

LEADERSHIP AND GOVERNANCE CONTINUED



Our responsibility is not only to protect the present, but to unlock the future.

Message from the Chief Executive Officer

Unlocking growth in the mining industry

In 2025, the Minerals Council continued to strengthen its role as the trusted voice of the South African mining industry. The year under review was characterised by disciplined execution, targeted advocacy and measurable delivery against our strategic goals, in a complex and evolving operating environment.

The Minerals Council continued to serve South Africa's mining industry as a stabilising platform in times of uncertainty. Despite persistent infrastructure constraints, evolving legislation and heightened global competitiveness pressures, we have retained a clear focus on strengthening enabling conditions for investment, safeguarding competitiveness and reinforcing the industry's social and environmental legitimacy.

Operating in a shifting policy and infrastructure landscape

The external environment in 2025 remained demanding. Energy market reform is progressing but remains incomplete. Logistics performance showed marginal improvement and continues to constrain mining output, while water supply insecurity and municipal capacity pressures persist in key mining regions.

At the same time, significant regulatory shifts reshaped the policy landscape. The MRD Bill introduced important debates around security of tenure and investment predictability. The EE Amendment Act and sectoral targets regulations established a more prescriptive transformation framework. Climate legislation and carbon pricing mechanisms advanced, with material implications for trade exposure and cost structures.

In 2025, we successfully moderated restrictive proposals affecting chrome exports and carbon pricing, advocated realistic and achievable climate commitments, and protected industry competitiveness while supporting South Africa's broader economic and climate objectives.

Infrastructure reform remains central to unlocking mining growth. Through active participation in crisis committees and multi-stakeholder platforms, we contributed to tangible progress in logistics, energy and water security. Energy distribution reform was elevated in national energy planning, and collaborative water infrastructure interventions such as the VGWSS and regional bulk water projects strengthened operational resilience.

While systemic constraints remain, the year reflects steady structural progress in stabilising key enablers of mining production and investment attraction.

These shifts in 2025 highlighted the criticality of the Minerals Council's role as a structured interlocutor between the mining industry and government. Our engagement throughout the year was technical, evidence-based and solutions-oriented, focused on achieving workable and investment-supportive outcomes.

Stabilising enablers of competitiveness

Despite operating constraints, mining remains central to South Africa's economy, contributing significantly through export earnings, employment and fiscal revenue. However, restoring production growth and attracting new capital requires reliable infrastructure and policy certainty.

In 2025, we intensified engagement on logistics reform, energy distribution modernisation and water governance. The inclusion of distribution reform within national energy planning signals growing recognition that reliability across the full value chain is essential. Partnership-based interventions, including regional water infrastructure programmes, demonstrate that collaborative models can unlock operational resilience even amid fiscal constraints.

Energy transition remains both a challenge and an opportunity. Member companies continue to expand embedded renewable capacity, strengthening security of supply while reducing long-term cost exposure and emissions intensity. Our advocacy on climate frameworks focused on ensuring that South Africa's just transition remains realistic, competitive and aligned with industrial and economic resilience.

We played a central role in influencing the MRD Bill, advancing the National Critical Minerals Strategy and enabling sector resilience through balanced engagement on the Nationally Determined Contribution (NDC), carbon tax and carbon budget frameworks.

At the same time, we strengthened the sector's public positioning as a critical player in the national economy and society through high-impact campaigns such as #MiningMatters and through consistent leadership presence at major investment platforms, including Investing in African Mining Indaba and Joburg Indaba locally, and London Indaba and SA Tomorrow Conference internationally.

Importantly, we made measurable progress on legacy mining issues, from occupational disease reform and mine closure framework strategies for derelict and ownerless (D&O) mines, reducing long-term legal and reputational risk while contributing to sustainable economic transition.

Modernisation, innovation and productivity

If infrastructure stabilisation is the immediate priority, modernisation is the long-term lever and catalyst towards greater competitiveness.



Through the Mandela Mining Precinct (MMP) and the Research and Innovation for Industry Sustainability (RIIS) Modernisation Partnership, the sector continues to integrate mechanisation, digitalisation and safety-enhancing technologies into operational practice. Research investment visibility has strengthened, and structured innovation roadmaps are aligning technology adoption with risk reduction and productivity improvement.

