

# Key stakeholder concerns and ARM's responses

Shareholders, potential shareholders, analysts and other investors			
HOW WE ENGAGE	ISSUES RAISED	RESPONSE	REFERENCE
<ul style="list-style-type: none"> <li>Annual General Meeting. Decisions taken at shareholder meetings are disclosed on the company's website following the meetings</li> <li>Provisional and interim results presentations</li> <li>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</li> <li>Conferences</li> <li>ARM's website provides updates on the company's operations, financial performance and other information</li> <li>Integrated annual report and the accompanying suite of reports.</li> </ul>	<ul style="list-style-type: none"> <li>Growth</li> <li>Unit cost reductions</li> <li>Capital allocation</li> <li>Labour relations,</li> <li>Dividends</li> <li>Share price performance</li> <li>Environmental, social and governance (ESG) issues</li> <li>Resilience and sustainability during Covid-19.</li> </ul>	<ul style="list-style-type: none"> <li>Transparent, comprehensive and objective communications</li> <li>Strategic focus on operating assets efficiently and disciplined allocation of capital</li> <li>ARM's investor relations department communicates with institutional shareholders, the investment community and the media</li> <li>Discussions with JV partners and management to raise awareness of the concerns and expectations of analysts and fund managers</li> <li>Regular meetings, promoting open communication and transparency.</li> <li>Summaries of the decisions taken at shareholders' meetings are disclosed on the company's website following the meetings.</li> </ul>	Financial review (IAR) (pages 26 to 39)
Bankers, insurers and funders			
HOW WE ENGAGE	ISSUES RAISED	RESPONSE	REFERENCE
<ul style="list-style-type: none"> <li>Ongoing maintenance of relationships through meetings and general discussions with bankers and insurance managers</li> <li>Annual ARM engagement with insurance market visit to international and local markets around insurance renewal.</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity</li> <li>Solvency</li> <li>Funding</li> <li>Insurance management</li> <li>Resilience and sustainability during Covid-19.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible management of ARM's financial position to ensure that it continues to meet its financial needs</li> <li>A comprehensive risk financing and transfer programme is in place.</li> </ul>	Financial review (IAR) (pages 26 to 39)
Joint venture partners			
HOW WE ENGAGE	ISSUES RAISED	RESPONSE	REFERENCE
<ul style="list-style-type: none"> <li>Ongoing management interaction during the ordinary course of business</li> <li>Monthly executive management and quarterly board meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable development</li> <li>Financial performance</li> <li>Operational performance</li> <li>Equitable treatment</li> <li>Operational strategy.</li> </ul>	<ul style="list-style-type: none"> <li>ARM holds itself to the highest ethical and governance standards in dealings with all stakeholders, including joint venture partners.</li> </ul>	Financial review (IAR) (pages 26 to 39) Operational reviews (IAR) (pages 54 to 89) How we govern and manage sustainable value creation (pages 14 to 23)

<b>Employees and organised labour</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>Regular performance reviews and feedback</li> <li>Annual internal results presentation</li> <li>Regular internal roadshows</li> <li>Annual employee surveys</li> <li>Company intranet and website</li> <li>Monthly shop steward meetings</li> <li>Other meetings with unions as required</li> <li>Wage negotiations</li> <li>Regular electronic communication (emails and sms's) during lockdown</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration</li> <li>Training</li> <li>Health and safety</li> <li>Safe working conditions during Covid-19</li> <li>Transformation.</li> </ul>	<ul style="list-style-type: none"> <li>Human resources strategies aim to make ARM an employer of choice, including maintaining good relationships with unions</li> <li>Commitment to fair treatment and remuneration of employees</li> <li>Focus on skills development and career-planning programmes to assist employees to develop to their full potential</li> <li>Recognition agreements with one or more unions where the required representation levels are reached</li> <li>Return to Work procedures implemented after lockdown and ongoing in line with the SOPs from the MCSA and guidelines from the DMRE and DoH.</li> </ul>	Ensuring a safe, healthy and appropriately skilled workforce (pages 49 to 77)
<b>Communities, civil society and non-governmental organisations</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>Specialised community discussions/ meetings to understand their specific concerns</li> <li>Social investment forums discuss investment in communities surrounding the operations</li> <li>Monthly/quarterly meetings are held to discuss Local Economic Development (LED) and Corporate Social Investment (CSI) projects</li> <li>Future Forums</li> <li>Attendance registers and minutes of these meetings are kept</li> <li>The ARM Trust</li> <li>Consultations with interested and affected parties for changes or expansions to current operations in terms of the Regulations of the National Environmental Management Act (NEMA) and other relevant legislation.</li> <li>Community open days.</li> </ul>	<ul style="list-style-type: none"> <li>Community needs, including socio-economic development, infrastructure development, employment and support during Covid-19</li> <li>Status of social projects, operational changes and expansions</li> <li>Environmental issues affecting communities</li> <li>Employment from local communities</li> <li>Service delivery challenges</li> <li>Transformation.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with communities at specialised discussions/meetings to understand their specific concerns</li> <li>Attendance registers and minutes of engagement meetings</li> <li>Community open days support information sharing and relationship building</li> <li>The ARM Trust invests in the upliftment of rural communities throughout South Africa by partnering with traditional and other community leaders</li> <li>Changes or expansions to our current operations require engagement with interested and affected parties through stakeholder consultation processes as prescribed by NEMA and other relevant legislation</li> <li>Coordinated industry-level and direct community support during Covid-19.</li> </ul>	Stakeholder engagement (pages 26 to 29) Our performance (pages 36 to 101)

