

OUR BUSINESS MODEL

VISION: TO POWER BETTER LIVES IN AFRICA AND BEYOND, BY RESPONSIBLY INVESTING IN MINING, ENERGY, WATER AND AGRI

INPUTS



NATURAL CAPITAL

- Run-of-mine 79.4Mtpa
- Land managed for six mining operations
- Water withdrawn 8.7Mm³
- Diesel 73 926kl
- Electricity 569 131MWh



HUMAN CAPITAL

- 6 500 employees
- 10 000 contractors
- Skills development and talent management R260m
- Safety training
- Health programmes
- Culture journey



SOCIAL CAPITAL

- Infrastructure R32.2m
- Schools R6.3m
- Reputation
- SLP projects R45.9m
- Enterprise and supplier development R180m



MANUFACTURED CAPITAL

- Six mining operations
- Business of tomorrow (water, protein)
- Mega projects - **R20bn**



INTELLECTUAL CAPITAL

- Digitalisation
- Business excellence R1.5m*
- 450 trainees

* equivalent although training was provided by internal resources



FINANCIAL CAPITAL

- Core equity-accounted income R3.3bn
- Core EBITDA R7.3bn
- Capex **R5.8bn**
- **R7.8bn** cash dividend paid (including special dividend)

POWERING BETTER LIVES

TODAY ...

Coal as **energy**



Coal business model

MINE CLOSURE AND REHABILITATION

SCALE AND GROW

MARKET SUPPLY

IMPLEMENT AND COMMERCIALISE

DEVELOP VALUE PROPOSITIONS AND BUSINESS CASES

METALLURGICAL AND BENEFICIATION



KEY OUTPUTS (Revenue)



KEY OUTCOMES

OUR TRADE-OFFS

<ul style="list-style-type: none"> Dust suppression below target Carbon intensity down 2% Water intensity reduced by 30% from baseline 	<ul style="list-style-type: none"> 2 environmental incidents 96% compliant to licences and authorisations 100% valid mining rights Zero stoppage directives 	<ul style="list-style-type: none"> Rehabilitation offsetting environmental impacts R280m spent on concurrent rehabilitation Over 20% of land disturbed concurrently rehabilitated 	
<ul style="list-style-type: none"> Zero employee and contractor fatalities 0.12 LTIFR (↑) 0.33 OHIFR (→) 	<ul style="list-style-type: none"> Employment equity talent bench 43% above target Scarce-skills retention on target 6 648 employees received training 	<ul style="list-style-type: none"> Increased spend on safety Excellent safety performance minimised production downtime 	<ul style="list-style-type: none"> Culture journey creating organisational alignment on values and teamwork, but requires change management
<ul style="list-style-type: none"> 32 families relocated to new houses at Belfast Tshikondeni legacy project R4.4m 	<ul style="list-style-type: none"> Enterprise and supplier development at 2.5% of NPAT Net positive impact reputation Top-quartile performer in mining on environment, social and governance (ESG) BEE status improved by 1 level 	<ul style="list-style-type: none"> Supplier development: R100m in grants and loans supported 14 start-ups 	<ul style="list-style-type: none"> Enterprise development: R80m in grants and loans supported 10 start-ups
<ul style="list-style-type: none"> Zero cost overruns on mega projects 	<ul style="list-style-type: none"> Implementation timelines for mega projects on target 	<ul style="list-style-type: none"> R952m on Belfast project R4.8bn on Grootegeluk (GG6) expansion for over 1.7Mtpa more semi-soft coking coal 	<ul style="list-style-type: none"> R570m on Leeuwpaan life extension for 2.7Mtpa of thermal coal Aquicure Ltd BEE start-up Animal feed protein process business started
<ul style="list-style-type: none"> Core system availability at 99.8% Zero cyber intrusions Operational excellence savings of R479m 	<ul style="list-style-type: none"> Employees trained on Lean improvement methods Digitalisation 12% below cost but 8% time overrun 	<ul style="list-style-type: none"> 2018 capex improved production by 5% 	<ul style="list-style-type: none"> Investment in training has improved efficiency of key supply chain management, human resources and information management processes by 70%
<ul style="list-style-type: none"> Core EBITDA margin 29% ROCE 23% Core HEPS 2 159c Market capitalisation R49bn 	<ul style="list-style-type: none"> Net debt to equity 9% Governance structures ESG analyst rating at 4.6 out of 5 	<ul style="list-style-type: none"> 21 days of community unrest cost Exxaro in lost production No loss due to stoppages 	<ul style="list-style-type: none"> Resource-to-market optimisation process aligning ore-to-market supply with highest possible yields