

We drive sustainable growth to create lasting impact while positioning our business to navigate complex challenges with resilience. Guided by our purpose of powering better lives, we remain committed to environmental sustainability and social equity. Through this focus, our progress contributes meaningfully to the lives we touch and supports an impactful, low-carbon future.



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Our business

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About Exxaro

Exxaro is a South African JSE-listed company that is becoming a diversified natural resources champion. Listed in 2006, coal is our core commodity and we have an established energy solutions business. Our growth ambitions include energy transition metals, underpinned by an efficient infrastructure and logistics network.

<p>Five operating coal mines¹ 39.9 million tonnes (Mt) coal produced (including buy-ins) (2024: 39.5Mt)</p>	<p>Two operating windfarms with an additional windfarm under construction and the LSP commissioned in December 2025 704 gigawatt-hours (GWh) renewable energy generated (2024: 725GWh)</p>	<p>One manganese acquisition concluded* One renewable energy asset acquisition in progress, and Cennergi is preferred bidder for the Corona solar photovoltaic (PV) facility <i>*Acquisition became effective post-year end.</i></p>
<p>Total assets with a book value of R103.2 billion (2024: R94.7 billion)</p>	<p>Market capitalisation of R61.20 billion (2024: R55.17 billion)</p>	<p>31.47% black empowered</p>

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.

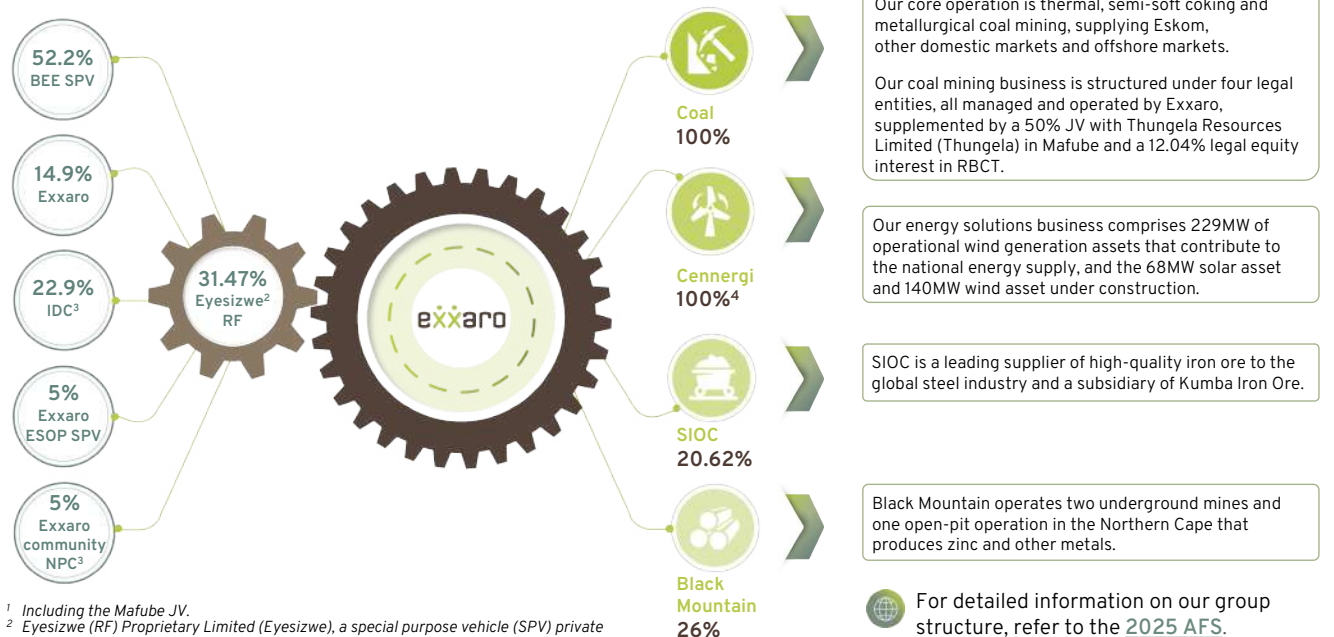
Values

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
- Teamwork
- Committed to excellence
- Honest responsibility

Ownership structure as at 31 December 2025



¹ Including the Mafube JV.
² 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's shareholders committed to maintaining Exxaro's 31.47% empowerment shareholding until 2027.
³ Industrial Development Corporation of South Africa (IDC) and Exxaro Aga Setshaba NPC.
⁴ Exxaro owns 100% of Cennergi; Cennergi owns majority stakes in all its underlying operational assets and assets under construction.

About Exxaro continued

Our assets

Our diversified asset portfolio spans thermal coal (where we are among South Africa's top producers), a growing energy solutions business and equity-accounted investments in iron ore and zinc (among other base metals).

Coal and metals business

Our coal and metals business includes coal operations and equity investments in iron ore, zinc and manganese assets acquired post-year end. We also have business interests in a marketing and logistics company in Switzerland, and a joint operation with Anglo Coal Grosvenor Proprietary Limited, the Moranbah South project, in Australia.

Building on this foundation, our plans to expand our business portfolio to include manganese, copper and other energy transition metals will enable our contribution to a more sustainable future.

Snapshot

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

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

Coal business

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



Our Waterberg coal complex

Location	West of Lephalale
Market	Domestic and export
Product	Thermal and metallurgical coal
Coal Resources (inclusive)	• Measured: 2 947Mt • Indicated: 925Mt
Coal Reserves	• Proved: 1917Mt • Probable: 485Mt
Mining method	Open-cut
Run of mine (RoM)	51.93Mt
LoM*	46 years

Location	West of Lephalale
Market	Domestic
Product	Thermal coal
Coal Resources (inclusive)	• Measured: 270Mt • Indicated: 749Mt
Coal Reserves	• Probable: 130Mt
Mining method	Open-cut
LoM*	35 years

Energy solutions business

Aligned with our goal to decarbonise and diversify, Exxaro's energy solutions business comprises investments through our wholly owned subsidiary, Cennergi. This business supports our ambition of a 1 600MW net energy portfolio by 2030, including self-generation to support our coal and future energy transition metals operations, 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 to achieving our goal of carbon neutrality by 2050 and advancing our commitment to being an active participant in the energy transition.

