 Eskom	Policy	
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Title: **Safety, Health, Environment,
and Quality (SHEQ) Policy**

Document Identifier: **32-727**

Alternative Reference Number: **N/A**

Area of Applicability: **Eskom Holdings SOC Limited**




Functional Area: **Sustainability**

Revision: **1**

Total Pages: **10**

Next Review Date: **August 2016**

Disclosure Classification: **Public**

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Date: <u>19/11/2012</u>	Date: <u>28/11/13</u>	Date: <u>16/2/14.</u>

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1. Introduction

As a South African state-owned electricity utility, Eskom Holdings SOC Limited has the greater role to play from a social, moral, and legal obligation to safeguard and protect people, the environment, and its assets, while providing sustainable electricity solutions to grow the economy and improve the quality of life of people in South Africa and in the region.

Eskom's operations are underpinned by six values:

Zero Harm	Eskom will strive to ensure that zero harm befalls its employees, contractors, the public and the natural environment
Integrity	Honesty of purpose, conduct and discipline in actions, and respect for people
Innovation	Value-adding creativity and results oriented. Lead through excellence in innovation
Sinobuntu	Caring
Customer Satisfaction	A commitment to meet and strive to exceed the needs of the receivers of products and services
Excellence	Acknowledged by all for exceptional standards, performance and professionalism

The implementation of this policy will be in line with the above six values and their implication for the way in which Eskom operates.

Eskom supports South Africa's growth and development aspirations. To do this effectively, Eskom must consistently provide stakeholders with confidence that its activities are managed sustainably, effectively, and efficiently for the benefit of the South African economy. This is achieved by adopting safety, health, environment, and quality (SHEQ) management as a business imperative for sustainable business performance and continual improvement.

The SHEQ Policy and its implementation aim to ensure alignment to the Eskom vision, values, and other sustainable business imperatives, where Zero Harm means ensuring that harm is not inflicted on the environment, Eskom's assets, its employees, contractors, and service providers, as well as members of the public affected by its operations, infrastructure, and operational activities.

Eskom's commitment is to ensure protection of human lives and well-being, environmental duty of care, protection of assets, and customer satisfaction by applying the plan-do-check-act (PDCA) quality cycle in Eskom's activities.

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2. Policy Content

2.1 Policy Statement

Eskom is South Africa's primary electricity supplier and, as such, generates, transmits, and distributes electricity to industrial, mining, commercial, agricultural, and residential customers. It also sells electricity to municipalities, which, in turn, redistribute it to businesses. In doing so, Eskom shall supply reliable and affordable electricity within a challenging business, social, natural, and political environment, without compromising future sustainability, the aim of which is to ensure control over Eskom's activities to prevent harm to its employees, contractors, and service providers, as well as members of the public, and achieve environmental duty of care and quality in the provision of electricity to Eskom's customers and the protection of its assets.

Eskom will integrate safety, health, environment, and quality requirements into activities, so that decisions made ensure the consideration of economic development, environmental quality, and social equity to continually improve performance and achieve stakeholder requirements.

Eskom's commitment to safety, health, environment, and quality management is achieved through:

1. implementation of management systems in accordance with ISO 9001, ISO 14001, and OHSAS 18001 requirements;
2. achieving compliance with applicable legislative and other requirements to which Eskom subscribes and, in the absence of these, setting standards to meet the intent of this policy;
3. addressing the needs and expectations of Eskom's electricity customers and stakeholders;
4. setting SHEQ objectives and measuring performance against these with the objective of continual improvement;
5. conducting risk-based medical surveillance;
6. SHEQ training and awareness for employees;
7. engaging stakeholders by promoting open communication and engagement that is SHEQ purpose-driven;
8. ensuring that Eskom's suppliers and service providers meet Eskom's SHEQ requirements;
9. ensuring that adequate resources are available for SHEQ management; and
10. a proactive drive in managing Eskom's environmental footprint, prevention of pollution, pursuing a low-carbon future, and prioritising energy and water efficiency and conservation within and outside Eskom by transitioning to a cleaner energy mix.

