Chief Executive Report
FC82 Board Meeting

August 2025

The tides they are a changing

In the last five years I have pondered the role of leadership in uncertain times.

It is an understatement to say that the coal sector has faced uncertainty. Intense and mounting pressure, both reputational and structural, led to coal's increasingly exclusion from policy discussions, financial and investment frameworks, and long-term development planning. The global narrative shifted rapidly, often disregarding the realities of energy demand, industrial growth, and the development priorities of coal-producing and consuming nations. Coal was 'cancelled,' and unfortunately, our value chain unknowingly reinforced this trend by avoiding the debate.

As Chair, July Ndlovu was acutely aware the then World Coal Association needed to be a strong advocate for transparency and courage in defending coal. He believed in the *Evolving Coal* 2020-2025 strategy, as the tide would eventually turn, and the reality and facts supported this belief. Furthermore, he understood the importance of being prepared for this change.

The tide is turning, but it's not time to rest on our laurels.

This year, we will ratify our FutureCoal strategy, which outlines a 'change pathway' for the responsible transformation of the coal value chain from 2025 to 2035.

It is opportune that the baton is passed to the new Chair-Elect, Mike Teke, at this juncture.

When I met Mike some five years ago, he called out our 'in the closet' industry. He knew that when the world understood that coal is both needed and not going anywhere the onus would fall on us to prove why we have a rightful place in the future.

The next period is therefore one of behavioural transformation. We need to unite a fragmented global value chain under a common and globally accepted purpose. We believe this to be Sustainable Coal Stewardship (SCS), a framework which anchors industry, policy, finance, and technology stakeholders in a common purpose; to extract greater value from every tonne of coal for both economic and environmental benefit.

Mike has been our first mover in galvanising our industry, laying the groundwork for regional alignment through our Country Chapters. The launch of the inaugural Southern Africa Chapter which brought in our first major utility in Eskom, and the formal confirmation of our Indian Country Chapter in the coming months, marks the beginning of our ten-year 'integration' strategy in action. These Chapters will create regional platforms to deepen engagement, giving local leaders a more direct role in driving initiatives that contribute to shaping their domestic and global agendas.

This is an exciting period to seize and one which will need visionary and global leadership which I know our Chairman-elect will bring.

I thank July Ndlovu who's leadership, support and commitment to our cause never wavered and I am excited for the new energy and purpose that Mike Teke as our Chair-elect as FutureCoal enters this next decade with even more purpose and direction. The foundations built during the past five years now provide the basis for continued growth and impact, led by a team and a leadership structure aligned on what the future of coal must deliver.

Reality bites

That future is being shaped not only by strategy, but by real-world events. Today, we are seeing our messaging resonate more widely and more urgently.

Earlier this year, blackouts swept across parts of Portugal, Spain, and Chile, exposing vulnerabilities in energy systems that had grown overly reliant on intermittent renewable sources and imported fuels. While politically framed as "temporary disruptions," these failures offered a more sobering lesson: energy security cannot be taken for granted, and ideological transitions disconnected from supply realities come at a cost to economies, industries, and people.

From the beginning of my tenure as CEO, we have championed facts over opinions and sovereignty over ideology. We've stood firm that every nation must have the right to determine its own energy mix, whether that includes coal, gas, renewables, nuclear, etc, or a combination tailored to its development needs.

Now, the rest of the world is finally catching up and the narrative is shifting with it.

Since our rebrand, FutureCoal's message has gained significant traction in global media. According to Agility PR's report, we've secured over 400 mentions, reaching an estimated 2.1 billion impressions, with 73% of coverage carrying a positive sentiment.

The report also mentions that FutureCoal is increasingly recognised as a key advocate for a balanced and forward-looking role for coal, with coverage highlighting our Sustainable Coal Stewardship (SCS) roadmap, technology leadership, and focus on modernising the sector. Crucially, our rebrand and Country Chapters are being framed as strategic efforts to support energy access, industrial development, and global energy security, positioning SCS as a solution.

This growing recognition is now translating into policy decisions. In the United States, we are witnessing a long-overdue shift toward energy realism.

Look left, look right

In March our second visit to the US, we provided an update to the Coal Caucus Co-Chair Congresswoman Carol Miller, senior officials at the Department of Energy, and other Capitol Hill stakeholders. During those discussions it became clear that coal is once again being recognised, not as a relic, but as a strategic asset central to America's energy and industrial future. Their interest in SCS and curiosity in how China and India approach their coal -based economies through innovation and technology ecosystems piqued.

Shortly after my visit, the U.S. administration signed an executive order “Reinvigorating America’s Beautiful Clean Coal Industry”. This directive underscored coal’s enduring value: it is abundant, cost-effective, weather-resilient, and historically one of the largest employers in the American energy sector. With resources valued in the trillions of dollars, coal has the capacity not only to meet America’s growing energy demand, driven by the resurgence of domestic manufacturing and the rise of AI data centres, but also to strengthen global competitiveness.

