www.arm.co.za

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ARM African Rainbow Minerals

2024 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ARM

African Rainbow Minerals

2024

Environmental, social and governance report

We do it better

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SUPPLEMENTARY INFORMATION

African Rainbow Minerals (ARM) is a leading South African diversified mining and minerals company with operations in South Africa and Malaysia. ARM mines and beneficiates iron ore, manganese ore, chrome ore, platinum group metals (PGMs), nickel and coal. It also produces manganese alloys and has a strategic investment in gold through Harmony Gold Mining Company Limited (Harmony Gold).

How to navigate our reports

In F2024, we again cross-reference to other documents in our reporting suite, hyperlinked for your convenience by the icons below. Photographs from our library span a number of years, including the pandemic period.

Information available on our website **www.arm.co.za**

Information available elsewhere in this report

ARM's reporting against the United Nations Global Compact, ICMM performance expectations, the United Nations Sustainable Development Goals (SDGs), sustainability data tables and Global reporting initiative (GRI) index is available on **www.arm.co.za**

OUR 2024 SUITE OF REPORTS

IAR **2024 Integrated annual report**

A holistic assessment of ARM's ability to create sustainable value, with relevant extracts from the annual financial statements, the environmental, social and governance (ESG) report and the Mineral Resources and Mineral Reserves report.

AFS **2024 Annual financial statements**

The audited annual financial statements have been prepared according to International Financial Reporting Standards (IFRS Accounting Standards).

ESG **2024 ESG report**

A detailed review of our performance on key ESG matters. The ESG report includes the full remuneration report and should be read in conjunction with the GRI Index.

CCW **2024 Climate change and water report**

A detailed review of our performance on key climate change and water matters, in line with the Task Force on Climate-related Financial Disclosures (TCFD) and IFRS S2 Climate-related financial disclosure.

KING **2024 King IV™* application register**

A summary of how ARM implements the principles and practices in King IV to achieve the governance outcomes envisaged.

MRMR **2024 Mineral Resources and Mineral Reserves report**

In line with the JSE Listings Requirements, ARM prepares Mineral Resources and Mineral Reserves statements for all its mining operations as per SAMREC guidelines and definitions (2016).

AGM **2024 Notice to shareholders**

- Notice of annual general meeting
- Form of proxy
- Protecting value through good governance
- Board of directors
- Report of the audit and risk committee
- Report of the social and ethics committee chairman
- Remuneration report
- Directors' report
- Summarised consolidated financial statements

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All monetary values in this report are in South African rand unless otherwise stated. Rounding may result in computational discrepancies on management and operational review tabulations.

Overview

Beeshoek Mine

OVERVIEW

Disclosures in this report focus on our most **material matters**, guided by the member requirements of the International Council on Mining and Metals (ICMM), International Financial Reporting Standards (IFRS) Foundation International <IR> Framework, GRI Standards and GRI mining and metals sector supplement.

About our ESG report

Our ESG report provides additional information for stakeholders on our sustainability-related practices and performance for F2024.

The integrated annual report (IAR) is the primary report for African Rainbow Minerals Limited (ARM or the company), providing information on the company's financial and operational performance to meet the needs of shareholders, potential investors, and other providers of capital.

This 2024 environmental, social and governance (ESG) report provides additional information for stakeholders about our ESG practices and performance for the financial year 1 July 2023 to 30 June 2024 (F2024). It should be read with the ARM 2024 IAR, climate change and water report 2024, and the rest of the 2024 reporting suite (available on **www.arm.co.za**).

Reporting guidelines

Our ESG reporting process is informed by the relevant regulatory guidelines, frameworks, industry initiatives and codes of good practice applicable to the South African and global mining sector.

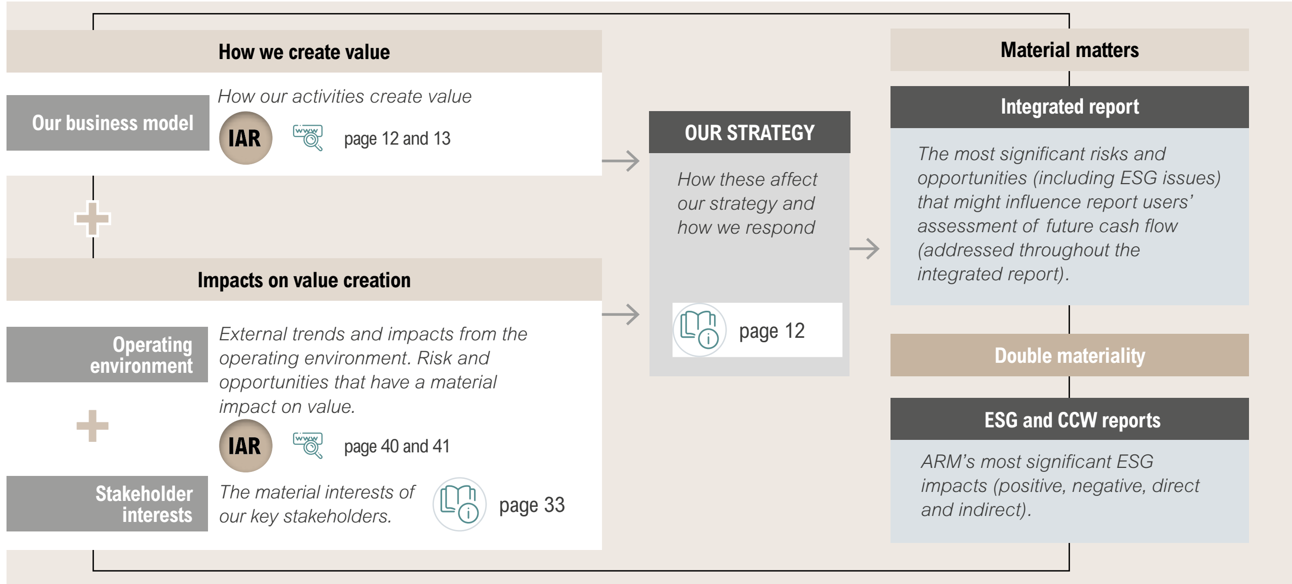
See pages 6 and 7.

Disclosures in this report focus on our most material matters, guided by the member requirements of the International Council on Mining and Metals (ICMM), International Financial Reporting Standards (IFRS) Foundation International <IR> Framework, GRI Standards and GRI mining and metals sector supplement.

Our approach to ESG is also informed by industry initiatives and good practice, guidelines and frameworks, including:

- Extractive Industries Transparency Initiative (EITI)
- FTSE/JSE Responsible Investment Index
- South African National Strategic Plan (NSP) 2023 – 2028
- South Africa's National Development Plan (NDP)
- United Nations Global Compact
- ICMM Sustainable Development Framework
- JSE Sustainability and Climate Disclosure Guidance
- World Economic Forum's International Business Council's Stakeholder Capitalism Metrics
- Initiatives under the Minerals Council South Africa (MCSA)
- IFRS Foundation Sustainability Standards S1 and S2
- Global Industry Standard on Tailings Management (GISTM)
- UN Sustainable Development Goals (SDGs)
- GRI/WBCSD/WRI* GHG Protocol.

Materiality determination process



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* Global Reporting Initiative, World Business Council for Sustainable Development, World Resources Institute.

Determining materiality

The IAR and ESG reports focus on ARM's most material matters. These were derived through a formal externally facilitated process with ARM's senior executives in F2022 and were reviewed in subsequent years for developments.

Boundary and basis for inclusion

ESG information is included for all operations where ARM has direct or joint management control, namely those in the ARM Ferrous and ARM Platinum divisions. The financial results of Machadodorp Works are reported separately in the IAR and financial statements, but ESG information for this operation is included in ARM Ferrous disclosures, in line with operational reporting lines. The report boundary excludes operations, joint ventures and investments that we do not manage directly (ARM Coal, the Sakura Ferroalloys smelter and Harmony Gold), as well as projects in exploration, development or feasibility phases.

Consistency of disclosure

ESG data covers ARM's activities for F2024 on a 100% basis (as if ARM owned 100% of all operations), except for pulmonary tuberculosis (PTB) infection and cure rates, which are reported for calendar year 2023 to align with legislation on these disclosures.

Note that the total workforce figure used for occupational health and safety statistics is the average of 21 243 employees and contractors eligible for induction and/or medical surveillance and contributing to safety statistics over the year. The total labour figure reported in the human resources management section and IAR of 23 369 is the headcount as at 30 June 2024.

The F2023 BBEE Trust community investment was restated, as disclosed in the footnote on page 25.

ARM is a constituent of the FTSE4Good Index series, achieving an overall ESG score of 4.5 out of 5 (2023: 4.4), compared to the average score of 2.5 for the basic materials industry and 2.8 for the general mining subsector. This score places ARM in the 100 percentile rank, the highest rank in the index.

Combined assurance

The combined assurance model page 112 integrates the ARM enterprise risk management (ERM) processes, internal and external audit processes, and assurance from specialists/subject-matter experts to ensure a coordinated and integrated approach to assurance. The model helps to identify potential gaps in assurance, eliminate duplication and reinforce comprehensive risk-based assurance processes and reporting.

Certain sections of the report were reviewed by external assurance providers. Selected key performance indicators and narrative disclosures, marked with a "✓" in this report, were assured by independent assurance provider, KPMG Inc. The independent limited assurance report is on pages 167 to 169.

Stakeholder feedback

We value feedback on our ESG reporting, practices and performance. Contact details are on the inside back cover.

Directors' responsibility

The ARM board is ultimately responsible for this ESG report and has mandated the social and ethics committee to oversee the reporting process. The board reviewed the ESG report and believes that, read together with the 2024 IAR and 2024 climate change and water report, it provides an accurate and balanced reflection of the group's activities for the year and appropriately addresses the most material issues.

Dr RV Simelane
Chairman of the social and ethics committee

Phillip Tobias
Chief executive officer

25 October 2024

Context, frameworks and reporting

We consider sustainable value creation in the context of:

INDUSTRY INITIATIVES AND GOOD PRACTICE

The Minerals Council South Africa (MCSA)

MINERALS COUNCIL SOUTH AFRICA

ICMM International Council on Mining & Metals | SUSTAINABLE DEVELOPMENT FRAMEWORK

- Principles
- Position statements
- Performance expectations (PE)
- Corporate sustainable development (SD) reporting and assurance, PE validation and disclosure

GUIDELINES AND FRAMEWORKS

- King IV Code
- Extractive Industries Transparency Initiative (EITI)
- FTSE/JSE Responsible Investment Index
- GRI Standards
- Task Force on Climate-related Financial Disclosures (TCFD)
- The National Strategic Plan for HIV, TB and STIs 2023-2028 (NSP 2023-2028)
- South Africa's National Development Plan (NDP)
- United Nations Global Compact (UNGC)
- United Nations Sustainable Development Goals (UN SDGs)
- ICMM Sustainable Development Framework
- ICMM Social and Economic Reporting Framework
- IFRS Foundation's Integrated Reporting <IR> Framework
- IFRS Foundation's Sustainability Standards S1 and S2
- World Economic Forum's International Business Council's Stakeholder Capitalism Metrics
- JSE Sustainability and Climate Disclosure Guidance
- Global Industry Standard on Tailings Management (GISTM)

Relevant legislation

ENVIRONMENTAL

- National Environmental Management Act (NEMA) and Regulations
- National Environmental Management: Air Quality Act
- National Environmental Management: Biodiversity Act
- National Environmental Management: Waste Act
- National Water Act
- National Heritage Resources Act
- National Climate Change Response Policy
- Regulations: National Greenhouse Gas Emission Reporting
- Climate Change Act
- Mineral and Petroleum Resources Development Act (MPRDA)

COMMUNITIES AND TRANSFORMATION

- MPRDA
- Mining charter III
- Department of Trade, Industry and Competition revised codes of good practice (dtic CoGP)
- Compensation for Occupational Injuries and Diseases Act

SAFETY AND OCCUPATIONAL HEALTH

- Mine Health and Safety Act (MHSA)
- Occupational Health and Safety Act (OHSA)
- Mining charter III
- MPRDA
- Occupational Diseases in Mines and Works Act (ODMWA)
- Compensation for Occupational Injuries and Diseases Act (COIDA)

HUMAN RESOURCES MANAGEMENT

- Skills Development Act
- Employment Equity Act
- MPRDA
- Basic Conditions of Employment Act
- Labour Relations Act
- Protection of Personal Information Act (POPIA)
- Employment Equity Act

Reporting in terms of the ICMM performance expectations and mining principles

ARM is a member of the International Council on Mining and Metals (ICMM) and shares its commitment to operating with principles.

We have reported in terms of the ICMM's original 10 sustainable development principles and position statements since F2010.

The ICMM's five subject matters, which form part of its Assurance and Validation Procedure, confirm members are implementing their mining principles and performance expectations (PEs):

- **ICMM subject matter 1:** The alignment of ARM's sustainability policies, management standards and procedures to the ICMM principles, any mandatory requirements set out in ICMM position statements and the performance expectations (PEs) ✓
- **ICMM subject matter 2:** ARM's material sustainability risks and opportunities based on its own review of the business and the views and expectations of its stakeholders ✓
- **ICMM subject matter 3:** ARM's implementation of systems and approaches used to manage its identified material sustainable development risks and opportunities ✓
- **ICMM subject matter 4:** ARM's reported performance during the reporting period for the identified material sustainability risks and opportunities ✓
- **ICMM subject matter 5:** ARM's description of the prioritisation process for the selection of assets for PE validation. ✓

KPMG Inc. provided limited assurance over ARM's ICMM Statement, and marked with a ✓ on page 25 of this report. The independent limited assurance report is on pages 167 to 169.

The report of the independent assurance provider on page 167 provides an opinion on this report's alignment with ICMM subject matters one to five.

In 2020, the ICMM launched enhanced membership requirements underpinned by 38 performance expectations (PEs) that further strengthen members' social and environmental requirements. The enhanced requirements include robust asset and corporate-level validation, credible assurance, and transparent disclosure. Assets subject to PE validation are required to conduct self-assessments once every three years and third-party validation of prioritised assets within a three-year validation cycle.

ARM started piloting self-assessments of PEs in F2019. From F2023, these have been subject to independent third-party validation on a three-year cycle. ARM's prioritisation of assets selected for PE validation aligns with the ESG report assurance process, with operations selected for external assurance visits in a given year also prioritised for PE validation.

To date, the assets where self-assessments have received independent third-party validation are:

- **F2023:** Modikwa and Khumani mines
- **F2024:** Bokoni Mine and Cato Ridge Works.

Gaps in alignment with the PEs identified in these processes are being addressed. ARM's self-assessments against the ICMM PE (which were subject to assessment) for all assets are available on our website **www.arm.co.za**.

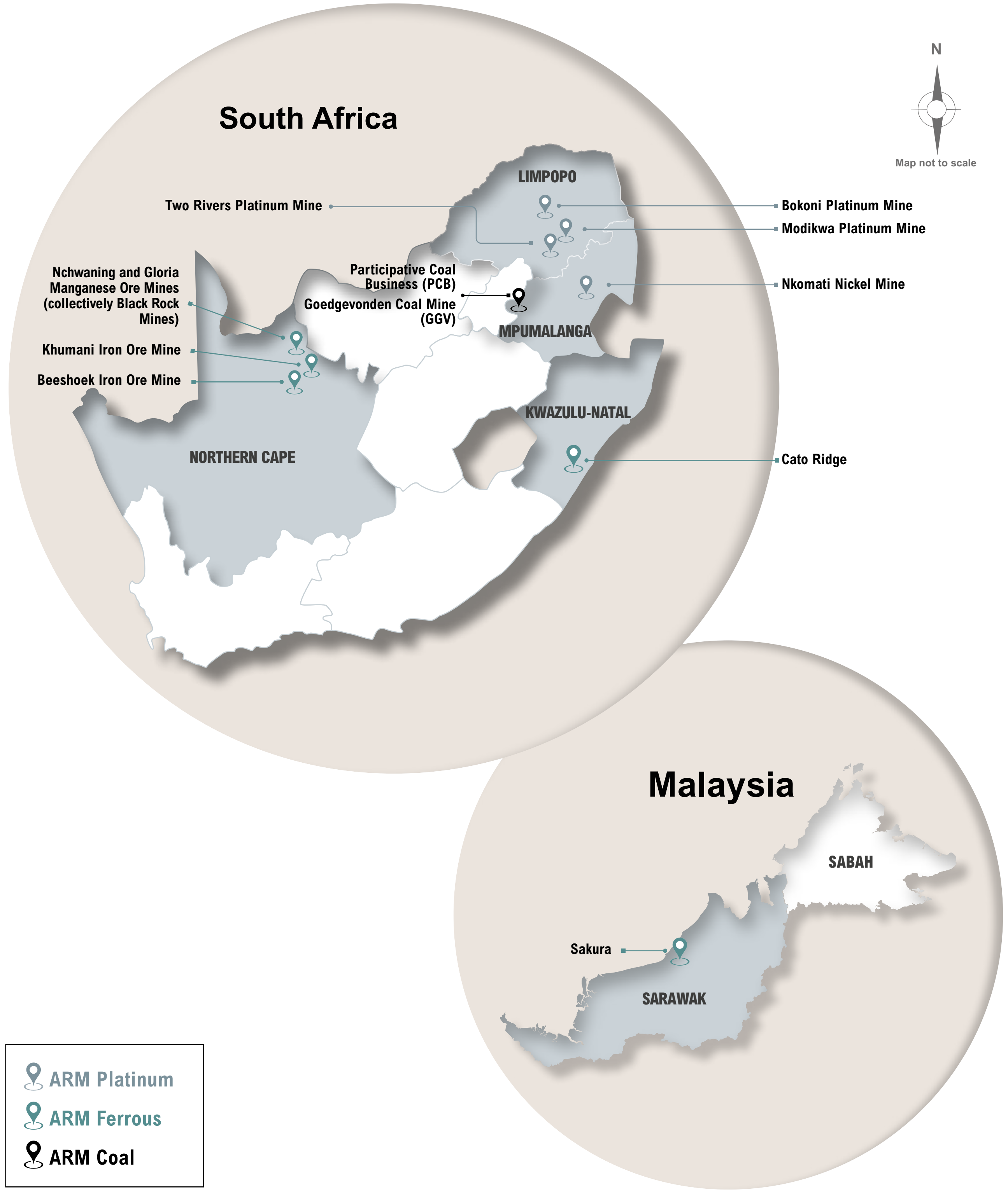
As a member of the ICMM, ARM subscribes to the Extractive Industries Transparency Initiative (EITI) – a global standard promoting transparency and the management of revenues from natural resources. We support EITI's continued efforts for beneficial ownership transparency.

ARM's alignment with the ICMM's mining principles is summarised below.

	MINING PRINCIPLE	REFERENCE
1 ETHICAL BUSINESS	Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.	Social and ethics committee chairman's report (page 16) Our sustainable development model (page 23) Independent sustainability assurance provider report (page 167)
2 DECISION-MAKING	Integrate sustainable development in corporate strategy and decision-making processes.	Executive chairman's report (IAR) (page 24) Social and ethics committee chairman's report (page 16) Chief executive officer's statement (page 20) Our sustainable development model (page 23) IAR
3 HUMAN RIGHTS	Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities.	Social and ethics committee chairman's report (page 16) Our social impact (page 75)
4 RISK MANAGEMENT	Implement effective risk-management strategies and systems based on sound science, and which account for stakeholder perceptions of risk.	Our sustainable development model (page 23) Enterprise risk management (page 28)
5 HEALTH AND SAFETY	Pursue continual improvement in health and safety performance with the ultimate goal of zero harm.	Executive chairman's report (page 24) Social and ethics committee chairman's report (page 16) Safety (from page 56) Occupational health and wellness (from page 60) IAR
6 ENVIRONMENTAL PERFORMANCE	Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.	Environment (from page 38) Climate change and water report CCW
7 CONSERVATION OF BIODIVERSITY	Contribute to the conservation of biodiversity and integrated approaches to land-use planning.	Environment (page 38) Sustainability data tables (biodiversity management) (on our website)
8 RESPONSIBLE PRODUCTION	Facilitate and support the knowledge base and systems for responsible design, use, reuse, recycling and disposal of products containing metals and minerals.	Our value chain (page 83)
9 SOCIAL PERFORMANCE	Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.	Our value contribution (page 15) Human resources management (from page 66) Community impacts (from page 75) Stakeholder engagement (from page 32)
10 STAKEHOLDER ENGAGEMENT	Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner and effectively report and independently verify progress and performance.	Stakeholder engagement (page 32)

Where we operate

ARM operations are located in the Northern Cape, Limpopo, Mpumalanga and KwaZulu-Natal provinces in South Africa. In Malaysia, the Sakura Ferroalloys smelter is in the Sarawak province.



ARM Platinum
ARM Ferrous
ARM Coal

KHUMANI

IAR page 74

◆	Open-pit mechanised mine
●	11.9Mt iron ore
LoM	20 years
EMPL	3 655
LTIFR	0.24

BEESHOEK

IAR page 74

◆	Open-pit mechanised mine
●	2.5Mt iron ore
LoM	6 years
EMPL	1 226
LTIFR	0.00

BLACK ROCK MINING OPERATIONS

Nchwaning and Gloria

IAR page 74

◆	Underground mechanised mine
●	4.3Mt manganese ore
LoM	>30 years
EMPL	3 794
LTIFR	0.09

CATO RIDGE

IAR page 74

◆	Smelter
●	116 000t ferromanganese
EMPL	555
LTIFR	0.54

SAKURA FERROALLOYS

IAR page 74

◆	Smelter
●	253 000t ferromanganese
EMPL	Not reported by ARM
LTIFR	Not reported by ARM

MACHADODORP

◆	Smelter
●	Currently being used to develop energy-efficient smelting
EMPL	97
LTIFR	0.00

NKOMATI

IAR page 62

◆	Open-pit mechanised mine
●	Currently on care and maintenance
LoM	Currently on care and maintenance
EMPL	125
LTIFR	0.00

MODIKWA

IAR page 62

◆	Underground mine
●	290 000 6E PGM ounces
LoM	>21 years*
EMPL	5 362
LTIFR	0.33

TWO RIVERS

IAR page 62

◆	Underground mechanised mine
●	291 000 6E PGM ounces
LoM	17 years*
EMPL	6 005
LTIFR	0.14

BOKONI

IAR page 62

◆	Combined mineral resources
●	28 199 6E PGM ounces
LoM	>20 years
EMPL	2 284
LTIFR	0.36

GOEDGEVONDEN (GGV)

IAR page 86

◆	Open-pit mechanised mine
●	7.3Mt saleable thermal coal
LoM	>20 years
EMPL	Not reported by ARM
LTIFR	Not reported by ARM

PARTICIPATIVE COAL BUSINESS (PCB)

IAR page 86

◆	Open-pit mechanised mine
●	10.2Mt saleable thermal coal
LoM	12 years
EMPL	Not reported by ARM
LTIFR	Not reported by ARM

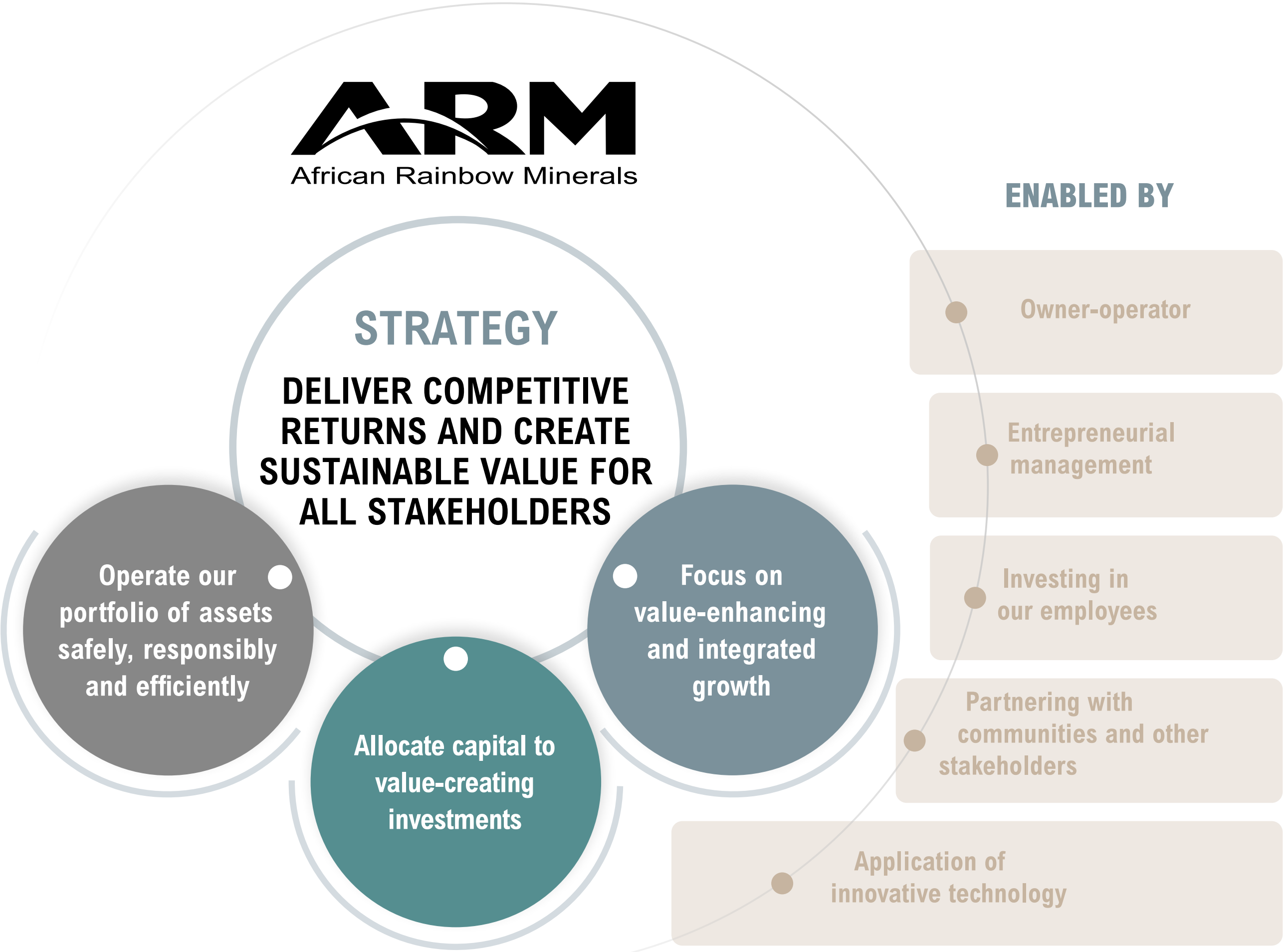
◆	Mine/operation type
●	F2024 production volumes (100% basis)
LoM	Approximate life-of-mine (* including resources not yet converted to reserves)
EMPL	Number of employees at 30 June 2024 (full-time employees and contractors)

LTIFR	F2024 lost-time injury frequency rate per 200 000 man-hours
Mt	million tonnes
t	tonnes
oz	ounces
PGM	platinum group metals

Our strategy

Deliver competitive returns and sustainable value

Our longer-term strategy is unchanged but we continually review short-term issues – to prioritise our strategic objectives and integrate emerging issues, particularly decarbonisation – into our short, medium and longer-term view.



RESPONSIBLE	RESILIENT	READY
Strategic objective Operate our portfolio of assets safely, responsibly and efficiently	**Strategic objective** Allocate capital to value-creating investments	**Strategic objective** Focus on value-enhancing and integrated growth

Underpinned by our values

Aim for operational excellence | Provide a safe and healthy work environment | Maintain a non-discriminatory workplace | Improve the lives of those living in communities neighbouring our operations | Work responsibly to achieve balance between the economic, social and environmental aspects of our business | Maintain the highest standards of corporate governance

IAR Refer to page 10 of the ARM 2024 IAR for more information on how we deliver on our strategy.

This report focuses on the following material matters arising from our strategic priorities:

ENVIRONMENT	SOCIAL
• Climate change • Energy management • Water management • Atmospheric pollution • Land use management • Responsible tailings management.	• Safety • Occupational health and wellness • Human resources management • Communities.

GOVERNANCE, RISK AND COMBINED ASSURANCE

As a responsible mining company, ARM contributes to the implementation of most SDGs in many ways detailed on our 2024 UNGC and SDG report (**www.arm.co.za**). During the year, we refined our approach to focus on those SDGs most closely related to ARM's activities and material matters. We categorise the SDGs into those that closely align to our core activities (main focus), those where we make a direct contribution and those to which we indirectly contribute. The table below groups the SDGs accordingly and links them to the key performance indicators (KPIs) we track to monitor progress towards the goals.

MAIN FOCUS: SDGs ALIGNED TO OUR CORE ACTIVITIES

3 GOOD HEALTH AND WELL-BEING	6 CLEAN WATER AND SANITATION	8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Ensure healthy lives and promote wellbeing for all at all ages	**Ensure availability and sustainable management of water and sanitation for all**	**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**	**Make cities and human settlements inclusive, safe, resilient and sustainable**	**Ensure sustainable consumption and production patterns**	**Take urgent action to combat climate change and its impacts**
1 Pulmonary tuberculosis (TB) 2 HIV prevalence 3 Employees and contractors receiving antiretroviral therapy (ART) 4 Number of fatalities 5 LTIFR	1 Water recycling and reuse 2 Water use efficiency 3 Water stress 4 Water re-use efficiency (%) 5 Water supplied to neighbouring communities, farms and other users (m^3)	1 Value-added, net value-added 2 Fatality frequency rate (FFR); lost-time injury frequency rate (LTIFR); total recordable injury frequency rate (TRIFR) 3 Percentage of work belonging to an organised labour group 4 Number of employees and contractors 5 Procurement of goods and services from host communities (R billion) 6 SLP implementation	1 SLP investments	1 Hazardous waste 2 Recycled waste 3 Biodiversity plans	1 Scope 1 and 2 GHG emissions 2 Reduction in GHG emissions from specific initiatives

Our strategy continued

DIRECT CONTRIBUTION: SDGs THAT OUR ACTIVITIES AND ENGAGEMENTS CONTRIBUTED TO

4 QUALITY EDUCATION	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	**Achieve gender equality and empower all women and girls**	**Ensure access to affordable, reliable, sustainable and modern energy for all**	**Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**	**Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development**
1 Training spend per employee 2 Training days per employee 3 Training spend as a % of payroll 4 Adult education and training (AET) 5 Bursaries awarded 6 Bursars employed by ARM 7 Bursaries to children of ARM employees 8 Studies funded for ARM employees	1 Female representation in the workforce (%) 2 Female representation in management (%) 3 Female representation on the board (%)	1 Energy consumption intensity per unit of output per commodity 2 Investment in renewable energy and energy optimisation 3 Energy-related community investment	1 Average number of hours of training in anti-corruption issues per employee per year (as total hours of training in anti-corruption issues per year divided by total employees)	1 Taxes and other payments to the government 2 Community investment – local economic development (LED) and corporate social investment (CSI)

INDIRECT CONTRIBUTION: SDGs WHERE OUR CONTRIBUTION IS INDIRECT

1 NO POVERTY	2 ZERO HUNGER	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	14 LIFE BELOW WATER	15 LIFE ON LAND
End poverty in all its forms everywhere	**End hunger, achieve food security and improved nutrition and promote sustainable agriculture**	**Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation**	**Reduce inequality within and among countries**	**Conserve and sustainably use the oceans, seas and marine resources for sustainable development**	**Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.**

Our value contribution

ARM Ferrous produces iron ore, manganese ore and alloys. Together with nickel, these are used to make steel, the backbone of the modern economy. Steel is an essential part of infrastructure development, multiple products and the equipment used in industries that drive economic growth, job creation and the lower-carbon economy. These include:

- Motor vehicles
- Domestic appliances
- Wind turbines
- Water and energy distribution systems
- Transport infrastructure
- Alternative energy systems
- Information technology
- Industrial and medical applications.

ARM Platinum produces PGMs (platinum, palladium, rhodium, ruthenium and iridium), plus smaller quantities of gold, nickel and copper. PGMs are used in many industrial and consumer applications, including:

- Autocatalysts
- Jewellery
- Electronics
- Laboratory equipment
- Dental equipment
- Chemical reagents.

