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Read more online at [www.exxaro.com](http://www.exxaro.com) under the investors tab



Read more in this report

The PDF of this report is hyperlinked. Click on a web or page reference for easy navigation.

### Material themes



Adapting to a changing context



Responsible environmental stewardship



Building sustainable communities



Enabling a thriving workforce



Executing our strategy



Driving business resilience



Principled governance

### Strategic objectives



Transition at speed and scale



Make our minerals and energy businesses thrive



Empower people to create impact



Be carbon neutral by 2050



Become a catalyst for economic growth and environmental stewardship

## Connect with us

We encourage and welcome feedback on our reporting suite from our stakeholders. Please send any comments or suggestions to:

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## Follow us on social media





# Our reporting theme: Positioning Exxaro to win through our resilient strategy

We are proud to present our 2024 environmental, social and governance (ESG) report, showcasing how our resilient strategy is positioning us to win in an increasingly complex and dynamic world. Moving from transition to execution, our focus is steadfast – creating sustainable value for our stakeholders and ensuring we contribute meaningfully to an inclusive and impactful future.

**At the core of our strategy is a commitment to long-term resilience. This enables us to navigate global challenges and capitalise on emerging opportunities, ensuring we remain agile and proactive.**

We are optimising our coal portfolio to support energy security while investing in growth areas, such as our energy solutions business and evaluating investment opportunities in energy transition minerals – key drivers of a low-carbon economy. By diversifying into these areas, we aim to secure future-ready growth aligned with the global energy transition. This diversification journey into resources that power a clean world remains a core focus, with energy transition minerals playing a pivotal role in driving a cleaner future. With a track record of mining, operational and execution excellence, a diversified skillset, and a strong and flexible balance sheet, we are well positioned to achieve our goals.

We are committed to embedding ESG principles into the heart of our operations. Our Climate Change Response strategy is evolving with rigour and foresight, bolstered by the development of our decarbonisation roadmap and our proactive steps towards our goal of carbon neutrality by 2050. At the same time, our social investment initiatives drive meaningful change, creating opportunities for local businesses and contributing to socio-economic development in our host communities.

As we position Exxaro to win, we are focused on an impactful transition, ensuring that all stakeholders – particularly the vulnerable – benefit from the shift to a low-carbon, sustainable economy. For us, an impactful transition highlights the social dimensions of the low-carbon transition, reinforcing our commitment to fairness, equity and inclusivity. This perspective will continue to shape how we invest in our host communities, create opportunities and contribute to a just and inclusive future.

These priorities reflect our belief that growth is only meaningful if it is sustainable and inclusive. By leveraging innovation, collaboration, and strategic investments, we are not only powering our progress but also possibility for Africa and beyond. Together, we are creating a legacy of resilience, impact, and shared value aligned with our vision of delivering resources powering a clean world.

Welcome to the next chapter of Exxaro's journey.

**Navigating today's challenges, creating tomorrow's possibilities.**

## Reporting suite

We are committed to transparent reporting and publish an annual reporting suite detailing our performance:



Integrated report



ESG databook



Consolidated Mineral  
Resources and Mineral  
Reserves (CMRR)  
report



Group and company  
annual financial  
statements



Notice of annual  
general meeting (AGM)



These reports and other supplementary reports are available online and should be read together for a complete understanding of our business and performance.

# About Exxaro

Exxaro is a JSE-listed company operating mainly in South Africa. Coal is our core commodity and we have an established energy solutions business. Our additional growth prospects include energy transition minerals and energy solutions. Having established the business in 2006, we have deep roots in mining with a track record of operational excellence and delivering value.

Our assets have a book value of R94.7 billion (2023: R92.9 billion), including five coal mines <sup>1</sup> , two windfarms and a solar project under construction	Our market capitalisation is R55.17 billion (2023: R71.43 billion)
We produced 39.5Mt of coal product (including buy-ins) (2023: 42.5Mt)	We are in the top 30 on the Financial Times Stock Exchange (FTSE)/JSE Socially Responsible Investment Index
We generated 725GWh of renewable energy (2023: 727GWh)	The business is 30.81% black empowered

## A snapshot of where we are going and how we will get there

### Purpose

In line with Exxaro's **purpose of powering better lives in Africa and beyond**, our ambition is to provide resources (people, minerals, energy and capital) critical to ensuring the energy transition and a low-carbon future.

