eskom, with Nkonki as a sub-contractor. This was on the basis that KPMG had previously worked with Nkonki on other assignments and were of the view that Nkonki had the necessary skills and experience to assist in the delivery of this particular assignment. KPMG received confirmation from Eskom dated 24 January 2017, confirming that a contract is in place between Eskom Holdings SOC Limited and Nkonki (Pty) Ltd for a period of 3 years for provision of Strategic, Business and Management Consulting and Professional services. Therefore, KPMG proceeded to accept Nkonki as a sub-contracting party to the agreement.
 - a. On 7 March 2017, Eskom informed KPMG that the Panel C registrations were completed, and that we could choose a sub-contracting party from the Panel C listing.
 - b. As indicated above, the RFP stated an open choice, and Nkonki were included in our proposal submission as a sub-contractor.
- 2. We are not aware of any instruction issued to KPMG or other firms.
- 3. KPMG is not aware of this claim. We delivered on the mandate according to what was required and reviewed all work performed by Nkonki prior to submission to Eskom. The work performed was in accordance with the mandate.
- 4. KPMG was awarded 4 contracts, one of which we partnered with Nkonki.
- 5. Yes, KPMG has reviewed its relationship with Nkonki and assessed the respective files for the work that was performed.
- 6. During 2017, KPMG reviewed its relationship with Nkonki. We believe that we took appropriate steps in this regard at the time, including receiving written representations from them on a number of matters.

For more information, please contact:

Dudu Ndlovu Head of Communications