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### 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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### Navigating this report

- 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

- Building sustainable communities
- Enabling a thriving workforce
- Principled governance
- Responsible environmental stewardship
- Adapting to a changing context
- Driving business resilience
- Executing our strategy

### Strategic objectives

- Transition at speed and scale
- Make our coal, metals and energy businesses thrive
- Empower people to create impact
- Be carbon neutral by 2050
- Become a catalyst for economic growth and environmental stewardship

### Defining short, medium and long term



### Reporting suite

We are committed to transparent reporting and publish an annual reporting suite detailing our performance. Our 2025 reporting suite was published on 29 April 2026.



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

# About this report

This environmental, social and governance (ESG) report presents Exxaro's progress, performance and priorities in delivering sustainable value. It highlights our key impacts, achievements and future focus areas as we advance our ESG commitments.

## Reporting theme

### Accelerating our strategy to become a diversified natural resources champion

We are pleased to present our 2025 ESG report, which showcases how we are accelerating our strategy by delivering on our ESG commitments.

We are committed to decarbonisation, responsible production and inclusive socio-economic development. For us, an impactful transition benefits our people and communities, especially the most vulnerable. This shapes how we diversify our business, invest in our host communities, create opportunities and contribute to an inclusive future.

Our refined leadership structure strengthens accountability, agility and responsiveness as we continue to deliver sustainable growth and meaningful impact.

## Reporting scope and boundary

This report covers material information for the year 1 January 2025 to 31 December 2025 (the 2025 financial year) and includes:

- Financial and non-financial ESG information of our wholly owned and joint operations in South Africa
- Material information and safety incidents about the Cennergi group of companies (Cennergi)
- Limited information on operations where we:
  - Do not have management control but hold significant equity interest, namely Black Mountain, Richards Bay Coal Terminal Proprietary Limited and Sishen Iron Ore Company Proprietary Limited, or
  - Have joint control, being Mafube Coal Proprietary Limited joint venture (JV) and the Moranbah South project (joint operation)

## 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, overseen by the board and audit committee.

### External assurance

KPMG Inc. provides assurance on select sections and data in this report, including 16 strategic sustainability key performance indicators (KPIs), marked as reasonable assurance (RA).

Refer to the [assurance report](#) (page 175) for details.

## How we determine information to disclose

Our double materiality process guides the information included in our reporting suite by identifying issues that influence enterprise value (financial materiality) and those that affect the environment, communities and society (impact materiality). As these priorities can evolve, we review them annually to ensure our reporting remains current.

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 7.

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

Integrated Reporting Framework

Companies Act, 2008 (Act 71 of 2008), as amended (Companies Act)

International Financial Reporting Standards (IFRS®) Accounting Standards\*

JSE Limited (JSE) Listings Requirements and Debt and Specialist Securities Listings Requirements

Department of Trade, Industry and Competition (dtic) Broad-based Black Economic Empowerment (B-BBEE) Codes of Good Practice

The effective parts of the Broad-based Socio-economic Empowerment Charter for the Mining and Minerals Industry 2018 (Mining Charter III)

King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)\*\*

South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 edition (SAMREC Code)

In accordance with Global Reporting Initiative standards

United Nations Global Compact (UNGC)

Sustainability Accounting Standards Board\*\*\*

Task Force on Climate-related Financial Disclosures (TCFD) recommendations\*\*\*

\* As issued by the International Accounting Standards Board.

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\*\*\* This falls under the custodianship of the IFRS Foundation®.

## We support the IFRS Sustainability Disclosure Standards developed by the International Sustainability Standards Board (ISSB)

Exxaro complies with all applicable legislation and financial reporting frameworks while monitoring developments in sustainability reporting. We support the voluntary adoption of IFRS S1 and IFRS S2, effective from 1 January 2024, which promote consistent and transparent disclosure of sustainability-related risks and opportunities. We engage with industry bodies and monitor government discussions on the implications of these standards for South African businesses.

We acknowledge the TCFD's integration into the ISSB's oversight and support the ISSB and Global Reporting Initiative collaboration to promote aligned and complementary reporting standards. In 2025, our key focus was operationalising our decarbonisation roadmap in line with our broader sustainability commitments.

Refer to [responding to a changing climate](#) (page 28) for details.


## King V adoption

Exxaro continues to uphold the principles of sound corporate governance and ethical leadership as articulated in the King IV report. Following the release of King V, the company has commenced a structured transition process to align with the updated principles and recommended practices. This includes conducting a comprehensive gap analysis to assess alignment between King IV and King V, with a specific focus on identifying any areas requiring enhancement or refinement. The board, supported by its committees, is overseeing this process to ensure that governance practices remain robust, relevant and future-fit. In parallel, Exxaro is reviewing its governance disclosures to ensure continued transparency and alignment with evolving reporting expectations under King V. The outcomes of this process will inform a phased implementation approach, with progress to be reported in future integrated reports.