Modernisation in South Africa is necessarily people-centred. It must enhance safety, deepen skills and improve operational efficiency simultaneously. The work undertaken in 2025 reinforces that modernisation is not a standalone initiative, but integral to competitiveness, resilience and sustainability.

Advancing zero harm through system-wide reform

Zero harm remains non-negotiable.

The implementation of Khumbul'ekhaya 2.0 marked a significant evolution in the sector's safety architecture, integrating predictive risk management, leadership accountability and data-enabled oversight. While the increase in FOG fatalities is of deep concern, the strengthened integration of the FOGAP within the broader safety framework reflects our determination to address critical risks structurally rather than episodically.

Long-term progress in occupational health remains encouraging, particularly in reducing dust-related diseases and TB incidence. The Masoyise Health Programme's 2025-2030 Strategy expands the sector's focus to include mental health and women's health, recognising that workforce well-being underpins productivity and sustainability.

Transformation and inclusion

Transformation is not a substitute for sector and economic growth. A growing and inclusive mining sector is a competitive mining sector.

During the year under review, transformation work intensified through structured engagement on the amended EE Act and sector targets, and the launch of the WiM Strategy 2025-2027. The human resource development (HRD) and EE research we undertook this year shows a sector that is investing in skills development, reflecting a strong commitment to workforce development and a recognition of HRD as a strategic lever for improved productivity, competitiveness, safety and long-term sustainability.

Despite challenging market conditions affecting junior and emerging miners, we maintained active support through research, advocacy and structured forums to ensure their continued voice within the organisation.

The Minerals Council's engagement has consistently emphasised that transformation must be deliberate, achievable and supported by strengthened skills pipelines. Sustainable transformation requires policy coherence, collaboration and practical implementation mechanisms that recognise operational realities and, most importantly, an expanding and growing economy.

Institutional strength and disciplined execution

Internally, the Minerals Council strengthened governance, succession planning and risk oversight to ensure that the organisation remains fit for purpose in a volatile environment.

Quarterly risk reviews, structured Board strategy sessions and enhanced enterprise risk management processes improved alignment between advocacy priorities and emerging sector risks. Financial discipline and operational controls remain robust, reinforcing institutional credibility.

Our work is delivered through structured engagement with government, organised labour, communities and global institutions. The maturity of these platforms in 2025 reflects a shift from crisis response to structured collaboration.

Acknowledgements

On behalf of the senior leadership team, we offer our sincere thanks to our stakeholders, members and colleagues for their steadfast support and collaborative efforts. I want to thank Harry Groenewald and Nikisi Lesufi, who retired during the year, for their extended and professional contribution to the success of the Minerals Council.

We further acknowledge the efforts by all parties to build the productive relationships we have cultivated with our stakeholders. Our ability to prioritise our industry's and country's prosperity has led to effective collaboration to deliver innovative solutions supported by political and social goodwill.

Mzila Mthenjane

Mzila Mthenjane
Chief Executive Officer

Looking ahead

While the environment remains constrained by infrastructure bottlenecks, global market volatility and regulatory complexity, the Minerals Council enters 2026 on a stronger footing and with clear intent.

Our priorities for the year ahead include:

- Restoring infrastructure reliability to unlock production growth and exports
- Securing pragmatic policy certainty under the MRD Bill
- Accelerating people-centred modernisation and innovation
- Embedding predictive safety systems to eliminate critical risks
- Strengthening inclusive transformation through sustainable skills pipelines

Restoring competitiveness will require continued infrastructure reform, regulatory certainty that is conducive to long-term investments, and accelerated exploration investment. Climate transition must balance ambition with industrial resilience. Transformation must deepen participation while expanding skills capacity. Safety must continue evolving towards predictive elimination of critical risks.

The Minerals Council will remain focused on convening stakeholders, advocating enabling reform and strengthening institutional stability, ensuring that the industry transitions from stabilisation to sustainable growth.

South Africa's mineral endowment remains globally significant. With disciplined policy reform, modernisation and partnerships, mining can anchor and elevate economic development, industrial capability and social progress for decades to come.