Snapshot

- Cennergi has two operational wind assets: Tsitsikamma and Amakhala Emoyeni windfarms
- The LSP, commissioned in December 2025, is delivering green electrons to Grootegeeluk, reducing the operation's carbon footprint and electricity costs
- Cennergi began construction on the 140MW Karreebosch windfarm and signed agreements with Acciona Energia to acquire new energy assets and a majority shareholding in the operations and maintenance company for the Acciona assets. Cennergi was also named preferred bidder for the 240MW Corona solar PV project
- Cennergi's operating wind asset project financing of R3.7 billion (2024: R4.1 billion) will be fully settled by the end of 2031
- Cennergi's assets under construction project financing will be fully settled by the end of 2046

- 8 Tsitsikamma community windfarm
- 9 Amakhala Emoyeni windfarm
- 10 LSP
- 11 Karreebosch windfarm



Location	
Product	
Capacity	
Equipment	
Performance	
Customer	
Commercial operation	
Power purchase agreement	
Shareholding	



Our Australian interest

Phase	Undertaking prefeasibility study to inform decision for development prospects.
Location	Queensland, Australia
Market	Export
Product	Coking coal
Coal Resources	• Measured: 505Mt** • Indicated: 219Mt**

** Total Resource basis.



Our Mpumalanga coal operations

	3 Belfast	4 Leeuwan	5 Matla	6 Mafube JV (50%)
Location	South of Belfast	South-east of Delmas	West of Kriel	East of Middelburg
Market	Export (alternative domestic)	Domestic and export	Domestic (Eskom)	Domestic and export
Product	Thermal coal	Thermal coal	Thermal coal	Thermal coal
Coal Resources (inclusive)	• Measured: 93.7Mt • Indicated: 8.0Mt	• Measured: 51.58Mt	• Measured: 625Mt • Indicated: 80Mt	• Measured: 136.6Mt*** • Indicated: 1.8Mt***
Coal Reserves	• Proved: 23.8Mt • Probable: 40.2Mt	• Proved: 20.71Mt • Probable: 4.31Mt	• Proved: 98Mt • Probable: 28Mt	• Proved: 88.2Mt*** • Probable: 7.9Mt***
Mining method	Open-cut	Open-cut	Underground	Open-cut
RoM	4.02Mt	3.75Mt	6.59Mt	3.00Mt
LoM*	19 years	7 years	18 years	16 years

*** Total Resource and Reserve basis.



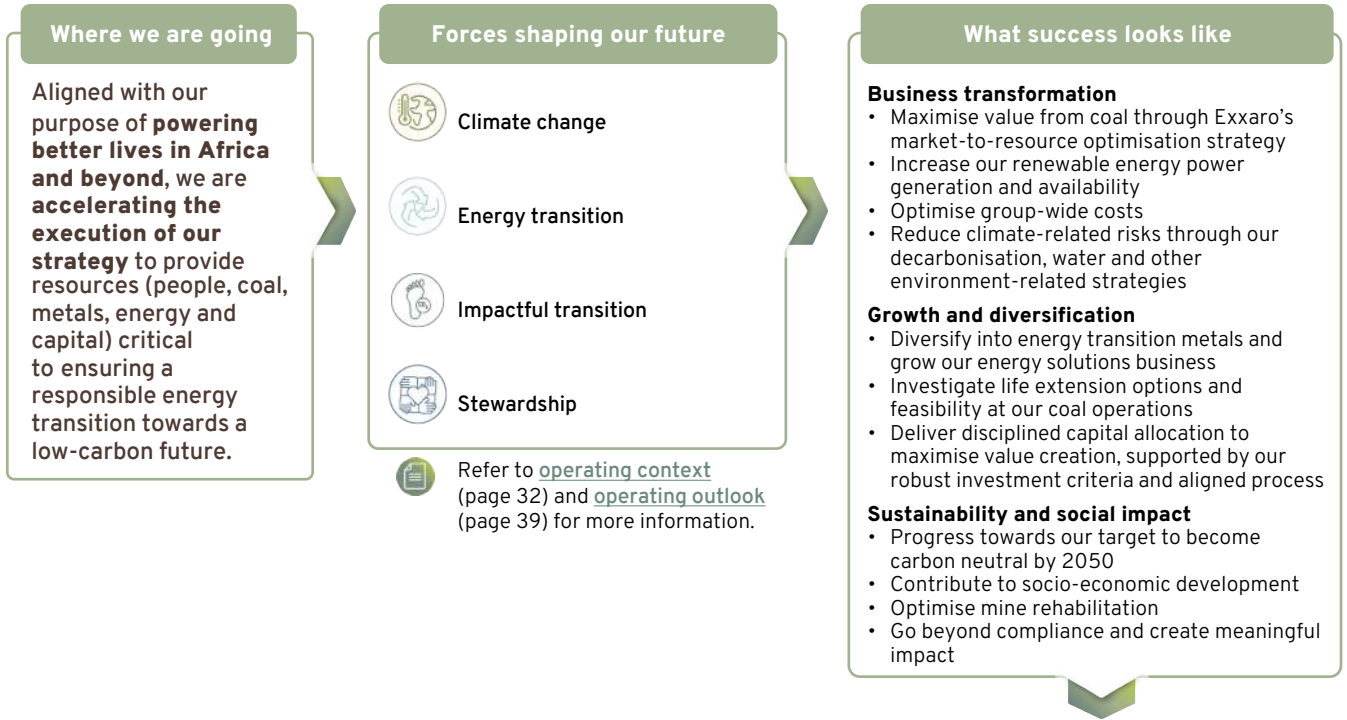
* We adjusted our LoM reporting. LoM presents the period in years during which the Ore Reserves can be economically exploited considering all modifying factors with clear explanatory footnotes on regulatory approvals. The reported LoM years were previously constrained by the expiry of the mining right. The only exception is at our Grootegeeluk mine where the LoM is constrained by the lapse of the Eskom supply agreement.

Eastern Cape, Northern Cape, Western Cape and Limpopo

8 Tsitsikamma community	9 Amakhala Emoyeni	10 LSP	11 Karreebosch
Near Tsitsikamma	Near Bedford and Cookhouse	Lephalale	Between Sutherland (Northern Cape) and Matjiesfontein (Western Cape)
Wind energy	Wind energy	Solar energy	Wind energy
95MW	134MW	68MW	140MW
31 x 3.1MW turbines	56 x 2.4MW turbines	129 025 solar panels	25 x 6MW turbines
Adjusted P50 in the long term	Adjusted P50 in the long term	Reached financial close June 2023	Reached financial close February 2025
Eskom	Eskom	Exxaro Coal Proprietary Limited (Grootegeeluk)	Northam Platinum Limited
2016	2016	Commissioned 2025, full commercial operations 2026	2027
20 years	20 years	25 years	20 years
Cennergi (75%), RE Times (16%) and the Tsitsikamma Development Trust (9%)	Cennergi (95%), Cookhouse Community Trust (2.5%) and the Bedford Community Trust (2.5%)	Cennergi (100%)	Cennergi (80%) and G7 Renewable Energies (20%)

Our Sustainable Growth and Impact strategy

We are becoming a **diversified natural resources** champion through our Sustainable Growth and Impact strategy. With stakeholders in mind, our strategy proactively positions our business for long-term success in a low-carbon economy while leveraging our strong coal foundation to power our diversified ambitions.