Investing in energy-transition and critical minerals

We continue to explore and invest in energy-transition and critical minerals that could be value accretive. The mineral claim package owned by Surge Copper Corporation (Surge) hosts multiple deposits of copper, molybdenum, gold and silver – metals that are critical inputs to the low-carbon energy transition and associated electrification technologies. Copper in particular is a critical material for wind and solar technology, energy storage and electric vehicles.

Responsible stewardship of South Africa’s coal assets

ARM is not making any new coal investments and we will continue running existing assets to the end of their current economic lives. We are continually looking for opportunities to be more responsible and efficient in our coal-related activities.

How our products contribute to a low-carbon future

Saving energy and reducing emissions

- Higher-quality iron ore and manganese ore require less energy, improve production and reduce emissions in the steel-production process
- Autocatalytic converters use PGMs to reduce harmful GHG emissions in vehicles.


Khumani Mine

Green energy solutions and enabling the hydrogen economy

- Steel is an essential component of wind turbines and energy-distribution infrastructure
- Platinum in hydrogen fuel cells generates energy from hydrogen and oxygen where water is one of the by products. Hydrogen fuel-cell electric vehicles provide a zero-emissions alternative to the internal combustion engine.


Black Rock Mine

Storing energy efficiently

- Nickel and manganese are used in lithium-ion batteries, which support the growth of renewable energy and electro-mobility.


Black Rock Mine

Social and ethics committee chairman's report

> **"As an ICMM member, ARM is committed to operating with the required principles.** Our responsible corporate citizenship philosophy aspires to transform mineral wealth into sustainable economic growth and development."

Responsibilities

Ultimate responsibility for monitoring the effective management of sustainable development lies with the ARM board. This responsibility is delegated to the social and ethics committee, which is constituted under regulation 43(5)(c) of the Companies Act.

The committee operates according to its terms of reference, which are reviewed annually and updated as necessary. It monitors and reports on the manner and extent to which ARM protects, enhances and invests in and impacts on the economy, workplace, society and natural environment to ensure its business practices are sustainable. It is responsible for monitoring specific activities prescribed by the Companies Act 71 of 2008, read together with regulation No 43 of the Companies Act Regulations 2011, as well as other relevant legislation, legal requirements and codes of global practice that apply to:

- Social and economic development
- Responsible corporate citizenship, including promoting equality, preventing unfair discrimination, implementing measures to address any incidents and contributing to the development of communities in which ARM operates
- Sustainable development, including environmental management, occupational health and wellness and safety
- Stakeholder relationships
- Labour and employment.

The committee also has other duties assigned by the board. It draws relevant matters to the board's attention and reports to shareholders at annual general meetings. It is supported in its responsibilities by executive management, management committees and governance structures, including the employment equity and skills development committee. The social and ethics committee oversees the management of ESG risks identified through the enterprise risk management (ERM) process, which considers internal and external stakeholders as well as governance processes.

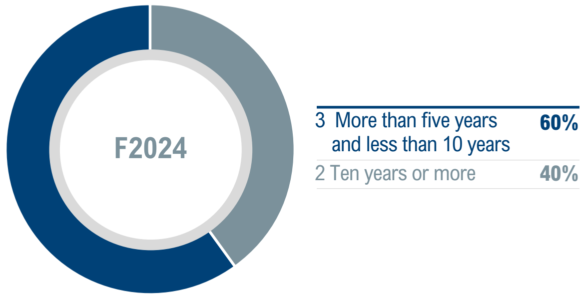
We note the signing and gazetting of the Companies Amendment Bills into law in July 2024 and will consider their impact on the committee and its activities so that these align with new requirements once the implementation date is announced.

Composition

The terms of reference provide that the committee must comprise at least three directors, of whom the majority must be independent non-executive directors. It currently comprises five independent non-executive directors who bring extensive experience in mining operations, human resources, sustainable development and stakeholder engagement.

Member	Committee member since
Dr RV Simelane (chairman)	February 2007
JA Chissano	August 2019
AK Maditsi	June 2012
DC Noko	August 2019
JC Steenkamp	April 2018

Tenure



Dr Rejoice Simelane
Chairman of the social and ethics committee

Through its business endeavours, ARM seeks to act as a catalyst for local, regional, national, regional and international development and to make a lasting and important social, economic and environmental contribution in developing regions in which ARM operates.

Invitees to meetings include the chief executive officer, finance director, executive: investor relations and new business development, divisional chief executives, executive: risk, executive: sustainable development, group executive: human resources, group executive: legal and executive: compliance.

There were four scheduled meetings in F2024. Attendance is shown on page 102.

F2024 focus

- Monitored safety-improvement programmes, implementation of the critical control management (CCM) process to enhance risk engagement and progress in implementing level 9 of the collision avoidance system
- Considered an independent report on the regrettable fatality at Bokoni Mine, including discussing root causes, contributing factors and remedial actions
- Oversaw initiatives on transformation, gender mainstreaming and talent management
- Monitored enterprise development programmes, including supplier development initiatives
- Monitored environmental priorities, carbon emission-reduction initiatives and further improvements to our corporate water and climate-change reporting process
- Monitored management's implementation of the new ICMM accounting and reporting guidelines as well as development of appropriate company scope 3 emissions targets and commitments
- Oversaw tailings storage facility (TSF) management and conformance to GISTM
- Monitored allegations received via ARM's whistleblower facility
- Considered management reports on compliance in terms of the company's legal compliance policy
- Monitored the status of implementing recommendations from the F2023 sustainability assurance process
- Monitored risk areas affecting the sustainability of the business, together with the audit and risk committee, and received a report on the findings of the annual corporate risk workshop
- Monitored compliance with the mining charter and dtic codes of good practice targets, as well as the company's adoption of standards of good practice.

Executing responsibilities

Based on its activities, we believe the social and ethics committee has executed its duties and responsibilities during the financial year in line with the Companies Regulations promulgated under the Companies Act and its terms of reference.

Social and ethics committee chairman's report

continued

Partnering to entrench good ESG practice

While the words used to describe sustainable development have changed over time, ARM was founded on the principle and it is embedded in our values, strategy and activities. Ethical business practices that recognise the importance and interconnectedness of environmental and social responsibility are essential to safeguard the company's reputation and secure its ability to create value for all stakeholders over the long term.

We are committed to responsible production and to mitigate our impacts to ensure a balanced focus on people, planet and profit. ARM aspires to be a company that continually pursues and implements global best practices across all aspects of its business. The board closely considers critical issues such as climate change to oversee their inclusion in ARM's strategy and the integration of effective responses across the business.

ARM implements the ICMM's sustainable development framework and our operations and the corporate office started completing annual self-assessments against the ICMM's 38 performance expectations (PE) in F2019[1]. The operations are prioritised for validation, aligned with the ESG report assurance process, with all operations subject to external PE validation over a three-year cycle. In F2024, the Bokoni Mine and Cato Ridge Works PE self-assessments were prioritised for validation as part of the external limited assurance over ESG information.

Supporting the safety, health and wellness of our employees and contractors

We aim to maintain a safe and healthy work environment for all employees and contractors. We deeply regret the fatal accident at Bokoni Mine (see page 58) and extend our sincere condolences to Mr Ubisse's family, friends and colleagues.

We continue to work towards ensuring zero harm at our operations, including implementing the critical control management process and level 9 collision avoidance system. The group recorded improvements in all safety lagging indicators and the severity rate, with several mines achieving significant safety milestones during the year.

ARM's integrated wellness management programme focuses on preventing occupational health hazards from affecting the health of employees and contractors. As part of our commitment to contributing to national goals and improving the lives of those around us, the mines partner with local departments of health to strengthen the implementation of provincial strategies for TB, HIV and Aids, sexually transmitted infections and chronic disease management. These agreements also extend primary healthcare services to contractors and communities. Clinics at the operations participate in wellness campaigns that include TB and HIV and Aids awareness and outreach in the workplace and neighbouring communities.

Enhancing ARM's human capital and supporting host communities

Identifying, attracting, developing and retaining the talent, skills and experience needed to achieve our strategic goals is an ongoing priority. ARM's human resources initiatives align our available human capital with future skills needs and entrench our desired organisational culture.

ARM embraces the principle of transformation and endorses the ICMM position statement on improving diversity, equity and inclusion in the industry and positively influencing the affected communities. We also consider succession planning, management recruitment, retention, selection, promotion and our learning and development programmes embed transformation and gender mainstreaming. This ensures we continue to improve representation of historically disadvantaged persons (HDPs), women and people with disabilities while building a diverse and representative pipeline of future leaders.

Investing in projects that make a meaningful difference to living conditions for people in communities neighbouring our operations and strengthen community resilience is an effective way for ARM to leave a long-lasting positive legacy. Programmes at the operations unlock opportunities for local black-owned, black youth-owned and black women-owned companies, creating jobs and fostering local economic development.

Stewarding natural resources

ARM recognises the significant global challenges presented by climate change and the impacts these may have on our business, local communities, other stakeholders and the world. We are committed to being part of the solution by reducing carbon emissions, mitigating the physical impacts of climate change, investing to improve community resilience and using water and energy responsibly and efficiently.

We consider executive incentives as an important mechanism for ensuring our GHG emissions targets are achieved and they are included in the performance conditions for the annual awards of ARM's long-term incentives.

Our long-term GHG emission-reduction target aims to achieve net-zero GHG emissions (scope 1 and 2) in mining by 2050. This is supported by operation-specific decarbonisation pathways and short and medium-term scope 1 and 2 emissions-reduction targets.

Refer to part III of remuneration report.

Just as the world's water systems are threatened by rising consumption, pollution, weak governance and climate change, ARM faces material water-related risks with potential impacts on production, costs, growth, supply chains and communities. We continue to improve our measurement and understanding of water impacts and water reporting by implementing global practice guidelines, including the ICMM water accounting framework (WAF) and water reporting guide.

CCW Please refer to the 2024 climate change and water report for more information.

Ethics and compliance

ARM's steadfast commitment to the highest moral, ethical and legal compliance in dealing with our stakeholders is entrenched in our code of conduct. The code requires directors and employees to maintain these standards to ensure business is conducted honestly, fairly, legally, reasonably, in good faith and in the best interests of all stakeholders.

The ARM Group human rights policy formalises our commitment to conducting business in a manner that respects and gives utmost consideration to the rights and dignity of all people, while centrally embracing the values and principles of ubuntu (loosely translated as I am because you are). It promotes respect for human rights and instils a culture of human rights between and among employees and the group's stakeholders.

We view legal compliance as the minimum requirement and engage with regulators to ensure approved licences and permits are in place so that we continue to comply with their conditions. Internal and external compliance-monitoring processes ensure effective oversight of licence and permit amendments as operations expand and projects evolve. Environmental incidents and ARM's response are discussed on page 47.

The committee reviews reports of calls made to the independent anonymous whistleblower facility and the outcomes of resulting investigations.

Acknowledgements

I thank my fellow committee members and the board for their diligence and insight during the year. On behalf of the board, I extend our thanks to management and employees for their hard work during the year and their dedication to operating responsibly.

Dr RV Simelane
Chairman of social and ethics committee

F2025 FOCUS AREAS

- Monitoring safety improvement programmes and implementation of critical control management process and collision avoidance systems at all operations
- Oversight of transformation, gender mainstreaming and talent management initiatives
- Monitoring enterprise development programmes, including supplier development initiatives
- Monitoring environmental priorities, carbon emission-reduction initiatives and further improvements to our corporate water and climate-change reporting process
- Monitoring management's implementation of the new ICMM accounting and reporting guidelines and the development of scope 3 emissions targets and commitments
- Oversee TSF management and conformance to GISTM.

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[1] *This excludes Bokoni Mine, which was acquired in September 2022 and fully integrated into ARM's ESG reporting and assurance framework in F2024.*

Chief executive officer's statement

> **"ARM views its environmental and social performance as a tangible demonstration of our motto We do it better.** We invest in these areas because responsible practices are good for business and because we are committed to ensuring that our activities leave a lasting positive legacy."

Phillip Tobias
Chief executive officer (CEO)

ESG factors are interwoven into ARM's approach to business and strategy, on par with operational and financial considerations. As ICMM members, our approach to responsible mining aligns with global practice embodied in the ICMM's principles and performance expectations. We also consider many other statutory and voluntary frameworks, focusing on those that are most material to our activities. Beyond appropriate compliance, this ensures all aspects of sustainability are integrated in our activities.

Monitoring ESG performance

We monitor our ESG performance and progress against measurable targets and time frames, and implement management systems aligned to international global practice to manage and mitigate potential negative impacts. Our long-term incentive plans (2018 conditional share plan and 2018 cash-settled conditional share plan) incorporate ESG-related performance criteria including safety, transformation and climate-change indicators to align management and stakeholder interests (see pages 152 and 153). Cash bonuses for senior executives include a safety modifier, with a further downward adjustment in the case of fatalities. We are exploring ways of integrating measurable climate-change and water targets into the remuneration packages of relevant executives. During the year, Bokoni Mine was fully integrated into ARM's ESG reporting processes.

ARM's ESG practices are recognised by our inclusion in the FTSE/JSE Responsible Investment Top 30 Index and the FTSE4Good Index Series. We are proud to report that ARM improved its overall ESG score from 4.4 to 4.5 out of 5 in the latest FTSE4Good evaluation. This score positions ARM in the highest ranking, and significantly ahead of the average score for the basic materials industry and general mining subsector.

Safety and health

ARM is committed to zero harm. Safety is an ongoing priority and a key indicator of operational performance.

We discuss our safety performance in detail from page 56. Notable achievements include the decrease in lost-time injuries to 53 in F2024 (F2023: 54) and the further improvement in the lost-time injury frequency rate (LTIFR) to 0.22 from our previous best performance of 0.27 in F2023. Black Rock Mine completed 12 million fatality-free shifts, Beeshoek Mine achieved 16 months without a lost-time injury and Modikwa Mine completed three million fatality-free shifts in July 2024.

Achieving zero harm requires constant vigilance and improvement. Safety starts with ongoing workplace hazard identification and risk assessments, supported by appropriate controls to mitigate risk and prevent harm. Continuous learning from high-potential incidents improves our systems.

Regrettably, Mr Thomas Ubisse, a team leader, was fatally injured in a fall-of-ground accident in June 2024 at Bokoni Mine. Support and counselling were offered to his family members and all affected employees through the employee assistance programme. Independent root-cause investigations are underway as we work towards zero harm at our operations.

ARM's integrated wellness management programme identifies and manages health risks and chronic conditions that may affect wellness and quality of life to support our people. We are following the industry-wide buy and maintain quiet initiative (IBMQI) and rolling out specialised hearing protection to support our comprehensive hearing-conservation programme. Other areas of focus include occupational lung diseases and support for the national agenda to address TB as well as HIV and Aids. Our wellness service partners provide mental health support, counselling, legal and financial advice for employees.

Developing our people

ARM provides jobs for over 23 000 employees and contractors. Technical skills are in short supply globally and positioning ARM as an employer of choice through our compelling employee value proposition which is fundamental to identifying, attracting, developing and retaining the skills we need now and in future.

Representation of historically disadvantaged people (HDPs) and women continues to improve in most categories (pages 70 and 71) in line with our aspiration to exceed statutory transformation targets wherever possible.

Our learning and development programmes build the skills we require to meet current and future needs. They include leadership development programmes that support increased representation of previously disadvantaged groups in the workforce and equip employees with the skills of the future (page 72). We also make a significant investment in the future-skills talent pool through bursaries, learnerships, the graduate development programme and adult education and training. We are partnering with institutions of higher learning to attract top-performing young talent and promote the company brand.

In total, the group invested R399 million in skills development (F2023: R371 million), representing 8.8% of payroll compared to the mining charter target of 5%.

Investing in communities

Our communities are important stakeholders and their welfare is a crucial part of our business and the long-lasting legacy we want to create. ARM invests in local economic development projects and corporate social investment initiatives that align with community and government priorities to improve living standards in our local communities (page 76). In F2024, we invested R189 million in local communities (F2023: R124 million), the majority of which was allocated to local economic development projects to improve water and sanitation, health, schools and road infrastructure.

At the operations, preferential procurement, and enterprise and supplier development programmes support local small, medium and micro enterprises (SMMEs) to stimulate entrepreneurship, create jobs, increase economic activity in mining communities and empower HDPs.

Chief executive officer's statement continued

Equity participation in Modikwa Mine shares the benefits of growth with communities. Similarly, 15% of Bokoni Mine will be held by communities, employees and black industrialists, who will each hold 5%.

Minimising environmental impacts

We continue to expand our understanding of the resilience of our business to climate transition and physical risks. Our operations are implementing projects to achieve our short, medium and long-term carbon emissions-reduction goals.

Energy is a significant input cost for our operations and projects. Implementing renewable energy systems will reduce our carbon emissions and improve energy security, while reducing costs. These projects include initiatives to reduce reliance on electricity from coal-fired power stations, which constrains our ability to reduce our carbon footprint through business-as-usual methods.

ARM Platinum's 20-year power purchase agreement to wheel 100MW of solar photovoltaic power to its operations is forecast to save around 4.8MtCO_2e over the next two decades. ARM Ferrous is exploring the required energy mix for the Northern Cape mines to balance energy sources to meet baseload demand.

In F2024, we refined decarbonisation pathways, detailing the short-term steps to achieve our long-term target. These include sustainable and financially responsible carbon-reduction initiatives for each operation. We are developing a climate-change strategy framework to guide our actions and, in F2024, we further improved our scope 3 emissions inventory and developed scope 3 emissions qualitative targets.

ARM's absolute scope 1 and 2 emissions decreased by 6% in F2024 to 1.7MtCO_2e while electricity consumption remained at 1 331GWh (page 45). This mainly reflects reduced activities at Cato Ridge Works after decommissioning furnace 1 in February 2023. Current scope 1 and 2 emissions represent a 19.1% decrease against our F2018 baseline.

We continue to improve water accounting and reporting, with operation-specific water targets set for all operations. At year end, 91% of these targets were met or are on track to be met.

Reported operational water withdrawal increased by 27% from F2023, mainly due to the inclusion of Bokoni Mine for the first time (page 47). Water-reuse efficiency, an important indicator in monitoring and managing consumption and losses, was unchanged at 78%.

We are working with other mines in the Northern Cape to engage with the Department of Water and Sanitation to address delays in refurbishing critical infrastructure that raise the risk of water-supply interruptions to mines and communities in the area.

Safe and stable operation of the 13 TSFs at ARM operations (page 50) is a priority, both at operational and corporate level by the joint-venture partners at each operation. Management of these facilities aligns with South African compliance requirements as well as global good-practice standards, including GISTM. The ARM report on conformance to GISTM forms part of our annual reporting suite and is available on our website **www.arm.co.za**. It provides public disclosure and confirmation that ARM operations have implemented effective risk management processes and systems to ensure TSFs are managed effectively and that any risk to people and the environment is identified and mitigated.

Looking ahead

Although we are pleased with our progress in F2024, managing and mitigating potential risks demand unceasing attention and an appreciation of the long-term nature of ESG. Our focus areas for the year ahead are shown in the relevant sections of this report. Making progress in these areas will ensure ARM continues to improve its sustainability performance, supporting the group's ability to create long-term sustainable value for all stakeholders.

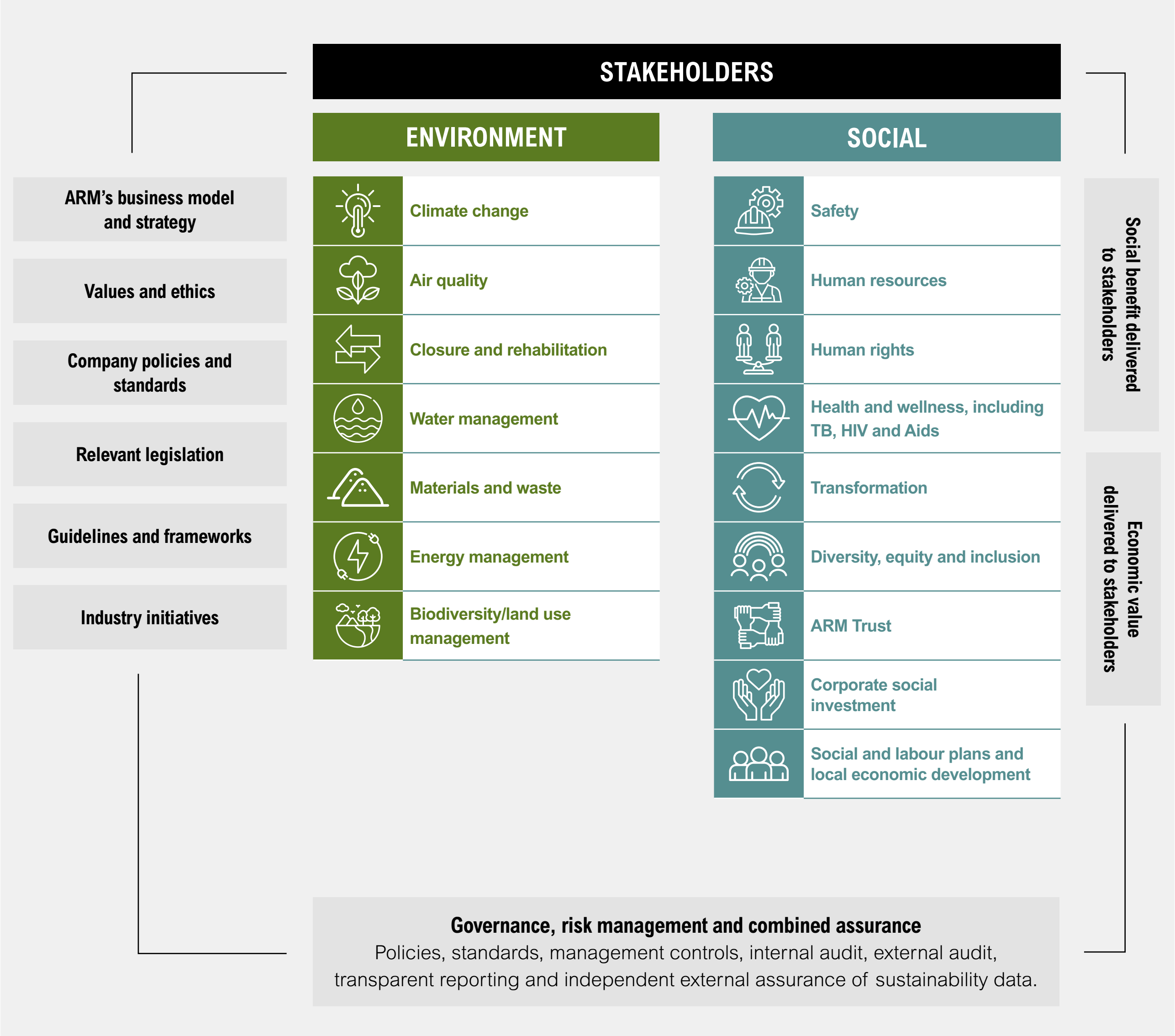
Phillip Tobias
Chief executive officer

25 October 2024

Our sustainable development model

ARM is committed to responsible and sustainable mining and beneficiation, with zero tolerance for harm to employees, contractors, host communities and the environment.

The board is the foundation of the corporate governance system and is accountable for ARM's performance, which includes sustainable development. It ensures the company's long-term strategy and purpose are implemented sustainably and that business is conducted ethically and with integrity.



The board has delegated responsibility to the ARM social and ethics committee to monitor and report on the manner and extent to which the company protects, enhances and invests in the wellbeing of the economic, social and environmental contexts in which we operate to ensure that our business practices are sustainable. The committee is chaired by Dr RV Simelane and comprises five non-executive board members.

Our sustainable development model continued

ESG risks and sustainable development matters and performance are included in the enterprise risk management (ERM) process. ERM forms part of the formal agenda of the management risk and compliance committee, a subcommittee of the audit and risk committee.

The ARM executive: sustainable development operates with oversight from the social and ethics committee and develops, implements and reviews sustainability policies, standards, strategies and targets to ensure these align with the board's commitment to responsible corporate citizenship. She also attends board meetings to respond to any sustainability-related matters raised by the board. The risk department reports on risk-related matters, which include ESG matters, under the oversight of the finance director.

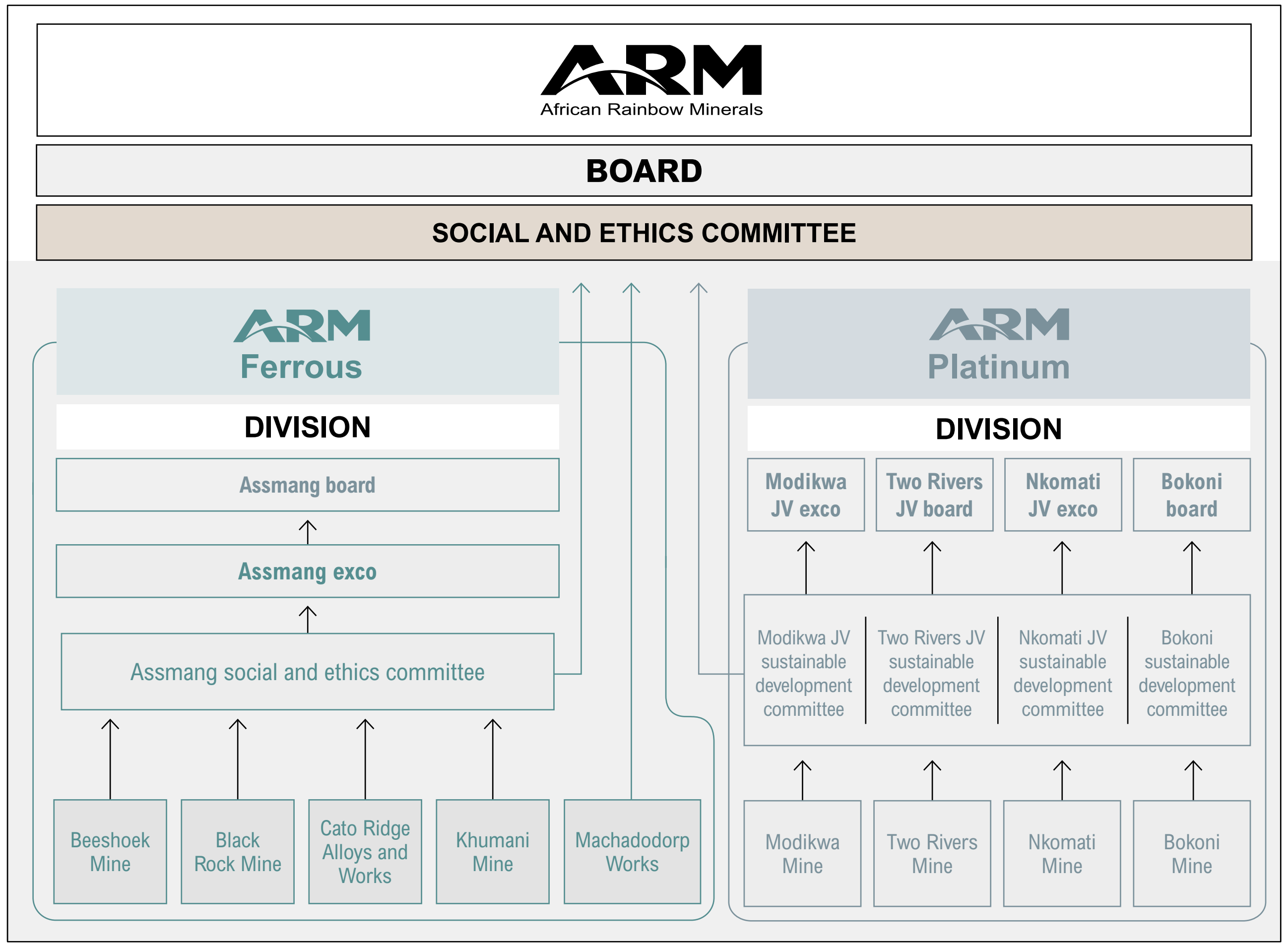
The effectiveness of our approach to sustainable development is assessed through key performance indicators and related matters that are regularly monitored at operational, divisional, executive and board levels. We also monitor related information from engagements with our key stakeholders. The combined assurance model (see page 112) provides a sound basis for evaluating the appropriateness and reliability of ARM's sustainability processes, controls and information.

Divisional and operational governance frameworks

In ARM Ferrous, the Assmang social and ethics committee oversees the sustainability performance of the operations, except for Machadodorp Works. Quarterly meetings ensure comprehensive reporting at operational level. The committee is chaired by the ARM executive: investor relations and new business development.

Sustainable development committees for the ARM Platinum operations report to the executive committee or board of the respective joint ventures, as appropriate. These committees are chaired by the ARM executive: sustainable development.

The committees report on sustainability-related performance and compliance to the ARM social and ethics committee at quarterly meetings.



Sustainability performance in F2024

Performance indicator as at 30 June	Assured	F2024	F2023	F2022	F2021	F2020
Economic and related core baseline indicators (segmental)						
Sales (Rm)		**11 418**	14 662	38 208	44 564	27 370
Taxes (Rm)		**1 608**	3 469	4 817	6 506	2 805
Headline earnings (Rm)		**5 080**	8 983	11 338	13 064	5 534
EBITDA (Rm)		**1 049**	5 829	17 839	24 321	11 009
Number of environmental administrative penalties/fines		**1**	–	–	–	–
Employee indicators (100% basis)						
Total number of ARM employees and contractors[1]		**23 369**	22 931	21 610	20 928	20 998
– Employees (permanent)		**13 670**	13 477	12 707	12 335	12 678
– Contractors (mainly used in capital projects)		**9 699**	9 454	8 903	8 593	8 320
Employee turnover (excluding contractors) (%)		**7.4**	6.5	5.2	10.1	6.3
Investment in employee training and development						
– Total expenditure (Rm)		**399**	371	198	239	225
– % of payroll		**8.8**	9.3	7.1	6.9	6.8
Employment equity (% previously disadvantaged groups per category)						
– Top management		**73**	75	67	65	61
– Senior management		**70**	66	64	57	52
– Professionally qualified		**78**	76	73	69	68
– Technically qualified		**86**	84	82	80	79
Safety and health						
– Total work-related fatalities	✓	**1**	1	2	2	2
– Fatality frequency rate (FFR)[2]	✓	**0.004**	0.005	0.010	0.010	0.010
– Lost-time injury frequency rate (LTIFR)[2]	✓	**0.22**	0.27	0.31	0.41	0.45
– Total recordable injury frequency rate (TRIFR)[2]	✓	**0.50**	0.62	0.70	0.81	0.92
– Reportable/serious accidents		**43**	44	42	55	63
– Total occupational diseases submitted for compensation	✓	**24**	15	13	18	19
– Total number of cases of noise-induced hearing loss (NIHL) submitted for compensation	✓	**23**	15	13	18	11
– Total number of new pulmonary TB cases[3]	✓	**19**	21	18	34	46
– Employees and contractors receiving antiretroviral treatment at ARM operations		**1 320**	1 239	1 398	2 575	3 168
Number of lost man-days due to industrial action		**–**	–	–	110	–
Environmental indicators						
Total volume of water withdrawal (m^3)	✓	**24 503 219**	21 274 743	17 393 796	20 034 604	21 773 441
– Total operational water withdrawal (m^3) (municipal, surface and groundwater)		**23 253 064**	18 291 911	16 803 679	19 380 928	18 967 229
– Other managed water/diversions (m^3)		**1 250 155**	2 982 832	590 117	653 676	1 300 439
Water output (m^3)		**2 508 616**	733 063	242 836	866 552	1 045 647
Total energy used (GJ)[4]	✓	**7 400 278**	7 693 348	7 577 456	8 444 099	8 642 520
Energy use						
– Electricity (MWh)	✓	**1 330 731**	1 331 182	1 380 623	1 542 908	1 563 311
– Diesel (000 litres)	✓	**78 433**	79 213	71 241	78 853	82 572
Emissions						
Carbon emissions (equivalent tonnes CO_2) (100%)						
– Scope 1 and 2	✓	**1 695 526**	1 804 578	1 879 449	2 016 832	2 060 511
– Scope 3	✓	**56 402 411**	59 402 936	*	*	*
Direct emissions						
– NOx (tonnes)		**391**	374	366	372	398
– SOx (tonnes)		**234**	249	257	263	274
– Particulate matter (tonnes)		**311**	213	276	290	267
Corporate social responsibility						
Total CSI and LED spend (Rm)	✓	**189.0**	123.9	150.4	170.4	130.3
– CSI (Rm)		**53.1**	41.4	34.6	45.2	44.7
– LED (Rm)		**135.9**	82.5	115.8	125.3	85.6
ARM BBEE Trust (Rm) (projects)		**23.2**	33.1[6]	19.8	10.9	14.5
Governance indicators						
ARM's King IV application register	✓	**Y**	Y	Y	Y	Y
Board diversity						
– Diversity (black) (%)[5]		**60**	56	56	56	58
– Gender (female) (%)		**20**	22	25	25	25
– Independent non-executive directors (%)		**80**	67	63	63	56

Non-financial data is stated on a 100% basis.