KEY STAKEHOLDER CONCERNS AND ARM'S RESPONSES continued

<b>Government</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>• ARM engages local and provincial government with respect to LED projects, licences and compliance with the relevant safety and environmental legislation</li> <li>• ARM also engages with national government on matters of policy-making as required</li> <li>• Regular reports are submitted by the operations on socio-economic development (SED) projects</li> <li>• Annual Mining Charter Scorecard reports are submitted to the DMRE by each mine</li> <li>• dti annual audit for BEE verification.</li> <li>• A workplace skills plan is submitted to the Mining Qualifications Authority (MQA) annually</li> <li>• Representation on various industry bodies that engage with government.</li> </ul>	<ul style="list-style-type: none"> <li>• Social investment</li> <li>• Health and safety</li> <li>• Environmental management</li> <li>• Transformation</li> <li>• Compliance with the dti Codes of Good Practice and Mining Charter</li> <li>• Regular progress reports and updates</li> <li>• Support for government Covid-19 priorities</li> </ul>	<ul style="list-style-type: none"> <li>• Engagements with local and provincial government with respect to LED projects, licences and compliance with relevant safety and environmental legislation</li> <li>• Engagements with national government on matters of policy-making as required</li> <li>• Regular reports are submitted by the operations on SED projects</li> <li>• Annual Mining Charter Scorecard reports are submitted to the Department of Mineral Resources and Energy (DMRE) by each mine</li> <li>• Coordinated industry-level and direct support for employees, communities and government during Covid-19.</li> </ul>	<p>Stakeholder engagement (pages 26 to 29)</p> <p>Our performance (pages 36 to 101)</p>
<b>Industry associations*</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>• Regular scheduled association meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable development</li> <li>• Labour issues</li> <li>• Financial sustainability</li> <li>• Implementation of best practice</li> <li>• Industry-specific issues</li> <li>• Changes in legislation</li> <li>• Coordinated response to Covid-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Representation in various executive and other roles within industry associations to engage and give input on various industry issues and communicate with industry and government stakeholders</li> <li>• Coordinated industry-level and direct support for employees, communities and government during Covid-19.</li> </ul>	<p>Stakeholder engagement (pages 26 to 29)</p> <p>Our performance (pages 36 to 101)</p>

<b>Customers</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>Continual interactions in the ordinary course of business</li> <li>Annual contractual negotiations.</li> <li>Regular service level agreement renewals.</li> </ul>	<ul style="list-style-type: none"> <li>Product quality</li> <li>Timing of product delivery</li> <li>Sustainability issues.</li> </ul>	<ul style="list-style-type: none"> <li>Processes are in place to ensure consistency of product quality.</li> <li>ARM contracts with logistics and freight service providers, including Transnet.</li> </ul>	Stakeholder engagement (pages 26 to 29) Our performance (pages 36 to 101)
<b>Suppliers and local business</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>Continual interactions in the ordinary course of business</li> <li>Annual contractual negotiations</li> <li>Regular service level agreement renewals</li> <li>Scheduled meetings with local business.</li> </ul>	<ul style="list-style-type: none"> <li>Local economic development</li> <li>Industry issues</li> <li>Fair payment terms</li> <li>Fair treatment</li> <li>Valid BEE certification</li> <li>Ethics</li> <li>Sustainability issues.</li> </ul>	<ul style="list-style-type: none"> <li>Support for local enterprise development through our CSR initiatives</li> <li>Payment terms align with industry standards</li> <li>ARM operates ethically and does not tolerate unfair discrimination</li> <li>ARM requires valid BEE certificates to support transformation in its supply chain</li> <li>Support provided to SMMEs and suppliers during Covid-19.</li> </ul>	Communities (pages 37 to 42) Transformation (pages 43 to 45)
<b>Media</b>			
<b>HOW WE ENGAGE</b>	<b>ISSUES RAISED</b>	<b>RESPONSE</b>	<b>REFERENCE</b>
<ul style="list-style-type: none"> <li>One-on-one interviews</li> <li>Press releases</li> <li>Stock Exchange News Service (SENS) announcements</li> <li>Media contact function on the company website</li> <li>Publications on the ARM website.</li> </ul>	<ul style="list-style-type: none"> <li>Topical issues as they arise.</li> </ul>	<ul style="list-style-type: none"> <li>ARM's investor relations department communicates with the investment community and the media, and facilitates access to information and management where possible.</li> </ul>	ARM's suite of reports and website <a href="http://www.arm.co.za">www.arm.co.za</a>

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