



KEY STAKEHOLDERS

STAKEHOLDER ENGAGEMENT

We recognise the benefits of strong long-term relationships with our stakeholders. We treat the legitimate and reasonable interests and expectations of our stakeholders as important inputs into how we conduct our business. Stakeholder interactions provide a broader context, inform our most material matters, and help us to refine our strategy and shape the long-term direction of the Company.

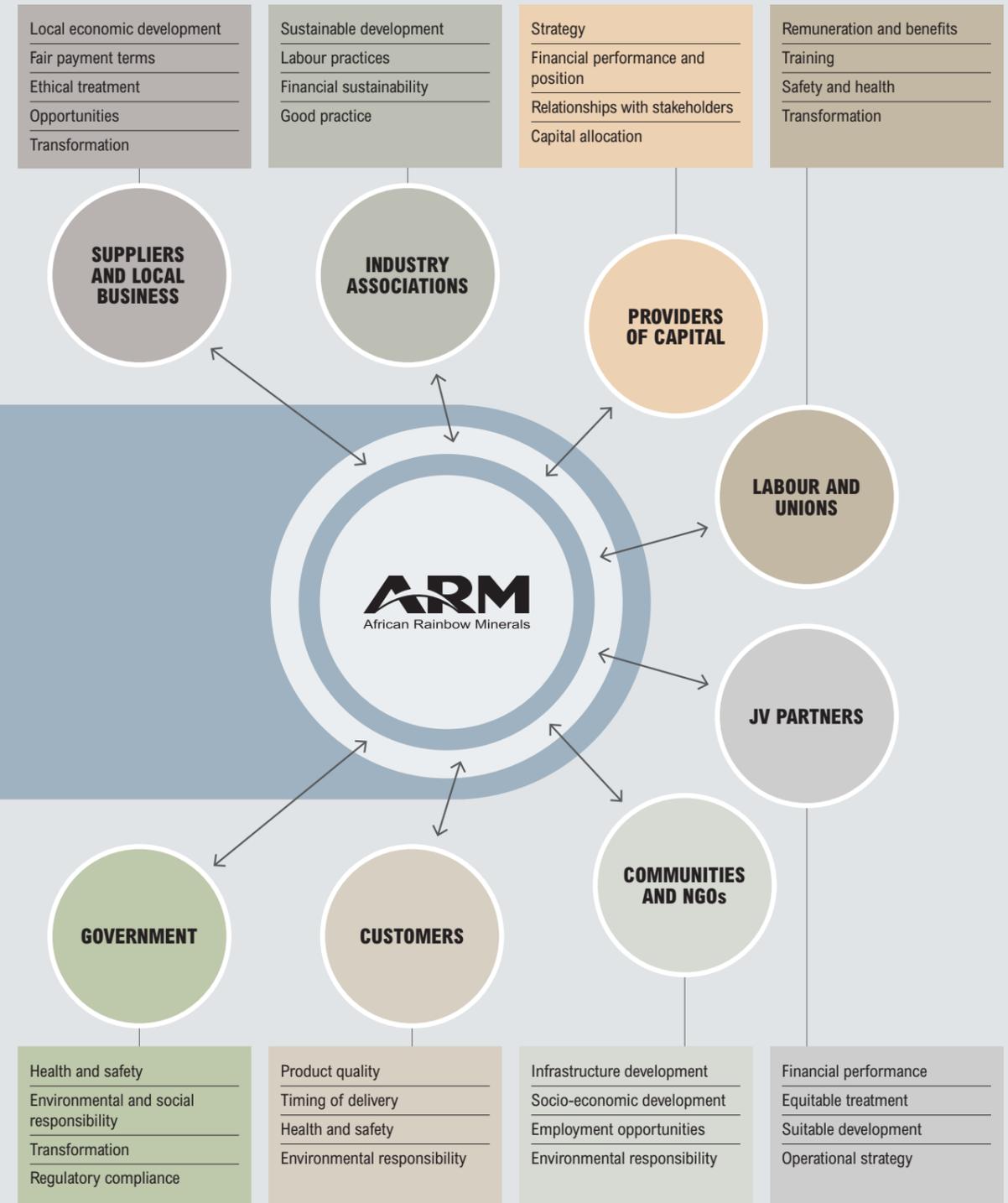
We define our stakeholders as individuals or groups that have a material interest in, or are affected by ARM. We engage with stakeholders through both formal and informal interactions, at corporate, divisional and operational level as appropriate to the stakeholder.

The Company's Stakeholder Communication Policy, contained in the ARM Code of Conduct, includes measurable outcomes for all engagements. Operational engagement reports and minutes ensure learnings are documented and shared effectively, and stakeholder and community engagement is part of the agenda of operational, divisional and Board meetings.

Senior executives responsible for stakeholder engagement include the Executive: Business Development, the Executive: Corporate Affairs, the Head of Investor Relations, the Executive: Compliance and Stakeholder Relations and divisional senior management.

The adjacent diagram shows ARM's key stakeholders and their matters raised.

 Refer to the Sustainability Report for further discussion on our stakeholder engagement.