How we will achieve this: our Sustainable Growth and Impact strategy

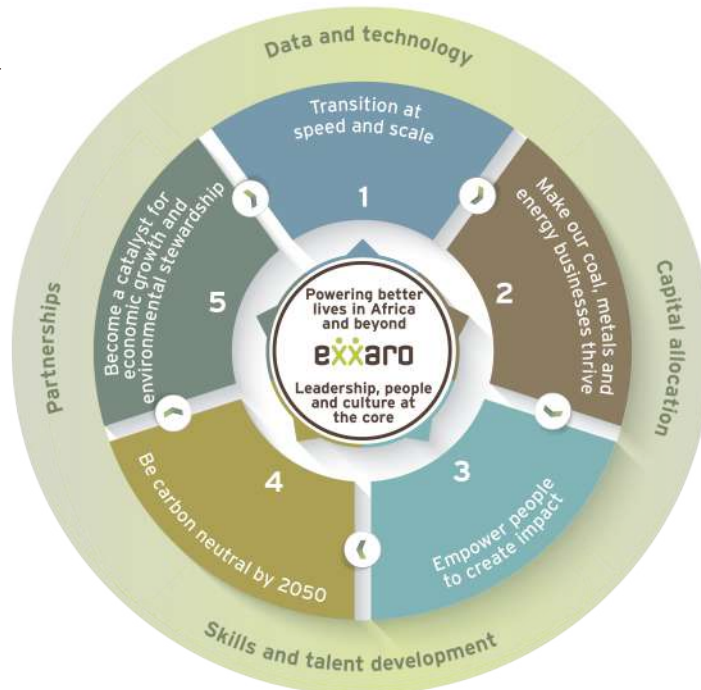
The successful execution of our strategy is delivered through five strategic objectives, which are supported by key enablers, as illustrated below.

Our business now

- Coal and metals business comprising a robust and solid coal portfolio, iron ore and base metals interests, with a manganese acquisition concluded post-year end
- Leading energy solutions business comprising a renewable energy generation base with Cennergi

Long-term goal (2050)

A carbon-neutral, diversified coal, metals and energy business by 2050



Short-term goal (one to five years)

A coal and renewable energy company adding energy transition metals and expanding its renewable power generation, with:

- New income streams introduced
- Acquisitive and organic growth

Medium-term goal (six to 10 years)

- A diversified natural resources champion in Africa and beyond
- A leading energy solutions provider

Unpacking our strategy

Strategic objectives that support the execution of our strategy



Transition at speed and scale

We implement disciplined capital allocation aligned to our ambition of becoming a diversified natural resources champion while driving a positive energy transition and creating social impact. We will leverage our innovative organisational intelligence and take our people along as we focus on building a diversified natural resources portfolio.



Make our coal, metals and energy businesses thrive*

We enhance focus on our core delivery areas of coal, metals and energy by expanding our footprint, simplifying our portfolio through targeted divestments of non-core assets and maintaining strong operational and digital excellence.



Empower people to create impact

We empower people to create impact and we contribute towards sustainable livelihoods while ensuring our people have the requisite capabilities, skills, mindset and passion to do their best work, a core anchor in achieving our purpose.



Be carbon neutral by 2050

Through focused portfolio decarbonisation and supporting initiatives, we continue to power positive social, economic and environmental impact.



Become a catalyst for economic growth and environmental stewardship

We aim to positively impact our ecosystem during and after our operations in coal, metals and energy, contribute to community projects and build thriving, sustainable businesses through our social impact programmes. These programmes aim to drive lasting, scalable socio-economic upliftment and prosperity, independent of our presence and involvement.

* Formerly referred to as "Make our minerals and energy businesses thrive".

Accountability for strategy execution

We implement our strategy across three tiers of accountability, with integration across tiers to ensure alignment with long-term carbon neutrality aspirations and enabling successful execution against strategic objectives.

Tier 1: Board

Sets vision, mission and overall strategic direction of the business

Tier 2: Executive management

Drives the approved strategy. Cascades the approved strategy across the business and integrates it into comprehensive business plans and budgets

Tier 3: Business units and corporate functions

Translates business plans into detailed execution plans across the organisation

Strategic enablers that support decisive strategy execution

Data and technology

We use data, analytics and technology to advance innovation and drive efficiencies, productivity and targeted improvements across our business. This supports a low-carbon future and unlocks long-term competitiveness and strategic value.

Skills and talent development

We focus on building talent while fostering workforce capability to drive successful delivery against our strategy. To ensure sustainable long-term resilience, we provide relevant skills development programmes to our people. We also offer bursaries and internships to nurture and create a resilient talent pipeline.

Partnerships

Partnerships with our stakeholders, including suppliers and industry players, are central to our success. Partnerships foster collaboration and provide a positive platform to facilitate growth, innovation and broad-based impact.

Capital allocation

Our disciplined capital allocation framework guides our investment decisions, anchoring our investment criteria. This is essential for financial robustness, effective risk management and continued prudent strategic investment execution.

The future of our strategy

Our Sustainable Growth and Impact strategy is anchored on our solid coal foundation, which supports and enables our transition into energy transition metals, diversifying our business as we continue to advance a sustainable, low-carbon future. As we execute on our strategy, firmly positioning Exxaro as becoming a diversified natural resources champion, our strategy follows a natural and aligned evolution.

This evolution has led to a gradual shift of our strategy language and overall narrative aligned to our reviewed focus areas. Our efforts largely focused on updating our strategic enablers, strategic objectives and "What success looks like" pillars over 2025, as reflected above and on page 16.

Our Sustainable Growth and Impact strategy continued

Becoming a diversified natural resources champion through our asset portfolio

Our coal and metals business

Coal business



Coal is the foundation of our business, powering our growth and diversification ambitions while supporting South Africa's primary energy security and global energy demand.

Why

- We are responsible stewards of our coal assets and aim to continue extracting value responsibly
- As we transition to a low-carbon future, we want to ensure we continue to meet demand

How

- Investigate the feasibility of life extension options across all our operations
- Strengthen our coal asset portfolio and strategically reconfigure our portfolio in alignment with our long-term goals and strategy
- Efficient value extraction while we execute on our market-to-resource capabilities
- Digitalise our operations to embed operational excellence and efficiencies
- Enhance capital deployment efficiency
- Emissions reduction aligned to group strategy objectives

Metals business



We are adding energy transition metals vital for a low-carbon future, through our manganese acquisition, and looking for copper opportunities, among others.

Why

- We are building a future-focused, resilient, diversified business that thrives in a low-carbon world
- We diversify our revenue streams to anchor a competitive and resilient business. The diversification strategy guards against de-rating risks associated with significant coal exposure
- Our robust capital allocation framework designates strategic funding for growth while optimising shareholder returns

How

- Enable the transition while leveraging our core competencies, technical expertise and specialised skills, in alignment with our investment criteria
- Prioritise opportunities aligned to our growth ambitions through robust investment screening criteria
- Maintain a competitive advantage through our strong balance sheet, advanced mining expertise and strategic partnerships

Competitive advantage

- **Specialised skills:** We have a foundation as a diversified miner, with strong project development, an execution track record and recognised specialised skills. This includes expertise in open-pit and underground mining methods, processing, marketing and sales, logistics, strategic finance, and merger and acquisition capabilities. These inherent capabilities streamline and help bring focus when evaluating potential diversification opportunities
- **Project execution excellence:** We deliver digital innovation through our iNNOVAXXION strategy and operational excellence through our high-performing coal operations while reducing costs and improving productivity, efficiencies and safety
- We are recognised for our **ESG performance, brand and culture**

Our energy solutions business

Renewable energy



We aim to be a leading energy solutions provider by 2030

Our goal includes providing energy assets and value-integrated services to a broader market, supported by the following pillars:

