

PREAMBLES FOR PRICING

Travel and Subsistence Expenses, Rates, Tools and Software

1. Travel and Subsistence Expenses:

All travel not stated on the Task Order will need to be pre-approved by the Requesting Manager. Travel and Subsistence expenses are subject to Eskom Standard Travel and Subsistence guidelines. Revised rates will be sent to the Consultant as and when revised. All claims must be accompanied by detailed supporting documents and must be claimed within one calendar months of incurrence.

Office Based Contractors: All values shown are inclusive of VAT

Mileage:

Only business related KM's will be reimbursed at the KM rate. Home- work home is not reimbursable. The traveller must attach the kilometre calculation to the expenditure claim to verify that the kilometres claimed are reasonable. The traveller should attach proof of reputable map (e.g. Google Maps) confirming the distances between the two locations. Parking and tollgate costs incurred while on official business trip are reimbursable. The traveller has to supply the proof of expenses on original receipts when submitting a claim.

KM rate:

Business km R3.18/km. Proof of toll fees paid to be submitted. Rates are inclusive of maintenance costs.

Accommodation for Business Travel:

Limited to R1400 inclusive of VAT and Tourism Levy per night with bed, dinner and breakfast including 2 soft drinks at dinner, parking and Wi-Fi if available. Maximum 3 star rating. Where dinner and/or breakfast is not taken/provided, the domestic accommodation and subsistence expenditure, inclusive of VAT and Tourism Levy, will be in accordance with the maximum allowable rates of Room only at R1100/night and Bed and Breakfast R1200/night. Where a higher star grading accommodation is used at the rate equivalent to or lower than for a lower star grading as prescribed in the directive above, an audit trail to be kept and attached to the travel claim. Overnight accommodation for contractor is limited to instances where the distance travelled by road (by the contractor) exceeds 500km to and from the destination (return journey). Manager's discretion required when safety is impacted by this requirement. Claims for meals are prohibited if the hotel/other accommodation rate already include meals (i.e. breakfast, lunch, dinner). This implies that if the hotel offers breakfast and dinner rate, the contractor can only claim a meal for lunch. Otherwise booking room only and claim 3 meals. The claim for meals will be in line with Eskom Conditions of Service.

All additional expenses such as private phone calls, newspapers, alcohol drinks, toiletries, movies, tips for porters etc. shall be for the Travellers' own account and must be settled by the Traveller at

the time of departure. The Traveller should inform the establishment if she/he expects to be arriving later than the expected arrival time to ensure that the reservation is not cancelled or a cancellation fee is charged. If the Traveller does not check-in at all without any prior notification to the establishment, a no-show fee will be charged and is regarded as fruitless and wasteful expenditure. The Traveller will be responsible for any fruitless and wasteful expenditure incurred due to no-show or late cancellation where it was his/her ability to cancel the booking on time.

Car Rentals:

Car rental limited to Economy 4-5 door manual with air-conditioning. Employees are required to make use of cost-effective travel arrangements. The minimum safety requirements for any rental vehicle will include power steering, airbags and an Anti-lock Braking System (ABS). Vehicle must also feature air-conditions. The Employees should book a rental vehicle for the period that is actually required for official business.

A different class of vehicle (Intermediate or Standard Utility Vehicle) may be rented if required for a particular terrain. Mountainous and gravel roads are considered difficult terrain and vehicles with higher ground clearance may be required. The vehicle type e.g. 4x4 and the reason for requesting it must be clearly specified in the travel request under additional comments before approval of the travel request. The travel request must be pre-approved.

Flights:

Flights limited to economy class. Air travel booking for domestic travel should be approved at least seven (7) working days before departure. Implement the best-fare-of-the-day (including low cost carriers). If exceptional circumstances necessitate a change to a booking and it has a cost implication, it must be authorized by a Senior Manager of the Requesting Manager. These changes should be kept to a minimum as they result in fruitless and wasteful expenditure. Travellers should limit the number of changes to air tickets.

The cost incurred as a result of changes requested by a Traveller for his/her convenience or lack of discipline will be for the Traveller's personal account. The cost for changes as a result of changed business requirements or any circumstances outside the Travellers control will be carried by Eskom Holdings SOC Limited.

Cost of Meals:

Travelling on Eskom business: Maximum amount of R158.50 (VAT included) per meal. Meals included in accommodation rates will be excluded from the allowance e.g. breakfast cannot be claimed if the accommodation rate includes breakfast.

Breakfast - No breakfast may be claimed if the accommodation rate includes breakfast.

Lunch - No lunch may be claimed if the accommodation rate includes lunch.

Dinner - No dinner may be claimed if the accommodation rate includes dinner.

Other - Tips for meals are for the traveller's own account. Receipts for meals should be kept and attached to the claim form. In cases where receipts are lost, the traveller should submit and affidavit. The claim can only be processed once approval has been obtained from the Authorising Official / Senior Manager of the Requesting Manager. Travellers will not be reimbursed for any consumable items taken from mini bars in a hotel. Where absence from the place where the Consultant is on the establishment is a normal feature of the Consultant's duties, the Consultant is not entitled to reimbursement for the cost of meals.

Travel Bookings:

To be made and paid for by Consultant. This must then be claimed back once a month together with all other Travel & Subsistence expenses on a VAT invoice, and include all the relevant documentation. Travel shall be conducted at the safest way possible. Travellers must insure that their travel arrangements are cancelled should they no longer require the trip. On approving travel requests every manager should consider:

- a) The necessity to travel
- b) The benefit to the institution
- c) The most cost-effective option

International Travel and Subsistence:

To be allowed for in accordance with the Employer's international travel and subsistence guidelines.

