

ABOUT THIS REPORT

The Integrated Annual Report is our primary communication with stakeholders. While the report is primarily aimed at shareholders, potential investors and other providers of capital, financial information in the report is balanced with non-financial information to allow all stakeholders including employees, host communities, customers, suppliers, the governments of the countries in which we operate and regulators to better understand our business.

Our integrated approach to reporting aims to present a holistic view of the Company, and therefore reports on the material matters that most affect the sustainability of our business and provides stakeholders with the information necessary to properly assess our Company's strategic intent, performance, prospects and value.

REPORTING SCOPE AND BOUNDARY

The 2017 Integrated Annual Report covers the period from 1 July 2016 to 30 June 2017. It provides an overview of and discusses the operational, financial and sustainability performance of our operations and projects. Our sustainability performance is reported only for those operations where ARM has direct or joint management and does not include the ARM Coal, Sakura and the Harmony operations.

The 2017 Integrated Annual Report is supplemented by the comprehensive and detailed Annual Financial Statements, the Sustainability Report, the Mineral Resources and Mineral Reserves Report and the Corporate Governance Report, all of which can be found on our website: www.arm.co.za. Printed copies of all these reports are available on request from the Investor Relations Department. Please refer to the inside back cover of this report for the department's contact details.

MATERIALITY

In the interest of focused and concise reporting the contents of the Integrated Annual Report are based on our material matters. These are the matters that materially impact the strategy, governance, performance and prospects of the Company and its stakeholders.



The process of determining these matters is discussed on pages 14 to 15 of this report.

REPORTING PRINCIPLES AND FRAMEWORKS

We have responded to the relevant statutory frameworks in preparing this report. These include, but are not limited to, the Integrated Reporting <IR> Framework of the International Integrated Reporting Council (IIRC), the Companies Act 71 of 2008 (as amended), the King IV Report on Corporate Governance for South Africa 2016, (King IV), the JSE Listings Requirements, as well as all legislation, regulations and codes of practice applicable to the South African mining sector and the countries in which we operate.

The King IV Application Register detailing our application of the King IV principles is included on our website. The Summarised Corporate Governance Report included on pages 74 to 101 discusses our approach to governance, risk management and stakeholder engagement.

The financial information included in this report is derived from the Annual Financial Statements which have been prepared according to International Financial Reporting Standards (IFRS).



The unqualified opinion of the independent external auditors on the Audited Annual Financial Statements may be found on page 5 of the Annual Financial Statements.

COMBINED ASSURANCE

A selection of material non-financial disclosures included in the report has been assured by an external assurance provider to ensure reliability of the disclosures published. The assurance statement may be found in our Sustainability Report.

ARM's Combined Assurance Model defines what constitutes appropriate assurance. A combined assurance report, which is included in the Corporate Governance Report, identifies potential gaps and duplication in assurance, and provides input into strengthening the control environment. The inter-relationship between ARM's Enterprise Risk Management (ERM) processes, internal audit initiatives, external audit activities and various management assurance interventions by specialists/subject matter experts further reinforces comprehensive management assurance processes and reporting.

BOARD APPROVAL

The ARM Board of Directors (Board) acknowledges its responsibility to ensure the integrity of this report. The Audit and Risk Committee, which has oversight responsibility for the Integrated Annual Report, recommended the report for approval by the Board. The Board confirms it has collectively assessed the contents of the report and is of the opinion that the 2017 Integrated Annual Report addresses all material matters and presents fairly the Company's integrated performance. The Board has therefore approved the release of the 2017 Integrated Annual Report.

Patrice Motsepe

Executive Chairman

Mike Schmidt

Chief Executive Officer

WE APPRECIATE YOUR FEEDBACK

In the interest of continuous improvement and fulfilling the information and engagement needs of our stakeholders, we welcome any feedback on the content and format of our reports. Please direct any feedback to the Investor Relations Department. Refer to the inside back cover of this report for contact details.