

# The CEO Water Mandate

As a signatory to the UN Global Compact, Eskom can endorse the CEO Water Mandate and pledge its commitment to the principles and annually report on progress in supporting and promoting compliance with the principles. Eskom is committed to, and reliant on, water as a primary input and, therefore, has a vested interest in securing control over water sources and services.

## Direct operations and supply chain

Eskom pledges to undertake the following actions, where appropriate, over time:	Strategy to achieve this
Conduct a comprehensive water-use assessment to understand the extent to which the company uses water in the direct production of goods and services	<ul style="list-style-type: none"> <li>• Water management, groundwater and sewage plant reviews were conducted at all coal-fired power stations to assess the status and effectiveness of water management practices, and to promote water conservation and water demand management</li> <li>• Water management reviews are conducted every two years</li> <li>• Water use license audits are conducted as per license conditions.</li> <li>• Blue and Green Drop assessments are conducted at all power stations in compliance to the Water Services Act.</li> <li>• Water Accounting Directive for implementation across all coal fired power stations to ensure accounting and management.</li> <li>• An Environmental Requirements for Coal Contracting Purposes Procedure has been developed and implemented to ensure that all coal mines supplying Eskom meet the necessary legal requirements.</li> </ul>
Set targets for our operations related to water conservation and waste-water treatment, framed in a corporate cleaner production and consumption strategy.	<ul style="list-style-type: none"> <li>• The water targets determination and measurement of water performance document was developed for the organisation' to set targets accordingly.</li> <li>• Water targets are set for individual stations on an annual basis, the performance was measured on a monthly basis and the annual performance was reported in the Annual Report. The target for the financial year was 1.35 l/USO against the target of 1.35.</li> <li>• The Water Accounting Directive was approved and this will enable Eskom to monitor and account for water usage at the coal-fired power stations in a more detailed manner</li> </ul>
Seek to invest in and use new technologies to achieve these goals.	<ul style="list-style-type: none"> <li>• Eskom's adaptation strategies and mitigation plans include the adoption of dry-cooling technology for</li> </ul>

### Primary Energy Division

Megawatt Park Maxwell Drive Sunninghill Sandton PO Box 1091 Johannesburg 2000 SA  
Tel +27 11 800 1111 Fax +27 86 663 9855 [www.eskom.co.za](http://www.eskom.co.za)

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	<p>future new power stations (unless the power station is sited near the coast and sea-water is used for cooling purposes)</p> <ul style="list-style-type: none"> <li>• Eskom is also committed to adopting the most economically feasible, water-efficient, sustainable option on gaseous emission technologies in line with local and international environmental standards and regulations</li> <li>• The water conservation and water demand management programme has considered investments in new water-efficient technologies that can be utilised to reduce water consumption in Eskom</li> </ul>
Raise awareness of water sustainability within corporate culture	<ul style="list-style-type: none"> <li>• As part of the Water Conservation and Water Demand Management Programme the WCWDM Programme is developed as a strategic initiative to be implemented.</li> <li>• Eskom sponsored and participated in the inaugural South African Water and Energy Forum.</li> <li>• The Chief Executive is the water champion on behalf of Business Leadership South Africa, and water is being profiled as a major risk to business.</li> <li>• Water Situation Report was presented.</li> </ul>
Include water sustainability considerations in business decision-making (water in decision making)	<ul style="list-style-type: none"> <li>• The Integrated Resource Plan 2010 and Eskom's Investment Plans consider water was included in the criteria in the development SA's IRP availability and access as a key determinant for generation mix, power station technology choices, and siting of new power stations</li> <li>• Research underpins the technology vision and direction of Eskom and ensures the sustainability of the business through balanced financial, social and environmental decision making while at the same time building and sustaining Eskom's skills and core competencies – Centre of Excellence</li> </ul>

## Supply Chain and Watershed Management

<b>Eskom pledges to undertake the following actions, where appropriate, over time:</b>	<b>Strategy to achieve this</b>
Encourage suppliers to improve their water conservation, quality monitoring, waste-water treatment, and recycling practices.	<ul style="list-style-type: none"> <li>• Environmental and water strategies are in place and plans are being implemented in the new coal supplier's contracts.</li> </ul>
Build capacities to analyse and respond to watershed risk.	<ul style="list-style-type: none"> <li>• Eskom has approved the budget that focuses on Technical Plan over the next five years to ensure all power stations are compliant to the Zero Liquid Effluent Discharge (ZLED) philosophy and licence requirements.</li> </ul> <p>Eskom negotiated agreements in place for water supply agreements to develop and implement water supply infrastructure transferring water to other catchments – power stations.</p>