### Vision

We understand that we cannot grow sustainably without creating a positive impact on the environment and communities we serve. We are committed to responsibly maximising the value of our coal assets by reducing stranded assets, and playing an active role in creating a future that realises our vision: **resources powering a clean world.**

### Values

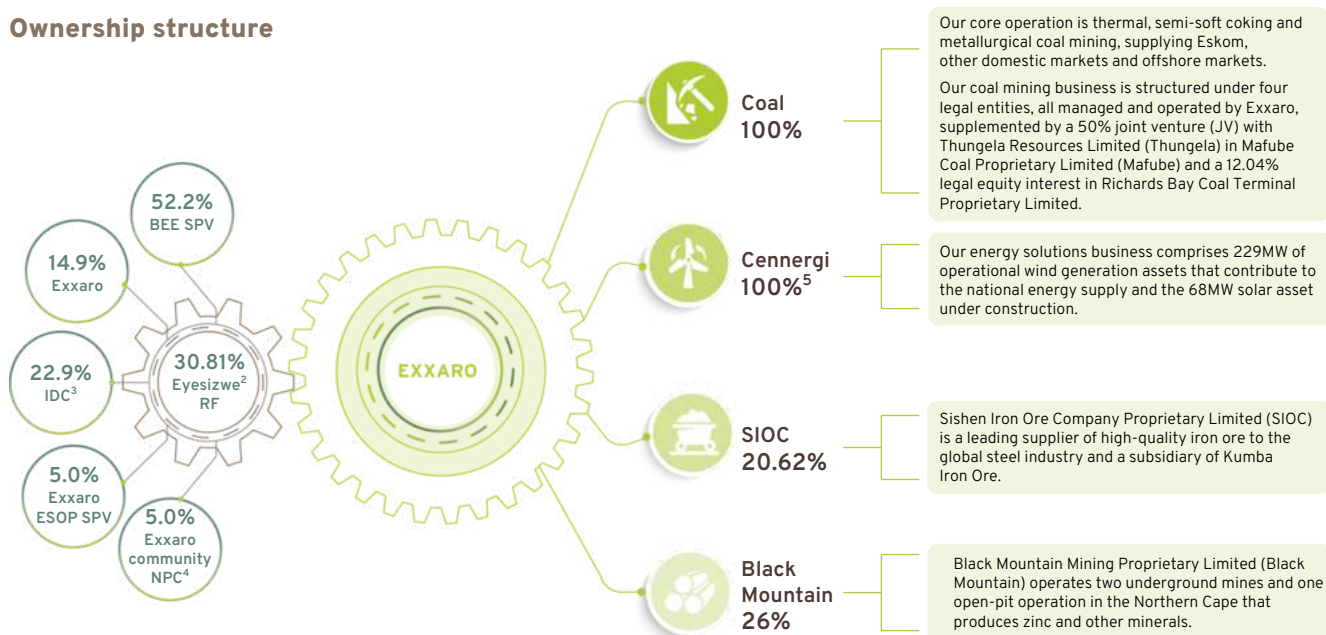
Our success lies in the strength of our culture and values, which strengthen our resilience and ensure we deliver stakeholder value. Our values are:

- **Empowered to grow and contribute**
- **Teamwork**
- **Committed to excellence**
- **Honest responsibility**

### Sustainable Growth and Impact strategy

We are creating a resilient, sustainable and impactful business that catalyses economic growth, principled governance, environmental stewardship and positive change. Our strategic objectives enable the successful execution of our strategy.

## Ownership structure



<sup>1</sup> Including the Mafube JV.

<sup>2</sup> Eyesizwe (RF) Proprietary Limited (Eyesizwe), a special purpose vehicle (SPV) private company, incorporated under South Africa's laws, holds the black economic empowerment (BEE) shares. On 12 March 2025, Eyesizwe RF's shareholders committed to maintaining Exxaro's 30.81% empowerment shareholding until 2027.

<sup>3</sup> Industrial Development Corporation of South Africa.

<sup>4</sup> Exxaro Aga Setshaba NPC.

<sup>5</sup> Exxaro owns 100% of Cennergi; Cennergi owns 95% of Amakhala Emoyeni windfarm and 75% of Tsitsikamma community windfarm.



For detailed information on our group structure, refer to the 2024 [annual financial statements](#).

## Our assets

Our diversified asset portfolio comprises interests primarily in thermal coal (where we are among the top three South African coal producers), a growing energy solutions business and equity-accounted investments in ferrous (iron ore) and zinc, among other base metals.



### Minerals business

- 1 Grootegeluk complex
- 2 Thabametsi
- 3 Belfast
- 4 Leeuwpán
- 5 Matla
- 6 Mafube JV (50%)
- 7 Moranbah South project (50%)

### Energy solutions business

- 8 Tsitsikamma community windfarm
- 9 Amakhala Emoyeni windfarm
- 10 Lephalale solar project (LSP)

Our minerals business comprises coal operations and our equity investments in iron ore and zinc. Our business interests in Europe comprise a marketing and logistics company in Switzerland. A joint operation with Anglo Coal Grosvenor Proprietary Limited, the Moranbah South project, is conducted in Australia.