[1] *Total number of ARM employees and contractors as at 30 June.*

[2] *Injury rates are measured per 200 000 man-hours and include both ARM employees and contractor incidents.*

[3] *Reported for the 12 months to December in line with the regulatory reporting requirements.*

[4] *Total energy used was assured for the first time in F2022.*

[5] *Excludes non-South African director.*

[6] *Restated to correct prior misstatement*

✓ *Limited assurance provided by KPMG Inc.*

* *Not reported.*

Governance overview

Our approach

Adhering to the highest standards of corporate governance is fundamental to the sustainability of our business. Our business practices are conducted in good faith and in the interests of the company and all its stakeholders, with due regard for the principles of good corporate governance.

The unitary board of directors is the foundation of our corporate governance system and is accountable for our performance. The board retains effective control of the business through a clear governance structure. It is assisted by established committees, in line with its charter. The board recognises that delegating authority does not reduce the responsibility of directors to discharge their statutory and common-law fiduciary duties.

We regularly review our governance structures to ensure they support effective decision-making, establish a corporate culture aligned with ARM's purpose, foster sustainable growth, and align with evolving global practice.

King IV and governance

We support the governance outcomes, principles and practices set out in King IV and apply all relevant principles. We view developments and governance trends as opportunities to continuously improve and entrench our own standards. Practices affecting our divisions and operations are identified, assessed and addressed through action plans as well as regular monitoring and reporting to the appropriate governance structures. Ongoing progress reports are presented, among others, to the ARM audit and risk committee and divisional audit committees.

KPMG Inc. provided limited assurance over ARM's application of the 16 principles, prepared in accordance with the fourth version of the King Report on Governance for South Africa 2016 and the King Code of Governance Principles.

The independent limited assurance report is on pages 167 to 169 of this report.

KING King IV application register on our website **www.arm.co.za**.

Donations to political parties

ARM has a policy regarding donations to political parties and contributes to political parties to support South Africa's democratic processes. Donations are made to political parties in accordance with the policy and the donations budget approved by the board.

Ethics

Code of conduct

Through our code of conduct, we confirm our commitment to high ethical and legal standards in dealing with all our stakeholders. All directors and employees are required to maintain these standards so that ARM's business is conducted honestly, fairly, legally, reasonably and with utmost good faith. As per policy, the code was reviewed in 2024 and includes more detailed provisions for conflicts of interest as well as anti-bribery and anti-corruption. Training is ongoing.

Conflicts of interest

The code includes provisions prohibiting the acceptance of any gift that may be construed as an attempt to influence an employee, regardless of value. Accepting gifts within policy parameters must be approved beforehand by a member of the executive team. Directors disclose their interests at board and committee meetings.

Disclosure

The code includes a policy on communications that encourages complete, accurate and timely communication with the public. In F2024, the chief executive officer, finance director, executive: investor relations and new business development and group company secretary and governance officer oversaw compliance with disclosure under the JSE Listings Requirements.

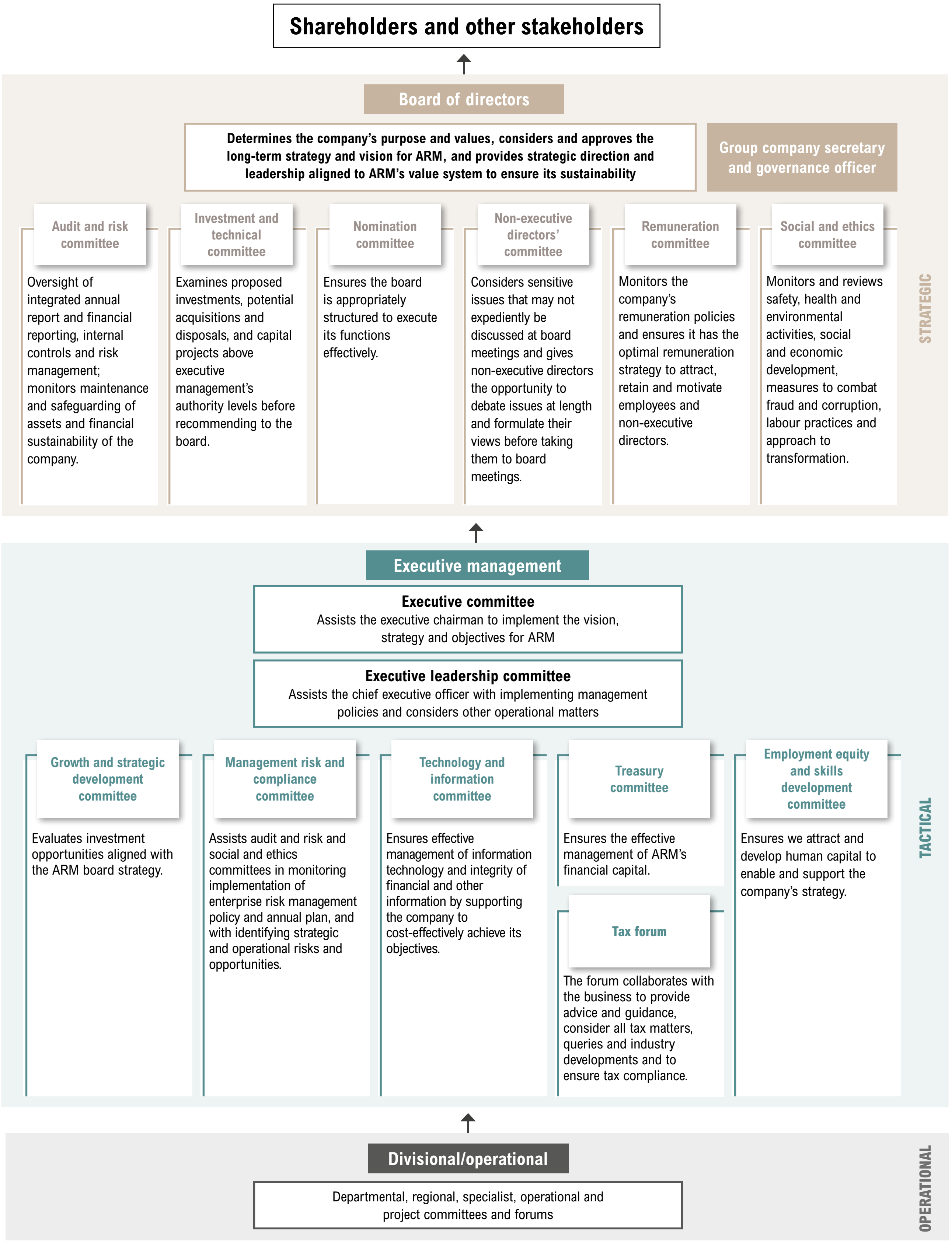
Dignity and respect

Employees are required to treat their colleagues in a way that upholds individual self-worth and that respects cultural, political, religious and other beliefs.

Safety, health and environment

The code reiterates our commitment to safety, health and environmental responsibility, and what this requires from employees and contractors.

Governance framework



Board of directors

Determines the company's purpose and values, considers and approves the long-term strategy and vision for ARM, and provides strategic direction and leadership aligned to ARM's value system to ensure its sustainability

Group company secretary and governance officer

Audit and risk committee

Oversight of integrated annual report and financial reporting, internal controls and risk management; monitors maintenance and safeguarding of assets and financial sustainability of the company.

Investment and technical committee

Examines proposed investments, potential acquisitions and disposals, and capital projects above executive management's authority levels before recommending to the board.

Nomination committee

Ensures the board is appropriately structured to execute its functions effectively.

Non-executive directors' committee

Considers sensitive issues that may not expediently be discussed at board meetings and gives non-executive directors the opportunity to debate issues at length and formulate their views before taking them to board meetings.

Remuneration committee

Monitors the company's remuneration policies and ensures it has the optimal remuneration strategy to attract, retain and motivate employees and non-executive directors.

Social and ethics committee

Monitors and reviews safety, health and environmental activities, social and economic development, measures to combat fraud and corruption, labour practices and approach to transformation.

Executive management

Executive committee

Assists the executive chairman to implement the vision, strategy and objectives for ARM

Executive leadership committee

Assists the chief executive officer with implementing management policies and considers other operational matters

Growth and strategic development committee

Evaluates investment opportunities aligned with the ARM board strategy.

Management risk and compliance committee

Assists audit and risk and social and ethics committees in monitoring implementation of enterprise risk management policy and annual plan, and with identifying strategic and operational risks and opportunities.

Technology and information committee

Ensures effective management of information technology and integrity of financial and other information by supporting the company to cost-effectively achieve its objectives.

Treasury committee

Ensures the effective management of ARM's financial capital.

Tax forum

The forum collaborates with the business to provide advice and guidance, consider all tax matters, queries and industry developments and to ensure tax compliance.

Employment equity and skills development committee

Ensures we attract and develop human capital to enable and support the company's strategy.

Divisional/operational

Departmental, regional, specialist, operational and project committees and forums

Enterprise risk management

> ARM continues to focus on embedding the constituent parts of our strategic drive to integrate leadership effectiveness, strategy, risk management, asset management, resilience and assurance.

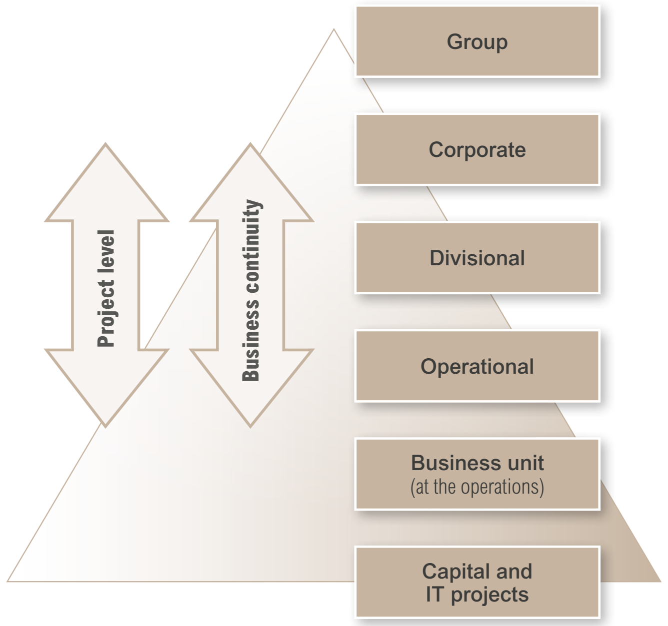
Our risk management strategy is evolving to make ARM a mature, risk-intelligent and optimised value organisation by 2025. As we develop an optimised ERM value proposition, we continue to focus on embedding the constituent parts of our strategic drive to integrate leadership effectiveness, strategy, risk management, asset management, resilience and assurance. By sustaining these processes, ARM is aiming for peer-leading levels of risk management maturity. Equally, our focus on an integrated risk management and sustainability strategy is expected to generate benefits and efficiencies in the way we approach and manage ERM and ESG matters.

Our risk assessment hierarchy

Our risk assessment process establishes mandatory steps to context setting, risk identification, risk analysis, risk evaluation, risk treatment, communication and consultation, monitoring and reviewing, and recording and reporting.

The timing of the ERM process in ARM is aligned with our assurance and corporate governance requirements. However, risk management is not an activity that takes place only at stated intervals, but continuously through all phases of the business and with every major change in the business and operations. All risk activities are timed to facilitate risk input into the ARM strategic planning process, in line with the commitment in our ERM policy.

We report on the results of our risk assessment activities to the following governance structures:

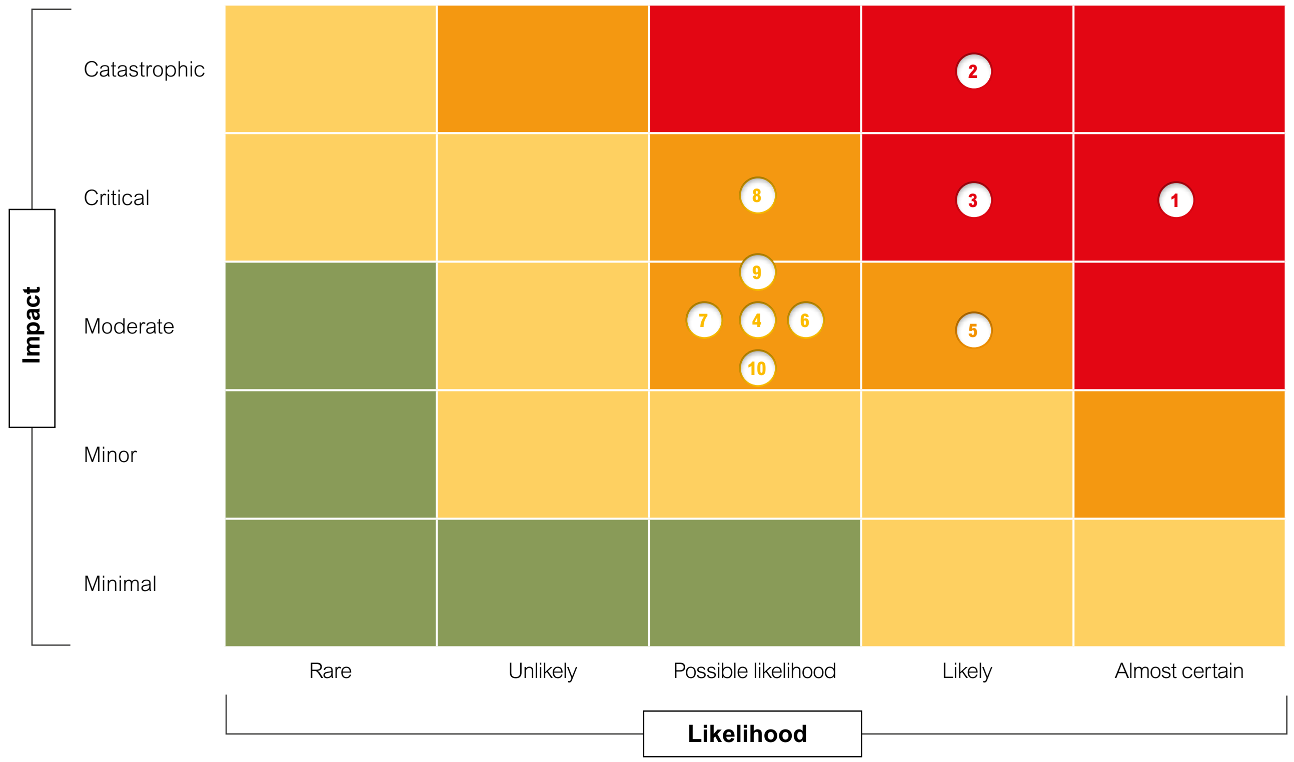


Committee	Attendance	Reporting
ARM level		
Board	●	*
Audit and risk	●	●
Social and ethics	●	●
Executive leadership committee	●	●
Management risk and compliance	●	●
Technology and information	●	●
Divisional level		
Social and ethics or sustainable development	●	●
Operational/divisional steering	●	●

* *Annually.*

Residual risk dashboard

Our top 10 risk profile as at end June 2024.



	RISK	OUR RESPONSE
①	**Volatility in PGM prices (potential up/downside)** Uncertain outlook for PGM prices, which decreased year on year. Uncertainty remains in the medium to long term.	• Cash preservation and cost-containment initiatives, including rightsizing the labour complement • Enhancing productivity • Efficient allocation of capital.
②	**Underperformance of Transnet (rail and port)** Transnet Freight Rail (TFR) continues to provide suboptimal performance as characterised by train cancellations and a short supply of wagons for the iron ore and manganese operations. In addition, infrastructure challenges at the port terminal negatively impact the amount of iron ore that is railed.	• Weekly engagement with Transnet by dedicated executives • Revised annual production in line with Transnet's performance • Road-haul contingency for manganese • Engagement through forums in collaboration with other mines via MCSA and DMPR.
③	**Unreliable water supply and delayed pipeline upgrade project** Unreliable water supply from Vaal Central Water Board in the Northern Cape affects the achievement of operational objectives and has a negative socio-economic impact on surrounding communities.	• Ongoing engagements with Vaal Central Water Board to ensure reliable water supply • Mine leadership forum provides technical, financial and governance oversight and drives collaborative engagements through the MCSA • On-site water-storage facilities • Recovery and recycling of stormwater and process water.

Enterprise risk management continued

RISK	OUR RESPONSE
④ **Cost escalations (capex and opex)** ARM operations have recorded above-inflation increases in the cost of production due to geopolitical and other factors that have impacted supply chains, availability and cost of transportation, exchange rates and more. The increase in cost of diesel and explosives has been most significant. These costs also impact the feasibility of capital projects.	• Five-year business plans allow for forward planning over the short and medium terms • Mid-year business plan review to assess the impact of the new economic outlook and output of scenario analysis • Developing business initiatives to reduce costs and optimise processes.
⑤ **Delay in project execution and inefficient capital allocation** Increased demand for limited available skills and resources (including engineering, procurement, construction and management (EPCM)); projects depend on securing water and electricity supply; supply-chain challenges persist; and service providers are averse to accepting risks, resulting in protracted negotiations before finalising contracts. Volatile commodity prices warrant frequent review of capital allocation plan; and consideration of funding mechanisms other than balance sheet.	• Scenario planning is conducted to establish options for the business to consider • Ongoing engagement with key stakeholders, including communities, Eskom and service providers • Capital reporting through maintenance of the capital book • Dedicated project management resources • Project governance structures in place.
⑥ **Unreliability and cost of electricity supply** Eskom remains constrained in meeting the country's electricity demand. This, combined with the unreliability of its infrastructure, warrants the implementation of load curtailment, adversely impacting unit cost of production due to the associated cost of operating backup diesel generators. The above-inflation increase in the cost of electricity also has adverse impacts on the profitability and sustainability of some operations.	• ARM representation at Ferroalloy Producers Association • Back-up generators keep safety-critical systems operational • Participation in load curtailment/reduction schemes • Ongoing engagement with Eskom.
⑦ **Deteriorating national socio-economic conditions in areas where we operate** Communities surrounding ARM operations have been impacted by rising unemployment, increased cost of living, and poor service delivery. This has led to increased demands on the operations.	• Supplier development and enterprise development programmes are in place • Participation in local economic initiatives • Committed to and quarterly monitoring of mining charter and dtic targets • Social and labour plans are in place, with progress monitored quarterly • Section 21 company representation at Modikwa.
⑧ **Improved safety, health and environmental performance** Safety, health and environmental risks are inherent to our operations. ARM strives to ensure that these critical elements of our operations are managed in a way that minimises and eliminates any adverse impacts.	• Zero tolerance for safety incidents at all operations • Visible felt leadership where mine management identifies gaps and improvements in management systems and behaviour while demonstrating their commitment to safety, health and environment • International Standards Organization (ISO) accreditation for relevant disciplines • Employee wellness programmes in place • Employees are made aware of the section 22 notice (MHSA) that recognises their responsibility to take reasonable care to protect their own and other people's safety and health • Employees are made aware of the section 23 notice (MHSA) that recognises their right to refuse to work in an unsafe environment • Risk assessments (baseline, issue-based, etc) in place • Environmental management plans in place.
⑨ **Increased ESG requirements** There is increased pressure on ARM to conduct and report on mining activities that support responsible environmental custodianship, impactful social contributions and governance reporting in line with international standards and practices.	• ARM's approach to ESG is informed by industry initiatives, good practice, and local and international guidelines and frameworks • Committed to being net-zero GHG emissions from mining by 2050 • ARM suite of annual reports provides comprehensive disclosure • ESG principles are inherent in business processes, systems and decisions • Aligned to GISTM • Robust governance structures in place • Financial provision for closure in place.
⑩ **Management/misalignment of community expectations** Incidents of community unrest that interrupt operations are experienced. In several instances, the issues raised are not within the control of ARM or its managed operations, but rather within the control of municipality, surrounding mines, etc. At times, due to the adverse socio-economic environment, community expectations are unrealistic.	• Formal community engagement forums in place to ensure active and constructive engagement with communities • Stakeholder engagement teams liaise with the community through formal structures to establish common ground • Social and labour plans in place.

Stakeholder engagement

> ARM's ability to create value and build a resilient and sustainable business depends on the strength of our relationships with our key stakeholders. We are fully committed to mutually beneficial relationships with all our stakeholders.

ARM's stakeholders are those individuals or groups with a material interest in or affected by our operations. The board has delegated the task of monitoring stakeholder relationships to the social and ethics committee, while retaining responsibility for identifying stakeholders and developing appropriate strategies.

Formal and informal engagements take place at the corporate, divisional and operational level as appropriate to the stakeholder. The content of these engagements is documented at the operations to ensure learnings are shared effectively. Stakeholder and community engagement are agenda items at operational, divisional and board meetings.

Feedback from these interactions helps to deepen our understanding of their needs and expectations, create a broader context and generate new ideas. They inform our most material matters, risks and opportunities and provide input into our strategy and long-term direction.

Senior executives responsible for stakeholder engagement include:

- Executive chairman
- Chief executive officer
- Finance director
- Executive: investor relations and new business development
- Executive: compliance
- Executive: risk
- Executive: sustainable development
- Group executive: human resources
- Group executive: legal
- Divisional chief executives
- Senior management.

In addition to ongoing engagements with stakeholder groups shown in the table overleaf, specific engagements in F2024 included:

- Community engagement sessions with affected downstream communities in terms of the GISTM, including consultations with local authorities and the Mine Rescue Service on emergency preparedness and response plans as well as emergency drill simulations
- A meeting with an international asset manager on the group's climate-change approach and performance
- Extensive engagements with the operations and business partners to improve our scope 3 emissions inventory
- Participation in industry initiatives such as the MCSA environmental policy committee, Ferroalloys Producers Association and ICMM working groups to share learnings and as an advocacy mechanism for engaging with the development of climate-change policy
- Participation in public-private collaborations to proactively mitigate risks associated with unreliable water supply, including the Vaal Gamagara Water Supply Scheme in the Northern Cape and the Lebalelo Water User Association in Limpopo
- Stakeholder engagements on remuneration matters.

SHAREHOLDERS, POTENTIAL SHAREHOLDERS, ANALYSTS AND OTHER INVESTORS

HOW WE ENGAGE

- ARM's comprehensive investor relations programme, the annual general meeting, condensed and interim results presentations and at conferences
- Stock Exchange News Services (SENS) announcements
- Media releases
- ARM's website
- The IAR and accompanying suite of reports.

STAKEHOLDER INTERESTS

- Financial performance including growth, capital allocation, dividends and share-price performance
- ESG matters including climate change
- Project execution risk, particularly related to the Bokoni Mine development in the context of the PGM market outlook
- Logistics challenges
- Above-inflation cost increases
- Security of water supply to the Northern Cape operations
- PGM market outlook
- Perceived discount in trading value.

RELATED RISKS

1 Volatility in PGM prices
2 Underperformance of Transnet
3 Unreliable water supply and delayed pipeline upgrade project
4 Cost escalations
5 Delay in project execution and inefficient capital allocation
9 Increased ESG requirements

HOW ARM RESPONDS

- Strategic focus on operating assets efficiently and disciplined capital allocation
- Timely, transparent, comprehensive and objective communication with the market
- The investor relations department communicates with institutional shareholders, potential investors, research analysts and the media, continually promoting open communication and transparency
- Management, the board and joint-venture partners are kept informed of the concerns and expectations of research analysts and institutional fund managers
- Summaries of decisions taken at shareholders' meetings are available on our website after every meeting
- Continued engagement with Transnet to implement sustainable solutions that are value accretive to all stakeholders
- Containing unit cost escalations in line with inflation
- Long-term solution for refurbishing the Vaal Gamagara pipeline is being addressed as a priority between the appropriate government department and Northern Cape mines
- Transparent and comprehensive disclosures on ESG matters
- Engagements with shareholders regarding remuneration matters. See detailed responses in part I of the remuneration report.

IAR AFS Refer to the financial review in the **IAR** (page 46) and the **annual financial statements**.

BANKERS, INSURERS AND FUNDERS

HOW WE ENGAGE

- Ongoing meetings and general discussions
- Annual visits to international and local markets around insurance renewal.

STAKEHOLDER INTERESTS

- Financial position, including liquidity, solvency and funding
- Merger and acquisition opportunities
- Insurance cover and costs (with particular focus on cybersecurity, South African Special Risk Insurance Association (SASRIA) and tailings storage facility cover).

RELATED RISKS

1 Volatility in PGM prices
2 Underperformance of Transnet
4 Cost escalations
5 Delay in project execution and inefficient capital allocation
6 Unreliability and cost of electricity supply
10 Management/misalignment of community expectations

HOW ARM RESPONDS:

- Managing the company's financial position responsibly to enable ARM to pursue value-enhancing growth opportunities
- Comprehensive risk financing and transfer programme.

IAR Refer to the financial review in the **IAR** (pages 46 to 60) and risk management section (pages 112 to 120).

Stakeholder engagement continued

JOINT-VENTURE PARTNERS

HOW WE ENGAGE

- Continuous management interaction
- Monthly executive management and quarterly board meetings.

STAKEHOLDER INTERESTS

- Operational strategy and performance
- Financial performance
- Governance
- Sustainable development, including environmental and social performance.

RELATED RISKS

1 Volatility in PGM prices
2 Underperformance of Transnet
3 Unreliable water supply and delayed pipeline upgrade project
4 Cost escalations
6 Unreliability and cost of electricity supply
8 Improved safety, health and environmental performance
9 Increased ESG requirements
10 Management/misalignment of community expectations

HOW ARM RESPONDS

- We hold ourselves to the highest ethical and governance standards in dealings with all stakeholders, including joint-venture partners
- Continuous and open engagement on operational, financial and ESG matters with joint-venture partners
- Executive committees and boards include representatives from joint-venture shareholders
- Management, the board and joint-venture partners are kept informed of the concerns and expectations of research analysts and institutional fund managers.

IAR Refer to the financial review in the **IAR** (page 46) and operational reviews (pages 62 to 92).

EMPLOYEES AND ORGANISED LABOUR

HOW WE ENGAGE

- Regular performance reviews and feedback
- Employee surveys
- Information on the company intranet and website
- Monthly shop steward meetings, wage negotiations and other meetings with unions as required.

STAKEHOLDER INTERESTS

- Health and safety
- Safe working conditions
- Training
- Remuneration
- Transformation.

RELATED RISKS

3 Unreliable water supply and delayed pipeline upgrade project
6 Unreliability and cost of electricity supply
7 Deteriorating national socio-economic conditions in areas where we operate
8 Improved safety, health and environmental performance

HOW ARM RESPONDS

- The human resources strategy aims to make ARM an employer of choice
- Maintaining good relationships with organised labour
- Our commitment to fair treatment and remuneration of employees
- The skills development and career-planning programmes help employees to develop their full potential
- Recognition agreements with unions where the required representation levels are reached
- Investing in building a talent pipeline.

Refer to the safety, occupational health and wellness and human resources management sections (pages 56 to 74).

COMMUNITIES, CIVIL SOCIETY AND NON-GOVERNMENTAL ORGANISATIONS

HOW WE ENGAGE

- Community open days
- Focused community discussions/meetings to understand specific concerns
- Social investment forums to discuss investment in host communities
- Future forum meetings
- Monthly/quarterly meetings to discuss progress on LED and CSI projects
- ARM Broad-based Economic Empowerment Trust
- Consultations with interested and affected parties for changes or expansions to current operations in terms of the regulations of the NEMA and other relevant legislation.

STAKEHOLDER INTERESTS

- Community needs, including socio-economic development, infrastructure development, employment, support and opportunities for local businesses
- Status of social projects, operational changes and expansions
- Environmental issues affecting communities
- Service-delivery challenges
- Transformation.

RELATED RISKS

3 Unreliable water supply and delayed pipeline upgrade project
6 Unreliability and cost of electricity supply
7 Deteriorating national socio-economic conditions in areas where we operate
8 Improved safety, health and environmental performance

HOW ARM RESPONDS

- We engage with communities at specialised discussions/meetings to understand their specific concerns and host community open days to share information and build relationships
- Attendance registers and minutes of engagement meetings are kept
- We engage with interested and affected parties through stakeholder consultation when making changes or expanding our current operations as prescribed by NEMA and other relevant legislation
- The ARM BBEE Trust invests in uplifting rural communities across South Africa by partnering with traditional and other community leaders
- Community outreach campaigns include awareness and screening to address health challenges including TB, HIV and Aids
- Participation in collaborative initiatives with industry bodies and peers to provide scale, improve delivery success, increase the impact of community investment programmes and find solutions to the socio-economic challenges in local communities.

Refer to our occupational health and wellness from page 60 and social impacts from page 75.

GOVERNMENT

HOW WE ENGAGE

- Meetings with local and provincial government on LED projects, licences and compliance with relevant safety and environmental legislation
- Engagements with national government on matters of policymaking as required
- Annual dtic audits for BEE verification
- Annual workplace skills plan submissions to the Mining Qualifications Authority (MQA)
- Representation on industry bodies that engage with government.

STAKEHOLDER INTERESTS

- Social investment
- Health and safety
- Environmental management
- Transformation
- Compliance with governing regulations
- Regular progress reports and updates
- Support for government priorities.

RELATED RISKS

2 Underperformance of Transnet
3 Unreliable water supply and delayed pipeline upgrade project
4 Cost escalations
6 Unreliability and cost of electricity supply
7 Deteriorating national socio-economic conditions in areas where we operate
8 Improved safety, health and environmental performance
9 Increased ESG requirements
10 Management/misalignment of community expectations

HOW ARM RESPONDS

- LED projects implemented in line with commitments under social and labour plans (SLPs)
- Compliance with relevant safety, health and environmental legislation
- Engaging with national government on policy matters and challenges, where required, such as operational challenges at Transnet
- Regular reports on progress on SLP projects
- The mines submit annual mining charter scorecard reports to DMPR
- Participation in coordinated industry-level initiatives
- Direct support for employees, communities and government to address relevant needs, such as employment creation and enterprise and supplier development
- Partnerships with regional departments of health to strengthen implementation of the provincial strategies for TB, HIV and Aids, sexually transmitted infections and chronic diseases (see page 64)
- Engaging with water-related stakeholders as part of our commitment to water stewardship including the department of water and sanitation, local, provincial and national authorities, water forums and irrigation boards.

CCW Refer to the environment and social sections on pages 40 to 82 as well as the **2024 climate change and water report**.

Stakeholder engagement continued

INDUSTRY ASSOCIATIONS*

HOW WE ENGAGE

- Active participation in business and industry initiatives to enable collective engagement with regulators and stakeholders, promote benchmarking and share good environmental practice.

STAKEHOLDER INTERESTS

- Sustainable development
- Labour issues
- Implementation of global practice
- Industry-specific issues
- Changes in legislation
- Coordinated response to industry-related matters.

RELATED RISKS

2 Underperformance of Transnet
3 Unreliable water supply and delayed pipeline upgrade project
6 Unreliability and cost of electricity supply
7 Deteriorating national socio-economic conditions in areas in which we operate
8 Improved safety, health and environmental performance
9 Increased ESG requirements
10 Management/misalignment of community expectations

HOW ARM RESPONDS

- Representation of executive and other roles in various industry associations to engage and give input on industry issues and communicate with industry and government stakeholders
- Coordinated industry-level and direct support for employees, communities and government.

Refer to the environment and social sections on pages 45 to 82.

** Includes Minerals Council of South Africa's committees, Business Unity South Africa (BUSA), Ferro Alloy Producers' Association, ICMM, World Economic Forum's International Business Council, Association of Mine Managers of South Africa, Association of Resident Engineers, Water User Associations and the Energy Intensive Users Group.*

CUSTOMERS

HOW WE ENGAGE

- Ongoing interaction in the course of business
- Annual contractual negotiations
- Regular service-level agreement renewals.

STAKEHOLDER INTERESTS

- Product quality
- Timing of product delivery
- Sustainability issues.

