Factsheet

Eskom

www.eskom.co.za

Environmental, Social and Governance (ESG) in Eskom

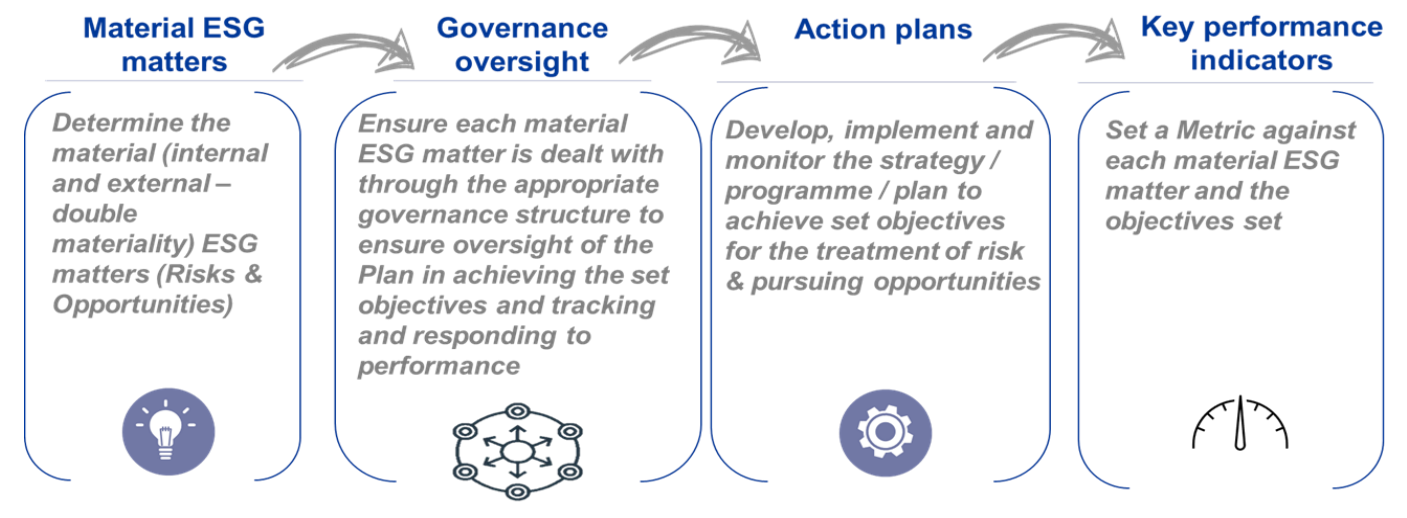
ESG in Eskom

For us, ESG is about being deliberate in leading the change we set out in our vision and strategic objectives – realising the positive impact we set out to have on the environment and society.

Material Matters

At the forefront of our ESG focus are the transition to lower carbon energy sources, electricity reliability and affordability, maintaining environmental stewardship, socio-economic transformation, improving safety, eliminating fraud, corruption, and criminality, and ensuring transparent and honest communication.

The process followed in our approach to ESG:



2024/25 ESG Achievements

Environmental

- Improved water-use of 1.40ℓ/kWh sent out (FY2024, 1.43ℓ/kWh sent out)
- Conditional exemptions to the MES
- Phase 1 of air quality offsets programme completed
- (5 591 houses retrofitted)
- Decrease in overall legal contraventions 65 (FY2024: 68)
- Ash beneficiation successfully applied in road construction
- Red data bird mortalities increased to 258 (FY2024: 210)
- 100% deployment of climate adaptation plans across business operations
- 16% decrease in carbon footprint emissions (compared to 2019 baseline year)

Social

- JET training initiatives increased (353 employees and 326 community contractors)
- Awarded 1 786 contracts worth R338.6 billion (FY2024: awarded 1 309 contracts worth R107.7 billion)
- Local content contracted: R317.63 billion; (FY2024: R97.7 billion)
- CSI investment increased to R146.2 million; (FY2024: 93.1 million)
- LTIR decreased to 0.23; (FY2024: 0.29)
- R1.5 billion spent on skills development; (FY2024: R1.4 billion)
- Women make up 42.58% of our Senior Management (FY2024: 42.52)

Governance

- Continued mandatory PFMA training and awareness to all employees
- 247 criminal cases referred to Law Enforcement Agencies (FY2024: 330 cases)
- Priority risks reduced to 8 (FY2024: 13)
- Maintained certification of the ISO 9001:2015 Quality Management System
- Overall annual declaration of interest submission rate of 99.8% (FY2024: 99.7%)
- All Board and EXCO members have submitted their DOIs
- The NTCSA was officially established on 1 July 2024
- Dedicated Project Management Office (PMO) was established to expedite disciplinary and criminal case resolutions

Compiled by Strategy & Sustainability - February 2026

Executive Summary

Environmental, Social and Governance (ESG)

Eskom's purpose is to power economic growth sustainably, and this requires the ongoing determination and treatment of the material environmental, social and governance (ESG) risks which the company faces.

We classify material matters as those high-likelihood, high-consequence factors that significantly impact enterprise value both positively and negatively. We apply the concept of double materiality – internal financial materiality as well as those internal matters that have an impact on the outside world.

Eskom Environmental, Social and Governance (ESG) Framework

We recognise that our stakeholders, particularly investors, evaluate our sustainability and societal impact through the lens of ESG. At Eskom, ESG principles are at the heart of our values and vision of sustainable power for a better future.

Our framework formalises our commitment by embedding key ESG considerations into our strategy, business objectives and operations.

Material ESG matters that we are focused on

Eskom's focus on ESG is a key part of our strategy to pivot Eskom into a sustainable and competitive company while ensuring the security of supply that powers the economic growth of South Africa.

1. Environment

Climate change mitigation/transition and resilience. Reduction in emissions, water use and bird mortalities. Ash beneficiation and driving the circular economy.

2. Social

Driving our social mandate by safeguarding our people, promoting socio-economic transformation, and maintaining transparent communication with our stakeholders. These initiatives include building social capital, promoting health and safety, and developing a motivated and engaged human capital.

3. Governance

A key governance focus is on combating fraud, corruption, and crime to successfully turn around the organisation and rebuild our stakeholders' confidence and trust in the organisation

Eskom's Environmental, Social and Governance (ESG) Framework

Environmental (E)

Transitional risk and physical climate:
- Climate change mitigation and adaptation

Natural Capital:
- Water use, reduction, security of supply and pollution
- Biodiversity – land use and impact on wildlife

Waste management and air quality:
- Air pollution, health and air quality management
- Waste reduction and beneficiation

Circular economy:
- Reduce, reuse, recycle and regenerate

Social (S)

Social capital:
- Energy security, affordability/ access/ electrification and sustainability
- Community trust and support
- Loadshedding and load reduction
- Just energy transition and technology changes
- Electricity theft, low and non-payment by customers
- Supplier Development, Localisation and Industrialisation (SDL&I)
- Corporate social investment

Occupational Health and safety and wellbeing:
- Air quality, public safety, contractor and employee's wellbeing

Human capital:
- Diversity and inclusivity
- High performance and ethical culture
- Skills development and retention

Governance (G)

Governance structures:
- Leadership, governance, compliance and ethics
- Unbundling and legal separation of Eskom

Risk management, culture and oversight:
- Ethics
- Culture
- Enterprise risk management
- Resilience
- Cyber-security

Fraud, corruption, and criminality:
- Fraud, corruption, extortion and criminality

Transparency and reporting:
- Integrated and sustainability reporting

Compiled by Strategy & Sustainability - February 2026