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2.2 Policy Principles or Rules

Eskom's principles and rules that underpin the way in which it approaches SHEQ are as follows:

1. Poor quality performance and all occupational and environmental incidents are preventable.
2. SHEQ performance is achieved through establishing a Zero Harm culture. This culture is developed by habitually making sound and responsible SHEQ decisions.
3. Management is accountable for SHEQ, and each employee is responsible for SHEQ.
4. Eskom shall conduct business with respect and care for people, the environment, and its assets.
5. Eskom will strive to ensure that Zero Harm befalls its employees, contractors, the public, and the natural environment:
 - Zero fatalities
 - Zero injuries
 - Zero environmental incidents
 - Zero tolerance
 - Zero defects
6. Conformance to Eskom's Life-saving Rules applies to all employees, contractors, and visitors. Eskom's Life-saving Rules are as follows:
 - Open, isolate, test, earth, bond, and/or insulate before touch.
 - Hook up at heights.
 - Buckle up.
 - Be sober.
 - Permit to work.
7. No operating condition, or urgency of service, justifies exposing anyone to negative risks arising out of Eskom's business, causing an incident with health, safety, environmental, and quality consequences.
8. Governance, decision-making processes, and strategies are based on SHEQ objectives and criteria.

3. Supporting Clauses

3.1 Scope

Eskom's business covers the entire electricity value chain – from the construction of infrastructure to the operation and maintenance of these facilities for the generation, transmission, and distribution of electricity to customers.

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The operating functional structure of Eskom is set out below, and it forms part of Eskom's value chain and includes the following elements:

- Construction (managed by the service functions)
- Primary energy (managed by the service functions)
- Generating electricity (managed by the operating functions)
- Transmitting and distributing electricity (managed by the operating functions)
- Customer service (managed by the operating functions)
- Service and strategic function key issues (safety, health, environmental, and quality issues) are accountable for ensuring the shaping and safeguarding of SHEQ practices, but the responsibility for SHEQ lies in the entire Eskom value chain

3.1.1 Purpose

The purpose of this policy is to set the framework for SHEQ management within Eskom to ensure uniformity across the business to achieve Customer Satisfaction and Zero Harm.

3.1.2 Applicability

This policy shall apply throughout Eskom Holdings SOC Limited divisions, subsidiaries, and entities in which Eskom has a controlling interest, including identified contractors.

This policy shall be made available to the public on Eskom's Internet site as and when requested.

3.2 Normative/Informative References

Parties using this document shall apply the most recent edition of the documents listed in the following paragraphs.

3.2.1 Normative

- [1] ISO 9001 Quality Management Systems
- [2] OHSAS 18001 Occupational Health and Safety Management Systems – Requirements
- [3] ISO 14001:2004 Environmental Management Systems
- [4] Constitution of the Republic of South Africa Act No. 108 of 1996
- [5] National Environmental Management Act No. 107 of 1998
- [6] Occupational Health and Safety Act No. 85 of 1993
- [7] Compensation for Occupational Injuries and Diseases Act No. 130 of 1993
- [8] Mines Health and Safety Act No. 29 of 1996.

3.2.2 Informative

- [9] The United Nations Global Compact

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[10] International Labour Office Occupational Health and Safety Conventions and Recommendations.

3.3 Definitions

Definition	Explanation
Accident	Any unplanned event arising out of, and in the course of, an employee's employment and resulting in personal injury, illness, or death of the employee, including damage and/or environmental pollution or degradation.
Continual improvement	Recurring activity to increase the ability to fulfil requirements.
Contractor	Any employer formally contracted (directly or indirectly) by Eskom and who performs work or supplies a service, product, equipment, or material for the purposes of advancing Eskom's business or other interests. This includes personal contractors (that is, consultants) and third-party contractors (that is, vendors, suppliers, service providers, agents, joint ventures, principal contractors, and subcontractors).
Environment	The surroundings within which humans exists and that are made up of: <ul style="list-style-type: none"> i. the land, water, and atmosphere of the earth; ii. micro-organisms and plant and animal life; iii. any part or combination of (i) and (ii) and the interrelationships among and between them; and iv. the physical, chemical, aesthetic, and cultural properties and conditions of the foregoing that influence human health and well-being.
Eskom	Eskom Holdings SOC Limited
Incident	Any unplanned event that could or does result in harm, damage, and/or environmental pollution or degradation or gives rise to an accident or has the potential to lead to an accident.
Management system	System to establish policy and objectives and to achieve those objectives.
Occupational accident	An unexpected and unplanned incident arising out of, or in the course of, work, which results in a fatal or non-fatal occupational injury.
Occupational disease	A disease contracted as a result of an exposure to risk factors arising from work activity.
Occupational health and safety	Deals with the prevention of occupational injuries and diseases as well as the protection, promotion, and maintenance of the health of all employees and other workers (including temporary workers and contractors). It includes occupational hygiene, occupational safety, occupational medicine, occupational nursing, fire safety, public safety, and emergency preparedness.