RELATED RISKS

2 Underperformance of Transnet
5 Delay in project execution and inefficient capital allocation
8 Improved safety, health and environmental performance

HOW ARM RESPONDS

- Processes to ensure consistent product quality
- Contracts with logistics and freight service providers, including Transnet
- ARM follows global good practice in managing sustainability matters and is committed to transparent and comprehensive reporting to stakeholders.

SUPPLIERS AND LOCAL BUSINESS

HOW WE ENGAGE

- Continual interactions in the course of business
- Annual contractual negotiations
- Regular service-level agreement renewals
- Scheduled meetings with local business.

STAKEHOLDER INTERESTS

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

RELATED RISKS

2 Underperformance of Transnet
3 Unreliable water supply and delayed pipeline upgrade project
4 Cost escalations
6 Unreliability and cost of electricity supply
7 Deteriorating national socio-economic conditions in areas where we operate
8 Improved safety, health and environmental performance
9 Increased ESG requirements
10 Management/misalignment of community expectations

HOW ARM RESPONDS

- Support for local enterprise development through preferential procurement, LED and CSI initiatives
- Our payment terms align with industry standards
- We operate ethically and do not tolerate unfair discrimination
- ARM requires valid BEE certificates from suppliers to support transformation in its supply chain.

Refer to our social impacts from page 75.

MEDIA

HOW WE ENGAGE

- One-on-one interviews
- Press releases
- SENS announcements
- Publications
- Media contact function on our website.

STAKEHOLDER INTERESTS

- Information and updates on topical issues
- Operational, financial and ESG performance raised during results presentations
- Plans for Bokoni Mine
- Impact of operational challenges of Transnet on ARM.

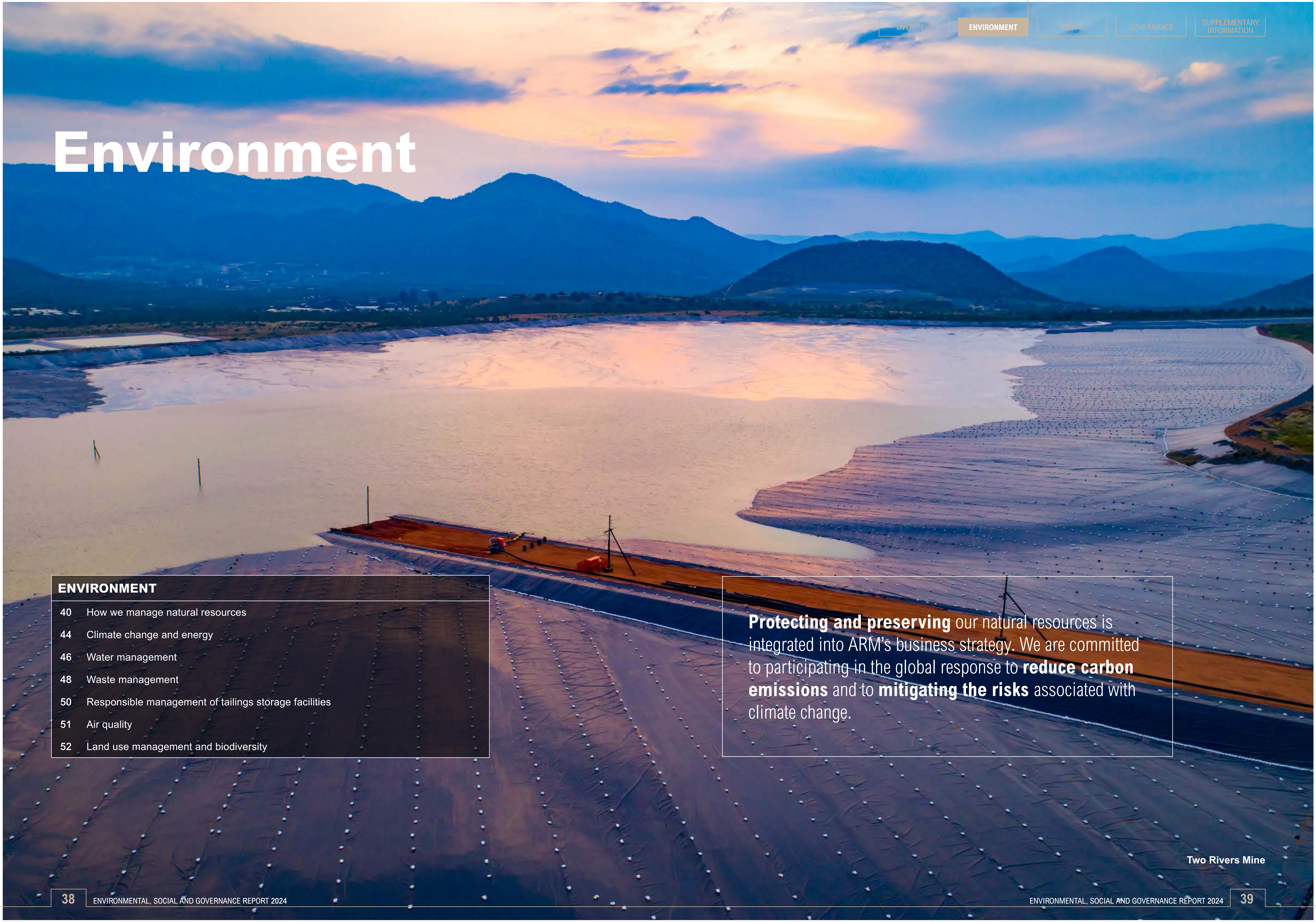
RELATED RISKS

3 Unreliable water supply and delayed pipeline upgrade project
9 Increased ESG requirements

HOW ARM RESPONDS

- The investor relations department communicates with the investment community and media, and facilitates access to information and management where possible.

Environment



Two Rivers Mine

ENVIRONMENT

Protecting and preserving our natural resources is integrated into ARM's business strategy. We are committed to participating in the global response to **reduce carbon emissions** and to **mitigating the risks** associated with climate change.

Environment continued

How we manage natural resources

Ensuring responsible stewardship of natural resources

ARM recognises its responsibility to manage and mitigate potential negative impacts on the natural environment. Our precautionary approach to environmental stewardship aims to eliminate or reduce environmental impacts wherever possible, with processes in place to mitigate impacts where these are unavoidable.

REPORTING CONTEXT

6 ENVIRONMENTAL PERFORMANCE

FTSE/Russell:
Biodiversity
Climate change
Pollution and resources
Water security

F2024 FOCUS AREAS	F2024 PERFORMANCE	F2025 FOCUS AREAS
Climate change, energy and water	Refer to pages 44 and 45 for information on F2024 performance and F2024 focus areas for climate change, energy and water.	
Rehabilitation and closure Ensure that closure continues to be provided for in line with the latest independent specialist reports and that rehabilitation aligns with annual plans submitted to the DMPR.	Operations undertake rehabilitation concurrently with mining activities, where possible. Rehabilitation and closure plans and processes at the operations ensure appropriate planning and budgeting for rehabilitation and closure. Closure liability assessments are conducted and closure financial provisions are in place.	Ensure closure provisioning in line with the latest independent specialist reports and that rehabilitation aligns with the annual plans submitted to the DMPR.
Responsible TSFs management Safe and responsible operation and management of all tailings storage facilities (TSFs), aligned to GISTM.	Ensured mandatory compliance and implemented the ARM TSF management policy and standard, which align with GISTM. Third-party validation of GISTM conformance verification was completed in July 2023. ARM's report on conformance to GISTM was published in August 2023 and updated GISTM disclosures, including Bokoni Mine, are available on our website with the F2024 reporting suite.	Safe and responsible operation and management of all TSFs, aligned to GISTM.

How we manage natural resources

Identifying and mitigating environmental impacts

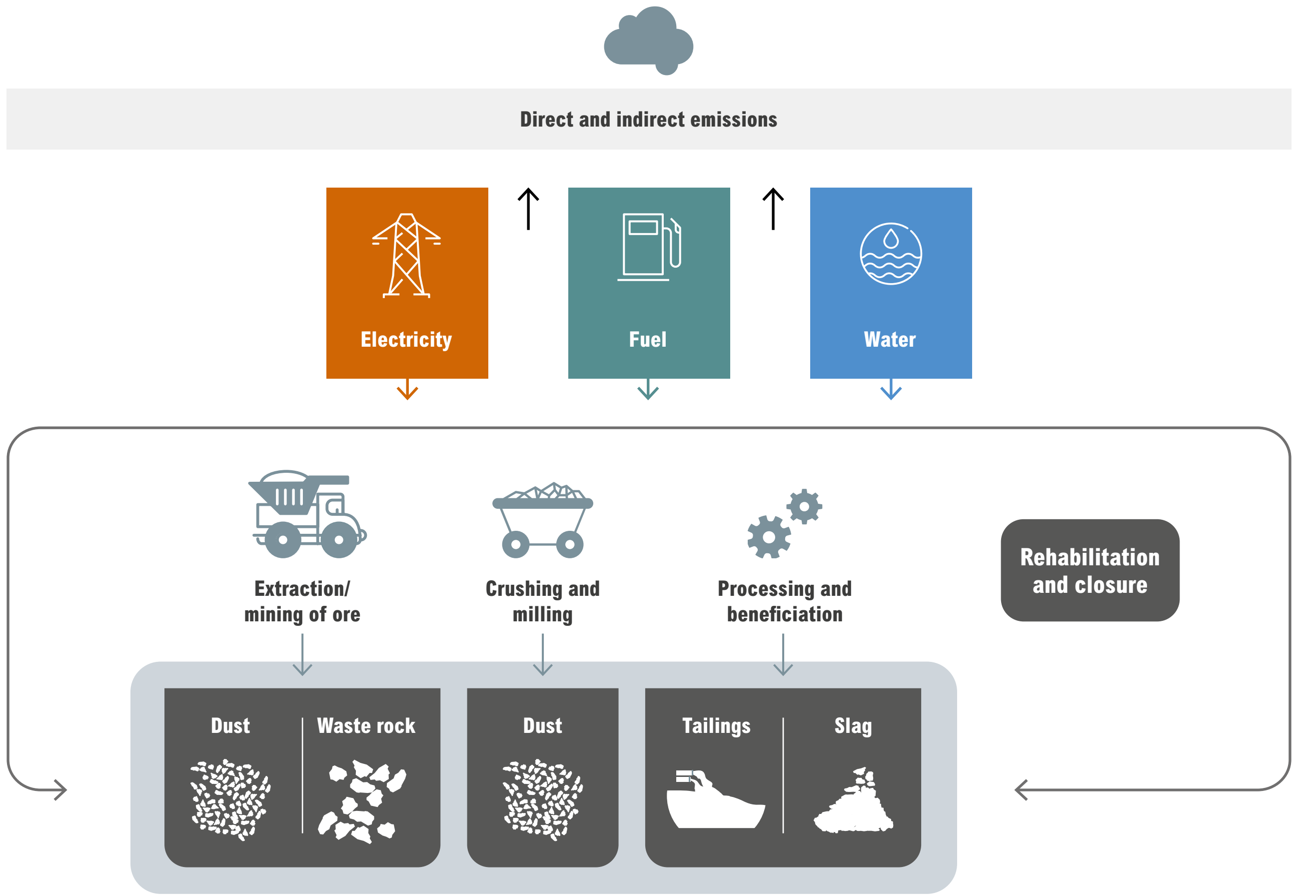
ARM recognises its responsibility to manage and mitigate potential negative impacts on the natural environment. The ARM safety, health and environment (SHE) policy entrenches our commitment to conserving and protecting our environment from harm and degradation. The policy includes using energy and water efficiently, assessing and managing physical climate change and extreme weather risk, minimising waste, and preventing pollution.

Environmental impact assessments (EIAs) when planning new projects or making changes to existing operations identify potential impacts on the natural environment. Environmental management programmes (EMPs) are developed to mitigate identified impacts as required by NEMA and its regulations.

Environmental management systems (EMSs) at each operation use the plan-do-check-act principle to identify potential environmental aspects and impacts. Environmental and related risks, particularly for climate change and water, are being integrated into ERM processes.

Continuous environmental inspections and audits identify environmental impacts at operations and ensure corrective and preventive measures are put in place. Operational and corporate risk profiles are reviewed and updated at quarterly risk workshops while material environmental matters and risks are consolidated at group level. Risks are reported and mitigating strategies are discussed and planned by the group-level management risk and compliance committee, social and ethics committee, as well as the audit and risk committee.

Principal environmental aspects



Environment continued

How we manage natural resources continued

Alignment with global standards and practices
Operational EMSs align with ISO 14001:2015, the international standard on environmental management. Black Rock, Beeshoek, Khumani and Two Rivers mines as well as Cato Ridge Works and Alloys are certified in terms of this standard. Modikwa Mine, Nkomati Mine and Machadodorp Works were previously ISO 14001:2015-certified and, while not formally recertified, remain aligned with the standard.

ARM participates in industry initiatives, particularly the ICMM and MCSA (and its environmental policy committee), which inform our approach to responsible environmental practices. These interactions provide important insights, share good environmental practice, facilitate collective engagement with regulators and stakeholders, and promote benchmarking. Our management of environmental issues aligns with the relevant ICMM position statements, including:

- Climate change
- Water stewardship
- Nature
- Tailings governance framework.

Our joint-venture partnership with Assore in the ARM Ferrous division provides access to important industry initiatives such as life-cycle assessment and life-cycle inventory studies, waste management initiatives, and energy-efficiency initiatives of the International Manganese Institute and International Chromium Development Association.

Other industry forums and business initiatives in which ARM or its joint-venture partners participate include:

- Ferro Alloy Producers' Association
- Association of Mine Managers South Africa.

Training and awareness
Every employee and contractor is responsible for compliance to the standards and policies specific to each operation. Regular training is provided on relevant environmental policies, standards and procedures, including at induction, refresher courses and job-specific training. Environmental specialists in operational safety, health, environment and quality (SHEQ) departments facilitate environmental management.

As part of the compliance and reporting programme for climate change and water, annual workshops at the divisions and operations are facilitated by an external climate change specialist. The workshops explore evolving climate change and water risks and opportunities, build awareness, gather data, track progress against targets and inform the approach to complying with and responding to developing requirements and expectations. Attendees include senior management, engineers and environmental managers on-site, as well as the executive: sustainable development, corporate environmental manager and divisional SHEQ managers.

Assessing and monitoring
The operational EMSs measure and monitor key operational environmental indicators that are consolidated and regularly reviewed at divisional and group levels.

Environmental performance metrics and trends are discussed at quarterly operational meetings, divisional sustainable development and social and ethics committee meetings, and the ARM social and ethics committee meetings. Environmental objectives and targets are in place at each operation for their significant environmental aspects. These include reducing or avoiding pollution, waste and resource use as well as effective waste management. Progress against these targets is reported during operational management reviews.

Progress against the group waste-reduction targets is disclosed in this report, while progress against climate change and water targets is reported in the 2024 climate change and water report. CCW

Assurance
Regular assurance of environmental performance and compliance includes internal operational environmental inspections and audits, external legal compliance audits and compliance audits on authorisations, such as the commitments in EIAs, EMPs and water-use licences. External certification audits in terms of ISO 14001:2015 assure alignment of the EMSs with the standard at the three mines in ARM Ferrous, Cato Ridge Works and Two Rivers Mine. Selected sustainability information in this ESG and climate change and water reports, as well as ARM's King IV alignment, is externally assured. ESG CCW KING

Compliance notices/directives
One new compliance notice/directive was issued in F2024 (F2023: 0). The directive was issued in February 2024 at Nkomati Mine by the Inkomati-Usuthu Catchment Management Agency (IUCMA) for the operation of a return-water dam at spillway level that was overflowing into the environment. The mine implemented remedial measures to lower the dam level. IUCMA conducted a follow-up inspection in March 2024 to ascertain that the level of the dam was reduced.

Progress on the four compliance notices/directives issued in F2022[1] and still outstanding at the end of F2023 is as follows:

- The DWS and DMPR conducted a close-out follow-up site inspection in May 2024 at Two Rivers Mine for the directive issued in F2022 after a tailings-slurry spillage incident in April 2022
- In April 2024, Two Rivers Mine presented an application in terms of section 24G of NEMA to rectify two non-compliances issued in F2022 relating to starting listed activities in 2019 without an environmental authorisation. DMPR issued the mine with a R4.1 million fine in June 2024, which was paid after year end. The environmental authorisation for rectification of non-compliances was granted in July 2024
- After fencing off existing graves at Modikwa Mine and using ground-penetrating radar to confirm there were no other graves, the directive in terms of the provisions of the National Heritage Resources Act 25 1999 issued by the South African Heritage Resources Agency and DMPR was lifted in July 2024.

ESG

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[1] For more information about these incidents, please refer to ARM's 2022 ESG report on www.arm.co.za.


Bokoni Mine

Environment continued

Climate change and energy

> ARM is keenly aware of the critical global challenges that climate change presents and the effects these may have on our business, our stakeholders and the world. We are committed to contributing to global efforts to reduce carbon emissions and mitigate the risks associated with climate change.

Integrating climate change into strategy and risk

ARM has implemented robust processes to measure and report on carbon emissions at our operations and identify opportunities to reduce these emissions. We are actively developing technology and processes to enhance energy efficiency at our operations while improving fuel efficiency and reducing our carbon footprint through other targeted initiatives.

We view the need to manage the impacts of climate change as a business imperative and incorporate climate scenarios into our strategic and operational planning. Climate-change considerations influence ARM's short-term strategy (to F2026) through the need to manage related operating costs. Our medium-term strategy (F2027 to F2030) is influenced by expected changes in regulations and market demands that pose both risks and opportunities.

CCW Refer to the **2024 climate change and water report** for more on ARM's approach, policy and commitments.

Climate-change uncertainties are assessed at the company and asset levels and considered in our climate-scenario analysis. Company-level risks, such as evolving climate-change mitigation regulations (including carbon tax and carbon budgets), are tracked by the responsible risk owners.

The ERM process identifies climate-change-related risks among ARM's top risks.

In F2024, we worked across operations to implement our decarbonisation pathways and consolidated our scope 3 emissions accounting, established qualitative scope 3 emissions targets and developed a robust process to deliver on our value-chain decarbonisation commitments, in line with the new ICMM guidelines. We also reviewed our climate-related reporting in relation to the IFRS S2 framework and the FTSE-Russell index to improve our alignment with their guidance and reporting standards.

We are developing a climate-change strategy framework that includes these initiatives as well as internal carbon pricing, energy-efficiency projects, capital allocation and explorations into low-carbon technologies and products. The framework is built around a just transition goal and will guide our actions and ensure we are moving towards achieving our goals.

We regard incentives as a critical enabler of our decarbonisation roadmap and use the long-term incentive plans and operational key performance indicators to ensure our employees are sufficiently incentivised to achieve our short and medium-term targets and support our long-term commitment.

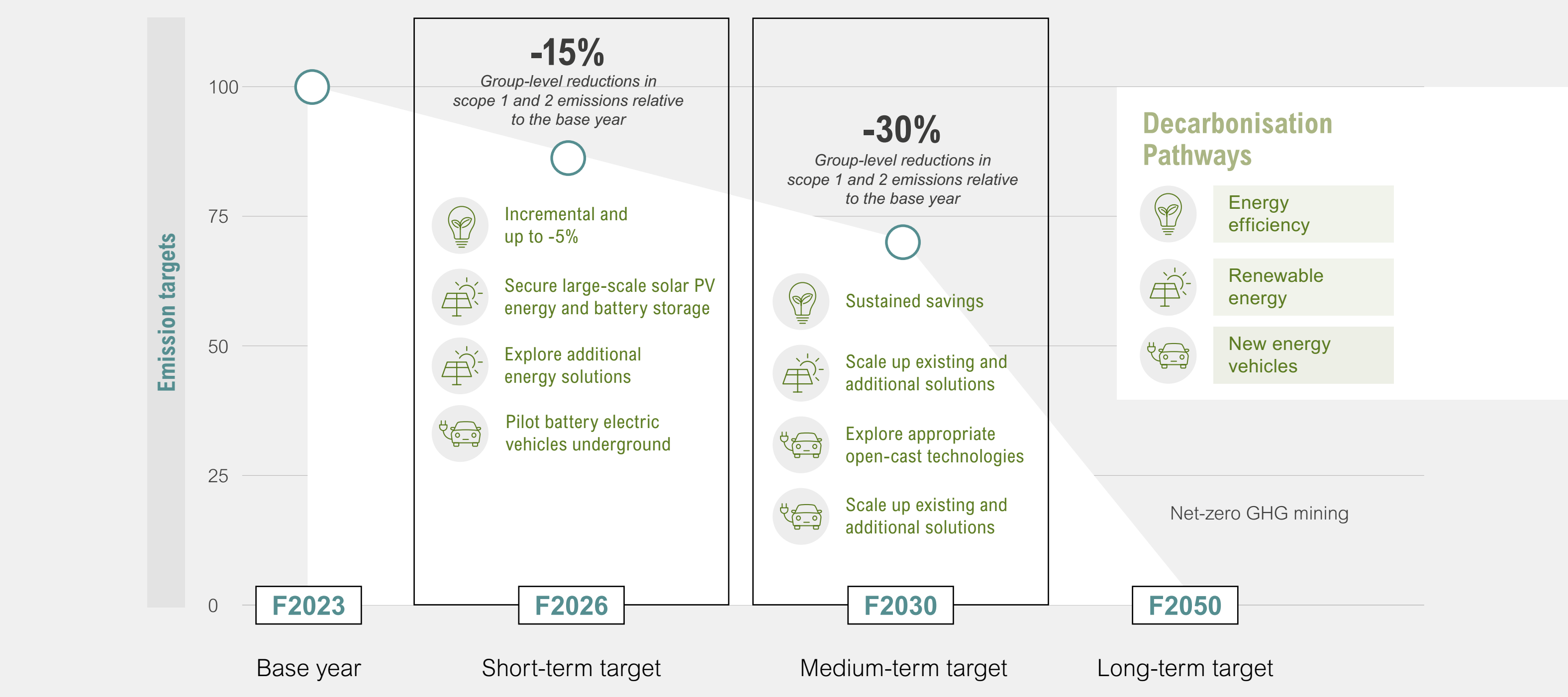
Achieving our long-term net-zero goal

ARM committed to achieving net-zero GHG emissions (scopes 1 and 2) from mining by 2050 in F2021. Since then, we have developed operation-specific decarbonisation pathways and associated short-term and medium-term targets that prioritise three main mitigation options – energy-efficiency measures, renewable energy and emission-reducing new energy vehicles.

ARM's group-level target sets short, medium and long-term targets against an F2023 base year and includes operations within ARM's operational control boundary as well as the board-approved capital expenditure project at Bokoni Mine. It excludes Nkomati Mine and Machadodorp Works which are on care and maintenance.

Sources of carbon emissions

Most of ARM's scope 2 emissions arise from electricity consumed. This is produced by coal-fired power stations and the combustion of fossil fuels (mainly diesel) during our mining, load-and-haul, materials handling and processing activities. Electricity is used in mining activities to power ventilation fans, pumps for processing and dewatering, conveyor-belt motors and machines that crush and mill ore.



Energy is a significant production cost and energy efficiency is consequently a key focus. The smelters at Cato Ridge Works consumed 25% of the group's total electricity in F2024 and this operation is the largest source of GHG emissions at 27% of the group total.

Emissions trend

The F2024 estimated carbon footprint (scope 1 and 2 on a 100% basis) decreased by 6.0% from 1.80MtCO_2e to 1.70MtCO_2e, mainly due to decreased production at Cato Ridge Works. We are on track to meet our short-term target of a 15% reduction in scope 1 and 2 emissions by F2026.

ARM Platinum has made significant progress in its journey to wheel renewable energy, especially notable in the construction of the 100MVA solar facility. Once operational, this will supply approximately 30% of ARM Platinum's energy requirements. ARM Ferrous is investigating a possible energy blend for our Northern Cape operations to combine solar, battery storage, wind and gas.

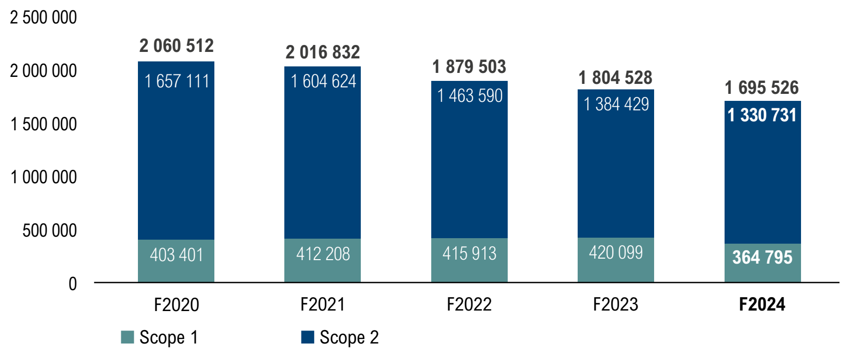
Operational energy use

In F2024, the group consumed 7 400 278GJ of energy. Khumani Mine accounted for 28% of group energy consumption, with mainly diesel used in mobile equipment. Electricity used for heating is a significant cost input in the smelting process at Cato Ridge Works, which accounted for 16% of group energy use in F2024.

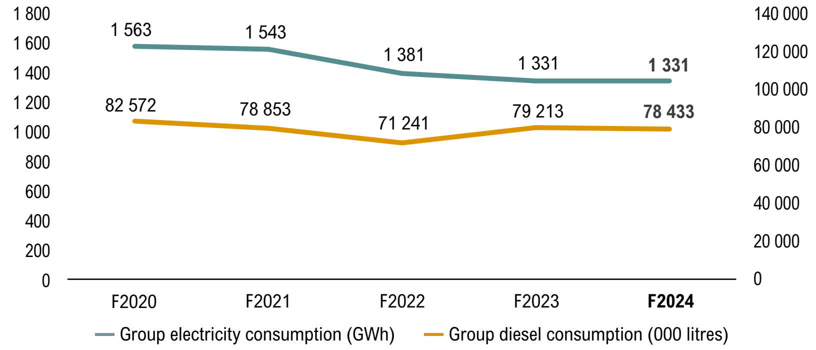
Energy use trend

Total electricity consumed by operations remained at 1 331GWh while the group's diesel consumption decreased by 1% to 78.4 million litres.

Carbon footprint – Scope 1 and 2 (tCO_2e)



Group electricity and diesel consumption



Environment continued

Water management

> The global pressure on life's most important resource cannot be overemphasised. Water systems worldwide are under threat from rising consumption, pollution, weak governance and climate change.

Water context

ARM's operations use water in milling, beneficiation, cooling and for dust suppression during blasting, on haul roads, and at ore-transfer points. It is also a critical component in our supply-chain commodities, including electricity, chemicals and explosives. Additionally, our employees need access to water for drinking, sanitation, and hygiene facilities and purposes.

Eight of the nine operations under our direct or joint control are in water-stressed areas and some face significant catchment-level water risks due to ageing infrastructure, poor maintenance of infrastructure, lack of funding and capacity to deliver new infrastructure, and the impacts of climate change on water supply.

Water stewardship

Water stewardship is integral to ARM's business strategy. Our approach is catchment-based and aims to be collaborative in delivering on our strategic objectives. At group and operational levels, strategic objectives include water considerations such as the availability, protection and management of water sources and the use of appropriate technologies and other mitigating factors to address water needs or manage water impacts.

Our proactive and holistic water-management strategy facilitates how we sustainably manage these resources. It is built around identifying and mitigating water-related risks, exploring opportunities, and engaging with partners to achieve collective action.

Water availability, consumption, and pollution are recognised as key risks and included in both our operational and corporate risk registers, tailored to the operational risk contexts. We are incorporating both water and climate change into the enterprise risk management process as part of the resilience pillar under our climate-change strategy framework.

We support the ICMM position statement on water stewardship and report our performance against the commitments in the climate change and water report. In May 2024, the ICMM conducted a mid-point metrics-only conformance review against water-reporting commitments. No gaps were observed in ARM's water-reporting against the ICMM water reporting guidance.

Water-use management

Operations withdraw water from a range of sources defined in the terms of their WULs, which include rivers, boreholes and municipal supplies. Water balances are used to manage and optimise water use and KPIs incentivise improvements to water efficiency where relevant.

To the extent possible, all operations run closed-circuit water systems to maximise reuse and minimise discharge into the environment. Dirty and clean water are separated, and operations implement a hierarchy of use to ensure that dirty or process water is recycled and reused before clean water is abstracted from the natural environment. Where appropriate, technologies such as reverse osmosis have been implemented to clean process water.


Two Rivers Mine

Surface and groundwater quality are monitored to measure compliance with WUL conditions, assess our impact on the receiving environment, and flag the need for mitigation actions. Biomonitoring of aquatic and riverine environments is performed as per the conditions of each operation's WUL.

Engaging on water

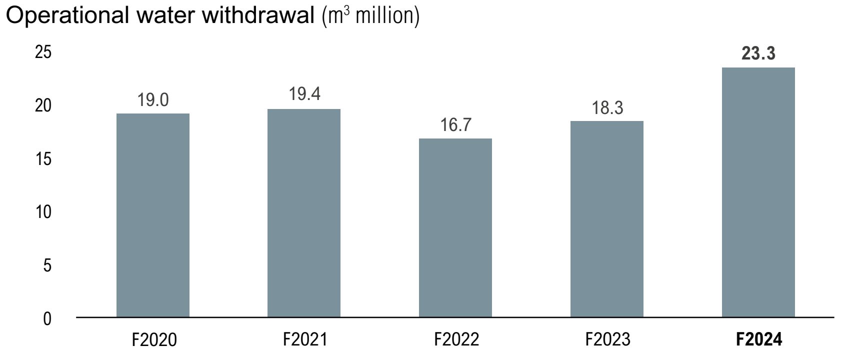
We believe that water-related challenges should be owned collectively. These issues are shared and, to be appropriately resolved, they require collaboration by governments, civil society, the private sector and local communities. Accordingly, our operations participate in forums that discuss issues on sustainable water supply in their regions, including ways that climate change and shifts in regulation could influence the availability and cost of water. These include engagements with catchment-level forums that estimate current and future catchment balances.

Progress in F2024

We continue to deepen our understanding of water-related impacts, risks and opportunities, setting relevant water targets and improving reporting. During the year, this included:

- Improving water accounting and reporting, including aligning to the ICMM's updated water reporting good practice guide
- Setting new context-based water targets for Bokoni Mine
- Monitoring progress against the context-based water targets set for the other operations in F2022 and F2023
- Improving stability and effectiveness of water management with no significant water incidents
- Further rolling out the ICMM water stewardship maturity framework at Beeshoek and Bokoni mines following the pilots completed in F2023
- Ensuring compliance with updates to the ICMM's water accounting framework released in 2021
- Reassessing water-related risks in our supply chain.

Operational water withdrawal (m^3 million)



Operational water withdrawal

Total operational water withdrawal increased by 27% to 23.3 million m^3 (F2023: 18.3 million m^3) due to the inclusion of Bokoni Mine for the first time, which accounted for 37% of the group. Beeshoek Mine accounted for 20% of total operational water withdrawal, Khumani Mine 17% and Modikwa Mine 17%.

Water-reuse efficiency, a KPI in monitoring and managing consumption and losses, remained at 78%. Total water output increased to 2.5 million m^3 in F2024 (F2023: 0.7 million m^3) after including Bokoni Mine.

Water targets

Context-based water targets are in place at all operations and include quantitative and qualitative targets and commitments relevant to the multidimensional risks specific to each operation. At the end of the year, 91% of these targets were met and are on track to be met.

Bokoni Mine set context-based water targets in F2024.

CCW Refer to the **2024 climate change and water report** for operations' context-based targets and performance.

Water-discharge incidents

All operations run closed-water circuits to maximise recycling and reuse, but discharges are unavoidable in certain instances, such as during heavy rainfall. We categorise discharges on a level 1 to level 5 classification of environmental incidents based on size/scale of the impact, sensitivity of receiving environment and remediation/clean-up requirements. Level 1 to 3 incidents (insignificant to moderate impact) are reported internally at operations. Level 4 (high impact) and level 5 (major impact) incidents are reportable to relevant authorities.