It is also encouraging to see influential voices like U.S. Secretary of Energy Chris Wright publicly call out the IEA, demanding it reform its modelling and adopt a more balanced, realistic outlook. These are not new criticisms. We have said for years that the IEA must stay grounded in reality and support all fuels and technologies, including those outlined in our SCS roadmap.

Further reinforcing this momentum, Secretary Wright recently designated metallurgical coal as a critical material under the Energy Act of 2020. This designation reaffirms the administration’s commitment to energy independence, manufacturing resurgence, and industrial security.

South Africa has also followed suit. The Department of Mineral and Petroleum Resources has officially recognised coal as a “highly critical mineral” within its new Critical Minerals and Metals Strategy. The designation was based on eight key indicators, including coal’s employment potential, export value, supply risk, and lack of viable substitutes.

It is both welcome and long overdue to see governments recognising coal’s critical role in powering economies, stabilising grids, supporting jobs, and sustaining communities.

This recognition isn’t limited to policy circles; it is increasingly evident across the financial sector. Following direct engagement with major global institutions, including investment banks, development banks, and sovereign wealth funds, many are now reassessing their approach to climate-linked investment and actively seeking to engage with FutureCoal. Several have withdrawn from alliances such as the Net Zero Banking Alliance (NZBA) and Climate Action 100+, once seen as pillars of ESG-driven capital allocation. This signals a broader shift away from exclusion-based models toward more pragmatic, sovereign-aligned investment strategies.

Why? Because the assumptions underpinning those alliances no longer hold. Geopolitical instability, inflationary strain, and energy system volatility have laid bare the weaknesses of exclusionary investment strategies. Sustainability is not being abandoned, but the path forward is being rewritten. One that is more grounded, more flexible, and more aware of the real-world costs of ignoring traditional energy inputs.

Ironically, even as thermal coal remains excluded from most ESG-aligned investment portfolios, metallurgical coal continues to attract capital. This inconsistency reflects a troubling double standard: coal is judged not by its environmental performance or strategic role, but by the simplicity of its label.

Thermal coal still accounts for 35% of global electricity generation — the single largest electricity source worldwide. It remains the backbone of present-day industrialisation and electrification. Yet it remains off-limits for many investors due to outdated narratives and blanket exclusion policies, regardless of innovation or context.

This is the gap FutureCoal seeks to close. At the end of June, we launched our "**Fund Fair. Fund Equal.**" campaign to bring this message to the financial community. As part of this campaign, we've issued an open letter to global banks, insurers, asset managers, and development finance institutions.

We're encouraging them to abandon blanket exclusion and start evaluating coal investment on the basis of stewardship, innovation, and strategic national value, the same principles applied to other energy resources.

Our Open Letter is now available on the FutureCoal website and LinkedIn. Please share the letter across your websites and social media platforms.

What's Next: Campaigns to Shift the Narrative

Following Fund Fair. Fund Equal., we will launch two more major campaigns in 2025:

- **"SCS is a Three-Letter Solution"**: This campaign aims to reset the narrative. For too long, coal has been dismissed with the tired trope that it's a "four-letter word." We're replacing that language with a clear alternative — SCS — and positioning it as a modern, policy-ready framework for emissions reduction and sustainable development.
- **"Fund SCS. Not Coal."**: Aimed directly at the financial community, this campaign will reframe coal financing, aiming to direct capital toward proven coal abatement technologies and responsible operators.

Once launched, we encourage all FutureCoal members to amplify these campaigns by sharing the materials on your websites and social media platforms.

FutureCoal Leaders Forum

On 11 August, a day prior to the Board meeting, we will host our **FutureCoal Leaders Forum**. Due to the ongoing geopolitical conflicts and travel considerations of our speakers and attendees, we have made the decision to hold this year's event virtually.

The theme for this year's forum is **"Sustainable Coal Stewardship in Action."** The programme will showcase practical, forward-looking discussions across four key sessions:

- **Session 1:** *Pre-Combustion – Sustainable Coal Stewardship (SCS) in Mining and Logistics*
- **Session 2:** *Combustion – Clean Fossil Power with Coal*
- **Session 3:** *Beyond Combustion – Transforming Coal from Fuel to Materials*
- **Session 4:** *Financing and Investing in Coal and SCS*

We are expecting a strong turnout and participation from industry leaders, technical experts, financial stakeholders, and government representatives.

This forum will be an important opportunity to demonstrate how SCS is already delivering results across the value chain and to reinforce our collective commitment to responsible, innovation-led coal transformation.

We encourage all members to attend in what promises to be an important and timely event.