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Definition	Explanation
Occupational injury	Any personal injury, disease, or death resulting from an occupational accident.
Quality	Degree to which a set of inherent characteristics fulfils requirements.
Safety	The management and control of associated risks to provide an environment that is safe for people to work in, including members of the public.
Stakeholder engagement	The process used by an organisation to engage relevant stakeholders to achieve accepted outcomes.
Zero Harm	Eskom will strive to ensure that Zero Harm befalls its employees, contractors, the public, and the natural environment. This includes zero fatalities, zero injuries, zero environmental incidents, zero tolerance, and zero defects.

3.4 Abbreviations

Abbreviation	Explanation
ISO	International Organisation for Standardisation
PDCA	Plan, do, check, act
SHEQ	Safety, health, environment, and quality

3.5 Roles and Responsibilities

- 3.5.1** The Chief Executive has a mandate to ensure that SHEQ obligations are discharged and has the overall accountability for ensuring that this policy is implemented.
- 3.5.2** Group and/or divisional executives shall be accountable for ensuring the effective development and implementation of management systems that comply with ISO 9001, ISO 14001, and OHSAS 18001 standards through the integration of SHEQ management in business operations and the provision of resources to achieve this.
- 3.5.3** Line managers and/or supervisors shall be responsible for SHEQ issues at work. This primarily means the prevention of non-conformities in work execution. It shall be the line manager and/or supervisor's responsibility to ensure that work is carried out in accordance with established procedures and instructions.
- 3.5.4** Eskom's "Life-saving Rules" are conditions of employment, and therefore, every employee is responsible for the SHEQ aspects of his/her work by adhering to established procedures and work instructions and has a responsibility for preventing occupational injuries and diseases, incidents, environmental degradation, and poor-quality performance from occurring.

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3.6 Process for Monitoring

The implementation of, and compliance with, the policy shall be monitored, audited, and reviewed, which includes self-assessments, assurance reviews, internal Assurance and Forensic audits, and audits related to management systems.

4. Acceptance

This document has been seen and accepted by:

Name	Designation
B Dames	Chief Executive
C Henry	Acting Chief Financial Officer
D Marokane	Acting Group Executive – Group Capital
E Johnson	Group Executive – Enterprise Development
T Govender	Group Executive – Generation
K Lakmeeharan	Acting Group Executive – Technology and Commercial
BE Bulunga	Group Executive – Human Resources Division
MM Ntsokolo	Group Executive – Transmission
Dr SJ Lennon	Group Executive – Sustainability
A Noah	Group Executive – Distribution
T Molefe	Group Executive – Customer Service
K Lakmeeharan	Divisional Executive – Office of the Chief Executive
K Maharaj	Divisional Executive – Primary Energy

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5. Revisions

Date	Rev.	Remarks
August 2010	0	This policy supersedes 32-94 and 32-7 SHE and Quality Policies. The contents of both policies were revised and incorporated into one policy, which was reallocated the reference number 32-727 in accordance with the Eskom Documentation Centre (EDC) requirements.
August 2013	1	Update of policy based on revision date, while taking into account Eskom's strategic imperatives, changed structure, and additional Eskom values.

6. Development Team

The policy was developed by the Sustainability and Human Resources Divisions.

7. Acknowledgements

Nil.

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