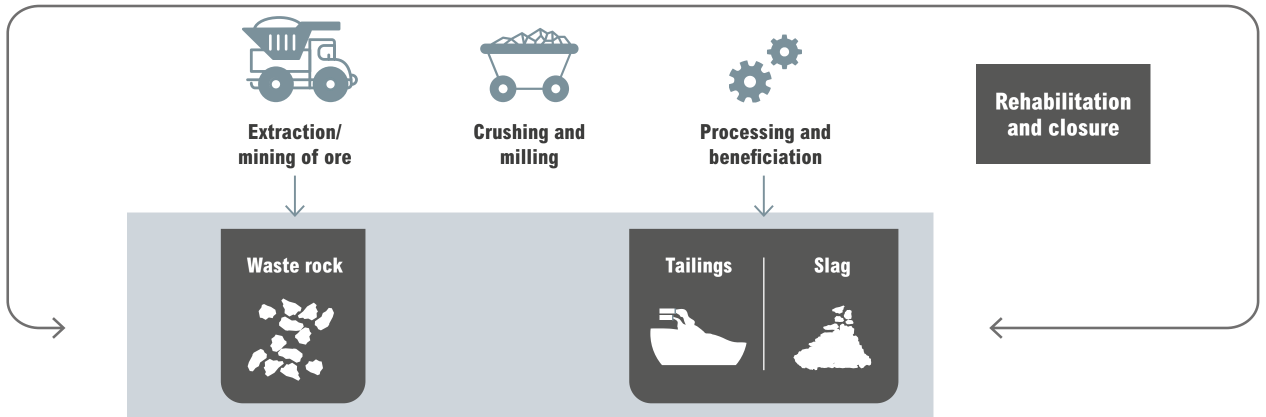
Discharges are reported in terms of quality and volumes, and investigated to identify root causes, learnings and key actions to remediate affected areas and prevent recurrence. Clean-up and rehabilitation processes are initiated immediately, documented and comprehensively reported to the respective internal governance structures as well as authorities.

In F2024 we had three level-4 incidents – one at Machadodorp Works and two at Nkomati Mine, all of which were addressed (F2023: one level-4 incident).

Environment continued

Waste management

ARM's most material waste stream is mineral waste. This primarily comprises slag, waste rock and tailings, the main by-products of mining, beneficiation and smelting processes. Mineral waste is produced in proportion to production and we focus on improving mining and process efficiencies to minimise these volumes.



Non-mineral waste streams mainly consist of domestic waste from offices, oil from trackless mobile mining and production machinery, and medical waste from clinics. Waste streams are strictly managed and recorded in waste inventories. Waste sorting increases recycling rates and ensures proper disposal. Non-recyclable waste is sent to appropriate facilities and safe-disposal certificates are obtained.

Waste stream	Source	Disposal sites	F2024	F2023
Mineral waste				
Waste rock	Non-ore-bearing rock removed in ore-extraction process.	Waste-rock dumps, or used to backfill and rehabilitate open-pit workings.	**72.8Mt**	59.9Mt
Tailings	Finely milled waste material suspended in water, produced by processing metals and minerals.	Tailings storage facilities.	**9.4Mt**	9.0Mt
Slag	Main industrial waste product from smelting process. We recycle slag to recover residual metal and minimise the volume of slag produced.	Designated, licensed slag-disposal sites within the boundaries of the smelters.	**Disposed 31 465t** **Recycled 138 308t**	Disposed 5 061t Recycled 164 818t
Non-mineral waste				
Domestic waste	Produced by operational, administrative and support functions.	Licensed municipal landfill sites.	**3 411t**	2 795t
Hazardous waste	• Oil-contaminated material • Oil filters from vehicle maintenance • Medical waste from the clinics • Fluorescent tubes, etc.	Registered waste-disposal facilities. Safe-disposal certificates obtained for each hazardous waste stream.	**4 368t**	4 091t

t – tonnes, Mt – million tonnes.

Waste rock produced rose due to higher waste-stripping ratio and increased development in the ARM Ferrous mines.

Domestic waste to landfill increased by 22% in F2024 after the inclusion of Bokoni Mine, where backlog domestic waste from before and during the mine's time on care and maintenance was removed. Excluding Bokoni Mine, domestic waste to landfill reduced by 19% year on year, compared to our target of a minimum 5% annual reduction. Hazardous waste disposed increased to 4 368t due to legacy waste removed from Bokoni Mine. The operations' investment in rehabilitating contaminated soil resulted in a 35% decrease in this waste stream disposed to landfill sites in F2024.

Recycled waste

	Scrap metal	Paper	E-waste	Wood/ timber	Plastic	Cans	Fluore-scent tubes	Boxes	Building rubble (reused/ recycled)	Tyres	Used oil	Tyres
	Tonnes per year										Litres	Number
F2023	5 194	17	19	242	284	54	1	24	4	30	1 158 032	3 165
F2024	**4 362**	**30**	**13**	**1 160**	**242**	**1**	**9**	**23**	**1**	**236**	**1 046 720**	**3 187**

The total cost of safe waste disposal of domestic and hazardous waste to avoid negative impacts was R21.8 million in F2024 (F2023: R47.1 million). In F2024, ARM operations recycled 6 915 tonnes of waste (excluding slag recycled) (F2023: 5 869 tonnes).

The ARM Ferrous mines are working with other mines in the Northern Cape to investigate the feasibility of establishing a facility to recycle and beneficiate waste tyres. The envisaged business model also aims to support local economic development by creating jobs and providing opportunities for local SMMEs.


Khumani Mine

Environment continued

Responsible management of tailings storage facilities

> During processing and beneficiating, mined ore is finely ground and mixed with water and chemicals to separate minerals from waste. Tailings (or slurry) is the mix of finely ground waste rock and water that remains after beneficiation.

Responsible TSF management is a significant focus for investors, NGOs and other stakeholders. It is also a strategic issue, with major financial and reputational value. Poorly managed TSFs can result in groundwater pollution or catastrophic failures, with a significant impact on the people and environment downstream from these facilities.

ARM is committed to TSF management and standards that align with national and global good practices for the preservation of health, safety and the environment in all phases of the mining life cycle. Our internal TSF standards and practices align with local regulations and internationally recognised good practice.

Conformance with GISTM in F2024

The Global Industry Standard on Tailings Management (GISTM) sets a global benchmark for achieving strong social, environmental and technical outcomes in managing TSFs, with the goal of zero harm to people and the environment. ARM and its joint-venture partners have adopted GISTM at all mines, covering 13 active TSFs.

Refer to the F2024 report on conformance to GISTM on our website **www.arm.co.za**.

	Mine/Tailings storage facility		GISTM consequence classification	GISTM conformance
ARM Ferrous	**Black Rock Mine**[1]	Nchwaning II	Low	Planned for August 2025
		Gloria	Low	Planned for August 2025
		Nchwaning II New	Low	Planned for August 2025
		Nchwaning IIb	Low	Planned for August 2025
	Beeshoek Mine		Low risk	Planned for August 2025
	Khumani Mine		Very high	Refer to the 2024 report on conformance to the Global Industry Standard on Tailings Management (GISTM) available on our website **www.arm.co.za**.
ARM Platinum	**Nkomati Mine**	Onverwacht	Extreme	
		Co-disposal	Extreme	
	Two Rivers Mine	Old TSF	Extreme	
		De Grooteboom	Extreme	
	Modikwa Mine		Extreme	
	Bokoni Mine	Consolidated TSF 1-5	Extreme	
		TSF 6	Extreme	

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[1] *Black Rock Mine is commissioning a fifth facility.*

Air quality

Emissions from smelting at Cato Ridge Works include nitrogen oxides, sulfur oxides, carbon dioxide and particulate matter. The operation has an approved air emission licence, issued in terms of the National Environmental Management: Air Quality Act. Emissions are managed by an air-cleaning system, with the system's availability continuously monitored and regularly reported to local and provincial authorities as required by the licence conditions. In F2024, the air-cleaning system achieved 100% availability, compared to the required level of 98%.

Dust fallout is measured with dust buckets at the operations in line with SANS standards. Dust-suppression measures to minimise airborne dust levels at all operations include seeding vegetation on TSF walls, water sprays and surfactants. Ambient noise and vibrations are monitored and managed within the required levels.

	F2024	F2023
Airborne emissions		
Nitrogen oxides (NOx)	**390.5t**	374t
Sulfur oxides (SOx)	**233.9t**	249t
Particulate matter	**310.8t**	213t

Khumani Mine

Environment continued

Land use management and biodiversity

Land use management

ARM's commitment to responsible mining requires that we prevent or mitigate the environmental impacts of our activities. These may include disturbing biodiversity, changes in topography and land use, ground and surface water, waste, air pollution and other impacts.

We consider the impact of our operations on local landscapes at each stage of the mining life cycle, from exploration to construction, operation, and eventual decommissioning and closure. We are committed to safeguarding biodiversity in the biomes around operations, rehabilitating disturbed land to a stable and sustainable condition, and minimising the impact of waste on the natural environment and surrounding communities.

Potential environmental and social impacts are identified in EIAs conducted in terms of relevant legislation. Remedial measures are documented in environmental authorisations and the EMPs. Systems to ensure compliance with legal and other requirements include compliance audits, specialist environmental studies, environmental monitoring and regular site inspections.

Biodiversity

ARM's approach to biodiversity conservation aligns with the ICMM's nature position statement. We are committed to net-positive biodiversity impact, or to compensation for negative impact, as appropriate. In January 2024, ICMM published a nature position statement setting out members' approach to contributing to a nature-positive future. ARM will monitor guidance from the ICMM nature working group to inform its approach to implementing the position statement.

Studies as part of the land-use planning aspects of EIA and/or EMP processes establish biodiversity baselines and identify potential risks to biodiversity and the landscape. These processes include structured engagements with community forums, local municipalities and other affected stakeholders.

Two Rivers and Modikwa mines, as well as Machadodorp and Cato Ridge Works, are close to areas of high biodiversity.

All operations have developed biodiversity action plans (BAPs) and have implemented biodiversity management programmes (BMPs). BAPs are designed to protect and restore biological systems and include commitments to conserve protected areas such as wetlands, zones of endemism, archaeological and heritage sites, as well as protected and endangered species identified by the International Union for Conservation of Nature.

Environmental training at employee and contractor induction incorporates aspects of biodiversity. Impacted areas are monitored continuously in terms of the BMPs and operational biodiversity performance is included in regular external EMP audits.

	F2024	F2023
Key land-use metrics		
Total mining right area	**65 581ha**	45 891ha
Land disturbed in the current year	**53ha**	111ha
Land rehabilitated in the current year	**9ha**	110ha
Total land disturbed to the end of the year	**8 003ha**	7 475ha
Total land disturbed rehabilitated to the end of the year	**391ha**	262ha

More information on biodiversity at operational level is available in the tables on **www.arm.co.za**.

Rehabilitation and closure

ARM considers mine closure as an integral part of our mining activities to ensure sites are restored to agreed land end-use or state at the end of a mine's life, in line with conditions in the environmental authorisations, such as EMPs and agreed closure plans. Operations undertake rehabilitation activities concurrently wherever possible.

The ARM mines have implemented ICMM's closure maturity framework self-assessment tool, which aligns with the ICMM integrated mine closure good practice guide to assist members to map, motivate and measure the status of assets on their journey to sustainable closure.

Independent specialists conduct annual closure and rehabilitation quantum assessments against the requirements of relevant legislation, EMP closure commitments and applicable good practice, including ICMM guidance. Liabilities for rehabilitation obligations are funded in trusts at each mine, with annual contributions and/or guarantees. Rehabilitation provisions align with regulatory requirements, including those in the NEMA: Financial Provisions Regulations currently awaiting promulgation. Effective governance structures are in place for each trust to oversee planning and budgeting.

Final closure and rehabilitation reports as well as annual rehabilitation plans are developed for each mine based on the annual independent assessments. These reports, plans and proof of financial provision are submitted to the DMPR.

As at 30 June 2024, the total estimated closure cost across the ferrous and platinum divisions on a 100% basis was R4.8 billion (F2023: R3.6 billion).

The estimated balance of the trust funds was R680 million at 30 June 2024 and guaranteed facilities are in place for a further R2.2 billion, representing total trust funds and guarantees (contributions) of R2.9 billion.

The value of shortfalls in provisions at some operations is small compared to assets at the operations and the annual cash flows they generate.

Nkomati Mine

Nkomati Mine has been on care and maintenance since March 2021. ARM and Norilsk Nickel Africa Proprietary Limited concluded a sale agreement that provides for the acquisition by ARM of Norilsk Nickel Africa's 50% participation interest in Nkomati Mine.

At 30 June 2024, the estimated undiscounted rehabilitation costs attributable to ARM were determined to be R1 191 million (30 June 2023: R932 million) excluding VAT.

The increase in the undiscounted liability of R259 million is attributed mainly to the provision for short to medium-term water management costs.

The discounted rehabilitation costs attributable to ARM were determined to be R1 119 million (30 June 2023: R802 million).

At 30 June 2024, R137 million (attributable to ARM) in cash and financial assets was available to fund rehabilitation obligations for Nkomati Mine. The resulting attributable shortfall in discounted rehabilitation costs of R982 million is expected to be funded by ARM.

Nkomati Mine's estimated rehabilitation costs continue to be reassessed as engineering designs evolve and new information becomes available.

AGM Refer to note 22 in the condensed group financial statements.

Schedule of financial provision for closure and rehabilitation (100%)

	Estimated closure cost as at 30 June 2024 (Rm)	2024 trust fund contribution (Rm)	Estimated trust fund balance as at 30 June 2024 (Rm)	Guarantees (Rm)	Total provision including guarantees (Rm)	Anticipated shortfall excluding guarantees (Rm)	Anticipated shortfall including guarantees (Rm)
Operation							
Beeshoek	**235**	**–**	**130**	**74**	**204**	**105**	**31**
Khumani	**567**	**–**	**139**	**382**	**521**	**428**	**46**
Gloria*	**54**	**–**	**47**	**194**	**241**	**7**	**(187)**
Nchwaning*	**105**	**–**	**22**	**22**	**45**	**82**	**60**
Black Rock*	**413**	**–**	**45**	**196**	**241**	**368**	**171**
Two Rivers	**465**	**20**	**52**	**331**	**383**	**413**	**82**
Nkomati	**2 237**	**–**	**139**	**180**	**319**	**2 098**	**1 918**
Modikwa	**441**	**–**	**45**	**430**	**475**	**395**	**(35)**
Bokoni	**320**	**–**	**60**	**365**	**426**	**260**	**(106)**
Total	**4 836**	**20**	**680**	**2 175**	**2 855**	**4 156**	**1 981**

** Part of Black Rock Mine.*

Social

Engagements with community forums, municipalities, the DMPR and other local and national stakeholders help us understand and find solutions for challenges facing our host communities.

Shagga Creche, at Shagga Village close to Two Rivers Platinum Mine

Social – our people

Safety

ARM is committed to maintaining a safe and healthy work environment for all employees and contractors to achieve our goal of zero harm. Safety is embedded in our values and strategy, and a key indicator of operational performance. Ensuring a safe working environment is a moral imperative – one that improves productivity, efficiency and relationships with our stakeholders.

REPORTING CONTEXT

FTSE/Russell:
Health and safety

F2024 FOCUS AREAS

- Zero fatalities and zero harm to employees and contractors
- Reduction in injuries and severity of injuries
- Implementation of the critical control management (CCM) process, with verification of effective implementation at remaining operations
- Continued learning, internally among operations and from engagement with peers and industry associations
- Integrated contractor safety management system to be rolled out at ARM Ferrous
- Implement level 9 of collision avoidance system.

F2024 PERFORMANCE

- There was one fatality at Bokoni Mine in F2024 (F2023: one)
- Lost-time injuries, the LTIFR and severity rates all improved in F2024
- CCM fully implemented at ARM Ferrous mines; advanced stage at Modikwa, Two Rivers and Bokoni mines and Cato Ridge Works
- Continual benchmarking and sharing good practices at operations and industry level
- Integrated contractor safety management system rolled out at ARM Ferrous
- Implementing level 9 of collision avoidance system continues according to timelines agreed with DMPR.

F2025 FOCUS AREAS

- Zero fatalities and zero harm to employees and contractors
- Reduction in injuries and severity of injuries
- Complete implementation of CCM process, with verification of effective implementation at remaining operations
- Continued learning, internally among operations and from engagement with peers and industry associations
- Implement level 9 of collision avoidance system
- Roll out the integrated contractor safety management system at Bokoni Mine.

How we manage safety

Potential workplace hazards linked to mining, crushing and milling, as well as processing and beneficiating minerals and metals, include fall-of-ground, trackless mobile machinery, working at heights, fatigue, conveyor belts, winches and rigging.

ARM sets group safety policies that are adapted at the operations into safety policies and strategies that address specific challenges and milestones. ARM's wellness management programme integrates occupational hygiene, health and safety, and aligns with industry good practice and the requirements of relevant legislation (see page 7).

Operational safety committees, which include representatives from management, employees and organised labour, meet regularly to discuss safety and promote a partnership approach to safety management.

Continuous workplace hazard identification and risk assessments at the operations identify safety and health risks. Effective controls are identified and implemented to mitigate risks.

Risk assessments are conducted daily, before beginning any new task, expansion or change to current operations as well as in planning and executing projects. They include input from regulators, specialists, equipment manufacturers, our employees and labour representatives. Standard operating procedures used for on-the-job training include hazards and mitigating controls.

Employees and contractors receive safety training at induction while continual on-the-job and competency training entrench a culture of safe working practices. Supervisors conduct regular planned task observations to ensure correct safety procedures are understood and followed, and to create opportunities to coach and improve safe task execution.

Contractors are treated as employees. They receive the same training and are included in our safety reporting, as required by legislation and industry standards.

Assessing and monitoring safety processes and performance

Leading[1] and lagging[2] safety indicators are reported and monitored at quarterly operational and divisional SHEQ and related meetings, corporate SHE meetings, sustainable development (SD) committee meetings, at Assmang social and ethics committee meetings and at quarterly meetings of the ARM social and ethics committee.

Safety incidents are investigated to identify root causes of injuries and develop plans to prevent recurrences. These are discussed in operational safety and management meetings as well as quarterly joint-venture SD committees, Assmang social and ethics committee and reported to the quarterly ARM social and ethics committee meetings. Safety learnings are shared across the group.

Safety performance indicators are included in short-term incentives for operational, divisional and corporate staff. Executive short and long-term incentives include safety modifiers (see remuneration report on page 126). Safety indicators are externally assured annually as part of the ESG reporting process.

Alignment with global standards and industry global practices

Operational safety and health policies and management systems align with ISO 45001, the international standard on health and safety management systems. Black Rock, Beeshoek, Khumani, Two Rivers mines and Cato Ridge Works are certified in terms of ISO 45001. Nkomati Mine and Machadodorp Works are on care and maintenance.

ARM participates in industry health and safety forums and initiatives to share and adopt good practice to improve health and safety performance. These include:

- The Mine Health and Safety Council's (MHSC) culture transformation framework, which aims to eliminate discrimination and create a safe, healthy and productive mining industry in South Africa, with risks controlled at source
- The Mining Industry Occupational Safety and Health (MOSH) initiatives and related learning hub. ARM is represented in the Minerals Council South Africa's MOSH taskforce and its occupational health and safety policy committee by the group occupational health and wellness superintendent and the ARM Platinum divisional SHE manager
- ICMM membership, which provides access to a network for learning from peers and implementing industry good practice.

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[1] *Leading safety indicators are proactive measures that track the effectiveness of safety procedures that can indicate potential problems. They are continuously observed and include measures such as planned task observations and visible felt leadership.*

[2] *Lagging safety indicators measure the occurrence and frequency of incidents and injuries that have already happened, including lost-time, recordable and reportable injuries, medical treatment cases and fatalities.*

Social – our people continued

Safety continued

ARM monitors and reports internally against the MHSC milestones and targets at quarterly operational SD committee/compliance review meetings, and at social and ethics committee meetings. Progress towards targets is reported to the DMPR in annual mining charter reports, and to the MCSA.

Current safety initiatives

Critical control management (CCM) has been fully implemented at ARM Ferrous mines and is at an advanced stage at ARM Platinum mines. CCM is a globally recognised systemic process that establishes and maintains critical controls to manage the risk of material unwanted events.

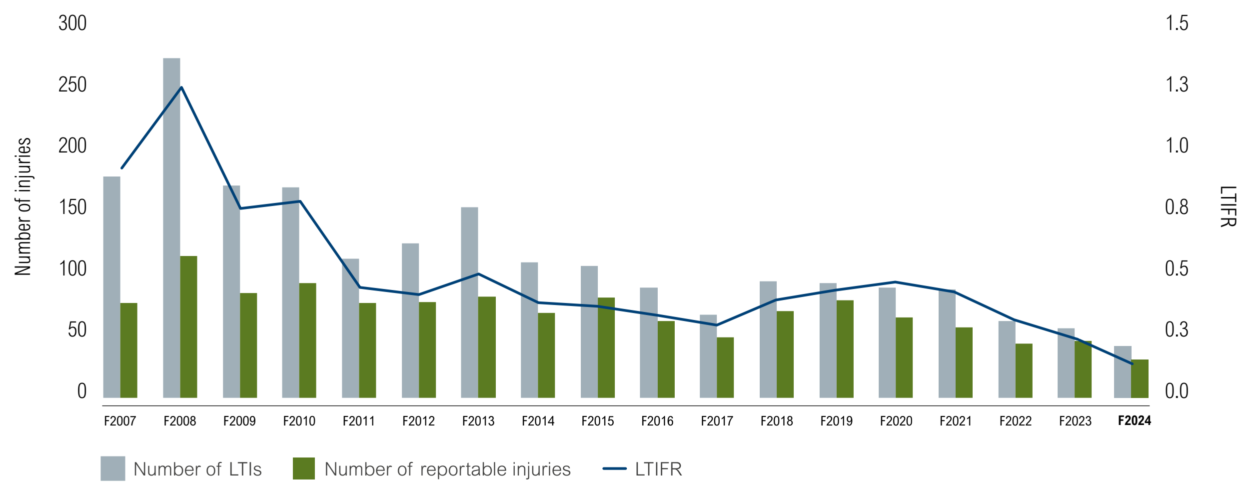
The operations are working with original equipment manufacturers, DMPR and MCSA to develop more advanced safety solutions for trackless mobile machinery (TMM). All TMMs at ARM mines have been equipped with collision awareness systems (vehicle-to-vehicle and vehicle-to-person detection systems).

Level 9 collision avoidance systems[3] became mandatory from October 2022. ARM mines are implementing compliant systems according to timelines agreed with the DMPR and reporting monthly progress. Initiatives to address requirements for mine and conveyor-belt fire prevention have been implemented at ARM mines.

Performance in F2024

Regrettably, Mr Thomas Ubisse, a team leader, was fatally injured in a fall-of-ground accident on 16 June 2024 at Middelpunt Hill shaft, Bokoni Mine. Support and counselling were offered to his family members and all affected employees through the employee assistance programme. We again extend our sincere condolences to Mr Ubisse's family, friends and colleagues. Independent root-cause investigations are underway as we continue to work towards zero harm at our operations.

ARM operations recorded 53 LTIs in F2024, 43 reportable injuries and 119 recordable injuries (F2023: 54, 44 and 121 respectively). The ARM FFR reduced to 0.004 (F2023: 0.005) while the LTIFR improved to 0.22 per 200 000 man-hours (F2023: 0.27), the group's lowest-ever rate. The total recordable injury-frequency rate (TRIFR) improved to 0.50 (F2023: 0.62). The LTIFR improved by 38% in the platinum division and by 30% in the ferrous division.



Safety performance: Lagging indicators (LTIs, LTIFR and reportable injuries)

Operation	Total fatality-free shifts worked*	Last fatality*
Beeshoek Mine	5 789 339	March 2003
Black Rock Mine	12 102 367	April 2009
Khumani Mine	5 740 201	April 2015
Cato Ridge Works	3 135 011	February 2008
Machadodorp Works	1 287 747	February 2011
Modikwa Mine	2 964 069	June 2022
Two Rivers Mine	1 802 625	November 2022
Nkomati Mine	674 913	October 2019
Bokoni Mine	60 315	June 2024

** As at 30 June 2024.*

The severity rate (days lost to LTIs per 200 000 man-hours) improved to 25.6 in F2024 from 26.2 in F2023. Safety achievements during the year included:

- On 14 May 2024, Black Rock Mine achieved 12 million fatality-free shifts over 15 years
- On 9 November 2023, Two Rivers Mine achieved one million fatality-free shifts over the year
- Beeshoek Mine achieved 16 months without a lost-time injury and a full year with no reportable injuries
- On 12 July 2024, Modikwa achieved three million fatality-free shifts. The mine's concentrator plant was recognised for best improved safety performance at the MineSafe 2023 industry awards.

Section 54 and 55 notices

The DMPR issued 44 section 54 notices at ARM operations (F2023: 30) and 43 shifts (or part shifts) were affected by these stoppages (F2023: 136). 26 notices were issued in ARM Platinum and 18 in ARM Ferrous. 18 section 55 notices were issued, not affecting any shifts.

The smelters in the group were not issued with any compliance or prohibition notices under the Occupational Health and Safety Act in F2024 (F2023: 0).

More detailed safety statistics, including section 54 and section 55 notices by operation, appear in the sustainability tables on our website at **www.arm.co.za**

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[3] *Level 9 requires that every diesel-powered TMM must be provided with means to automatically detect the presence of another diesel-powered TMM in its vicinity. In the event that no action is taken to prevent a potential collision, further means must be provided to slow it to a safe speed after which the brakes of the diesel-powered TMM are automatically applied. The prevent potential collision system on the diesel-powered TMM must "fail to safe" without human intervention.*

Social – our people continued

Occupational health and wellness

> ARM's commitment to safe and sustainable mining and our values are reflected in our integrated wellness management programme to support health and wellness in the workplace. The programme is designed to prevent occupational health hazards from affecting employee health and actively identifies and manages health risks as well as chronic conditions that may affect wellness and quality of life.

REPORTING CONTEXT

FTSE/Russell:
Human rights and community

F2024 FOCUS AREAS

- Achieving 2024 occupational health and safety milestones
- Reducing and preventing TB, HIV and Aids infections and sexually transmitted infections (STIs), in line with 95-95-95 NSP and DoH goals
- Reinforcing TB-related community outreach projects to focus on early detection and treatment for communities around our operations
- Risk-based monitoring and treatment of chronic conditions, particularly uncontrolled hypertension, supported by lifestyle coaching and awareness programmes.

F2024 PERFORMANCE

- No occupational respiratory diseases detected
- Ongoing monitoring of hearing conservation through audiometric tests as part of scheduled periodic medical surveillance
- Employees receiving HIV counselling and voluntary treatment increased
- TB incidence remains below national and industry rates
- Continued TB, HIV and Aids community outreach, including significant schools health initiative in the Northern Cape
- Ongoing monitoring and interventions to address uncontrolled hypertension and diabetes mellitus types 1 and 2.

F2025 FOCUS AREAS

Continued focus on:

- Achieving 2024 occupational health and safety milestones
- Reducing and preventing TB, HIV and Aids infections and STIs in line with 95-95-95 NSP and DoH goals
- Reinforcing TB-related community outreach projects to focus on early detection and treatment for communities around our operations
- Risk-based monitoring and treatment of chronic conditions, particularly uncontrolled hypertension.

How we manage occupational health and wellness

ARM's wellness management programme integrates occupational hygiene, health and safety. It includes comprehensive programmes to identify and manage the occupational, primary and chronic health challenges that affect our workforce.

Health and wellness policies are set at group level and implemented and overseen across ARM, coordinated by the group occupational health and wellness superintendent. Trained occupational health and wellness coordinators oversee wellness programmes at the operations.

Clinics at the operations are run by reputable external occupational healthcare service providers, our partners in providing occupational health and wellness services to employees and contractors. All ARM-managed operations have appointed registered occupational hygienists[1].

Operational SHE committees or wellness committees (comprising representatives from management, employees and organised labour) meet regularly to discuss occupational health, hygiene and wellness, and promote a partnership approach to managing wellness.

Training on occupational health and hygiene is provided at induction. In addition, wellness officers and peer educators provide ongoing training and awareness, supported by regular awareness campaigns at the operations. In F2024, 55 520 employees and contractors were trained on health and safety standards (F2023: 21 457). This includes health, hygiene, wellness and safety training at induction, certified health and safety training, awareness programmes and training in health and safety standards.

The occupational healthcare system is linked to access-control systems to ensure employees know their health status. Only those who are declared medically fit to perform work enter potentially hazardous workplaces.

Supporting national and global health priorities

The wellness management programme complies with regulatory requirements and supports national and global goals, including:

- Requirements of the Department of Health (DoH), Department of Employment and Labour (DoEL), DMPR and the Mine Health and Safety Council (MHSC)
- The MHSC's occupational health and hygiene milestones that aim to eliminate occupational lung diseases and noise-induced hearing loss, and prevent the spread of TB, HIV and Aids
- National health priorities – including TB, HIV and Aids, and STIs – set out in the National Strategic Plan 2023-2028 (NSP), DMPR guidelines for TB, HIV and Aids management and requirements of the mining charter
- The Masoyise Health Programme, a multi-stakeholder initiative led by the MCSA in the fight against TB, HIV and Aids, occupational lung diseases and non-communicable diseases in the industry
- The DoH strategic plan's 95-95-95 goals for TB, HIV and Aids, which refer to goal 2 of the NSP
- SDG 3 – Good health and wellbeing (SDG 3.3 and 3.4).

Alignment with global standards and global practices

ARM's integrated wellness management programme aligns with SANS 16001 (the South African national standard on disease and wellness management) and the three mines in ARM Ferrous are certified in terms of the standard. Two Rivers Mine and Cato Ridge Works are certified in terms of ISO 45001:2018 (the international occupational health and safety standard).

The wellness coordinators at Modikwa, Two Rivers, Khumani, Beeshoek and Black Rock mines have completed training on the implementation of SANS 16001, which includes HIV and Aids.

Assessing and monitoring effectiveness of the programme

The programme and its components are regularly reviewed through assessments and audits, which include:

- Annual audits of operational wellness management programmes against the ARM health and wellness standard[2] by the group occupational health and wellness superintendent. The average ARM standard audit score improved to 89.6% in F2024 (F2023: 88%) against our target of 85%. The F2024 audit score includes Bokoni Mine in line with the mine's inclusion in ARM's ESG reporting boundary this year
- Quarterly reviews by an external occupational health expert
- Annual audits of operating procedures and practices by an independent occupational health medical practitioner
- Annual audits of the operational clinics against legal requirements by a certified external auditor
- Assessments of operational wellness management programmes through external certification audits for SANS 16001 and ISO 45001:2018
- Health indicators included in the annual external assurance of ESG information.

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[1] *Legally appointed as per section 12.1 of MHSA and registered with Mine Ventilation Society (for underground mines) and South African Institute for Occupational Hygiene (surface mines).*

[2] *The standard incorporates the requirements of relevant legislation, reporting frameworks, industry good practice and SANS 16001.*

Social – our people continued

Occupational health and wellness continued

Occupational health and wellness metrics are reported and monitored at quarterly operational and divisional SHEQ and related meetings, corporate SHE meetings, SD committee meetings, Assmang social and ethics and at quarterly meetings of the ARM social and ethics committee.

Occupational hygiene and medical surveillance

We take a precautionary approach to occupational health and wellness that aims, as far as possible, to limit at-source workplace exposure to hazards through a combination of:

- Identifying potential hazards and risk assessments
- Control at source
- Personal protective equipment
- Employee education and training on job-related risks and controls
- Awareness campaigns
- Occupational hygiene and personal monitoring
- Formal safe operating procedures to limit exposure.

Health risks relevant to each workplace and occupation are identified and monitored through comprehensive risk-based mandatory medical surveillance programmes at each operation.

These programmes align with the requirements of the Mine Health and Safety Act (mining operations) and Occupational Health and Safety Act (smelters). Health risks are mitigated using the hierarchy of controls. Occupational hygiene surveillance provides leading indicators on exposure to hazards in the workplace. Surveillance examinations are conducted at pre-employment medicals, periodic surveillance medicals, medicals when changing job roles and exit medicals. Baseline information for relevant indicators such as hearing and lung capacity are measured and recorded, while regular monitoring identifies any deterioration from baselines. Where deterioration is detected, counselling, training and personal protective equipment (if appropriate) are provided.

Hearing conservation and noise-induced hearing loss (NIHL)[3]

ARM's hearing conservation programme aligns with the MOSH leading practice on noise, an initiative facilitated by the MCSA.