## Collective Action

Eskom pledges to undertake the following actions, where appropriate, over time:	Strategy to achieve this
Build closer ties with civil society organizations, especially at the regional and local levels	<p>The following approaches/processes were listed for collective action:</p> <ul style="list-style-type: none"> <li>• Eskom has entered into a Memorandum of Agreement with the Water Research Commission on water and waste related research and development.</li> <li>• Eskom has signed a Memorandum of Understanding (WC/WDM) that seeks to promote water conservation and water demand management in the power generation sector and industry.</li> <li>• The Joint Initiative Agreement (JIA) has been signed with the major coal mining houses to identify opportunities for joint collaboration and solutions to the mine water management challenges</li> <li>• The Strategic partnership with the major coal mining houses is in place to implement effective mine water and waste management solutions.</li> <li>• Eskom participates in the catchment management agencies, water user associations.</li> <li>• Eskom participates in the Eskom/Mpumalanga Principals Forum to identify opportunities for water supply to develop solutions for communities and municipalities through financial and human resources as well as capacity building and development support.</li> </ul>
Work with national, regional and local governments and public authorities to address water sustainability issues and policies, as well as with relevant international institutions – e.g., the UNEP Global Programme of Action.	<ul style="list-style-type: none"> <li>• Eskom's engagements with the Department of Water Affairs on key policy/legislative changes include the current updating of the National Water Resources Strategy that Eskom has representation on various national task teams such as the Water Sector Leadership and the Water Conservation and Water Demand Management Task Team</li> </ul>
Encourage development and use of new technologies, including efficient irrigation methods, new plant varieties, drought resistance, water efficiency and salt tolerance.	<ul style="list-style-type: none"> <li>• Eskom continues to invest strongly in the research and demonstration of new technologies and solutions</li> <li>• The research is focused on the division's needs and the strategic challenges faced by the organisation.</li> <li>• Research outputs are in line with the strategic and operational needs of Eskom.</li> <li>• Research underpins the technology vision and direction of Eskom and ensures the sustainability of the business through balanced financial, social and environmental decision making while at the same time building and sustaining Eskom's skills and core competencies.</li> <li>• Eskom explores synergistic opportunities between Eskom's Energy Demand Site Management and water conservation and demand management programmes in both domestic and agricultural sectors</li> </ul>
Be actively involved in the UN Global Compact's Country Networks	<ul style="list-style-type: none"> <li>• Eskom is a member of the National Business Initiative (NBI) and the WBSCD. Eskom endorsed the UN CEO Water Mandate.</li> </ul>
Support the work of existing water initiatives involving the private sector –	<ul style="list-style-type: none"> <li>• 2010: Eskom participated in the Carbon Disclosure Project (CDP) water disclosure. The South African</li> </ul>

e.g. the Global Water Challenge; UNICEF's Water, Environment and Sanitation Program; IFRC Water and Sanitation Program; the World Economic Forum Water Initiative – and collaborate with other relevant UN bodies and intergovernmental organizations – e.g. the World Health Organization, the Organisation for Economic Co-operation and Development, and the World Bank Group.	<p>report, through the National Business Initiative (NBI), was presented at the UN Global Compact's International CEO Water Mandate meeting in Cape Town in November 2010.</p> <ul style="list-style-type: none"> <li>The South African response to CDP water disclosure has been extremely positive, with all six of the 302 target companies listed on the Johannesburg Stock Exchange submitting responses, and a further six South African companies responding on a purely voluntary basis, including Eskom.</li> </ul>
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## Public Policy