Other services must include and is provided for in the hourly rates: Provision of Personal Protective Equipment (PPE) in accordance with the relevant Eskom standards and OHS Act. Standard issue is limited to a hardhat, goggles, earplugs, reflector vest, safety boots, and cost borne by the Consultant. Any additional items will be for the cost of the contractor. Tools to perform duties including: Provision of communication equipment including Laptop with data connection and data bundles, Microsoft Office software, cell phone with airtime, Portable printer and stationary. Medical certificate (fit for work to be performed, entry and exit medical).

Site Based Contractors: All values shown are inclusive of VAT**Mileage:**

Only business related KM's will be reimbursed at the KM rate. Home-work home is not reimbursable (including travelling time and km's from site accommodation to site camp, site accommodation location to be noted on task order).

KM rate:

Business km R3.18/km. Proof of toll fees paid to be submitted. Rates must be inclusive of maintenance costs

Fixed daily allowance

Fixed daily allowance per day for calendar month No fixed daily allowance for Site Clerks as Site Clerks must be sourced local to the site.

Vehicle

Site based contractors will be required to have a site suitable vehicle and provision for this to be included in the Fixed Daily Allowance. Not all resources will be required to conduct advanced 4X4 training - only resources identified for this requirement must be trained.

Home Trip

The contractor is to be allowed one home-site return trip per month if the contractor has not relocated to site with his/her family. The contractor must prove that they travelled. No monthly home site return trip for Site Clerks as Site Clerks must be sourced local to the site. Travel time for home trip is not compensated.

Accommodation:

The provision of accommodation allowance is covered in the fixed daily allowance for site based contractors.

Flights

Flights limited to economy class. Air travel booking for domestic travel should be approved at least seven (7) working days before departure. Implement the best-fare-of-the-day (including low cost carriers). If exceptional circumstances necessitate a change to a booking and it has a cost implication, it must be authorized by a Senior Manager of the Requesting Manager. These changes should be kept to a minimum as they result in fruitless and wasteful expenditure. Travellers should limit the number of changes to air tickets. The cost incurred as a result of changes requested by a Traveller for his/her convenience or lack of discipline will be for the Traveller's personal account. The cost for changes as a result of changed business requirements or any circumstances outside the Travellers control will be carried by Eskom Holdings SOC Limited.

Cost of Meals

Where absence from the place where the contractor is on the establishment is a normal feature of the contractor's duties, the contractor is not entitled to reimbursement for the cost of meals. The provision of food allowance to be covered in the fixed daily allowance for site based contractors.

Travel bookings

To be made and paid for by Consultant. This must then be claimed back once a month together with all other Travel & Subsistence expenses on a VAT invoice, and include all the relevant documentation. Travel shall be conducted at the safest way possible. Travellers must insure that their travel arrangements are cancelled should they no longer require the trip. On approving travel requests every manager should consider:

- a) The necessity to travel
- b) The benefit to the institution
- c) The most cost-effective option

Other services must include and is provided for in the hourly rates: Provision of Personal Protective Equipment (PPE) in accordance with the relevant Eskom standards and OHS Act. Standard issue is limited to a hardhat, goggles, earplugs, reflector vest, safety boots, and cost borne by the Consultant. Any additional items will be for the cost of the Consultant. Tools to perform duties including: Site Supervisor: Aluminium Pilot Briefcase, 5M Tape, Digital Camera, 3 x Memory Cards,

Rubber Mallet, Binoculars, 240/12V Charger with 4 rechargeable batteries. Site Manager: Aluminium Pilot Briefcase, 5M Tape, Digital Camera, 3 x Memory Cards, Rubber Mallet, Binoculars, 240/12V Charger with 4 rechargeable batteries, Vernier, Measuring Wheel, Laser Rangefinder. Provision of communication equipment including Laptop with data connection and data bundles, Microsoft Office software, cell phone with airtime, Portable printer and stationary (for site based contractors if not provided in site office). Medical certificate (fit for work to be performed, entry and exit medical). If site based contractors are temporarily moved to another site for a short duration, office based rates for accommodation/travel/food etc. will apply. To be pre-approved by the Requesting Manager.

2 Rates:

Ministerial Determination (Basic Conditions of Employment Act, (1997), Section 50(10) of the Act. TAP has applied for a Ministerial Determination according to the Basic conditions of Employment Act.

Overtime worked must be in line with the approved conditions as follows:

Overtime is worked on a voluntary basis but must be pre-approved.

Weekly overtime limitation is 10 hours per week, may not be exceeded by more than 20 hours.

Overtime worked in excess of 10 hours per week, must be remunerated at 1.75 the ordinary hourly rate.

Overtime up to 10 hours per week is to be pre-approved by the Requesting Manager and paid at the normal hourly rate.

Overtime from 11 to 20 hours per week is to be pre-approved by the Requesting Manager, his/her Senior Manager and the Employer's Agent and paid at 1.75 the ordinary hourly rate. This process will be managed separately.

Prior permission must be obtained from the Project/Department Manager. In exceptional cases verbal permission may be obtained from the Manager, but approval needs to be formalized during the next working week. A copy of the signed form must be sent to the HR Department.

Maximum allowance for travelling on sites with extreme travel conditions, where normal travel rates are not sufficient to cover expenses. Allowance is based on the site conditions and is to be determined prior to the commencement of work and will be assessed on a case by case basis based on the supporting documentation provided. The applicable sites and allowance will be discussed and agreed with the Employer's Agent.

Should the employee be already residing local-to-site (i.e. primary residence and the site camp is in same vicinity), fixed daily subsistence allowance to be approved by Employer's Agent. Acting Site Managers process – The need for an Acting Site Manager is still the Employer's prerogative and will be assessed on a case by case basis. The applicable sites, proposed candidates etc. will be discussed and agreed with the Employer's Agent. Training as part of the Consultant's succession plans are for the Consultant's account.