The operations have adopted the IBMQI, which aims to maintain existing machines below the 107dB(A) MOSH 2024 milestone limit and ensure new machines comply with the limit. Currently, ARM's loudest machine emits 104dB(A).

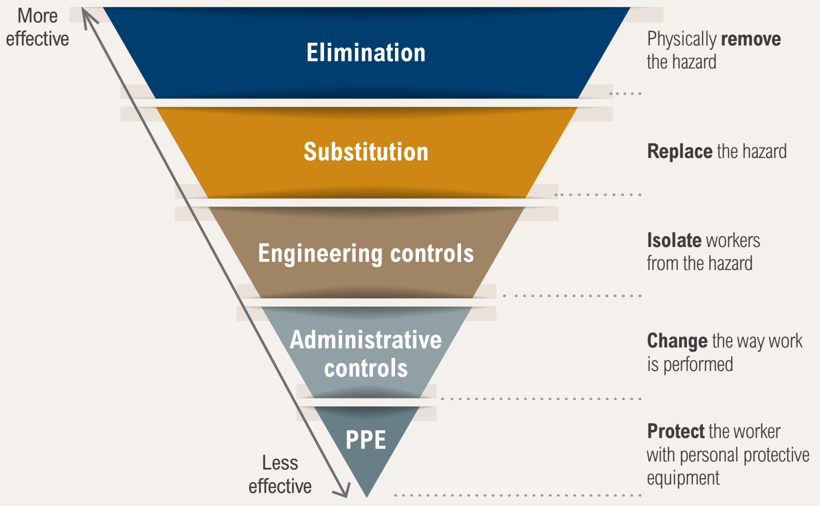
Other initiatives to reduce noise exposure include:

- A buy-quiet policy for new equipment
- Hearing safety awareness campaigns in high-noise areas
- Providing customised hearing protection devices (HPDs) and training in their use to employees working in areas where they may be exposed to noise above 85dB(A).

Regular audiometric tests as part of the medical surveillance programme include specialist indicators that provide early warning before actual hearing loss occurs. Deteriorations from baseline are followed up with counselling, coaching and training from clinic personnel, and we reconfirm the appropriateness and effectiveness of HPDs. Investigations to identify the root cause of the deterioration check exposure to noise at and outside the workplace. Where possible, the employee is redeployed to work in areas with low noise levels.

Percentage loss-of-hearing (PLH) shifts of 5% or more are reported to the DMPR and investigated in terms of section 11.5 of the MHSA. In cases where the investigation suggests the shift may be due to noise exposure, PLH shifts of greater than 10% are referred for specialist examination, which includes diagnostic audiograms conducted by an audiologist and ear, nose and throat (ENT) specialist to establish the cause. If the examinations confirm NIHL due to workplace exposure, a claim for compensation is submitted on behalf of the employee[4].

In F2024, 35 845 audiometric tests were conducted as part of the scheduled periodic medical surveillance (F2023: 29 447). New cases of PLH shifts in the >5 to <10% category detected in F2024 represent 0.3% of the workforce and shifts of >10% due to workplace exposure represent 0.1% of the workforce (0.2% and 0.08% respectively in F2023).



Source: National Institute for Occupational Safety and Health

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[3] More information on current and historical NIHL at operational level appears in the sustainability table on our website ***www.arm.co.za****.*

[4] Claims for NIHL are submitted for compensation to either Rand Mutual Assurance (mine employees) or the Worker's Compensation Commission (employees at the smelters) in terms of the Occupational Diseases in Mines and Works Act.

Occupational lung diseases

The medical surveillance programme closely monitors respiratory function to screen for lung diseases such as silicosis. The operations implement mitigation measures to limit exposure to inhaled airborne particles and harmful substances that could damage the respiratory tract.

Routine monitoring of the silica content in the orebodies of our mines indicate that silica levels are consistently below analytical detection limits. Both silica and platinum dust-exposure levels at all operations are also below limits set in the MHSC milestones and the mining industry occupational exposure limit.

Dust suppression is a core occupational hygiene focus and airborne dust levels are controlled using water sprays, surfactants and extractor fans. Employees are given dust masks where dust cannot be eliminated at source.

Baseline indicators from pre-employment medical surveillance indicate that all cases of occupational respiratory disease detected at our operations to date relate to exposure prior to employment at ARM. The clinics facilitate compensation submissions on behalf of affected employees regardless of the origin of the condition.

No new silicosis cases have been diagnosed from exposure at ARM-managed mining operations since 2009 and no new cases were reported in F2024 (F2023: 0).

Asbestos

Asbestos is not present in the operating mines in the group. However, asbestos fibres have been detected in the orebody at Nkomati Mine, which is currently on care and maintenance. Extensive dust-suppression and exposure-mitigation measures remain in place. The comprehensive surveillance and control programme at the mine was developed in consultation with experts from the Institute of Medicine in Scotland.

No cases of asbestosis were diagnosed at ARM operations in F2024 (F2023: 0).

Diesel particulate matter (DPM) ICMM update

A study by the World Bank in 2014 confirmed that black carbon emissions from diesel vehicles impact the environment and people's health. The study found that acute and chronic DPM exposure is associated with a range of conditions including asthma, cardiopulmonary diseases and lung cancer.

The ICMM established the innovation for cleaner, safer vehicles DPM working group to develop a comprehensive DPM guidance document.

Currently, there is no regulated DPM occupational exposure limit in South Africa, but the MCSA group environmental engineers committee has started developing a DPM management standard for member companies to adopt.

What is ARM doing?

- At Two Rivers and Modikwa mines, mining vehicles have been fitted with diesel particulate filters and load-haul-dump operators are issued with double half-mask respirators
- Bokoni Mine will purchase diesel machines that are fitted with diesel particulate filters, and is using ultralow sulphur diesel (tier 3 – reduced carbon emissions)
- Black Rock Mine has battery electric vehicles, diesel machines with tier 3 engines and uses ultralow sulphur diesel (10 ppm).

ARM will continue to align the underground operations with the ICMM and MCSA guidance as this develops.

Other substances of concern

Manganese is mined at Black Rock Mine and processed at Cato Ridge Works. A medical surveillance and biological monitoring protocol, developed by occupational health specialists, is in place at these operations, and for employees who handle the ore at the Saldanha and Gqeberha port terminals. No cases of overexposure to manganese were detected in F2024.

Other hazardous substances include chromium and coal, tar, pitch volatiles at Cato Ridge Works.

In F2024, 24 occupational diseases were identified and submitted for compensation (F2023: 15), as shown in the table below.

Occupational diseases submitted for compensation

	F2024	F2023	F2022	F2021	F2020
Silicosis	0	0	0	0	3
Asbestosis	0	0	0	0	2
NIHL	23	15	13	18	14
Carpal tunnel syndrome	1	0	0	0	0
Total	**24**	**15**	**13**	**18**	**19**

Social – our people continued

Occupational health and wellness continued

Primary healthcare

Wellness centres at each mine, except for Nkomati and Bokoni mines, provide primary healthcare (PHC) services, including treatment and counselling. At Nkomati Mine, a full-time nurse provides daily healthcare services at the mine clinic. Bokoni Mine is establishing a wellness centre.

ARM's mines partner with provincial health departments to build the capacity of local clinic staff and engage communities and other stakeholders to decrease the morbidity and mortality associated with TB, HIV and Aids, STIs and chronic diseases. Memorandums of understanding (MoUs) between the ARM Ferrous mines (Beeshoek, Black Rock and Khumani) and the Northern Cape DoH strengthen the implementation of provincial strategies to address these diseases and extend primary healthcare services to contractors and communities. Similar MoUs are in place between Modikwa and Two Rivers mines and the Limpopo DoH.

Although ARM operations are not located in areas where malaria is prevalent, we nevertheless run malaria awareness programmes in support of the Masoyise Health Programme and SDG 3.

TB, HIV and Aids

TB, HIV and Aids are a priority in ARM's operational medical surveillance programmes to support national priorities established in the DoH NSP. The occupational health and wellness programme integrates management of TB, HIV and Aids and STIs and prioritises early identification. Awareness and education are included in induction training and promoted at wellness days, including World Aids Day on 1 December.

Pulmonary tuberculosis (TB)

Every person visiting the clinics receives mandatory passive TB screening using the DoH cough questionnaire. Contact tracing for new TB cases includes workplace tracing to manage infection control and notifying the employee's local community clinic to arrange for contact tracing at their home. New cases are reported to DMPR and submitted to the Medical Bureau for Occupational Disease for possible compensation.

Employees with TB are monitored under the national TB management protocol and receive treatment from local DoH clinics. All mines provide isoniazid preventative therapy (IPT) in line with MoUs with the DoH, particularly to support patients with HIV or other lung diseases such as pneumoconiosis.

In calendar year (CY) 2023, 58 421 TB screening tests were conducted on employees and contractors (CY2022: 69 929). Nineteen new cases of TB were detected in CY2023 (CY2022: 21). Eight employees/contractors were successfully treated in CY2023 (CY2022: 15) and the percentage of employees/contractors on TB treatment successfully treated was 42%. Four cases of multi-drug resistant TB were reported during the year (CY2023: 0).

TB incidence rate is below national rates (468/100 000) and industry rates (223/100 000) at ARM mines (92/100 000).

Performance against TB targets

	National rate[5]	Industry rate[6]	CY2023[7]	CY2022
MHSC occupational health and safety milestones				
TB incidence rate below national rate by 2024*	468	223	92	99
Masoyise programme				
Mining sector TB incidence rate below national rate by 2024*	468	223	92	99

* Per 100 000.

	Target	CY2023	CY2022
DoH 95-95-95			
Employees screened for TB	95%	99%	98%
Employees with TB on treatment	95%	99%	98%
Employees on TB treatment successfully treated	95%	99%	98%

[5] World Health Organization global tuberculosis report.

[6] Masoyise Health Programme 2023 annual report.

[7] ARM mines, excluding Nkomati, which is on care and maintenance.

HIV and Aids

Employees are encouraged to know their HIV status and take responsibility for managing their wellness. The ARM Group HIV and Aids policy emphasises the right of employees to confidentiality and non-discrimination on the basis of HIV status.

Employees are offered (but not obliged to take up) HIV counselling and voluntary testing (CVT) at every visit to primary healthcare facilities. Trained peer educators provide ongoing awareness and training, and give formal feedback on their activities.

Performance against HIV and Aids targets*

	Target	CY2023	CY2022
Masoyise programme			
HIV testing offered to employees annually	100%	100%	100%
HIV positive employees linked to an ART programme	100%	100%	100%
DoH 95-95-95 principle			
Employees living with HIV who know their status	95%	81%	77%
HIV positive employees on ART	95%	98%	96%
Employees on ART who achieve viral suppression	95%	97%	93%

* *Excludes Nkomati Mine and Machadodorp Works (on care and maintenance).*

HIV-positive permanent employees can access disease management programme benefits, including HIV and Aids treatment, through their membership of medical aid schemes. Employees and contractors have the option to register and receive antiretroviral treatment (ART) from their doctors, government clinics or clinics at the operations under MoUs with local departments of health.

HIV status is confidential and it is therefore difficult for companies to establish the true percentage of employees living with HIV who know their status (the first element of the DoH 95-95-95 principle). ARM's reported figures only include employees who have voluntarily disclosed their status.

Average estimated HIV prevalence at ARM operations is 8.0% (F2023: 7.7%), which is well below the district and provincial indicative HIV prevalence rates from the operational clinics.

In F2024, 61 834 employees received HIV CVT (F2023: 40 640) and employees electing to undergo HIV testing increased to 24 381 (F2023: 19 880). All operations have implemented the DoH test-and-treat policy. A total of 1 280 employees and contractors were on ARM disease management plans and 1 320 received ART from our wellness centres during the year (F2023: 1 239).

Community outreach for TB, HIV and Aids

ARM operations facilitate community TB, HIV and Aids awareness and testing campaigns. They also support community initiatives to promote early detection and treatment, including community wellness centres and home-based care groups. Where possible, ARM works with local Aids councils to ensure community projects address the most-pressing wellness and health needs.

Malaria

While ARM operations are located in areas where malaria is less prevalent, we share critical facts and information about malaria with our employees and contractors in collaboration with the DoH and the MCSA. This includes posters at all operations with facts about malaria including signs and symptoms, how it is spread and how to prevent the disease.

Employee wellness

Wellness programmes are available to employees at all ARM-managed operations and the corporate office. These programmes provide holistic wellness management, including 24/7 clinical and professional wellness support for employees and their dependants through a toll-free line.

Wellness service providers at all operations (except for Nkomati Mine and Machadodorp Works, which are on care and maintenance) provide the following services:
- Mental health support
- Psychosocial counselling
- Legal advice and coaching
- Financial wellness advice
- Face-to-face counselling with accredited therapists
- Group and trauma counselling (crisis intervention post trauma).

Chronic conditions

Chronic conditions, such as uncontrolled hypertension, diabetes and epilepsy, are included in integrated health risk and wellness management programmes at the operations. Affected employees and contractors are recorded in chronic disease registers and monitored according to occupational risk exposure profiles, with particular reference to high-risk occupations. Uncontrolled cases are declared temporarily unfit until their chronic condition is brought under control and they are declared fit by the occupational medical practitioner.

Education on lifestyle diseases is provided at induction and forms part of the compulsory occupational health surveillance programme.

The clinics monitor and manage affected employees and their compliance with prescribed treatments. Contractors with chronic diseases are treated in terms of MoUs with the DoH and, where appropriate, referred to public hospitals and clinics.

Uncontrolled hypertension is a key risk factor for stroke and heart disease. Medical surveillance includes blood pressure and body mass index, which are monitored by occupational medical practitioners. Programmes to promote physical activity and raise awareness on diet and lifestyle to address chronic conditions are in place at the operations.

Diet and lifestyle advice is available to employees through dieticians and employee assistance programmes. Clinics work with stakeholders, including the DoH and community NGOs, to provide wellness campaigns in the workplace and the community.

The prevalence of hypertension in the workforce decreased marginally to 14.2% (F2023: 16.1%).

Social – our people continued

Human resources management

ARM's success depends on its ability to continue to attract and retain skilled and experienced professionals. Our human capital strategy aims to foster a high-performance, entrepreneurial and innovative culture by providing growth opportunities that empower employees to reach their full potential and develop fulfilling careers. Equality, fair labour practices and freedom of association are entrenched in our approach to human capital management. We support the ICMM's collective commitment to promoting diversity, equity and inclusion.

REPORTING CONTEXT

3 HUMAN RIGHTS

FTSE/Russell:
Human rights and community

FOCUS FOR F2024 AND BEYOND	PERFORMANCE IN F2024	FOCUS FOR F2025 AND BEYOND
Strategic workforce planning • Align workforce plans to business plan, growth and expansion goals • Monitor workforce planning goals in line with the business strategy • Ensure proper workforce management plans are aligned to productivity and efficiencies • Track transformation targets to address issues pertaining to equity and inclusion in relation to the employment equity plan and regulators' targets.	• Workforce plans aligned to business goals and strategy • Diversity, equity and inclusion goals and targets are set as per the employment equity (EE) plan.	• Monitor progress of business goals through efficiencies • Effectively manage implementation of EE plan targets.
Talent management • Implement robust attraction, development and retention of young talent strategy • Promote and enhance collaboration and partnerships with institutions of higher learning • Build a future pipeline through values-based talent acquisition programmes.	• Collaboration with top seven institutions of higher learning and three previously disadvantaged universities to attract top talent • Retained key talent and women.	• Implement the business intelligence (BI) tool to support talent mapping • Review top management, senior management and middle management talent pipeline.
Learning and development • Facilitate and drive continuous improvement and identification of organisational learning and development initiatives, in line with the changing world of work • Invest in women and young talent development for the future talent pipeline • Create and instil a life-long learning organisational culture.	• Facilitated development programmes including future leadership, women development and career discussion panels • Continue to develop skills for business continuity.	• Continuously develop staff to ensure the right skillset and mix across the business.
Performance enhancement • Promote the organisational, team and individual high-performance culture • Cascade organisational and performance goals to divisional, team and individual performance • Ensure performance is linked to rewards.	• Completed performance assessments for management and staff in line with the reward structure.	• Continuous recognition and talent reward for high performers to ensure retention • Create promotion opportunities for high performers and talent.
Human capital 4.0 • Place digital transformation at the forefront of human capital processes, enhancement and innovation • Develop a values-based human capital matrix for data analytics. Promote and drive automation.	• Integrated HR processes for HR excellence using technology solutions.	• Drive technology and the innovation matrix for all processes using technology.

Managing our human capital

ARM's human capital strategy aims to sustain our entrepreneurial culture, develop leadership among employees and position ARM as an employer of choice. Transformation targets are embedded in each pillar of the human capital strategy to improve reporting, monitoring and evaluation.

Human capital strategy pillars

- Strategic workforce planning
- Talent management
- Learning and development
- Performance enhancement
- Technology

Supports value creation by:

- **Sourcing, attracting, developing and retaining people with the necessary experience and skills**
- **Enhancing the knowledge, skills, experience and behaviour of individuals and teams**
- **Providing appropriate development opportunities**
- **Fostering an entrepreneurial and innovative culture**
- **Promoting diversity, equity and inclusion in the workforce.**

Social – our people continued

Human resources management continued

The group executive: human resources is the senior executive responsible for implementing the human capital strategy and the executive accountable for related legal compliance. Human capital performance indicators are monitored and reported in operational and divisional meetings. The primary governance structures overseeing human capital include:

Executive level	• Executive committee • Executive leadership committee • Employment equity and skills development committee • Management risk and compliance committee.
Board level	• Social and ethics committee • Remuneration committee • Audit and risk committee.

ARM's code of conduct, human capital policies, procedures and practices align with South African labour laws and South African Board for People Practices (SABPP) national standards. This ensures that they meet stipulated legal and ethical requirements, including conditions of employment, equitable pay and leave regulations, and limit excessive working hours.

HR policies and procedures are benchmarked against international global practices by participating in and contributing to professional bodies, such as the SABPP and the Global Top Employer certification programme.

Talent management

ARM's strategic workforce planning maps talent for the next 30 years to identify potential future skills gaps. The three- to five-year workforce plan provides a roadmap of future workforce needs to ensure that the right human resources are in place to meet our strategic and operational objectives. The needs identified in the workforce plan and anticipated attrition rates are compared against current core and critical skills in the talent management system, which integrates with the talent portal and employment equity system to align talent, succession, career development and transformational goals.

Forecast needs are met through learning and development, on-the-job training and cross-operational exposure for future potential successors, supplemented with external appointments where necessary. Regular evaluations provide feedback to employees as well as personalised development plans that outline their potential career paths in the group. Career discussion panels expose young talent and graduates to business strategy and encourage career dialogues.

ARM's compelling employee value proposition positions the company as an employer of choice and includes:

- Employee wellness, wellbeing and mental health support
- A conducive work environment that promotes diversity, equity and inclusion
- A creative, innovative and entrepreneurial organisational culture
- Competitive remuneration and benefits
- Study assistance
- Performance management
- Career development opportunities.

In F2024, 95% of job offers were accepted (F2023: 98%).

At 30 June 2024, there were 23 369 employees and contractors across the group, 42% of whom were contractors (F2023: 22 931 and 41% contractors).

	F2024			F2023		
	Permanent	**Contractor**	**Total**	Permanent	Contractor	Total
Beeshoek Mine	**735**	**491**	**1 226**	714	485	1 199
Khumani Mine	**1 920**	**1 735**	**3 655**	1 881	1 777	3 658
Black Rock Mine	**2 585**	**1 209**	**3 794**	2 528	1 705	4 233
Cato Ridge Works	**371**	**184**	**555**	383	252	635
ARM Ferrous	**5 611**	**3 619**	**9 230**	5 506	4 219	9 725
Modikwa Mine	**4 200**	**1 162**	**5 362**	4 440	1 288	5 728
Two Rivers Mine	**2 898**	**3 107**	**6 005**	2 911	3 149	6 060
Nkomati Mine	**41**	**84**	**125**	34	88	122
Bokoni Mine	**619**	**1 665**	**2 284**	265	658	923
ARM Platinum	**7 758**	**6 018**	**13 776**	7 650	5 183	12 833
Machadodorp Works	**52**	**45**	**97**	80	38	118
ARM corporate office	**249**	**17**	**266**	241	14	255
ARM Group	**13 670**	**9 699**	**23 369**	13 477	9 454	22 931

There were no retrenchments in F2024 (F2023: four). However, Modikwa Mine issued a notice of contemplated retrenchment in terms of section 189(3) of the Labour Relations Act 66 of 1995, as amended which will be implemented in the new financial year.

Employee turnover increased to 7.4% in F2024 from 6.5% in F2023. This figure includes resignations, dismissals, retirements, retrenchments and voluntary severance packages.

Performance enhancement

Employee performance reviews are done twice a year. The performance-enhancement system includes contracting on performance goals and tracking developmental areas. It ensures performance is rewarded appropriately, promotes staff engagement and provides constructive feedback for development and performance improvement.

Short and long-term incentives promote a culture of enterprise and innovation. Variable pay structures are designed to be fair and achievable with a focus on pay-for-performance, particularly at senior levels. Incentives include modifiers for ESG-related indicators such as safety, BBBEE, diversity, equity and inclusion as well as climate-change performance targets.

More information on remuneration strategy and implementation in F2024 is available on page 126.

ARM is committed to offering equitable, market-related and competitive salaries to all employees. Remuneration practices are regularly benchmarked against comparable South African mining companies to ensure alignment with national industry standards and legislative requirements, including minimum wages. An equal pay for work of equal value project was completed as per section 6(4) of Employment Equity Act.

The wage gap between remunerating executives and employees at the lower end of the pay scale is periodically assessed and progress is monitored by the remuneration committee. Percentage increases granted to junior employees are on a sliding scale, exceeding those granted to management and executives.

Social – our people continued

Human resources management continued

Promoting diversity, equity and inclusion

The ARM human rights policy (see page 81) addresses our commitment to compliance with national and international human rights principles as defined by the constitution, various acts and declarations. Employees can raise concerns with line manages, the HR department and through the whistleblower hotline (see page 120).

ARM is committed to transformation and to creating opportunities and employment for all people regardless of race, religion, gender, age, sexual orientation, nationality or disability. The code of conduct promotes equality and emphasises our zero tolerance on unfair discrimination, harassment and bullying.

The group diversity, equity and inclusion programme facilitates conversations on diversity and inclusion to drive sustainable change in the organisational culture at individual, team and organisational levels.

The group executive: human resources with the support of top leadership, oversees and monitors transformation in the workforce. The group executive: human resources is the legally appointed employment equity senior manager for the group in terms of section 24 of the Employment Equity Act.

The employment equity and skills development committee monitors implementation of the group diversity management policy, recruitment processes, employment equity performance and the technical skills required to meet transformation goals. The ARM social and ethics committee oversees this committee and reports on employment equity and transformation progress to the board.

Employment equity

ARM measures and reports employment equity performance in terms of the requirements of the mining charter, Department of Employment and Labour (DoEL) and the Department of Trade, Industry and Competition (dtic) codes of good practice (CoGP). These scorecards measure employment equity performance against the economically active population (EAP), mining charter targets and demographics. ARM's legislative compliance monitoring tools ensure alignment with all transformation plans. The company is engaging with DoEL to evaluate the impact of proposed sector targets.

Management recruitment, selection, promotion and succession planning consider the EAP to promote employment equity in the workplace. High-potential historically disadvantaged persons (HDPs) are identified and their development fast-tracked through accelerated career-path programmes.

The table below shows consolidated company performance against the mining charter. ARM Group's performance improved in most of the occupational categories against the mining charter in F2024.

Employment equity performance against mining charter	ARM F2024	ARM F2023	ARM F2022	Mining charter III target
HDP representation				
Board	**60%**	61%	56%	50%
Executive management	**73%**	75%	67%	50%
Senior management	**70%**	66%	64%	60%
Middle management	**78%**	76%	73%	60%
Junior management	**86%**	84%	82%	70%
Core and critical skills	**95%**	94%	91%	60%

Gender mainstreaming

ARM's gender mainstreaming policy and action plan were developed and approved in consultation with the Commission for Gender Equality. The gender mainstreaming development framework ensures that all phases of planning cycles, policies, programmes and projects integrate a gender perspective. Group policies have been revised for gender sensitivity.

The gender unit, a substructure of the employment equity and skills development committee, advances women's interests and oversees gender mainstreaming in the company. Gender mainstreaming practices across the company are monitored and evaluated as part of goal setting. Performance against the plan is reported to the social and ethics committee.

Gender equality, equity and mainstreaming awareness campaigns and workshops embed these concepts in the organisational culture. Gender diversity in leadership is promoted through the ARM female leader profile, talent mapping with a gender perspective and the women development programme. Recruitment and promotion efforts are focused on improving representation of women, particularly at junior management level.

ARM supports and promotes women in mining, overseen by its women-in-mining forum. We participate in provincial DMPR women-in-mining structures and in related events hosted by the Minerals Council. Women-in-mining committees aligned with Women in Mining South Africa (WIMSA) are in place at all operations. The operations provide gender-based access control at operations' change houses and personal protective equipment (PPE) designed for women.

The second phase of gender mainstreaming includes aligning policies with LGBTQI+ aspects.

Employment equity performance against mining charter	ARM F2024	ARM F2023	ARM F2022	Mining charter III target
Female representation				
Board	**20%**	22%	25%	20%
Executive management	**27%**	25%	22%	20%
Senior management	**26%**	26%	25%	25%
Middle management	**29%**	30%	28%	25%
Junior management	**22%**	22%	21%	30%

Khumani Mine achieved first place for equal representation and participation for listed companies at the 2023 Accenture Gender Mainstreaming Awards, second place for the overall category and fourth place for Investing in Youth Women for listed companies.

People with disabilities

ARM provides opportunities for people living with disabilities (PWDs) wherever practical. We continue to monitor our progress and implementation of programmes to ensure we are ready to meet proposed sector targets for PWDs. The diversity programme includes a focus on raising awareness about PWDs.

There were 192 PWDs working at ARM in F2024 (F2023: 192), 39% of whom are women (F2023: 32%). A total of 83 learnership opportunities were provided to PWDs at ARM's operations (F2023: 120), including adult education and training and relevant short courses. A total of 83 PWDs from local communities received portable skills training at ARM operations during the year (F2023: 48).

Learning and development

ARM invested R399 million in skills development in F2024 (F2023: R371 million), or 8.8% of payroll (F2023: 9.3%), above the mining charter target of 5.0%. Learning and development programmes focus on building the skills required to meet current and future needs. Operations plan and budget training and development of core and critical skills in support of the Skills Development Act. Programmes are delivered at training centres at the operations with full SETA accreditation from the Mining Qualifications Authority or Manufacturing, Engineering, and Related Services SETA.

Total training spend was R17 073 per employee (including contractors) compared to R16 204 in F2023, representing 5.5 training days per employee (F2023: 6.2 days). Functional literacy across the company was 97% (F2023: 99%).

Social – our people continued

Human resources management continued

Leadership development

The leadership development framework includes programmes designed to build leadership and managerial capabilities, create talent pools, accelerate development and improve promotional opportunities.

Candidates on leadership development programmes	F2024	F2023	F2022
Future leaders' development	**28**	34	31
Women development	**36**	38	37
Mentorship and coaching programme	**93**	38	–

The leadership development programmes aim to equip employees with the skills of the future in recognition of the new ways of working and living embodied in the fourth industrial revolution. This includes units on digital technology in mining, a digital mining tour, the future of mining in Africa and a digital transformation and a maturity masterclass.

Our mentoring and coaching programme aims to develop purpose-driven leaders guided by values while fostering a culture of positive constructive conversations between line managers and subordinates.

Investing in the skills of the future talent pool

ARM invests in various programmes to build the talent pool of relevant skills in the mining and minerals industry. We participate in the Minerals Education Trust Fund and the education advisory committee of the MCSA where mining company representatives engage to address employee training and future skills.

ARM's bursary programme offers comprehensive support for students in industry-relevant fields, which includes psychosocial support and mentorship from bursary ambassadors throughout the learnings journey. In F2024, ARM supported 334 students with bursaries (85% HDPs and 58% women).

The graduate development programme provided mentorship and training for 94 unemployed graduates in F2024, all of whom are HDPs and 56% women. Career development panels chaired by senior executives focus on performance conversations that incorporate individual development plans to develop and retain talent.

Learnerships for 538 candidates (98% HDPs and 33% women) provided opportunities to enhance skills in core mining and processing competencies during the year. The operations also provide adult education and training (AET) and portable skills training for employees and community members.

Future skills development opportunities	F2024	F2023	F2022
Bursaries	**334**	368	291
Graduate development programme	**94**	83	61
Learnerships	**538**	615	367
AET – Employees	**32**	21	21
AET – Community members	**105**	135	176
Portable skills training – Employees	**178**	340	108
Portable skills training – Community members	**166**	140	96

ARM partners with the top seven institutions of higher learning in South Africa to promote the company brand and attract top-performing young talent. We held career expo events to showcase bursary and graduate development opportunities and shared ARM's compelling employee value proposition with students. The group has established strategic relationships with deans and senior academics in various faculties to attract the brightest and smartest talent.

Post-graduate bursaries were offered to students in different fields. Our goal is to increase the number of post-graduate bursaries to ensure balance between core and support disciplines. Research initiatives aim to enhance company efficiencies and further the business and human capital strategies. Training and development initiatives contribute significantly to the upskilling of employees and assisted the company to retain its employer of choice status, among other HR initiatives.

ARM has established research chairs to promote sustainable mining and improve production efficiencies at the operations. These include:

- The ARM geometallurgy research chair at the University of Stellenbosch
- The ARM chair in sustainable engineering and process intensification at the University of KwaZulu-Natal
- The Bushveld geology and metallogeny research chair at the University of the Witwatersrand.

ARM sponsored four DMPR bursars studying mining and minerals-related qualifications in the 2024 academic year (F2023: four).

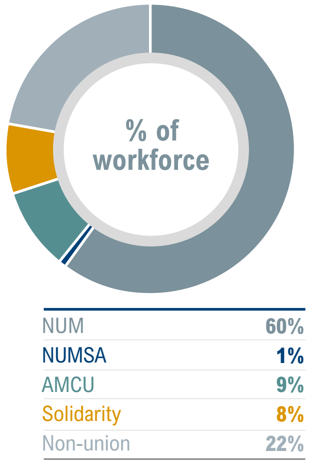
Labour relations

ARM respects the rights of employees to engage and bargain collectively on labour-related matters. Operational HR managers have the primary responsibility for employee relations consultative matters and union negotiations, guided by corporate policies and guidelines. Collective agreements at each operation have formalised negotiations on wages and conditions of employment.

Recognition agreements are in place with five unions across our operations. Engagements take place through consultative forums and other structures as required.

At the end of F2024, 78% of the workforce was unionised (F2023: 80%). No man-days were lost due to strikes in F2024 or F2023.

Organised labour representation



NUM – National Union of Mineworkers
NUMSA – National Union of Metalworkers of South Africa
AMCU – Association of Mineworkers and Construction Union

Social – our people continued

Human resources management continued

Employee housing

ARM's housing strategy aims to provide every employee with access to decent accommodation by promoting ownership of affordable housing. The strategy aligns with the requirements of the mining charter, housing and living conditions standards for the minerals industry as well as municipal and spatial-planning legislation.

ARM submitted plans to comply with the housing and living conditions standards for the minerals industry and held engagements with stakeholders, including unions, municipalities and relevant government departments. Progress is monitored against the submitted plans.

Housing policies at the operations are developed to meet the needs of their employees. Employees at the Northern Cape mines in the ferrous division live in mining villages or nearby towns. The Khumani Housing Development Company facilitates home ownership for qualifying employees so that they can build or buy homes and offers houses for rent. Modikwa and Two Rivers mines provide qualifying employees with a home ownership allowance, as most employees live in nearby communities.

Bokoni Mine provides accommodation to core employees at reasonable rents in the mine village and subsidises rents for additional accommodation leased by the mine in Polokwane. The mine also provides a home ownership assistance allowance to B and C band employees to use towards home ownership, decent accommodation or private rental.

ARM's infrastructure projects to improve living conditions and foster socio-economic development in local communities (see page 76) also benefit employees living in these communities.