• **Distributed and utility generation:**

- We are focusing on supplying our existing operations with self-generation, extending similar services to mines and other industrial customers, and participating in public auctions to supply the national grid
- Our assets comprise two windfarms in operation, with the LSP producing electrons ahead of full commercial operation and the construction of Karreebosch windfarm in progress
- We are acquiring majority interests in two additional renewable energy assets to increase generation capacity, as well as the associated operations and maintenance company, and have been awarded preferred bidder in a utility-scale solar asset
- We will identify priority markets using investment-driven selection criteria

• **Services:**

- We aim to grow our integrated energy services business by expanding our existing energy business and augmenting our generation business with complementary offerings across the energy value chain

Why

- Support Exxaro's transition to a carbon-neutral business
- Diversify and strengthen Exxaro's cash flow by providing cost-competitive value chain-integrated energy solutions
- Become a key contributor to energy security

How

- Leverage Exxaro's competitive differentiators, including internal energy needs, a healthy balance sheet, resource evaluation skills, project management and optimisation excellence, and project lifecycle experience
- Invest in energy solutions with an acceptable risk profile
- Accelerate growth through strategic acquisitions of skills, resources and market entries
- Collaborate with partners to build skills and credibility, and drive growth

Competitive advantage

- **Renewable pedigree and scale:** We are a significant independent power producer in South Africa, with exposure to the energy industry since 2009
- **Strong Exxaro brand** and a **robust balance sheet**
- **Adjacency advantage:** All our operations require decarbonisation and are often clustered with other mining peers who may also require solutions
- **Renewable energy partnerships:** Our relationships with our partners enable growth and contribute key offtake opportunities

Our Sustainable Growth and Impact strategy continued

Capital allocation

Our capital allocation framework and capital excellence programme enable us to optimise financial resources to build a resilient business while we deliver consistent stakeholder value. The framework informs strategic decision making between competing business investment interests and aligns with our broader objectives, as we approach the low-carbon transition with a clear understanding of the risks and rewards.

We apply the following criteria to ensure disciplined, data-driven capital allocation that supports our goals:

- **Strategic fit:** We evaluate investments based on financial performance, ESG alignment and diversification across products, geographies and customer bases
- **Pacing:** We prioritise timing to maximise value realisation, considering factors like time to earnings, Exxaro's organisational readiness and stakeholder impacts

In addition, our capital allocation is guided by enterprise key performance indicators (KPIs), including growth in metals earnings, decarbonisation, return on capital employed (ROCE), increase in energy generation, and maintaining our ESG licence to operate.

Capital allocation framework

7

Excess cash

We manage excess cash prudently, reinvesting in high-return opportunities or returning it to shareholders through special dividends or repurchases depending on prevailing market conditions, ensuring we maintain flexibility.

6

Growth

We allocate growth capital towards our diversification goals, emphasising a focus on renewables and energy transition metals. This includes advancing our decarbonisation initiatives to position us as a sustainable, diversified business.

5

Expansion capex

In line with Exxaro's strategic intent, we will not spend growth capital on coal projects, other than capital on life extensions of existing coal operations. Our expansion capital prioritises growth in energy transition metals and our energy solutions business, supporting our transition to a low-carbon future.

1

Cash inflow

We maintained strong cash generation, with revenue of R41.8 billion and a net cash position of R17.6 billion (excluding energy net debt of R6.9 billion). This solid cash base enables us to support strategic investments and sustain our existing operations.

2

Debt service

Maintaining financial resilience is a priority. Our internal target net debt to EBITDA ratio of less than 1.5 times excluding project finance debt supports financial flexibility and stability, positioning us to respond agilely to market changes as we pursue growth.

3

Sustaining capex

Sustaining capital expenditure (capex) increased due to the capitalisation of the double benching mining at Belfast. This disciplined approach is central to our capital allocation model and ensures we can sustain production in core areas.

4

Dividends

We paid R4.1 billion (2024: R5.7 billion) in dividends to external shareholders and R1.4 billion (2024: R1.9 billion) to BEE Parties. This reflects our balanced approach of providing immediate returns to shareholders while actively growing our business.



Performance against our strategy

We measure and manage our performance over time to monitor our progress towards achieving our strategic objectives.

KPIs enable us to track our progress, address our ESG commitments and achieve our goals. Our performance against our strategic objectives and KPIs is detailed in the tables below. We also indicate which KPIs are linked to remuneration incentives.



KPIs are grouped per capital in relation to how their continued availability, quality and affordability impact our strategic objectives (see page 30 for more detail).

Transition at speed and scale

Why it matters

We are repositioning Exxaro through disciplined capital allocation and organisational intelligence to deliver sustained value for our business and society. Coal remains a strategic part of our portfolio, and our transition will be paced and deliberate, reflecting our responsibility to energy security, economic inclusion and a pragmatic shift towards a resilient operating model.

Strategies to achieve our objectives

- Enabling the low-carbon transition and identifying key energy transition metals for future growth while leveraging core competencies in mining, marketing and logistics through our [coal and metals business approach](#) (page 18)
- Expanding renewable energy capacity and capabilities to support operational energy needs and contribute to South Africa’s renewable energy landscape and low-carbon transition through our [energy solutions business](#) (page 19)

Material themes



SDGs impacted



Progress against our strategy

Related capitals	Performance indicator	Why this KPI matters	Performance		Commentary
			2025	2024	
	New metals EBITDA contribution (%)	Tracking EBITDA from new metals provides a measure of operational profitability and insight into our earnings diversification as we invest in energy transition metals. This indicator demonstrates our progress in building a sustainable, profitable asset portfolio aligned to our transition objectives.	0	0	In May 2025, we announced our entry into two separate agreements to acquire select manganese assets from Ntsimbintle Holdings and OMH. This marks a significant step forward in diversifying our business and will increase our EBITDA contribution from new metals over time. We also progressed the expansion of our energy solutions business, bringing the total assets under construction and operation to 890MW gross, through: <ul style="list-style-type: none"> • The LSP, set for full commercial operation in 2026 (68MW) • The financial close and construction of the Karreebosch windfarm (140MW) • Cennergi’s acquisition of majority stakes in two operational renewable energy assets (the 138MW Gouda windfarm and the 75MW Sishen photovoltaic plant), as well the entity responsible for the assets’ operations and maintenance • The recent announcement as preferred bidder under Renewable Energy Independent Power Producer Procurement Programme Window 7 for the Corona solar PV project (240MW)
	Installed generation capacity in operation (MW gross)	Expanding our capacity to generate low-carbon energy strengthens South Africa’s energy security while reducing Exxaro’s reliance on fossil fuels.	229	229	



See [financial capital](#) (page 91) and [manufactured capital](#) (page 101) for details.

Performance against our strategy *continued*

Make our coal, metals and energy businesses thrive

Why it matters

Our core delivery areas of coal, metals and energy enable us to drive future growth and long-term sustainability. We are focusing on these areas through operational and digital excellence, asset portfolio reconfiguration through rigorous reviews and robustness testing against robust asset criterion. This approach allows us to continue prioritising current energy requirements even as we transition. A streamlined portfolio will further enhance resilience, positioning us well for sustainable growth opportunities.