<b>Eskom pledges to undertake the following actions, where appropriate, over time:</b>	<b>Strategy to achieve this</b>
Contribute inputs and recommendations in the formulation of government regulation and in the creation of market mechanisms in ways that drive the water sustainability agenda.	
Exercise “business statesmanship” by being advocates for water sustainability in global and local policy discussions, clearly presenting the role and responsibility of the private sector in supporting integrated water resource management.	<ul style="list-style-type: none"> <li>BLSA and participation.</li> </ul>
Partner with government, businesses, civil society and other stakeholders – for example, specialized institutes such as the Stockholm International Water Institute, UNEP Collaborating Centre on Water and Environment, and UNESCO's Institute for Water Education – to advance the body of knowledge, intelligence and tools.	<ul style="list-style-type: none"> <li>Eskom has signed the Memorandum of Understanding (MoU) with the Department of Water Affairs that promotes water conservation and water demand management in the power generation sector and industry;</li> <li>Eskom and the Water Research Commission (WRC) have water research projects established in terms of projects integration and funding if mutually beneficial.</li> <li>Strategic partnership has been established between Eskom and the major mining houses and the aforementioned mining houses to jointly, undertake studies related to water and waste management in order to quantify future impacts of excess mine water and mine closure rehabilitation.</li> </ul>
Join and/or support special policy-oriented bodies and associated frameworks – e.g. UNEP's Water Policy and Strategy; UNDP's Water Governance Programme.	

## Community Engagement

Eskom pledges to undertake the following actions, where appropriate, over time:	Strategy to achieve this
Endeavour to understand the water and sanitation challenges in the communities where we operate and how our businesses impact those challenges.	
Be active members of the local community, and encourage or provide support to local government, groups and initiatives seeking to advance the water and sanitation agendas.	<p>Eskom voluntarily participated in blue and green drop program:</p> <ul style="list-style-type: none"> <li>• Improve consumer confidence regarding the quality of water that Eskom supplies the communities.</li> <li>• Comply with the Water Services Act (WSA).</li> <li>• One of the Strategic Objectives is to become a greener organisation. This initiative will demonstrate Eskom's commitment in supporting, promoting and driving the environmental sustainable projects</li> </ul>
Undertake water-resource education and awareness campaigns in partnership with local stakeholders.	
Work with public authorities and their agents to support, when appropriate, the development of adequate water infrastructure, including water and sanitation delivery systems.	<ul style="list-style-type: none"> <li>• Eskom has over the past 40 years contributed to the development of an extensive network of pipelines and dams with the South African Department of Water Affairs (DWA) especially on the Mpumalanga Highveld.</li> <li>• This has been done through partnering with DWA in either directly contributing to the infrastructure development financially or by joint involvement in projects.</li> <li>• These projects, primarily aimed at providing a secure water supply to the power stations and their associated collieries, has had a significant impact on the viability of supplying water to both industries in the area and water for domestic use.</li> </ul>

## Transparency

Eskom pledges to undertake the following actions, where appropriate, over time:	Strategy to achieve this
Include a description of actions and investments undertaken in relation to The CEO Water Mandate in our annual Communications on Progress for the UN Global Compact, making reference to relevant performance indicators such as the water indicators found in the Global Reporting Initiative (GRI) Guidelines.	<ul style="list-style-type: none"> <li>• Eskom reports on water as per the GRI principles and King III Integrated Sustainability Reporting requirements.</li> <li>• Eskom has also reported its water use performance information as part of the Carbon Disclosure Project: Water Disclosure for the past two years.</li> <li>• Eskom is a signatory to the UN Global Compact in good standing with "active" status.</li> </ul>

<p>Publish and share our water strategies (including targets and results as well as areas for improvement) in relevant corporate reports, using – where appropriate – the water indicators found in the GRI Guidelines.</p>	<ul style="list-style-type: none"><li>• Eskom reports on water as per the GRI principles and King III Integrated Sustainability Reporting requirements.</li><li>• Eskom has also reported its water use performance information as part of the Carbon Disclosure Project: Water Disclosure for the past two years.</li><li>• Eskom, as a strategic water user, has an added responsibility to play a leading role in the management of this precious resource, while leveraging its role of setting a foundation for growth and development as well as creating a sustainable economy, not harmful to the environment.</li></ul>
<p>Be transparent in dealings and conversations with government and other public authorities on water issues.</p>	<ul style="list-style-type: none"><li>• Partnerships with key stakeholders are geared toward developing a clear and shared understanding of priority needs and interests; of issues that create risk for companies, governments, and communities alike; and of company and stakeholder actions that should result in mutual benefit.</li><li>• Disclosure of a company's intent in policy engagement, as well as the outcomes of the engagement itself, helps ensure alignment with specific water policy goals and sustainable water management more generally.</li><li>• Catchment management and community engagement focuses on improving local- and regional-level water-resource policy development and implementation</li></ul>