There were a number of formal engagement activities with local communities during F2017, including the quarterly Future Forum meetings held at all operations where issues of social importance are discussed. These issues include water, environmental management and job opportunities. Skills databases at operations record details of community members that have completed learnership or mining cadet programmes to support local hiring.

General manager breakfast meetings were held between the general managers of Modikwa and Nkomati mines and local communities to improve communication and strengthen engagement.

ENGAGEMENT WITH KEY STAKEHOLDERS, AND MATTERS RAISED

SHAREHOLDERS, POTENTIAL SHAREHOLDERS, ANALYSTS AND OTHER INVESTORS

How we engage

- > Annual General Meeting. Decisions taken at shareholder meetings are disclosed on the Company's website following the meetings.
- > A comprehensive investor relations programme to communicate with domestic and international shareholders, fund managers and investment analysts. This includes one-on-one meetings with institutional investors in South Africa and internationally through roadshows after interim and provisional results.
- > Conferences.
- > ARM's website provides updates on the Company's operations, financial performance and other information.

Matters raised:

- > Strategy growth
- > Unit cost reductions
- > Capital allocation
- > Labour relations
- > Skills attraction, retention and development
- > Dividends
- > Share price performance
- > Mining licences
- > Environmental, social and governance (ESG) issues

BANKERS, INSURERS AND FUNDERS

How we engage

- > Ongoing maintenance of relationships through meetings and general discussions with bankers and insurance managers.

Matters raised:

- > Liquidity
- > Solvency
- > Funding
- > Insurance management

JOINT VENTURE PARTNERS

How we engage

- > Ongoing management interaction during the ordinary course of business.
- > Monthly executive management meetings.

Matters raised:

- > Sustainable development
- > Financial performance
- > Operational performance
- > Equitable treatment
- > Operational strategy

EMPLOYEES AND ORGANISED LABOUR

How we engage

- > Annual performance reviews.
- > Annual internal results presentation.
- > Regular internal roadshows.
- > Annual employee surveys.
- > Company intranet and website.
- > Monthly shop steward meetings.
- > Wage negotiations.
- > Other meetings with unions when required.

Matters raised:

- > Remuneration
- > Training and development
- > Health and safety
- > Transformation

COMMUNITIES, CIVIL SOCIETY AND NON-GOVERNMENTAL ORGANISATIONS

How we engage

- > Specialised community discussions/meetings to understand their specific concerns.
- > Social investment forums discuss investment in communities surrounding the operations.
- > Monthly/quarterly meetings are held to discuss LED and CSI projects.
- > Future Forums.
- > Attendance registers and minutes of these meetings are kept.
- > The ARM BBEE Trust.
- > Changes or expansions to our current operations require engagement with interested and affected parties through stakeholder consultation processes as prescribed by the Regulations of the National Environmental Management Act (NEMA) and other relevant legislation.
- > Community open days support information sharing and relationship building.

Matters raised:

- > Community needs, including socio-economic development, infrastructure development and employment
- > Status of social projects
- > Operational changes and expansions
- > Environmental issues affecting communities
- > Employment from local communities
- > Service delivery challenges
- > Transformation

GOVERNMENT

How we engage

- > ARM engages local and provincial government with respect to LED projects, licences and compliance with the relevant safety and environmental legislation.
- > ARM also engages with national government on matters of policy-making as required.
- > Regular reports are submitted by the operations on socio-economic development (SED) projects.
- > Annual Mining Charter Scorecard reports are submitted to the DMR by each mine.
- > dti annual audit for BEE verification.
- > A workplace skills plan is submitted to the Mining Qualifications Authority (MQA) annually.
- > Representation on various industry bodies that engage with government.

Matters raised:

- > Social investment
- > Health and safety
- > Environmental management
- > Transformation
- > Compliance with the dti's Codes of Good Practice and Mining Charter
- > Regular progress reports and updates

INDUSTRY ASSOCIATIONS*

How we engage

- > Regular scheduled association meetings.

Matters raised:

- > Sustainable development
- > Labour issues
- > Financial sustainability
- > Implementation of good practice
- > Industry-specific issues
- > Changes in legislation

CUSTOMERS

How we engage

- > Continual interactions in the ordinary course of business.
- > Annual contractual negotiations.
- > Regular service level agreement renewals.

Matters raised:

- > Product quality, timing of product delivery
- > Sustainability issues

SUPPLIERS AND LOCAL BUSINESS

How we engage

- > Continual interactions in the ordinary course of business.
- > Annual contractual negotiations.
- > Regular service level agreement renewals.
- > Scheduled meetings with local business.
- > ARM requires valid BEE certificates to support transformation in its supply chain.

Matters raised:

- > Local economic development
- > Industry issues
- > Fair payment terms
- > Fair treatment
- > Valid BEE certification
- > Ethics
- > Sustainability issues

MEDIA

How we engage

- > One-on-one interviews.
- > Press releases.
- > Stock Exchange News Services (SENS) announcements.
- > Media contact function on the Company website.
- > Publications on the ARM website.

Matters raised:

- > Topical issues as they arise

* Includes the Chamber of Mines, the International Council on Mining and Metals, Ferro Alloy Producers' Association, Association of Mine Managers of South Africa, Association of Resident Engineers, Business Unity of South Africa, Water User Associations and the Energy Intensive Users Group.