Strategies to achieve our objectives

- Maintaining a resilient, profitable coal business through cost efficiency, price optimisation and [market-to-resource optimisation](#) (page 102)
- Embedding sustainable mining practices, focusing on ESG and health and safety
- Embedding digital enablement, data-driven decision making and continuous improvement to drive productivity and efficiencies

Material themes



SDGs impacted



Progress against our strategy

Related capitals	Performance indicator	Why this KPI matters	Performance		Commentary
			2025	2024	
	Coal product (Mt) REM-S	Our ability to meet production targets directly impacts revenue generation and market supply. Tracking coal output helps assess operational efficiency and resource management, supporting South Africa's financial resilience and energy security.	39.9	39.5	Our production was above target, with a good cost performance, enabled by business improvement initiatives across all our operations. We improved our export tonnes and export price realisation, underpinned by our market-to-resource optimisation strategy, operational improvement projects and logistics performance. We also achieved our ROCE goals and an EBITDA margin in line with our prior guidance, demonstrating continued resilience and strength, despite external challenges.
	Coal export price realisation (%)	The realisation of coal price in the export market indicates the effectiveness of our marketing and product placement in achieving an average export price compared to the Argus/McCloskey Coal Price Index (API4).	96	95	
	Total coal cash cost per tonne (R/t) REM-S	Total cash cost per tonne indicates our operational effectiveness and ability to manage our cost of production.	653	638	
	Coal export tonnes (Mt)	Coal export tonnes indicate the effectiveness of our logistics, sales and marketing efforts in selling our products on the international market.	7.1	7.0	
	EBITDA margin (managed operations) (%)	EBITDA margin measures operational profitability and cost management effectiveness. A strong margin reflects resilience in volatile markets and supports our ability to reinvest in growth areas and sustain financial health.	24	26	
	ROCE (%) REM-L	ROCE assesses how effectively we generate returns from the capital invested in our business, demonstrating our ability to maximise capital efficiency and translate invested capital into long-term stakeholder value.	22	23	
	Solvency ratio (times)	Solvency ratio measures our financial stability and capacity to meet long-term obligations. A healthy ratio provides the flexibility to fund strategic initiatives, navigate market fluctuations and support our growth objectives.	3.2	3.6	

See [financial capital](#) (page 91) and [manufactured capital](#) (page 101) for details.

Key Description

REM-S Linked to remuneration (short-term incentive (STI))

REM-L Linked to remuneration (long-term incentive (LTI))

Empower people to create impact

Why it matters

We provide skills development and contribute to sustainable livelihoods while fostering a culture of innovation and accountability. Empowering our people and partners, who are central to our success, positions us to achieve our goals. This approach also amplifies our societal and economic impact, ensuring our work resonates with our vision and purpose, and leads to positive lasting change.

Strategies to achieve our objectives

- Ensuring zero harm through our proactive [One Voice Safety strategy](#) (page 106)
- Supporting a healthy, motivated workforce through our [health and wellness strategy](#) (page 107)
- Fostering inclusion, addressing systemic barriers and ensuring leadership diversity under our [diversity, equity and inclusion \(DEI\) strategy](#) (page 106)
- Upskilling and reskilling our workforce for the low-carbon future through our [talent management strategy](#) (page 109)
- Driving innovation and operational effectiveness with our [iNNOVAXXION strategy](#) (page 104)

Material themes



SDGs impacted



Progress against our strategy

Related capitals	Performance indicator	Why this KPI matters	Performance		Commentary
			2025	2024	
	Fatalities REM-S	Our commitment to safety reinforces our human capital by ensuring our people are protected, motivated and aligned with our strategic objectives.	0	0	In 2025, we launched our refreshed safety strategy, the Exxaro One Voice Safety strategy, at our annual CEO safety summit and leadership safety day. These events allowed executives and industry leaders to engage in discussions on strategic initiatives and innovative approaches to achieving zero harm. Together, our initiatives enabled Exxaro to reach the milestone of 40 months fatality-free, advancing our zero harm journey and creating a safer work environment for all.
	LTIFR REM-S	Reducing the LTIFR demonstrates our dedication to employee safety and wellbeing. A low LTIFR signals a culture of care and accountability, which is fundamental to sustaining high productivity and adaptability.	0.04	0.06	
	B-BBEE contribution level	Improving our B-BBEE level highlights our commitment to inclusivity and social responsibility, and contributes to South Africa's empowerment objectives. This commitment strengthens community and stakeholder relationships while aligning our operations with broader socio-economic goals.	2	2	

See [intellectual capital](#) (page 103) and [human capital](#) (page 105) for details.

Key	Description
REM-S	Linked to remuneration (STI)
REM-L	Linked to remuneration (LTI)

Performance against our strategy *continued*

Be carbon neutral by 2050

Why it matters

To realise this goal, we are strategically decarbonising our portfolio and integrating social impact initiatives that promote environmental responsibility and drive positive social change. These efforts are important, as they contribute to a cleaner world, prepare us for a changing climate landscape and position us as a leader in sustainable practices. Our dedication to carbon neutrality demonstrates to stakeholders, including customers, investors and employees, that our operations align with global activities to reduce climate change and positively impact our planet.

Strategies to achieve our objectives

- Driving decarbonisation, including reducing scope 3 emissions across the value chain, through our [Climate Change Response strategy and decarbonisation plan](#) (page 114)

Material themes



SDGs impacted



Progress against our strategy

Related capitals	Performance indicator	Why this KPI matters	Performance		Commentary
			2025	2024	
	Absolute emissions (ktCO ₂ e)	Tracking scope 1 and 2 emissions allows us to measure our progress in lowering our carbon footprint, which is directly linked to our operations.	977	936	Our 2025 absolute emissions were higher than in 2024, in line with increased production. Our short-term goal remains to reduce our scope 1 and 2 emissions by at least 40% by 2030. To achieve this, our first self-generation project, the LSP, is producing green electrons and will contribute a further 161ktCO ₂ e reduction to our scope 2 emissions. Additional renewable energy projects at our Mpumalanga operations and energy efficiency initiatives across all operations will also support the achievement of our short-term targets.

See [natural capital](#) (page 113) for more details.



Become a catalyst for economic growth and environmental stewardship

Why it matters

We create a lasting positive impact beyond our operational lifespan and drive long-term, self-sustaining development through community projects and programmes. We aim to leave a legacy of empowerment and ecological balance, ensuring the progress and wellbeing of communities alongside environmental integrity. This is important for our business, as it ensures business continuity, enhances stakeholder trust and drives sustainable operations.