Expanding our business portfolio to include manganese, bauxite, copper, energy and broader energy transition minerals enables our contribution to a more sustainable future and stakeholder value enhancement.

Our coal asset base is a key differentiator and critical part of how we create value for our stakeholders.

### Snapshot

Exxaro is one of the largest suppliers of coal to Eskom and ArcelorMittal South Africa Limited.

We own the largest high-quality Coal Reserves remaining in South Africa, providing a platform for early value returns.

Grootegeluk is one of the largest integrated mining and beneficiation operations globally, running the largest coal beneficiation complex, and the only producing mine in the coal-rich Waterberg, adjacent to Eskom's Matimba and Medupi power stations.

We invested R2.1 billion in sustaining our coal business this year (2023: R2.4 billion).



Read the [CMRR report](#) for detailed disclosure on our minerals business and its performance this year.



CENNERGI

In line with our goal to decarbonise and diversify, Exxaro's energy solutions business comprises investments through our wholly owned subsidiary, Cennergi Holdings Proprietary Limited. This business supports Exxaro's ambition of generating 1.6GW of power by 2030 and includes supporting our current coal and future minerals operations through self-generation and providing energy to external customers including mines and larger industrial companies.

The energy solutions business and our scope 1 and 2 emissions reduction efforts are critical activities in achieving our goal to be carbon neutral by 2050, and advancing our commitment to being an active participant in the transition to a low-carbon economy.

The energy solutions business continues to develop a pipeline of opportunities for Exxaro and external offtake.

### Snapshot

Cennergi has two operational wind assets (the Tsitsikamma and Amakhala Emoyeni windfarms).

Once operational, the LSP will supply solar energy to Grootegeluk, reducing the operation's carbon footprint and electricity costs. Commercial operation is expected by mid-2025.

Cennergi's operating wind asset project financing of R4.1 billion (2023: R4.3 billion) will mature and be fully settled by the end of 2031.

Cennergi's solar asset project financing will be fully settled by the end of 2042.



Read [prioritising climate change mitigation, adaptation and resilience](#) (page 37) for information about the LSP.

# About this report

Our ESG report provides a holistic and transparent view of our ESG approach and performance during the year, and what we aim to achieve in future to address challenges and leverage opportunities.

## Reporting scope and boundary

This report covers material information for the period 1 January 2024 to 31 December 2024 (the 2024 financial year) and includes:

Financial and non-financial ESG information of our wholly owned and joint operations in South Africa


Material information about the Cennergi group of companies (Cennergi). We consolidated material information about Cennergi Proprietary Limited's safety incidents into the group's results


Limited information on operations where we:

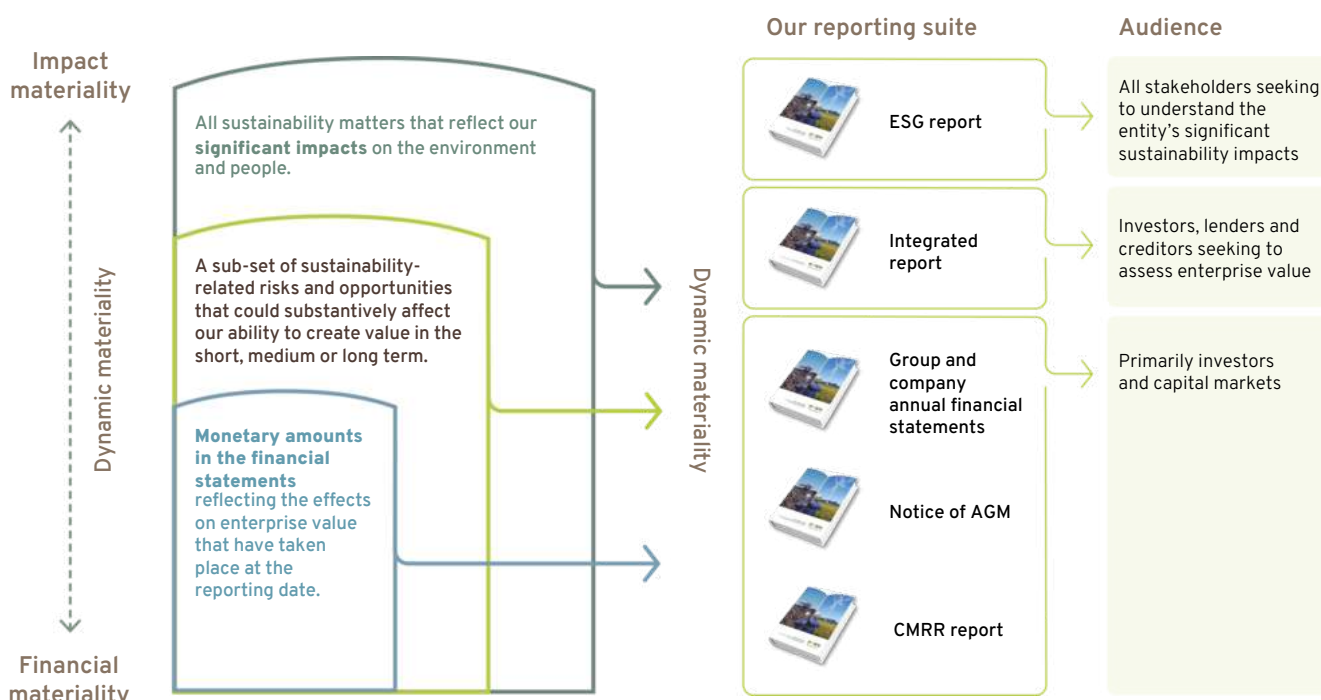
- Do not have management control but hold an important equity interest, namely Black Mountain, Richards Bay Coal Terminal Proprietary Limited and SIOC, or
- Have joint control, being Mafube JV and the Moranbah South project (joint operation)