Khumani Mine

Social – our social impact

Community impacts

ARM partners with communities and other stakeholders to invest in infrastructure and social projects that aim to improve the lives of people in these communities and enhance community resilience. These initiatives also help strengthen our relationships with community stakeholders and benefit employees who live there.

REPORTING CONTEXT

9 SOCIAL PERFORMANCE

FTSE/Russell:
Human rights and community

1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
17 PARTNERSHIPS FOR THE GOALS

How we manage community relationships

The divisional executives and senior management oversee stakeholder engagement at the operations. Community stakeholder groups are identified through stakeholder mapping exercises while stakeholders also contact operations directly. Engagements include formal and informal meetings guided by stakeholder engagement strategies, policies and plans. Minutes are generally taken at formal engagements.

Engagements with community forums, municipalities, the DMPR and other local and national stakeholders help us understand and find solutions for challenges facing our host communities. Primary community stakeholders include traditional leaders, elected or approved representatives, and community interest groups such as business, youth or women's forums. We value the opportunity these regular engagements provide to build relationships with our communities and to understand their current needs and expectations.

Stakeholder and community engagement are agenda items at operational, divisional and board meetings, which include discussions of community concerns or disputes.

Where possible, we look for opportunities to collaborate with peers and other industry bodies to improve coordination and increase social impact in areas of mutual interest.

Communities can raise grievances through formal stakeholder structures or the externally managed ARM whistleblower facility. Stakeholder groups also approach the operations directly and often address concerns to municipalities, which communicate with the operations through local mayors.

ARM's contribution to communities

Local economic development (LED)

The five-year social and labour plans (SLPs) committed to by the mines in terms of the MPRDA include LED programmes to enhance community infrastructure. Related projects are developed to align with regional integrated development plans and are agreed and regularly revised in close consultation with communities, DMPR, departments of health and education, as well as local government. Project planning includes community beneficiaries at an early stage to promote ownership of projects.

Project implementation and impact are monitored using relevant metrics according to the type of project and stakeholders. Regular progress updates are provided to municipalities, communities, DMPR and other government departments.

Social – our social impact continued

Community impacts continued

Internally, progress is reported at least quarterly at social and ethics committees and sustainable development committee meetings.

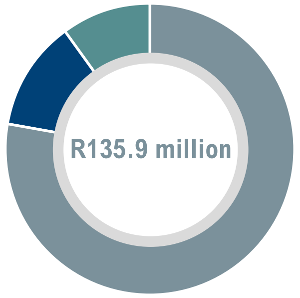
ARM invested R135.9 million in LED infrastructure projects in F2024 (F2023: R83 million).

Corporate social investment (CSI)

Community needs that fall outside the SLPs can be funded through the operations' CSI programmes. CSI spending increased to R53.1 million (F2023: R41 million).

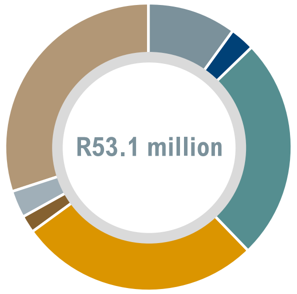
Areas supported by LED and CSI investments, as well as our broader contributions, are discussed below.

F2024 total LED spend



Infrastructure	78%
Community development	12%
Other	10%

F2024 total CSI spend



Health	10%
HIV and Aids	3%
Education	25%
Capacity building	27%
Sporting events	2%
Arts and culture	3%
Other	30%

Community infrastructure

Black Rock Mine constructed a culvert bridge between the Gasese and Mokalawanoga communities to address road flooding in the rainy season, which prevents the communities from accessing services such as schools. The project benefits an estimated 420 households in these communities and created 19 temporary jobs.

Beeshoek Mine constructed stormwater drains in Postdene to reduce flooding and avoid road accidents during heavy rains. The mine also upgraded the sportsground in Postdene, including the skatepark, netball courts, pavilion and rugby/soccer field.

Khumani Mine upgraded the stormwater management on Beare Street in Kuruman to improve road safety for the 6 000 households in the town.

Bokoni Mine installed high mast lights in Mafeane village to improve visibility and safety at night and to help to reduce crime for the 200 households in the community. The mine also constructed a multi-purpose hall for community events and constructed and equipped a library for the 700 households in the Ga-Selepe communities. The library provides a facility for learners to research and study, helping to improve literacy. In addition, the mine is constructing a bridge in the Malomanye community.

Water and sanitation

Black Rock Mine supplied a 50kℓ steel elevated tank, equipped a borehole, installed a chlorination unit at the storage facility as well as 300 metres of water reticulation with seven standpipes to provide clean running water to the Kruisaar community in Joe Morolong local municipality. The community previously had no access to clean water and relied on water-truck deliveries.

The mine also refurbished six existing boreholes and valves, and constructed dedicated pump mains to improve water supply for the 1 262 households in the Cassel community in Joe Morolong local municipality. Before refurbishment, the boreholes were non-functional, resulting in water shortages in the community.

Beeshoek Mine installed a 2km water pipeline in Postdene to improve water supply for the 9 839 households in the community and donated a honeysucker truck to assist with sewage collection. The mine also supported a project to install pre-paid water meters in the Tsantsabane local municipality to improve revenue collection so that the municipality can become self-sustainable and provide improved services.

Two Rivers Mine repaired three boreholes, fixed a leaking water reservoir and replaced pipes to provide access to clean drinking water for 400 households in Kalkfontein community.

Waste infrastructure and services

Khumani Mine donated two waste trucks to the Gamagara local municipality to improve waste management in local communities. Beeshoek Mine implemented an integrated waste management project in the Tsantsabane communities to improve waste management and promote a clean and green town.

Black Rock Mine contracted 134 unemployed youth from the Joe Morolong and Ga-Segonyana communities to remove non-collected household and industrial waste and assess it for value in the recycling and beneficiation markets. The initiative reduced waste in the communities and provided temporary local jobs.

Support for the vulnerable

Black Rock Mine provided monthly groceries for 1 826 beneficiaries comprising the aged, orphans and vulnerable children and early childhood development centres.

Education

Khumani Mine supported the annual winter school shoes and socks drive, providing footwear for 1 967 learners at six local schools.

Beeshoek Mine provided two specially designed modular classrooms and ablution facilities to improve access and ensure inclusive education for 32 learners living with special needs at the Lebelang Disability Centre.

Cato Ridge Works provided school uniforms for vulnerable and needy children in the kwaXimba community. The operation also sponsored support classes in maths and science for matric learners at the six schools in the kwaXimba community.

Two Rivers Mine constructed three classrooms at Marifaan Primary School and four classrooms at Mmahlagare Combined School, reducing overcrowding and improving learning.

Bokoni Mine purchased educational resources and equipment including laptops, printers, printing paper, printing cartridges, whiteboards, water tanks and kitchen equipment for the 3 890 learners at ten secondary schools in the circuit. The mine also donated educational toys for 1 631 children at the 48 early childhood development centres in the area.

Community health

Khumani Mine converted a ward at Olifantshoek Hospital into a TB centre for the Gamagara local municipality in a collaborative project with the John Taolo Gasegonyane District and Northern Cape Department of Health. The project provides efficient TB case management for the Olifantshoek community.

Bokoni Mine is constructing a clinic in the Magobane community.


Khumani Mine

Social – our social impact continued

Community impacts continued

Skills development
ARM awards bursaries to qualifying students from local communities in industry-relevant qualifications, provides learnerships in mining-related disciplines, and has a graduate development programme for unemployed youths with degrees or diplomas in scarce-skills disciplines. Training centres at the operations provide training to employees and community members that build basic skills through nationally aligned adult education and training as well as portable skills training. We also provide access to a web-based programme for learners to improve performance in maths and science. These programmes foster youth development, enhance employability in local communities, and broaden the pool of industry skills.

Employment
More than 23 000 employees and contractors work at ARM operations, many from local communities. Where possible, infrastructure development and other projects supported by the operations use local labour and facilitate transfer of skills.

Community health
ARM operations support community wellness centres, home-based care groups and local Aids councils. They also conduct awareness initiatives, testing campaigns and outreach programmes to address TB, HIV and Aids among employees and in communities. At a regional level, the operations partner with departments of health to support government and industry health priorities.

Refer to page 65 for more information.

Preferential procurement and enterprise and supplier development
ARM's preferential procurement programme expands opportunities for qualifying black-owned SMMEs that meet our required BBBEE contributor status and quality standards into our supply chain for certain goods and services. We work closely with emerging black-owned and black women-owned SMMEs to assist them in growing and becoming financially and operationally independent as they are incorporated into our preferential procurement programmes. Support includes ongoing training, mentoring, coaching, early payment terms to help with cash-flow management, equipment, and financial assistance.

The enterprise and supplier development programme is part of the preferential procurement programme and assists sustainable black-owned, black women-owned and youth-owned SMMEs to graduate into the mining supply chain.

Supporting local SMMEs promotes entrepreneurship, drives job creation, increases economic activity in mining communities, empowers historically disadvantaged people and improves market access for South African goods and services.

Suppliers are encouraged to demonstrate a commitment to good governance and ethical conduct, and we conduct due diligence checks to ensure compliance and to avoid fronting.

In F2024, enterprise and supplier development programmes at the operations invested R159.5 million (F2023: R226 million).

Community dividend
Seven communities around Modikwa Mine have an effective 8.5% shareholding in the operation through ARM Mining Consortium.

Local communities, employees and black industrialists will own 15% of Bokoni Mine, allowing ARM to create sustainable value for these stakeholders.

The ARM Broad-based Economic Empowerment Trust (ARM Trust)
The ARM Trust implements welfare, community development and anti-poverty initiatives focused on education to uplift the living conditions and standards of poor and marginalised South Africans. It comprises rural upliftment trusts in every province, except Gauteng and the Western Cape, funded by the dividends accruing to their combined equity interest in ARM.

The trust works with kings, traditional leaders, religious and faith-based organisations, representatives from government, business, organised labour, women, youth, NGOs and other rural and urban communities.

ARM provides resources to build the trust's administrative and project management to manage development initiatives. In F2024, R23.2 million was provided to projects facilitated by the trust (F2023: R33.1 million, restated). Supported projects prioritised improving access to water, educational infrastructure and community infrastructure.

Tax contribution
ARM acknowledges its ethical and legal obligation to pay the right amount of tax due. The taxes the group pays are its main contribution to funding public-purpose needs and a significant contribution to society. We are committed to operating with integrity in our compliance and reporting and ensuring an open, honest and transparent relationship with all relevant stakeholders, including tax authorities.

The tax strategy is contained in the ARM tax policy, which is reviewed and approved annually by the board, or when a change is recommended by the audit and risk committee. The tax policy supports ARM's business strategy, its approach to risk, and core values.

The finance director is responsible for ensuring that ARM's tax function is operated in accordance with the tax policy while internal audit monitors compliance with the policy via compliance reviews and audits. The tax risk management framework (TRMF) is a formal process that defines the group tax risk management philosophy and appetite for risk and clarifies the tax governance structure and related roles and responsibilities. It identifies, analyses and assesses tax risks and documents procedures and controls to mitigate tax risks.

The internal audit function audits the TRMF process periodically to provide an objective independent appraisal of the effectiveness of the framework and processes.

In F2024, the total tax contribution was R2.3 billion (F2023: R4.5 billion).

Transformation

ARM supports transformation in the South African mining industry as an effective way to redress historical inequality and facilitate broader social development. The social and ethics committee oversees transformation in the group. Progress against the mining charter and the dtic CoGP is continually monitored and reported to the committee every quarter.

Transformation principles are integrated into related business processes in relevant areas such as human resources, procurement and corporate social responsibility.

ARM's seven mines submitted reports to the DMPR in March 2024 on their performance for the 12 months to December 2023 in terms of mining charter requirements.

ARM's transformation score in terms of the dtic CoGP was 84.62 and the group was externally verified as a level 5 contributor in F2024.

Group transformation performance against the dtic CoGP

Category	Target %	F2024	F2023	F2022	F2021
Ownership	25	**22.2**	22.18	22.24	22.26
Management control	19	**15.14**	14.38	14.51	13.50
Skills development	20	**12.61**	14.60	16.54	7.89
Enterprise and supplier development	40	**30.66**	31.38	31.28	31.14
Socio-economic development	5	**4.01**	1.87	1.63	0.86
Overall score		**84.62**	**84.41**	**86.21**	**75.65**
Contributor level		**5**	**5**	**5**	**6**

ARM's BBBEE certificate is available on **www.arm.co.za/about us/governance.**

Social – our social impact continued

Community impacts continued

Two Rivers Mine

Human rights

ARM is committed to conducting business in a manner that respects and gives utmost consideration to the rights and dignity of all people, while centrally embracing the values and principles of ubuntu (generally translated as 'I am because you are').

The ARM human rights policy was approved by the board in April 2023. It promotes respect for human rights during business operations and engagements and instils a culture of human rights among employees, contractors, partners, suppliers, stakeholders, and communities with which ARM works and interacts with in its business.

The board, management and employees of ARM are committed to compliance with all relevant South African legislation as well as national and international human rights principles as defined in, among others:

- South Africa's constitution
- UN guiding principles on business and human rights
- Universal declaration of human rights
- International covenant on civil and political rights
- International covenant on economic, social and cultural rights
- International Labor Organization declaration on fundamental principles and rights at work
- ICMM principles, position statements and performance expectations
- GISTM.

We are committed to the 10 principles of the United Nations Global Compact (detailed on our website) and plan to conduct human rights assessments aligned with the United Nations' protect, respect and remedy framework.

Consistent with ARM's commitment to respect human rights, we commit to:

- Continuous adherence to the South African constitution
- Applicable laws of South Africa as well as applicable regional, continental and international laws
- Respecting the human rights of people in communities in which we operate, contributing to promoting local and rural development, and the social upliftment and empowerment of communities affected by mining
- Performing a human rights due diligence, continuously monitoring human rights impacts, and providing for and cooperating in processes to enable the remediation of any adverse human rights impacts
- Implementing a reporting/grievance mechanism, including effectiveness monitoring for stakeholder engagement and grievance-resolution activities
- Implementing a strategy for managing involuntary physical or economic displacement of families and communities
- Implementing policies, procedures and programmes to respect the rights of workers
- Implementing policies, procedures and programmes to respect the rights, interests, aspirations, culture and natural resource-based livelihoods of traditional communities.

Our business policies, procedures and management systems incorporate human rights principles to ensure that human rights are appropriately managed and addressed. These principles inform, among others, our code of conduct (code), sexual harassment policy, operational risk management systems, and our grievance procedure.

The human rights policy, code, employment equity policy and our human resources management policies promote equality and prohibit unfair discrimination on the basis of race, religion, gender, age, sexual orientation, nationality or disability as stipulated in the Employment Equity Act 1998.

Although the policy does not explicitly reference the precautionary principle, it is embedded in ARM's approach to responsible business practices. This includes our commitment to identify, prevent and mitigate adverse human rights impacts, conduct workplace hazard identification and risk assessments, inclusive approach to community consultation and impact assessments.

ARM is committed to fair, responsible, market-related, competitive and transparent remuneration. We continuously monitor the effectiveness and implementation of our remuneration policy, strategy and practices.

We are opposed to forced, compulsory or child labour and prohibit all forms of forced labour, including modern forms of slavery and any form of human trafficking. We aim to maintain a workplace that is free from intimidation, violence, harassment, sexual harassment, bullying and other unsafe or disruptive conditions due to internal and external threats.

The policy, read together with the code, protects the right of non-management employees to form, join or not to join a labour union without fear of reprisal, intimidation or harassment. ARM is committed to bargaining in good faith with such representatives.

Social – our social impact continued

Community impacts continued

ARM respects the human rights, interests, cultures, customs and values of individuals and communities affected by its activities. We embrace an inclusive approach to community consultation and active participation in decision-making. Community-relations strategies at the operations uphold and promote human rights and respect cultural considerations and heritage.

ARM appreciates its duty to obtain consent, where required, from any affected community. We will, as far as possible, avoid the involuntary and physical or economic displacement of families and communities. Where avoidance is not possible, ARM will apply the mitigation hierarchy and implement actions or remedies that address residual adverse effects to restore or improve the livelihoods and living standards of displaced people.

Employees who feel that their human rights have been violated can report their grievances to their supervisors or managers, to the human resources department, or anonymously through the whistleblower facility. Other stakeholders can raise grievances through formal stakeholder engagement structures, approach the operations directly or use the external whistleblower facility.

All parties, including the board, executives, employees, contractors, partners, suppliers and stakeholders have a duty to adhere to the human rights policy and strive to meet its provisions. The code also applies to suppliers and contractors, requiring that they behave ethically and with respect for human rights.

Employees and contractors receive training on the code at induction and annually through an e-learning platform. The code and human rights policy are communicated to employees on notice boards, by email and on the intranet.

Two Rivers Mine

Our value chain

ARM's approach to sustainable development considers the broader impacts of our activities upstream and downstream from the operations. These impacts are included in our carbon footprint calculations, assessments of climate-change risks and opportunities, climate-change scenario analyses and water-related risk analyses.

UPSTREAM (SUPPLY CHAIN)

Priorities

- Respect for human rights and fair labour practices in the supply chain
- Product quality
- Health and safety
- Environmental responsibility
- Ethical business practices
- Socio-economic transformation through preferential procurement and supplier development
- Upstream climate-change risks, including carbon emissions and water consumption.

How we respond

We select suppliers and contractors with a responsible approach to business. ARM's code of conduct, human rights policy, legal compliance policy, as well as business protocols and practices set appropriate standards for legal compliance, ethical behaviour, human rights, health and safety, transformation and environmental practices, and apply to suppliers and contractors. We work closely with our key suppliers to ensure we collectively strive to mitigate climate risks in our supply chain and that we use the best technology available.

ARM
African Rainbow Minerals

DOWNSTREAM (CUSTOMERS)

Priorities

- Product quality
- Health and safety during transportation, further processing and beneficiation
- Safe and legally compliant transportation to prevent spillage into the natural environment
- Climate-change risks
- Carbon emissions.

How we respond

Our customers are industrial companies that we engage contractually. ARM's joint-venture partners are responsible for sales and marketing and we are not directly involved in these activities. Most operations have ISO 9001-certified quality management systems to support product quality, and customer complaints are addressed at operational level.

ARM encourages responsible use, reuse, recycling and disposal of the metals and minerals produced at our operations. The group and its joint-venture partners participate in industry forums to monitor developments on the properties of metals and minerals and their life-cycle effects on human health and the environment. Where required, material safety data sheets provide information on the potential health, safety and environmental impacts of our products and operations.

We continue to improve the accuracy and completeness of our scope 3 GHG emissions inventory, which includes emissions in our downstream value chain.

Governance

GOVERNANCE

Adhering to the **highest standards** of corporate governance is fundamental to the sustainability of our business. Our business practices are conducted in good faith, in the interests of the **company and all its stakeholders**, with due regard for the principles of good corporate governance.

Two Rivers Mine

Corporate governance

We welcome the recent signing into law of the two Companies Amendment Bills. Among other changes, these bills enhance remuneration disclosure, and make shareholder votes on remuneration policies binding for a three-year period. At the time of writing, the implementation date for the amendments had not been announced, and we await clarity on the detail and timing of new disclosure requirements.

Ahead of promulgation, we have regularly informed and updated the board, committees and management on proposed changes and developments, as well as any potential impact on the group's practices and disclosure.

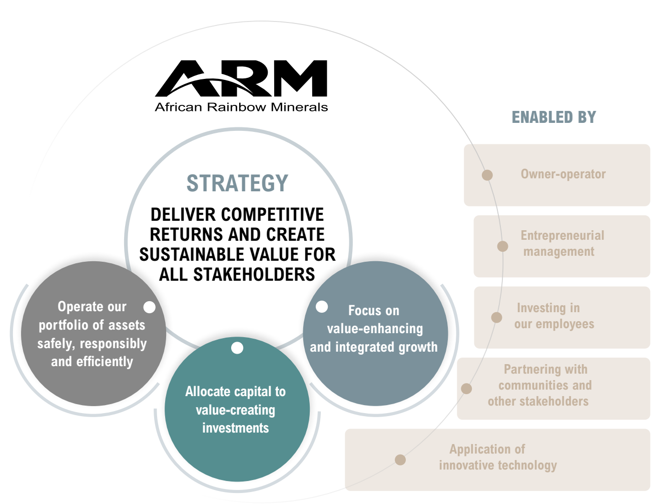
Refer to page 12 for more detail on our strategy.

Understanding that our stakeholders are central to achieving our strategic priorities, the ARM team engages regularly and constructively with our stakeholder groups at all levels (detailed on page 32).

To illustrate, our people have proved their mettle in finding creative solutions to drive our progress amid the prevailing global uncertainty. We also continually assess how the company is perceived and valued by shareholders, current and prospective, as well as specialist stakeholders focused on sustainability-related (ESG) aspects of our business. Across the group, management teams are focused on trends and shifts in our markets that may affect how we implement our strategy.

This feedback informs decisions taken at meetings of the board, which has transitioned seamlessly to the new hybrid way of working that characterises the post-pandemic world. At the same time, board effectiveness has become increasingly important in rapidly changing markets. The effectiveness of the board and its committees was again externally assessed this year, with positive results (see pages 100 and 101). These reviews are instrumental in developing the board's objectives and work plan for F2025 and beyond.

One of the primary functions of the board is to ensure ARM's strategy is carefully considered, clearly defined and actionable. Management is accountable to the board for implementing all facets of this strategy, while the board is responsible for ensuring implementation proceeds against plan while considering broader developments to be taken into account in refining the strategy. Either directly or through its mandated committees, the board maintained and monitored its robust processes to ensure that good governance and ethical behaviour are central to the way ARM operates.



Key actions in F2024

Strategic objectives		
RESPONSIBLE	**RESILIENT**	**READY**
Operate our portfolio of assets safely, responsibly and efficiently	**Allocate capital to investments that create and preserve value**	**Focus on value-enhancing, integrated growth**
The board approved targets and governance enhancements that underpin our long-term environmental objectives A policy on diversity and inclusion at board level was renewed, reinforcing ARM's commitment to transformation Given the downturn in commodity markets, approved and monitored initiatives to reduce costs.	Monitoring progress on 100MW renewable energy project for ARM Platinum Approved early design works project for Bokoni Mine A decision was made to put the Two Rivers Merensky project on care and maintenance from July 2024, driven by current depressed commodity prices in the PGM market Acquisition of 15% stake in Surge Copper Corporation (Canada) In collaboration with peers and industry bodies, approving appropriate capital and expertise to address key infrastructural risks, ie logistics, water and energy.	ARM's growth depends on good governance. The board and its committees regularly review information about our safety and health culture and performance, approach to assessing and monitoring risk, and real-time sustainability-related data. ARM published its required GISTM conformance reports in August 2023 and a supplementary report, including Bokoni Platinum Mine, was published in October 2024.

Our corporate governance: Outcomes and practices

Consistent with the apply-and-explain approach of King IV to disclosure, ARM considers and applies the principles of corporate governance relevant to ARM (both those recorded in King IV and in terms of best practice in international governance standards).

ARM is confident that these practices assist in maintaining good performance in the governance outcomes of ethical culture, effective control and legitimacy with stakeholders.

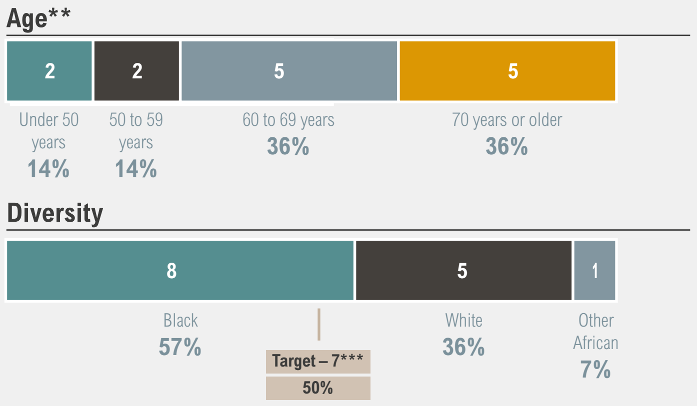
KING

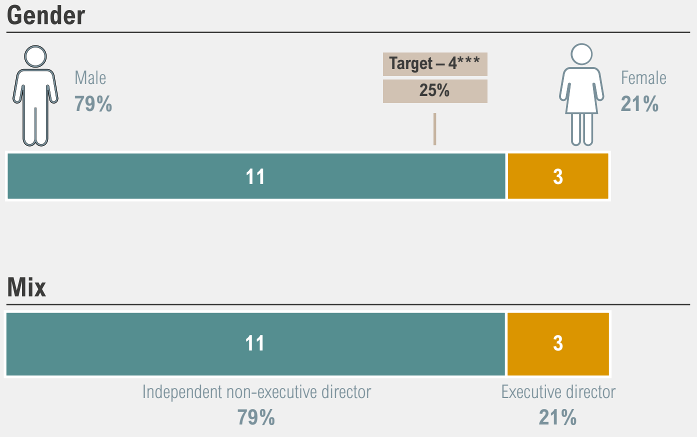
The King IV application register is available on **www.arm.co.za.**

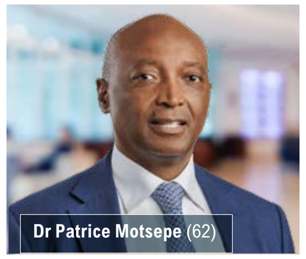
Corporate governance continued

Board of directors*

The **board provides strategic direction and leadership**, monitors implementation of business and strategic plans, and approves capital funding for these plans to support a **sustainable business**.







Dr Patrice Motsepe (62)

Executive chairman

LLB and Doctorate of Commerce Honoris Causa (University of Witwatersrand), Doctorate of Commerce Honoris Causa (Stellenbosch University), Doctor of Management and Commerce Honoris Causa (University of Fort Hare) and BA Law and Doctor of Laws Honoris Causa (University of eSwatini)

Phillip Tobias (54)

Chief executive officer

BSc Eng (mining), mine manager's certificate, EDP (Wits), AMP (GIBS), professional engineer (Engineering Council of South Africa)

Appointed to the board in May 2023.

Tsundzukani Mhlanga (42)

Finance director

BCom (acc sciences) (University of Pretoria), BCom (acc) (hons) and CTA (University of KZN), CA(SA), MBA (UCT)

Appointed to the board in 2020.

■ Executive directors

■ Independent non-executive directors

* At the date of this report.

** At the date of this report.

*** Target in terms of board-approved policy.

David Noko (67)

Lead independent non-executive director

HDip (mech eng) (Wits Technikon), MDP (Wits), PGDip (company directorships) (Graduate Institute of Management & Technology), MBA (Heriot-Watt University, UK), SEP (London Business School)

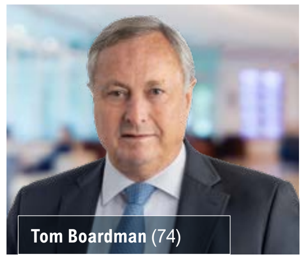
Appointed to the board in 2017.

Frank Abbott (69)

Independent non-executive director

BCom (University of Pretoria), CA(SA), MBL (Unisa)

Appointed to the board in 2004.



Tom Boardman (74)

Independent non-executive director

BCom (Wits), CA(SA)

Appointed to the board in 2011.

Anton Botha (71)

Independent non-executive director

BCom (marketing) (University of Pretoria), BProc (Unisa), BCom (hons) (University of Johannesburg), SEP (Stanford)

Appointed to the board in 2009.

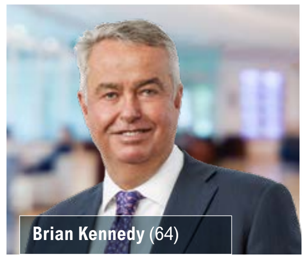
Joaquim Chissano (85)*

Independent non-executive director

PhD (honoris causa) (Stellenbosch), LLD (honoris causa) (St John's University, USA)

Appointed to the board in 2005.

** Non-South African.*



Brian Kennedy (64)

Independent non-executive director

MSc Eng (elec), MBA (Wits); advanced management programme (Harvard University); non-executive directors course (Insead)

Appointed to the board in 2022.

Alex Maditsi (62)

Independent non-executive director

BProc (University of the North), LLB (Wits), HDip company law (Wits), LLM company and labour law (Pennsylvania, USA), LLM international commercial law (Harvard, USA)

Appointed to the board in 2004.

Pitsi Mnisi (41)

Independent non-executive director

BCom (acc) (University of KZN), BCom (acc) (hons) (University of KZN), BCom (tax)(hons) (UCT), CA(SA), advanced cert (emerging markets and country risk analysis) (Fordham University), MBA (Heriot-Watt University, UK)

Appointed to the board in 2020.

Bongani Nqwababa (58)

Independent non-executive director

BAcc (hons) (University of Zimbabwe), FCA (Institute of Chartered Accountants of Zimbabwe), MBA (with merit) (jointly awarded by universities of Wales, Bangor and Manchester)

Appointed to the board in 2022.

Dr Rejoice Simelane (72)

Independent non-executive director

BA (econ and acc) (University of Botswana, Lesotho and Swaziland), MA (econ) (University of New Brunswick, Canada), (University of Connecticut, USA), PhD (econ) (University of Connecticut), LLB (Unisa)

Appointed to the board in 2004.

Jan Steenkamp (70)

Independent non-executive director

National mining diploma (Wits Technical College), executive development programme (Wits Business School)

Appointed to the board in 2017.

Refer to directors' experience on pages 90 to 94 and pages 98 and 99.

Corporate governance continued

Résumés

Dr Patrice Motsepe (62)
Executive chairman

In 1994, Dr Motsepe founded Future Mining which grew rapidly to become a successful contract mining company. He then formed ARMgold in 1997 which listed on the JSE in 2002.

Dr Motsepe led ARMgold into a merger with Avmin and Harmony Gold in 2003. Following the merger Avmin changed its name to African Rainbow Minerals (ARM) and he became the founder and executive chairman of ARM.

Dr Motsepe was voted South Africa's Business Leader of the Year in 2002 by the chief executive officers of the top 100 companies in South Africa. In the same year, he was the winner of the Ernst & Young Best Entrepreneur of the Year Award.

In 2017, Forbes Magazine commemorated its 100th Anniversary and honoured Dr Motsepe as one of the "100 Greatest Living Business Minds" in the world alongside many prominent global business leaders. He is the only person living on the African continent to be recognised and honoured as one of the "100 Greatest Living Business Minds" in the world.

Dr Motsepe and his wife, Dr Precious Moloi-Motsepe joined the Giving Pledge in January 2013 which was started by Warren Buffett and Bill and Melinda Gates. Dr Motsepe committed to give half of the wealth, which is owned by the Motsepe family to the poor and for philanthropic purposes during his lifetime and that of his wife and beyond. In April 2019, Forbes Magazine stated that US$500 million was donated by the Motsepe family to the poor and for philanthropic purposes.

In March 2020, Dr Motsepe announced that his family, in partnership with companies and organisations that they are associated with, including ARM, pledge R1 billion (US$57 million) to assist with South Africa and Africa's response to the challenges presented by the Covid-19 pandemic.

Dr Motsepe is a member of the Board of Trustees of the World Economic Forum (WEF), the Global Network Advisory Board of the WEF Centre for the Fourth Industrial Revolution and the WEF International Business Council (IBC) which is made up of 100 highly respected and influential chief executives from all industries. He is also a member of the Harvard Global Advisory Council and the International Council on Mining and Metals (ICMM).

Dr Patrice Motsepe was a partner in one of the largest law firms in South Africa, Bowmans and was also a visiting attorney in the USA with the law firm, McGuireWoods.

His past business responsibilities include being the President of National African Federated Chamber of Commerce and Industry (NAFCOC) from 2002 to 2006, Founding President of Business Unity South Africa (BUSA) from January 2004 to May 2008, Founding President of Chambers of Commerce and Industry South Africa (CHAMSA), President of the Black Business Council (BBC), and the Founding Chairman of the BRICS (Brazil, Russia, India, China, South Africa) Business Council in March 2013.