Strategies to achieve our objectives

- Focusing on local economic upliftment and community-driven projects through our [Social Impact strategy](#) (page 111)
- Ensuring long-term sustainability through our [environmental stewardship](#) (page 117) initiatives
- Enhancing trust through our [ethics and employee relations strategies](#) (pages 74 and 108)

Material themes



SDGs impacted



Progress against our strategy

Related capitals	Performance indicator	Why this KPI matters	Performance		Commentary
			2025	2024	
	SMMEs supported	Supporting SMMEs stimulates economic activity, creates jobs and fosters entrepreneurial growth, ensuring long-term economic resilience in the regions where we operate.	198	178	We continued to support emerging local businesses and farmers, in line with our Social Impact strategy. 43 new SMMEs joined the programme, while 23 graduated, resulting in a net total of 198 SMMEs supported by Exxaro. We also continued to support ECD centres, with 31 ECD practitioners receiving their accredited National Qualifications Framework level 4 qualifications. The children showed an improvement of 11.2% in their development, and the reduction in the number of learners enrolled was due to grade progression and relocations.
	Active learners reached through ECD programme	The total number of learners actively enrolled in the ECD centres that Exxaro supports indicates the extent of the impact of our ECD support programme.	2 955	3 906	
	ECD school readiness (%)	By improving school readiness, we help develop an educated, capable workforce and empower communities to thrive independently over time.	N/A*	N/A*	
	Water intensity (kilolitres (kL)/tonne RoM) REM-S	Tracking water intensity helps us minimise our operational impact, safeguard future resource availability and align with global sustainability standards.	0.145	0.142	We continued water management efforts to ensure climate resilience and safeguard our natural resources. Our water intensity targets remain below industry norms due to above-average water recycling, as we invest in projects to lower our freshwater intake, such as the Belfast water treatment plant and Grootegeluk Oliphantskop dam recycling project.

* As the ECD programme was launched in 2023, there is no data for 2024 and 2025. The programme's first cohort intake was in 2024, and school readiness will only be assessed through the national benchmark test in 2027, when the first cohort is in grade R.

See [social and relationship capital](#) (page 110), [natural capital](#) (page 113) and [ethical culture](#) (page 74) for details.

Key	Description
REM-S	Linked to remuneration (STI)
REM-L	Linked to remuneration (LTI)

Business model

Our business model outlines the capitals needed for becoming a diversified natural resources champion in Africa and beyond, with our activities transforming inputs into value.

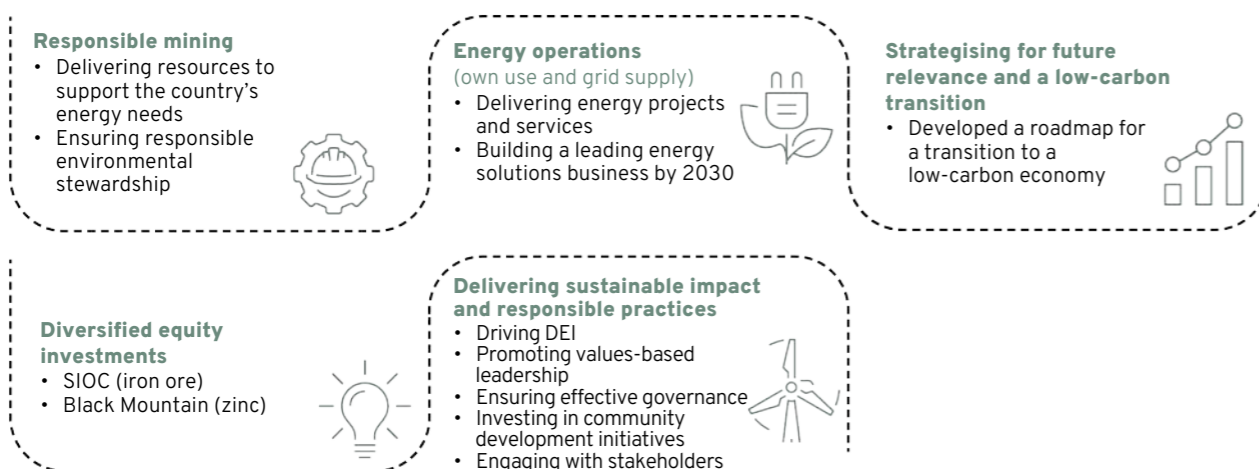
The resources and relationships we rely on

Our inputs	Our constraints	Strategic response
Natural capital The natural resources we rely on to run our business and create our products	Water scarcity: We operate in water-stressed areas, limiting reliable access to water. This resource is essential for mining and processing Finite coal resources: Coal reserves are finite, contributing to a global shift towards less carbon-intense energy alternatives Climate change impacts: Coal's climate impact and related risks affect operational resilience	
Human capital The people who manage our business and perform our operational activities	Critical skills shortages: Demand for future-ready skills is rising, driven by a global focus on the energy transition. We compete for talent with international markets and currencies Workplace hazards: Mining is an inherently high-risk environment, requiring intensive focus to ensure zero harm Historic underrepresentation of key groups: Ongoing efforts are required to increase the representation of women, youth and people with disabilities	
Social and relationship capital The relationships that support our social licence to operate	Stakeholder concerns: Growing negative sentiment towards fossil fuels, along with higher expectations for businesses to address social issues, challenge our social licence to operate Reputational risk: Relying on contractors and suppliers carries the risk of reputational damage through non-adherence to our values or standards	

Our activities

What we do

Our business activities strengthen our resilience and ensure we deliver sustainable value through a robust portfolio in a low-carbon economy.



Our business model does not operate in isolation. It impacts and is impacted by our:

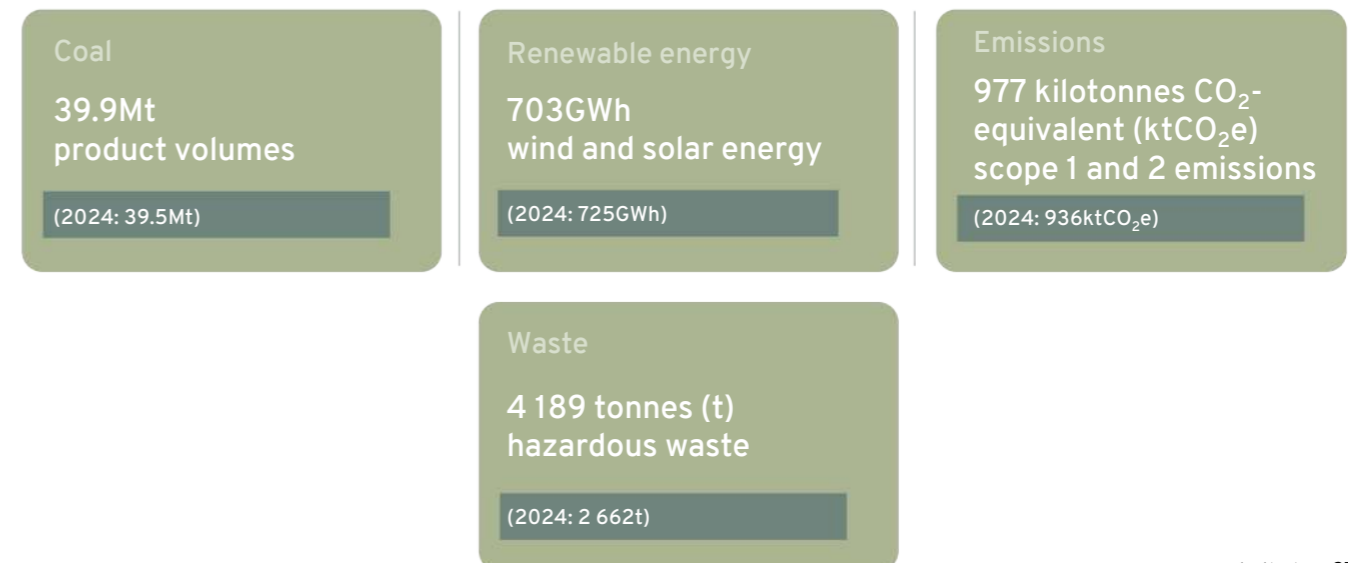
- [Risks and opportunities](#) (page 41)
- [Strategy and resource allocation](#) (page 16)
- [Performance against our strategy](#) (page 21)
- [Stakeholders](#) (page 54)

Our [capital trade-offs](#) are unpacked on page 30.