To register and for more details to our FutureCoal Leaders Forum, click **here**.

Launch of the Southern Africa Chapter

In February, we reached a historic milestone with the official launch of our Southern Africa Chapter, the first regional chapter in FutureCoal's history. Held in Johannesburg during our South Africa Roadshow, this milestone signalled a powerful alignment between our mission and the development priorities of one of the world's most coal-rich regions.

The Southern Africa Chapter, chaired by Mike Teke, CEO of Seriti Resources, unites 13 inaugural members from South Africa, Mozambique, Zimbabwe, and Botswana. Together, these countries hold over 150 billion tonnes of coal reserves, placing them among the top global players in coal resources. Importantly, they represent sovereign voices, each facing unique challenges and opportunities, who now stand united through the Sustainable Coal Stewardship (SCS) framework.

Our objective with this Chapter is to strengthen policy influence across Southern Africa by advocating for balanced, sovereign-aligned coal policies, and to facilitate strategic engagement between governments, industry, and financiers.

Following the success of the Southern Africa launch, we are preparing to establish our Indian Country Chapter, which is set to officially launch in August.

The Indian Chapter will bring together producers, consumers, and suppliers across the power, steel, cement, and allied sectors. It will serve as a platform to build a sustainable coal ecosystem, accelerate the modernisation of India's existing coal infrastructure, and drive investment in coal abatement technologies, all within our Sustainable Coal Stewardship (SCS) framework.

In parallel, we are progressing the development of additional Country Chapters, which will be launched through a phased approach in the coming months. We will keep you informed as these Chapters are formally established.

A Seat at the Table: Mining Indaba and Global Engagement

This momentum carried through to our first-time participation as Strategic Partners at the 2025 Mining Indaba. We engaged not only with global and regional press — including Reuters, Bloomberg, Mining Journal, and Mining Review Africa — but also held important discussions with finance and investment leaders about how SCS presents investable, emissions-abating opportunities.

Our message was clear in every interview and panel: the coal sector must no longer be seen through a binary lens of inclusion or exclusion. It must be assessed for what it is becoming — modern, technologically advanced, and essential to the energy security and industrial resilience of the Global South.

This message resonated further through a high-profile op-ed published in Sunday Times, Business Live, and Times Live, titled "New, Affordable Recipe Needed for Energy Cake." With a combined reach of over 10 million readers, the piece was a strategic move to prime the public narrative ahead of Indaba, framing SCS as a pragmatic response to global energy challenges.

Upcoming Roadshows

As part of our ongoing global engagement, FutureCoal will be conducting roadshows in China and Australia this October to advance our strategic dialogue on SCS.

In China, we will participate in a high-level event hosted by the China National Coal Association, engaging with key stakeholders on the country's evolving coal strategy and opportunities for international collaboration.

In Australia, we will take part in IMARC 2025, one of Australia's largest and most influential mining events, joining Coal Australia in a panel discussion titled *"Challenges and Opportunities in Building a Sustainable Future for Global Coal."*

These engagements will serve as a valuable platform to enhance FutureCoal's brand and influence among key stakeholders.

FutureCoal at the UN Table

Further reinforcing our international engagement, Paul Baruya, our Director of Strategy and Sustainability, has been invited to join the UN Environment Programme on Emissions as a contributing member. This appointment ensures that FutureCoal's technical expertise and practical perspective will be represented in critical global discussions on emissions.

We will keep members updated on the progress of this engagement and share more details on what it will involve in due course.

Acknowledging Our Members and Leadership

We extend our sincere thanks to all our members for their unwavering support, active engagement, and valuable input over the past several months, particularly in shaping our 10-year FutureCoal Strategy. Your continued commitment remains vital to the strength and impact of our alliance.

We would also like to express our appreciation to our Committee Chairs, Matthew Gerber and Roman Golovin, for their dedicated leadership and guidance throughout this period. Their support has been instrumental in shaping our direction and advancing our shared goals.

A tribute

I want to pay tribute to our outgoing Chairman, July Ndlovu.

There’s this fabulous line in a popular movie the Devil Wears Prada, where apparently a 1000 people would have killed for a job where you were belittled, rejected, and put down daily! It always makes me giggle because I believe I can safely say that few (if any!) wanted our roles.

But it doesn’t matter, because we had clarity, conviction, courage, and in **each other** a confidante.

These are the words that come to mind when I think of the cause we took on and our Chair-CEO relationship over the years.

We gave coal a voice when it had none, and we transformed that voice into a credible force that continues to resonate in boardrooms, governments, and international media.

It was an honour and privilege to work with you **dear July**, at every stage of this journey.

On behalf of the Board, our members, supporters and the Secretariat we salute and thank you.

Best,

Michelle Manook
FutureCoal Chief Executive