## How we determine information to disclose

Our double materiality determination process underpins how we distinguish the information to be included in our reporting suite by identifying matters that affect enterprise value (financial materiality) and those that impact the environment, communities and society (impact materiality). Recognising that sustainability matters can shift between these lenses, we conduct an annual assessment to reflect these changes in our reporting suite.

 Detailed information about our materiality determination process can be found in the [integrated report](#) (page 46).

 Information on ESG-related [material matters](#) is on page 8.



## Defining short, medium and long term

### Short term

Between one and five years

### Medium term

Between six and 10 years

### Long term

More than 10 years



## Frameworks, guidelines and regulations informing our ESG disclosure and approach

	IR <sup>#</sup>	ESG	AFS <sup>#</sup>	CMRR
Integrated Reporting Framework	x	x	x	
Companies Act, 2008 (Act 71 of 2008), as amended (Companies Act)	x	x	x	
International Financial Reporting Standards (IFRS <sup>®</sup> ) Accounting Standards*	x	x	x	
JSE Limited (JSE) Listings Requirements and Debt and Specialist Securities Listings Requirements	x	x	x	x
Department of Trade, Industry and Competition (dtic) Broad-based Black Economic Empowerment (B-BBEE) Codes of Good Practice	x	x		
The effective parts of the Broad-based Socio-economic Empowerment Charter for the Mining and Minerals Industry 2018 (Mining Charter III)	x	x		
King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)**	x	x	x	
South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 edition (SAMREC Code)	x	x	x	x
In accordance with Global Reporting Initiative (GRI) standards	x	x		
United Nations Global Compact (UNGC)	x	x		
Sustainability Accounting Standards Board	x	x		
Task Force on Climate-related Financial Disclosures (TCFD) recommendations***	x	x		

<sup>#</sup> Integrated report; annual financial statements.

<sup>\*</sup> As issued by the International Accounting Standards Board.

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<sup>\*\*\*</sup> This falls under the custodianship of the IFRS Foundation<sup>®</sup>.

### Responding to the IFRS Sustainability Disclosure Standards developed by the International Sustainability Standards Board (ISSB)

Exxaro complies with all relevant legislation and financial reporting frameworks while closely monitoring advancements in sustainability reporting. Exxaro fully supports the voluntary adoption of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, which were effective from 1 January 2024. These standards seek to provide a globally consistent and transparent framework, enabling businesses to disclose sustainability-related risks and opportunities comparably.

We are actively engaging with relevant industry bodies and monitoring ongoing government discussions regarding the potential implications of adopting the new sustainability standards for businesses in South Africa. While we are refining our approach, our immediate priority in 2024 was to develop our decarbonisation roadmap, which aligns with our broader sustainability commitments.



Refer to [prioritising climate change mitigation, adaptation and resilience](#) (page 35) for details.

We recognise the integration of the TCFD into the ISSB's monitoring responsibilities and support the collaboration between the ISSB and the GRI to ensure complementary standards.

### Assurance

We apply a combined assurance model to support the integrity of information used in decision making and external reporting.

#### Internal assurance

The executive committee, various departmental heads and board sub-committees review this report before submission to the board for review and approval.

Year-end data for the group and BUs is assured by our internal audit function during the annual audit process, and overseen by the board and audit committee.

#### External assurance

KPMG Inc. provides assurance on select sections and data in this report, including 17 strategic sustainability key performance indicators (KPIs), marked as reasonable assurance (RA).



Refer to the [assurance report](#) (page 185) for details.