Our inputs	Our constraints	Strategic response
Manufactured capital The physical mining, energy and property assets that enable us to deliver our products	Ageing physical infrastructure: Ageing infrastructure at key physical assets requires capital-intensive upgrades to maintain operational efficiency Fast pace of technological change: It is imperative to invest in advanced technologies and renewable energy projects to meet evolving environmental standards and strengthen operational resilience	
Intellectual capital The unique combination of knowledge, experience, innovation and systems that set us apart	Technological competition: Remaining competitive in a fast-evolving industry requires continuous investment in skills, knowledge and digital transformation Balancing innovation with operational needs: Effective use of intellectual capital requires balancing investments in emerging technologies with the operational demands of today	
Financial capital The financial assets that enable us to deliver on our strategy	Revenue volatility: Fluctuating commodity prices create revenue uncertainty, potentially impacting our ability to fund operations and strategic initiatives Rising operational costs: Increasing costs challenge our financial capacity to maintain profitability while investing in essential growth and sustainability projects Multiple strategic demands: Apportioning financial resources between sustaining coal operations and new opportunities, particularly in energy transition metals, requires careful prioritisation of short-term stability and long-term transformation	

Our outputs

What we produce



Business model continued

Managing our capitals to achieve our ambitions

Impact on value	Net value increase	Net value preservation	Net value erosion
Year-on-year change	Positive increase	Unchanged	Positive decrease
	Negative increase		Negative decrease

	Natural capital	Human capital	Social and relationship capital	Manufactured capital	Intellectual capital	Financial capital
Our inputs (as at 31 December 2025)	<ul style="list-style-type: none"> RoM: 69.3Mtpa (all active mines) (2024: 66.7Mtpa*) Diesel consumption: 105 087kL (all operations and the conneXXion) (2024: 102 658kL*) Electricity consumption: 590 987MWh (all operations and the conneXXion) (2024: 598 461MWh) Water consumption: 9 648ML (2024: 9 309ML) Land managed: 69 086ha (active and inactive mines) (2024: 67 293ha) Land rehabilitated: 2 639ha (2024: 2 325ha**) 	<ul style="list-style-type: none"> Employees: 6 742 (2024: 6 966) Contractors: 14 555 (2024: 15 300) Investment in skills development and training: R399 million (2024: R402 million) Investment in job-related skills development (functional and technical training): R174 million (2024: R200 million) Investment in employee remuneration: R5.4 billion (2024: R5.1 billion) 	<ul style="list-style-type: none"> Investment in SLPs: R90.92 million (2024: R43.91 million) and an additional R10.52 million ESD investment Investment in enterprise development: R85.6 million (2024: R169.8 million) CSI: R93.09 million (2024: R117.87 million) Strengthening stakeholder relationships 	<ul style="list-style-type: none"> Five mines (including one JV) Two coal projects Two windfarms in operation, one solar plant commissioned and one wind project in construction One manganese acquisition concluded post-year end Investment in property, plant and equipment: R5.1 billion (2024: R2.4 billion) Investment in sustaining capital: R2.3 billion (2024: R2.1 billion) Investment in expansion capital: R2.8 billion (2024: R0.3 billion) 	<ul style="list-style-type: none"> Ongoing investment in digital transformation and advanced technologies Entrenched operational excellence Leadership and management training: 1 082 employees attended (2024: 307) Significant investment in developing the scarce and critical skills required to accelerate the execution of our strategy Continued investment in leading governance structures through board changes and investor engagement 	<ul style="list-style-type: none"> Adjusted equity-accounted income: R4.5 billion (2024: R3.7 billion***) EBITDA: R10.2 billion (2024: R10.4 billion) Cash dividends paid to external shareholders: R4.1 billion (2024: R5.7 billion) Cash dividend paid to BEE Parties: R1.4 billion (2024: R1.9 billion) Revenue: R41.8 billion (2024: R40.7 billion) Strong balance sheet
Our outcomes	<ul style="list-style-type: none"> Our mining operations extract essential natural resources, reducing natural capital and impacting the environment. Through dedicated environmental stewardship, we implement best practices and robust mitigation strategies to manage and minimise these impacts while creating value for stakeholders. 	<ul style="list-style-type: none"> To enhance our human capital, we offer an attractive employee value proposition and invest in skills development. We extend this commitment to future talent and the communities supporting our operations. Our LTIFR improved to 0.04 from 0.06 in 2024, although high-potential incidents (HPIs) increased. We maintained three consecutive fatality-free years. However, as our goal is zero harm, any injuries or incidents fall short of our ambition, underscoring the importance of continued focus to fully eliminate harm. 	<ul style="list-style-type: none"> We deliver value to our host communities through our impact-at-scale initiatives, SLP commitments, commitment to the UNGC principles and active stakeholder engagements. We also encourage participation by black-owned suppliers. We are mindful of our mining activities' impacts on local communities. We prioritise responsible mine transitions that support sustainable and resilient host mining communities now and beyond the life of our mines. 	<ul style="list-style-type: none"> We invest in quality assets to meet changing market demands, particularly through an expanded investment in green energy. Our market-to-resource optimisation strategy enables us to fulfil customers' requirements and respond to an evolving market. 	<ul style="list-style-type: none"> We grow our intellectual capital by enhancing our competencies in mining and energy, focusing on business resilience and advancing innovation, digital transformation and technology. Our collective knowledge, skills and resources positively impact human, social and relationship and manufactured capitals. Improved core system availability reflects increased intellectual capital. Investments in digital technology support value chain efficiencies and increased employee safety. 	<ul style="list-style-type: none"> With a robust balance sheet and a thriving coal business, we strategically focus on core strengths and a leadership dedicated to carbon resilience to drive financial value creation. Long-term strategic investments underscore our commitment to bolstering strategy, enhancing efficiency, expanding operations and optimising value. This ensures a resilient financial position despite year-on-year variations in financial metrics.
How we improve our outcomes	<ul style="list-style-type: none"> Integrate climate change adaptation and resilience into our business strategy, including monitoring and managing climate-related risks Invest in nature-based solutions, including carbon offset pilot projects Invest in energy transition metals critical to powering a low-carbon economy Grow our energy solutions business, with a focus on renewable energy Prioritise biodiversity stewardship Increase high-quality coal in our portfolio to enhance energy efficiency and support lower emissions in the value chain 	<ul style="list-style-type: none"> Empower employees to create meaningful impact, recognising them as our most valuable asset Implement our refreshed One Voice Safety strategy to drive a safety-first culture and ensure zero harm across all activities Work with employees and contractors to eradicate safety incidents Invest in employees' skills, wellbeing and career development Implement workforce DEI initiatives Leverage technology and innovation to improve workforce safety and efficiency 	<ul style="list-style-type: none"> Engage with stakeholders and maintain strong relationships based on mutual respect and benefit, recognising that our operations are built in and around real communities Maintain a robust ESG framework to enable strategic decision making and governance, mindful of our history and purpose, to guide our transition within local and global contexts 	<ul style="list-style-type: none"> Proactively manage the risk of stranded assets Invest in plant performance, equipment reliability and operational efficiency to extend the life of our mines Invest in technology and grow our energy solutions business as strategic enablers to protect and enhance manufactured capital Fast track our decarbonisation and investments to generate predictable long-term cash flows and increase portfolio diversification 	<ul style="list-style-type: none"> Harness digital transformation and innovation to drive efficiency, reduce costs, build resilience and maximise impact Build on established strengths and successes by leveraging intellectual capital, guided by a long-term vision to create a sustainable, growth-oriented and values-driven organisation Become a leading energy solutions provider with international presence by 2030, contributing meaningfully to the shift towards a low-carbon future Support knowledge sharing and agility to adapt and respond to industry changes while meeting current performance expectations 	<ul style="list-style-type: none"> Focus on initiatives designed to lower costs, increase quality and manage our risk profile Carefully allocate capital to align with strategic priorities, balancing investments in current operations with diversification Create value for our broader stakeholders by continuously delivering solid returns to shareholders and ensuring we have the financial resources to implement our growth plans and social development objectives
Performance	<ul style="list-style-type: none"> Carbon intensity: 14% increase (2024: 6.36% decrease) Water intensity: 1.9% increase (2024: 35% increase) Environmental incidents: zero level 2 and 3 incidents (2024: zero level 2 and 3) Valid mining rights: 100% (2024: 100%) 	<ul style="list-style-type: none"> Fatalities: None (2024: none) LTIFR: 0.04 (2024: 0.06) Occupational health incident frequency rate: 0.22 (2024: 0.14) Scarce skills retention: 3.7% (2024: 3.6%) Safety stoppage directives: one section 54(1)(b) (2024: zero stoppages) 	<ul style="list-style-type: none"> Community members who benefited from our CSI and SLPs: 64 694 people (2024: more than 71 000) Jobs created through SLPs: 139 (2024: 51) Community incidents: four (2024: four) Top-quartile mining performer in ESG governance structure ESG analyst rating: 3.9 (2024: 4.0) BEE level: level 2 (2024: level 2) 	<ul style="list-style-type: none"> Marginal timeline overruns in mega-projects Implementation cost for mega-projects on target The LSP is delivering green electrons ahead of full commercial operation Construction of the Karreebosch windfarm commenced Manganese acquisition concluded in early 2026 and one renewable energy acquisition in progress 	<ul style="list-style-type: none"> Core system availability: 99.82% (2024: 99.68%) 	<ul style="list-style-type: none"> EBITDA margin: 24% (2024: 26%) ROCE: 22% (2024: 23%) HEPS: 3 247 cents per share (2024: 3 016 cents per share) Market capitalisation: R61.20 billion (2024: R55.17 billion)
Affected and supported SDGs						

