

CEO'S REVIEW CONTINUED

ENVIRONMENT



HIGHLIGHTS

- Integrated biodiversity, waste and air programme initiated in second half
- Exxaro among top performers in Carbon Disclosure Project and JSE Socially Responsible Investment index

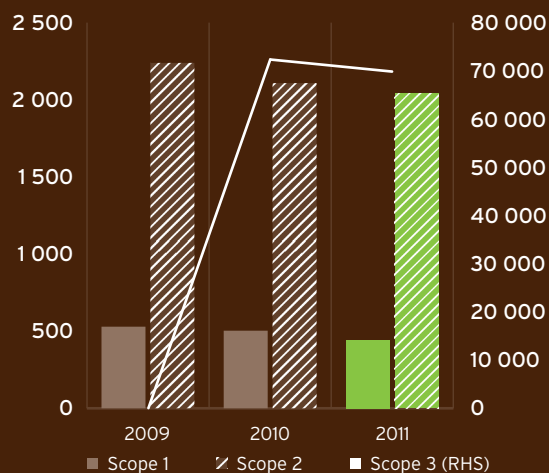
A recent strategic review of key environmental risks from Exxaro's mining activities highlighted:

- Air quality management, water quality management, water security and surface disturbance
- Cost of, and provision for, environmental liabilities
- Lead time for securing environmental authorisations
- Increasing statutory and non-statutory environmental requirements.

In the second half of the year, Exxaro launched an integrated biodiversity, waste and air programme - building on progress to date and aiming for measurable targets within specified timeframes.

OBJECTIVES	CRITICAL SUCCESS FACTORS	KEY OUTPUTS	
		WHAT	WHEN
Biodiversity			
<ul style="list-style-type: none"> • Create competitive advantage for Exxaro through innovative biodiversity management • Ensure continued business operations through compliance to legislation and non-statutory best-practice 	Integrate biodiversity into all mining planning, processes and operations	• Biodiversity strategy and programme framework	December 2012
		• Compile baseline reports, action plans for all business	December 2012
		• Performance reviews	June 2013
Hazardous waste management			
<ul style="list-style-type: none"> • Sustainable waste management that is a competitive advantage for Exxaro 	<ul style="list-style-type: none"> • Capacity and capability • Reporting tools • Enviro-legal framework • Specific training • Operational guidelines 	• Policy statement and management standards	December 2012
		<ul style="list-style-type: none"> • Baseline waste assessment • Project implementation plan 	<ul style="list-style-type: none"> December 2012 June 2013
Air quality management			
<ul style="list-style-type: none"> • Fully-compliant, sustainable air quality management system that is managed and controlled by trained specialists at business units 	Integrated air quality management planning in core operational processes	• Baseline air quality assessments	Third quarter 2012
		• Optimise air quality monitoring programme	Third quarter 2012
<ul style="list-style-type: none"> • Ensure Exxaro's air quality framework enables business growth 		• Develop air quality management plans	First quarter 2013
		• Performance review	Third quarter 2013

GHG EMISSIONS YEARLY COMPARISON (Kt CO₂e)



GHG EMISSIONS - BY ENERGY TYPE (Kt CO₂e)

