

ABOUT THIS REPORT

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

We aim to present a holistic view of the company and therefore report on the most material matters that affect the sustainability of our business. The report provides stakeholders with the information necessary to properly assess ARM's strategic intent, performance, prospects and value.

REPORTING SCOPE AND BOUNDARY

The 2018 Integrated Annual Report covers the period from 1 July 2017 to 30 June 2018. It provides an overview of and discusses the performance of our operations and projects located in South Africa and Malaysia. Our sustainability objectives and performance are reported only for those operations where ARM has direct or joint management and do not include the ARM Coal, Sakura and Harmony operations.

The 2018 Integrated Annual Report is supplemented by the 2018 Annual Financial Statements, the 2018 Sustainability Report, the 2018 Corporate Governance Report, the King IV™ Application Register and the 2018 Mineral Resources and Mineral Reserves Report all of which can be found on our website: www.arm.co.za.

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.

REPORTING PRINCIPLES AND FRAMEWORKS

We have responded to the relevant statutory frameworks in preparing this report. These include but are not limited to, the Companies Act 71 of 2008 (as amended), the King Report on Corporate Governance for South Africa 2009 and the King Code of Governance Principles (collectively, King IV™), the JSE Listings Requirements as well as all legislation, regulations and codes of practice applicable to the South African mining sector.

A comprehensive checklist detailing our application of the King IV™ principles is included on our website.

The financial information included in this report and the Annual Financial Statements has been prepared according to International Financial Reporting Standards (IFRS).

COMBINED ASSURANCE

A selection of material non-financial disclosures is included in the report which have been assured by an external assurance provider to ensure reliability of the disclosures published. The assurance statement may be found in our 2018 Sustainability Report.

ARM's combined assurance model defines what constitutes appropriate assurance according to the six lines of assurance. A combined assurance report, which is included in the 2018 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.



The unqualified opinion of the independent external auditors on the Audited Annual Financial Statements may be found on pages 5 to 8 of the 2018 Annual Financial Statements.

BOARD APPROVAL

The ARM Board of Directors (the Board) acknowledges its responsibility to ensure the integrity of this report. The Audit and Risk Committee, which has oversight responsibility of the report, recommended it for approval to the Board. The Board confirms that it has collectively assessed the report and is of the opinion that it represents all material matters and presents fairly the company's integrated performance. The Board has therefore approved release of the 2018 Integrated Annual Report.

Dr Patrice Motsepe
Executive Chairman

Mike Schmidt
Chief Executive Officer