* Restated due to audit adjustments. ** Restated due to the definition of land rehabilitated changing in a new management standard in 2025. *** Restated due to error in capturing data in 2024 IR.

Availability, quality and affordability of capitals

We create sustainable value by managing the availability, quality and affordability of the capitals we use while taking a focused and adaptive approach to addressing resource constraints. By balancing immediate operational needs with long-term growth and impact priorities, we ensure resilience in a dynamic global environment as we pursue our strategy.

Continued availability, quality and affordability of capitals driving our strategy	Key capital dependencies	Strategic objectives addressing resource constraints	Balancing resource management across time horizons
<p>Finite natural capital, including coal, metals and water, presents a growing risk to Exxaro, as resource scarcity can limit extraction and raise operational costs. Climate change further affects the availability of natural resources and exacerbates extreme weather conditions, which can impact our operations. At the same time, we are aware of coal's contribution to climate change. To ensure long-term financial and environmental sustainability, we must transition.</p>			<p>Navigating coal's environmental impact with South Africa's socio-economic needs</p> <p>Coal is a mainstay of South Africa's energy mix and economy. Bearing this in mind, we balance our diversification goals with South Africa's current energy requirements. Our approach ensures we address environmental impacts while contributing to grid stability, enabling us to support socio-economic development as we advance towards a low-carbon energy future.</p>
<p>Our strategic objectives to transition the business and make our coal, metals and energy businesses thrive are closely linked. Our coal business provides the financial capital needed to invest in technology and innovation, diversify into energy transition metals (including manganese) and grow our energy solutions business.</p> <p>By reinvesting financial capital into future-fit and critical capabilities, we address climate-driven resource constraints and sustain profitability.</p>			<p>Balancing short-term and long-term priorities when allocating capital</p> <p>Our impactful transition demands a careful balance between maintaining current operations and investing in future growth. Coal operations provide the financial resilience required to fund our growth priorities, and we allocate sustaining capital to these operations to ensure stable production and operational efficiency.</p> <p>We divert resources from coal expansion towards future-focused projects. This approach leverages the financial value of coal to fund our transition to a low-carbon business, while ensuring we meet immediate operational needs.</p>
<p>To achieve our strategic objectives, we must attract, cultivate and retain the best available talent. A competitive labour market and skills shortages in critical areas, including engineering, IT, energy and geology, lead to rising talent management, engagement and retention costs, alongside posing a risk to growth. In response, we implement continuous relevant training, mentorship and development programmes to build the skills of the future. These efforts mitigate skills shortages, boost resilience, and support our transition to a sustainable, diversified business.</p>			<p>Maintaining operational focus while advancing diversification</p> <p>Becoming a diversified natural resources champion in Africa and beyond hinges on motivating, engaging and gaining buy-in from our people as we pursue our diversification goals.</p> <p>Performance scorecards and transparent leadership align daily operations with long-term diversification goals.</p>
<p>We seek to create value for all our stakeholders. To ensure resilience and create lasting value, our pathway to carbon neutrality builds on effectively managing natural, financial and human capital, with the constraints to these capitals outlined above.</p>			<p>Balancing growth ambitions with our carbon-neutral target</p> <p>We take a careful approach to pursuing growth while striving for carbon neutrality, cognisant that acquisitions may temporarily increase total emissions. We evaluate acquisitions against our decarbonisation goals and incorporate carbon intensity and emissions metrics into our strategic framework.</p>
<p>Becoming a catalyst for economic growth and environmental stewardship depends on securing social and relationship capital with our communities, who grant us our social licence to operate. This social licence ensures access to critical resources like land, water and labour. Misalignment or transparency failures could disrupt operations and strategic goals.</p>			<p>Delivering community impact while enabling strategic resilience</p> <p>Developing local economies and advancing environmental stewardship are central to enabling strategic resilience. We carefully select meaningful, community-focused projects that align with our purpose, vision and strategic objectives. This approach creates lasting social impact, secures critical resources and builds a foundation of adaptability and sustainability.</p>

How we define the six capitals is unpacked in our [business model](#) (page 26).