# Our business

Exxaro is a South African JSE-listed company that is becoming a diversified natural resources champion, with coal as our core commodity and an established energy solutions business. Listed almost two decades ago, we have deep roots in mining and a track record of operational excellence.

With a market capitalisation of R61.2 billion (2024: R55.2 billion) and a substantial asset base, we are well positioned to deliver meaningful returns to our shareholders and create value for all our stakeholders in the short, medium and long term.

 For detailed information on our group structure, refer to the 2025 [annual financial statements](#).

## Sustainable Growth and Impact strategy

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



Transition at speed and scale



Make our coal, metals and energy businesses thrive



Empower people to create impact



Be carbon neutral by 2050



Become a catalyst for economic growth and environmental stewardship

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

### Purpose

**Powering better lives in Africa and beyond** means we aim to provide resources (people, metals, coal, energy and capital) critical to ensuring a responsible energy transition towards a low-carbon future.

### Vision

**Resources powering a clean world** means we strive to have a positive impact on the environment and communities we serve while responsibly maximising the value of our coal assets.

### 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
- Committed to excellence
- Teamwork
- Honest responsibility

## How we create value

Exxaro responsibly explores, develops and operates mineral and renewable energy resources that power sustainable growth and support South Africa's transition to a low-carbon economy. Through our coal, metals and energy solutions businesses, we create enduring value for our stakeholders while advancing environmental stewardship, social inclusion and principled governance across the resource lifecycle.

### Explore

We identify and evaluate new metals and renewable energy opportunities that align with our Sustainable Growth and Impact strategy. Geological mapping, feasibility studies and renewable resource assessments guide responsible investment decisions.

### Develop

We invest in projects that strengthen energy security and local resilience. Each development is underpinned by rigorous environmental and social assessments. Recent milestones include the Lephalale solar farm and Karreebosch windfarm projects.

### Operate

We manage our mining and renewable energy assets safely, efficiently and responsibly to deliver stable production and reliable energy supply. Our operations include five coal mines with two wind and solar facilities under construction.

### Market and deliver


We supply coal and renewable energy to domestic and international markets, supporting South Africa's just energy transition. We deliver coal to customers through Richards Bay Coal Terminal Proprietary Limited, while our renewable energy projects supply power to our coal mine (Grootegeluk), to the grid.

### Rehabilitate and repurpose

We restore and repurpose mined land and infrastructure to sustain biodiversity and community livelihoods. Rehabilitation is integrated throughout the mining lifecycle supported by biodiversity management, concurrent land restoration and post-mining development planning.

## The outcomes we create

We are committed to creating value for our stakeholders, including our people, communities, suppliers, customers, governments and the financial community including our shareholders.

 Read page 13 regarding [our stakeholder engagement](#).

## 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 iron ore and zinc, (among other base metals).

### Coal and metals business

This business includes coal operations and equity stakes in iron ore and zinc. In Europe, we operate a marketing and logistics company based in Switzerland, while in Australia, we participate in the Moranbah South project through a joint operation with Anglo Coal Grosvenor Proprietary Limited.

We are expanding into manganese, copper and other energy transition metals to strengthen our contribution to a sustainable future and enhance stakeholder value. At the same time, our coal assets remain a key differentiator and central to the value we create.

#### Highlights

We invested R2.3 billion in sustaining our coal business this year (2024: R2.1 billion).	We own the largest high-quality Coal Reserves remaining in South Africa, providing a platform for the country's current and future energy landscape.
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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 agreed to acquire a portfolio of high-quality manganese assets in May 2025, with the transaction concluded in 2026.

Post-year end, we signed a new long-term coal supply agreement with Eskom, securing the continued supply of coal from our Matla mine to the Matla power station.

### Energy solutions business

Supporting our decarbonisation and diversification goals, Exxaro's energy solutions business operates through our wholly owned subsidiary, Cennergi Holdings Proprietary Limited.

The business continues to build a pipeline of opportunities for Exxaro and external offtakers.

Our energy solutions business underpins our ambition of a 1 600MW energy portfolio by 2030, supplying energy to our coal and future energy transition metals operations, and external customers, including mines and large industrial companies.

#### Highlights

Cennergi reached financial close on the 140MW Karreebosch windfarm project this year, which will contribute 112MW net capacity to our renewable energy generation.	The Lephalale solar plant (LSP), commissioned in December 2025, is delivering green electrons to Grootegeluk, reducing the operation's carbon footprint and electricity costs.
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Cennergi's operating wind asset project financing of R3.7 billion (2024: R4.1 billion) will mature and be fully settled by the end of 2031. Cennergi's assets under construction project financing will be fully settled by the end of 2046.

[Read decarbonising our operations](#) (page 23 to 26) for details.

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