Dr Motsepe is a recipient of numerous business and leadership awards and recognitions including:
- Republic of Cote d'Ivoire, Commander of the National Order Award, 2024 (highest Award conferred to persons who are not Heads of State)
- Sunday Times Lifetime Achiever Award, 2017
- Harvard University Veritas Award for Excellence in Global Business and Philanthropy, 2014
- BRICS Business Council, Outstanding Leadership Award, 2014
- The Black Management Forum (BMF) Presidential Award for Business Excellence, 2010
- McGuireWoods Outstanding Alumnus Awards, 2009
- African Business Roundtable, USA, Entrepreneur and Freedom of Trade Award, 2009
- South African Jewish Report, Special Board Members Award for Outstanding Achievement, 2004
- Afrikaanse Handelsinstituut, MS Louw Award for Exceptional Business Achievement, 2003
- World Economic Forum Global Leader of Tomorrow, 1999.

Dr Motsepe is the founder and Chairman of Ubuntu-Botho Investments, African Rainbow Capital (ARC), African Rainbow Energy and Power (AREP) and UBI General Partner Proprietary Limited. He is also the Deputy Chairman of Sanlam and Chairman of Harmony Gold.

He is the President of Confederation of African Football (CAF) and Vice President of Fédération Internationale de Football Association (FIFA). He was previously Chairman of Mamelodi Sundowns Football Club.

LLB and Doctorate of Commerce Honoris Causa (University of Witwatersrand), Doctorate of Commerce Honoris Causa (Stellenbosch University), Doctor of Management and Commerce Honoris Causa (University of Fort Hare) and BA Law and Doctor of Laws Honoris Causa (University of eSwatini, formerly the University of Swaziland)

Phillip Tobias (54)
Chief executive officer

BSc Eng (mining), mine manager's certificate, EDP (Wits), AMP (GIBS), professional engineer (Engineering Council of South Africa)

Appointed to the board in 2023.

Phillip Tobias is a mining engineer with over 28 years' experience in the industry. He joined ARM as chief operating officer (COO) in November 2021. Prior to this, he was COO: business development, corporate strategy and capital projects of Harmony Gold Mining Company Limited. He has also held executive positions at Anglo American Platinum Limited and Gold Fields Limited. Phillip has been chief executive officer of ARM since 1 May 2023. He represents ARM on the board of the Minerals Council South Africa.

Tsundzukani Mhlanga (42)
Finance director

BCom (acc sciences) (University of Pretoria), BCom (acc) (hons) and CTA (University of KZN), CA(SA), MBA (UCT)

Appointed to the board in 2020.

Tsu Mhlanga joined ARM in July 2020 as chief finance officer. She has over 15 years' financial experience and was previously executive director: group finance and administration of Italtile Limited. Prior to that, Tsu was a financial director in the property sector and spent six years in the mining industry as chief financial officer and group manager of finance for a mining joint venture. In addition, she gained experience in the retail and public sectors after completing her articles at Edcon. She is also a director of UBI General Partner Proprietary Limited and African Rainbow Capital Proprietary Limited.

David Noko (67)
Lead independent non-executive director

Chairman of nomination and non-executive directors' committees; member of investment and technical, and social and ethics committees

HDip (mech eng) (Wits Technikon), management development programme (Wits), postgraduate diploma (company directorships) (Graduate Institute of Management & Technology), MBA (Heriot-Watt University, UK), senior executive programme (London Business School, UK), chartered director (Institute of Directors in South Africa)

Appointed to the board in 2017.

David Noko is a globally renowned business leader with 40 years' experience in engineering, manufacturing and mining. As an engineer, he worked for South African Breweries Limited and Pepsi Cola International in South Africa and internationally.

As an executive, he worked for De Beers Limited as managing director of its South African operations and later joined AngloGold Ashanti Limited where he was the executive responsible for the group's business sustainable development and government relations portfolios. His experience and business acumen have seen him serve on boards of various publicly listed companies in South Africa. David is the founder and lead adviser at ESG Advisory Limited.

He is currently a chairman of the council of the University of the Free State and non-executive director at Aveng Limited.

Corporate governance continued

Frank Abbott (69)

Independent non-executive director

Member of audit and risk, investment and technical, and non-executive directors' committees

BCom (University of Pretoria), CA(SA), MBL (Unisa)

Appointed to the board in 2004.

Frank Abbott joined Rand Mines Group in 1981, gaining broad financial management experience at operational level and serving as a director of various listed gold mining companies. He is currently an independent non-executive director of ARM, having served as financial director of the company from 2004 to 2009. Frank was the financial director of Harmony Gold Mining Company Limited from February 2012 to March 2020. He retired from the Harmony board in September 2020.

Tom Boardman (74)

Independent non-executive director

Chairman of audit and risk committee; member of investment and technical, non-executive directors' and remuneration committees

BCom (Wits), CA(SA)

Appointed to the board in 2011.

Tom Boardman was chief executive of Nedbank Group Limited from 2003 to 2010. Before that, he was chief executive and executive director of BoE Limited, acquired by Nedbank in 2002. He was the founding shareholder and managing director of retail housewares chain Boardmans. He was also previously managing director of Sam Newman Limited and worked for the Anglo American Corporation. He served his articles at Deloitte. He was a non-executive director of Nedbank Limited from 2010 to 2017, chairing the credit as well as capital and risk committees. He was a director of listed Swedish investment company, Kinnevik, from 2011 to 2018, and chairman from 2016 to 2018. He was also a non-executive director and chairman of Millicom International Cellular, one of the major mobile and cable network operators in Central and South America, listed on the NASDAQ and Swedish stock exchanges. He is a non-executive director of Royal Bafokeng Holdings, Ubuntu-Botho Investments, African Rainbow Capital Proprietary Limited, African Rainbow Energy and Power Proprietary Limited, African Rainbow Energy General Partner (RF) Proprietary Limited and TymeBank Proprietary Limited. He is a director of The Peace Parks Foundation and trustee for a number of charitable foundations.

Anton Botha (71)

Independent non-executive director

Chairman of remuneration committee; member of audit and risk, investment and technical, and non-executive directors' committees

BCom (marketing) (University of Pretoria), BProc (Unisa), BCom (hons) (University of Johannesburg), SEP (Stanford, USA)

Appointed to the board in 2009.

Anton Botha is a co-founder, director and co-owner of Imalivest, a private investment group that manages proprietary capital provided by its owners and the Imalivest Flexible Funds. He is also a non-executive director of Sanlam Limited and certain Sanlam subsidiaries.

Joaquim Chissano (85)

Independent non-executive director

Member of nomination, non-executive directors' and social and ethics committees

PhD (honoris causa) (Stellenbosch University), LLD (honoris causa) (St John's University, USA)

Appointed to the board in 2005.

Joaquim Chissano is a former president of Mozambique and has served that country in many capacities, initially as a founding member of the Frelimo movement in the struggle for independence and as prime minister of the transition government from 1974 to 1975. After independence in 1975, he was appointed foreign minister and became president in 1986. He declined to stand for a further term of office in 2004. His presidency began during a devastating civil war and ended, following the adoption of the constitution in 1990 and a general peace accord in 1992, as the economy was being reconstructed. He was chairman of the African Union from 2003 to 2004. In 2006, Joaquim was awarded the annual Chatham House prize for significant contributions to the improvement of international relations. He also received the inaugural Mo Ibrahim prize for achievement in African leadership in 2007 and has been awarded a number of honorary degrees.

Brian Kennedy (64)

Independent non-executive director

Member of investment and technical and non-executive directors' committees

MSc Eng (elec), MBA (Wits), advanced management programme (Harvard University), non-executive directors' course (Insead)

Appointed to the board in 2022.

Brian Kennedy is a skilled leader with over 30 years' experience in engineering and financial services in Africa, encompassing executive (CEO) and non-executive board roles in large institutions and smaller high-growth private companies. After an early career in systems engineering, he moved into the financial services field, developing his skills in project and structured finance. He then spent 20 years with the Nedbank group, primarily responsible for developing its corporate and investment banking division into the group's largest profit stream. He is a non-executive director of Ecobank Transnational Limited, Afrisam Holdings Proprietary Limited and Telkom Limited.

Alex Maditsi (62)

Independent non-executive director

Member of investment and technical, nomination, non-executive directors', remuneration, and social and ethics committees

BProc (University of the North), LLB (Wits), HDip company law (Wits), LLM company and labour law (Pennsylvania, USA), LLM international commercial law (Harvard, USA)

Appointed to the board in 2004.

Alex Maditsi is the managing director of Copper Moon Trading Proprietary Limited. Previously he was employed by Coca-Cola South Africa as a franchise director, country manager for Kenya, and senior director of operations planning and legal director for Coca-Cola Southern and East Africa. Prior to that, he was legal director for Global Business Connections in Detroit, Michigan. He also practised as an attorney at Lewis, White and Clay law firm, The Ford Motor Company and Schering-Plough Pharmaceuticals in the USA. Alex was a Fulbright scholar and an active member of professional organisations, including the Harvard LLM Association. His directorships include African Rainbow Energy and Power Proprietary Limited, African Rainbow Capital Proprietary Limited, Famous Brands Limited, Murray & Roberts Limited, Netcare Limited and Sterling Debt Recoveries Proprietary Limited.

Pitsi Mnisi (41)

Independent non-executive director

Member of audit and risk and non-executive directors' committees

BCom (acc) (University of Natal), BCom (acc) (hons) (University of Natal), BCom (tax) (hons) (UCT), CA(SA), advanced cert (emerging markets and country-risk analysis) (Fordham University, USA), MBA (Heriot-Watt University, UK)

Appointed to the board in 2020.

Pitsi Mnisi has over 20 years' financial experience. She is founder and managing director of the corporate finance advisory business, Lynshpin Cedar, as well as co-founder and an executive director of an investment holding business, MCorp Investments. Previously, she was finance manager at De Beers Consolidated Mines. Prior to that, she completed her articles at Deloitte in Cape Town after which she was seconded to the Deloitte London office, returning to Cape Town to join the tax division. She was a non-executive director and audit committee member of state-owned African Exploration & Mining Finance Corporation SOC Limited from 2014 until September 2020. She is a non-executive director of Super Group Limited, Nampak Limited and Methodist Homes for the Aged NPO.

Corporate governance continued

Bongani Nqwababa (58)

Independent non-executive director

Chairman of investment and technical committee; member of audit and risk and non-executive directors' committees

BAcc (hons) (University of Zimbabwe), FCA (Institute of Chartered Accountants of Zimbabwe), MBA (with merit) (jointly awarded by universities of Wales, Bangor and Manchester)

Appointed to the board in 2022.

Bongani Nqwababa has over 30 years' global experience in the industrial, energy, petrochemical and mining sectors. As chief financial officer (CFO) for major companies (Shell Southern Africa, Eskom SOE, Anglo American Platinum and Sasol – where he was initially a non-executive director and later joint chief executive officer following his CFO role), he has a strong record of building efficient finance functions and executing complex local and global transactions. He is a senior adviser on the energy, mining and petrochemicals sectors for BCG, a global consultancy group, non-executive director of Development Bank of Southern Africa, Discovery Bank Limited and Harmony Gold Mining Company Limited. He is also chairman of Babcock Ntuthuko Engineering Proprietary Limited and Babcock Plant Services Proprietary Limited.

Dr Rejoice Simelane (72)

Independent non-executive director

Chairman of social and ethics committee; member of audit and risk, nomination and non-executive directors' committees

BA (economics and accounting) (University of Botswana, Lesotho and Swaziland), MA (econ) (University of New Brunswick, Canada, and University of Connecticut, USA), PhD (econ) (University of Connecticut), LLB (Unisa)

Appointed to the board in 2004.

Rejoice Simelane began her career at the University of Swaziland (now eSwatini) as a lecturer in economics. Between 1998 and 2001, she worked at the Department of Trade and Industry as well as National Treasury. She later served as a special adviser, economics, to the premier of Mpumalanga until 2004, when she was appointed chief executive of Ubuntu-Botho Investments, a position she held until 2016. While she remains an executive director at Ubuntu-Botho Investments, she is also a non-executive director of its wholly owned subsidiary, African Rainbow Capital Proprietary Limited. She retired from the board of Sanlam Limited in March 2022. Other directorships include African Rainbow Energy and Power Proprietary Limited, Mamelodi Sundowns Football Club and the Blue Bulls Company Proprietary Limited. She also serves on the executive committee of the Premier Soccer League. A CIDA scholarship recipient and Fulbright fellow, Rejoice was a member of the presidential economic advisory panel under former president Thabo Mbeki.

Jan Steenkamp (70)

Independent non-executive director

Member of investment and technical, non-executive directors' and social and ethics committees

National mining diploma (Witwatersrand Technical College), executive development programme (Wits Business School)

Appointed to the board in 2017.

Jan Steenkamp started his career with the Anglovaal Group in 1973. Trained as a mining engineer, he has worked at and managed group mining operations in the gold, copper, manganese, iron ore and chrome sectors. He was appointed managing director of Avgold Limited in 2002 and served on the board of Assmang Limited. In 2003, he was appointed to the Avmin board and became chief executive officer in July 2003 after serving as chief operating officer. He later served as chief executive of ARM Ferrous and an executive director on the ARM board from 2005 to 2012. He was appointed chief executive of ARM exploration and strategic services in 2012 until retiring in 2017. Jan is also a non-executive director of African Rainbow Energy and Power Proprietary Limited.

Diversity and inclusion

The policy on the promotion of diversity and inclusion on the board stipulates at least 50% black board members, of whom 25% would be black women. For F2024, we had balanced black and white representation on the board.

The nomination committee regularly considers the board composition to ensure a balance of the required attributes and aspects of diversity and inclusion. This includes considering the balance of skills, experience, independence, field of knowledge and knowledge of ARM as well as aspects including gender, race, culture, the age of directors, and other factors relevant to the board's effectiveness.

Ms J Magagula resigned as executive director: investor relations and new business development from 31 July 2023. Therefore, we did not meet the 25% target for black female board members. We will continue our work to increase female representation on the board.

In the annual performance evaluation of the board, diversity and inclusion was again identified as a priority area and the nomination committee will continue to focus on these targets.

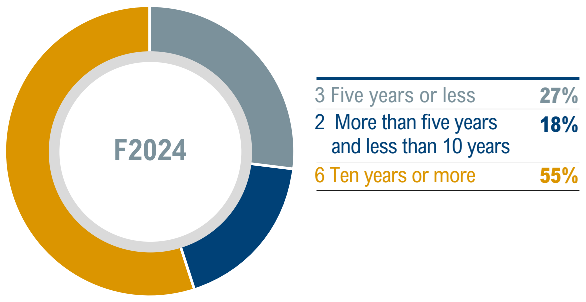
Independence

Our independent non-executive directors are highly experienced and have the skills, background and knowledge to fulfil their responsibilities. All directors have a duty to act with independence of mind in the best interests of the company. The board believes the independent non-executive directors are of the appropriate calibre, diversity and number for their views to carry significant weight in its deliberations and decisions.

The classification of independent non-executive directors is determined by the board on the recommendation of the nomination committee.
In determining the independence of these directors, and with due regard to the relevant criteria set out in King IV and the JSE Listings Requirements, character and judgement are considered, along with any relationships or circumstances that may affect their judgement. Any term in office by an independent non-executive director exceeding nine years is rigorously reviewed by the board.

The board concluded that, in each case, the director's independence of character and judgement was not impaired by length of service.

Tenure: Non-executive directors



Independence and consultancy

The independence of Mr JA Chissano, who receives consultancy fees, was considered. Given his extensive relationships with leaders of African countries, Mr Chissano assists in facilitating high-level business discussions and introductions. His specific assignments are determined by the executive chairman and chief executive officer, and fees paid for these services are market related. As such, the board is satisfied that this aspect does not impair his independence.

For additional information about consultancy agreements, see the remuneration report on pages 144 and 165.

Corporate governance continued

Executive chairman, lead independent non-executive director and chief executive officer

The roles of executive chairman and chief executive officer are separate and distinct. Dr PT Motsepe is the executive chairman of the company and not independent. He is also a significant shareholder of ARM. The company is satisfied that his non-independence is properly addressed by the composition of the board and particularly by appointing a lead independent non-executive director, Mr AK Maditsi, as required by King IV. On 3 September 2024, Mr DC Noko was appointed lead independent non-executive director.

The board charter documents the role and responsibilities of the executive chairman and lead independent non-executive director, who leads, inter alia, in the absence of the executive chairman or when the executive chairman has a conflict of interest. The board charter also sets out the role and responsibilities of the chief executive officer.

In addition to general requirements for re-electing directors set out in ARM's memorandum of incorporation and discussed below, the executive chairman and lead independent non-executive director must be elected by the board annually. Dr Motsepe and Mr Maditsi were re-elected to their respective roles for one year from 1 January 2024. Mr DC Noko will be re-elected by the board for one year from 1 January 2025.

The chief executive officer, Mr VP Tobias, was appointed by the board between annual general meetings. In December 2023, shareholders approved his appointment to the board. Mr Tobias holds one external board appointment as the company representative at the Minerals Council South Africa.

Board charter

The board charter guides directors on the board's responsibilities, authority, composition, meetings and need for performance evaluations.

Role and responsibilities

- Determining ARM's purpose and values, identifying its stakeholders and developing related strategies
- Being the focal point for, and custodian of, good corporate governance by managing the board's relationship with management, shareholders of ARM and other stakeholders
- Providing strategic direction and leadership aligned with ARM's value system by reviewing and approving budgets, plans and strategies for ARM, monitoring their implementation and approving their capital funding, aimed at sustainably achieving ARM's long-term strategy and vision
- Ensuring ARM's business is conducted ethically and sustainably
- Reviewing the board's work plan annually
- Reviewing the going-concern status of ARM in the short to medium term
- Determining, implementing and monitoring policies, procedures and systems to monitor performance indicators and ensure the integrity of risk management and internal controls to protect ARM's assets and reputation
- Monitoring and ensuring compliance with the company's policies, codes of best business practice, recommendations of King IV and all applicable laws and regulations
- Adopting the IT governance framework
- Considering specific limits for the levels of ARM's risk tolerance
- Defining levels of materiality, reserving certain powers for itself and delegating other matters to ARM management
- Ensuring the company's annual financial statements are prepared and presented before a duly convened annual general meeting
- Ensuring a communications policy is established, implemented and reviewed annually and, in addition to its statutory and regulatory reporting requirements, that the policy contains accepted principles of accurate and reliable reporting, including being transparent, understandable and consistent in communicating with stakeholders
- Considering recommendations made by the nomination committee on new directors and reappointing retiring directors, both as executive and non-executive directors
- Ensuring the competency and other attributes of directors are suitable for their appointment in that capacity and for intended roles on the board, and that they are not disqualified in any way from being appointed as directors
- Monitoring any related-party transactions, in line with JSE criteria
- Ensuring that appointments to the board are formal, transparent and comply with all prescribed procedures
- Stipulating the roles and responsibilities of the executive chairman, lead independent non-executive director and chief executive officer in the board charter
- Ensuring a succession plan for executive directors and senior management is implemented
- Selecting and appointing suitable candidates as chairmen and members of board committees. Members of the audit and risk committee are subject to annual reappointment by shareholders in the general meeting
- Ensuring annual performance evaluations are conducted for the board, executive chairman, chief executive officer, individual directors as well as board committees and their chairmen
- Ensuring the board comprises an appropriate balance of executive and non-executive directors, with the majority of non-executive directors being independent and ensuring directors have the relevant knowledge, skills and experience to govern the company efficiently
- Ensuring the board policy on diversity and inclusion is effectively applied.

The charter also provides a clear division of responsibilities to ensure a balance of power and authority so that no one director has unfettered powers of decision making.

Black Rock Mine

Corporate governance continued

Board experience

With a deep understanding of our values, each director makes a valuable contribution to the responsible governance of the company. The board has members of the appropriate calibre to provide the company with strategic direction. The breadth of specific and complementary skills of directors is illustrated below.

Collectively, our directors apply **a depth of skills and expertise** in leading ARM through current macro-economic challenges.

Directors*	Commercial and business acumen	Economics	Engineering	Executive leadership	Financial acumen	Financial expert including CA(SA)	Governance and ethics	Government relations experience	Human capital global practice	International experience	Legal and regulatory compliance
Executive											
Dr PT Motsepe *(executive chairman)*	▲			▲	△		▲	△		▲	△
VP Tobias *(chief executive officer)*	△		▲	▲	△		△		▲	△	△
TTA Mhlanga *(finance director)*	△			△	▲	▲	△			△	△
Non-executive											
DC Noko *(lead independent)*	△		△	▲			▲	△	△	▲	△
F Abbott *(independent)*	△			▲	▲	▲	△			△	△
TA Boardman *(independent)*	△			▲	▲	▲	△		△	△	△
AD Botha *(independent)*	△	△		▲	△	▲	△		▲	△	△
JA Chissano *(independent)*				▲			△	▲	▲	▲	
B Kennedy *(independent)*	▲		▲	▲	▲		△		△	△	△
AK Maditsi *(independent)*	▲			△			△	△	△	△	▲
PJ Mnisi *(independent)*	△			△	▲	▲	△		△	△	△
B Nqwababa *(independent)*	▲	△		▲	▲	▲	▲	△	△	▲	
Dr RV Simelane *(independent)*		▲		▲	△		△	△	△	△	▲
JC Steenkamp *(independent)*	△		▲	▲	△		△			△	

Key

▲ Top areas in which a director has more than 10 years' experience
△ Other skills and experience

* *At the date of this report.*

Directors*	Mining technical expertise	Mining strategy	Health and safety	Operational experience	Risk management	Stakeholder engagement	Strategic leadership	Sustainability global practice	Tax expertise	Technical insight	Technology and information	Transformation global practice
Executive												
Dr PT Motsepe *(executive chairman)*		△			△	△	▲	△				△
VP Tobias *(chief executive officer)*	▲	▲	▲	▲	▲	▲	▲	△		▲	△	△
TTA Mhlanga *(finance director)*		△			△		△		▲		△	
Non-executive												
DC Noko *(lead independent)*		△	▲	△	△	△	△	▲		△		
F Abbott *(independent)*							△		△			
TA Boardman *(independent)*		△			△	△	△	△				△
AD Botha *(independent)*		△				△	△	△			△	△
JA Chissano *(independent)*							△					
B Kennedy *(independent)*		△			△	△	△	△		△	△	△
AK Maditsi *(independent)*			△	△		△	▲					
PJ Mnisi *(independent)*		▲	△	△	△		△	△	△	△	△	△
B Nqwababa *(independent)*		△			△	△	▲		△			△
Dr RV Simelane *(independent)*		△	△		△	△	△	▲				△
JC Steenkamp *(independent)*	▲	△	△	▲	△	△	▲	△		△		△

Key

▲ Top areas in which a director has more than 10 years' experience
△ Other skills and experience

* *At the date of this report.*

Corporate governance continued

Re-election, induction, succession and performance assessment

Re-election

The memorandum of incorporation requires that one-third of elected non-executive directors who have served in office longest since their last election retire by rotation at each annual general meeting. Being eligible, these non-executive directors may seek re-election.

Messrs F Abbott, AK Maditsi and B Kennedy and Ms PJ Mnisi are required to retire by rotation. They have made themselves available for re-election at the annual general meeting on 6 December 2024, or any adjournment.

Directors appointed by the board between annual general meetings hold office only until the next annual general meeting and are eligible for election. They are not included in determining the number of directors who are to retire by rotation.

On 1 May 2023, Mr M Schmidt stepped down as chief executive officer of the company and executive director of the board. On the same date, Mr VP Tobias, ARM's chief operating officer, was appointed by the board as executive director and chief executive officer. Given his appointment was between annual general meetings, Mr Tobias was elected at the annual general meeting on 8 December 2023.

The board ensures that shareholders are given the right to vote on director appointments and dismissals in the annual general meeting each year.

Induction and continuing education

New directors receive a comprehensive information pack, including the memorandum of incorporation, board charter, terms of reference of board committees, board policies and other relevant documents. In addition, key legislation and regulations, as well as corporate governance, financial and reporting documents, including minutes and administrative documents, are provided. Directors are encouraged to attend courses providing information and training on their duties, responsibilities, powers and potential liabilities. Regulatory and legislative updates are provided regularly.

Succession

Ms J Magagula resigned as executive director: investor relations and new business development from 31 July 2023.

After serving as a non-executive director for five years and as financial director for eight years, Mr M Arnold resigned from the board at the 2023 annual general meeting.

In line with ARM's commitment to global practice to reduce the number of executive directors, Mr HL Mkatshana remains employed as chief executive: ARM Platinum, but stepped down as an executive director at the 2023 annual general meeting.

On 3 September 2024, Mr WM Gule resigned from the board.

The nomination committee, along with the executive chairman, is responsible for succession planning for non-executive directors and monitors succession planning for executive directors. The company has a succession plan for executive directors and senior management.

For more on succession, see the nomination committee section on pages 108 and 109.

Board performance assessment

The effectiveness of the board and committees is assessed annually. Independent external advisers assisted the nomination committee in evaluating the board, committees, executive chairman, chief executive officer and group company secretary and governance officer. We believe that external advisers assist in ensuring a rigorous and impartial evaluation process, which improves the board's effectiveness.

We are committed to transparency in assessing the performance of the board, its committees and individual directors as well as the governance processes that support board activities.

F2024 BOARD PERFORMANCE ASSESSMENT

This assessment focused on the effectiveness of the board, covering:

- Board composition
- Board meetings and content
- Executive chairman, chief executive officer and group company secretary
- Board accountability
- Appointment, training and succession planning
- Performance evaluation and remuneration
- Board committees
- Communication and stakeholder relations
- Board dynamics and leadership
- Strategic and group performance
- Risk management, regulatory compliance and internal control
- Technology and information governance
- Integrated financial and non-financial reporting
- Balance of power and authority
- Conduct and ethics
- Directors' contributions
- General performance feedback.

In the F2024 assessment process, the board considered its responsibilities in terms of its charter and was satisfied it had fulfilled these.

In addition to finding that the board functioned well, the assessment acknowledged the importance of refining the capital-allocation guiding principles, decisions to improve operational performance and continued focus on the diversity of the board. The findings of the F2024 assessment were considered by the board and a copy provided to the external auditor. Annual performance assessments of all executive directors, including the executive chairman and chief executive officer form the basis of their remuneration as discussed in part III of the remuneration report.

Board meetings

The board meets at least four times a year to consider the business and strategy of ARM. It reviews reports of the chief executive officer, finance director, divisional chief executives and other senior executives, chairmen of committees and independent advisers. In F2024, four scheduled board meetings were held. There was also one special board meeting to consider ARM's investment in Harmony Gold. The board has robust governance structures at every level. The in-person two-day offsite strategy meeting was held in July 2023.

Agendas for board meetings are prepared by the group company secretary and governance officer in consultation with the executive chairman, chief executive officer and finance director. Information provided to the board is compiled from external sources, such as independent third-party reports, and internally from minutes and plans as well as reports on safety, health, sustainable development, risk, finance, governance and legal matters likely to affect ARM. The first hour of quarterly board meetings is dedicated to strategy or to training in pertinent business areas.

Budget workshop

Members of the board and senior executives considered the F2025 budget and reviewed the company's three-year financial plan at the board's annual budget workshop.

Group company secretary and governance officer

All directors have access to the services and advice of the group company secretary and governance officer, Ms Alyson D'Oyley (BCom, LLB, LLM). She is not a director of ARM and maintains an arm's-length relationship with the board.

The company secretary supports the board as a whole, and directors individually, by providing guidance on how to fulfil their related responsibilities in the best interests of ARM. To achieve these objectives, independent advisory services are retained by the company secretary at the request of the board or its committees. She maintains her knowledge of developments in corporate governance global practice and regulation.

The board appointed the group company secretary and governance officer in line with the requirements of the Companies Act. In September 2024, on recommendation of the nomination committee, the board considered details of her competence, qualifications and experience as well as results of the F2024 board assessment. The board remains satisfied with the competency and experience of the group company secretary and governance officer.

Advice and information

There is no restriction on a director's access to company information, records, documents and property. Non-executive directors have access to management and regular interaction is encouraged. All directors are entitled to seek, at the company's expense, independent professional advice on the affairs of the company.

Corporate governance continued

Meeting attendance

F2024 scheduled board and committee meeting attendance.

		Committees					
	Board	Audit and risk	Investment and technical	Nomination	Non-executive directors	Social and ethics	Remuneration
Number of meetings*	**4**	**7**	**4**	**3**	**4**	**4**	**4**
Dr PT Motsepe (executive chairman)	4/4	–	–	–	–	–	–
VP Tobias (chief executive officer)	4/4	–	–	–	–	–	–
F Abbott	4/4	7/7	4/4	–	4/4	–	–
M Arnold[1]	2/2	–	2/2	–	2/2	–	–
TA Boardman	4/4	7/7	4/4	–	4/4	–	4/4
AD Botha	4/4	7/7	4/4	–	4/4	–	4/4
JA Chissano	4/4	–	–	3/3	4/4	4/4	–
WM Gule[2]	4/4	–	–	–	4/4	–	–
B Kennedy[3]	4/4	–	3/3	–	4/4	–	–
AK Maditsi[4]	4/4	4/4	4/4	3/3	4/4	4/4	4/4
TTA Mhlanga (financial director)	4/4	–	–	–	–	–	–
HL Mkatshana[5]	2/2	–	–	–	–	–	–
PJ Mnisi	4/4	7/7	–	–	4/4	–	–
DC Noko	4/4	–	4/4	–	4/4	4/4	–
B Nqwababa[6]	3/4	7/7	–	–	3/4	–	–
Dr RV Simelane	4/4	7/7	–	3/3	4/4	4/4	–
JC Steenkamp[7]	4/4	–	4/4	–	4/4	3/4	–

* *Includes attendance at board meetings by directors and attendance at committee meetings by members.*

[1] *Mr M Arnold resigned as a non-executive director from 8 December 2023.*

[2] *Mr WM Gule resigned as a non-executive director from 3 September 2024 post year end.*

[3] *Mr B Kennedy was appointed as a member of the investment and technical committee from 5 October 2023.*

[4] *Mr AK Maditsi stepped down as a member of the audit and risk committee from 8 December 2023.*

[5] *Mr HL Mkatshana stepped down as an executive director from 8 December 2023.*

[6] *Mr B Nqwababa was absent with leave of the board and the non-executive directors' committee due to a prior commitment as the meeting date was changed. He received meeting materials beforehand and contributed as necessary.*

[7] *Mr JC Steenkamp was absent with leave of the committee. He received meeting materials beforehand and contributed as necessary.*

Nomination committee	Remuneration committee	Investment and technical committee	Audit and risk committee	Social and ethics committee	Non-executive directors' committee
Refer to page 108.	Refer to report on page 126.	Refer to page 107.	Refer to page 104 and annual financial statements, page 3.	Refer to report of committee chairman on page 16 and statement of the social and ethics committee chairman in the 2024 climate change and water report.	Refer to page 109.

Corporate governance continued

Strategy

Deliver competitive returns and sustainable value

The board has oversight of plans to achieve ARM's strategic objectives, summarised on page 12. It closely monitors ARM's progress and industry standards of good practice.

While our broad strategy remains in place, current factors – such as the volatility of commodity markets – have shifted the priority of some strategic objectives. Emerging issues – particularly decarbonisation – are being integrated into our short, medium and longer-term view.

Committees

Our board and committees

The board has established committees to assist in fulfilling the responsibilities set out in its charter, promote independent judgement and ensure a balance of power. The board acknowledges that delegating authority to these committees does not detract from its responsibility to discharge its fiduciary duties to the company.

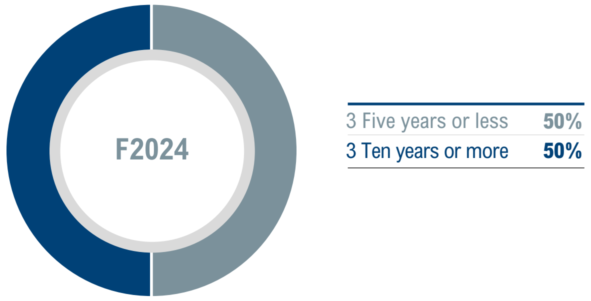
Each committee is chaired by an independent non-executive director, and has its own terms of reference setting out roles and responsibilities, functions, scope of authority and composition. These are reviewed annually by the board. In 2024, the committees considered and proposed amendments to their terms of reference. After due consideration, the board approved appropriate amendments.

The F2024 assessment process concluded that each committee was satisfied it had fulfilled its responsibilities against its terms of reference. The qualifications and experience of each committee member are set out from pages 89, 92 and 93.

Audit and risk committee

Member	Committee member since
TA Boardman (chairman)	February 2011
F Abbott	December 2021
AD Botha	June 2010
PJ Mnisi	December 2020
B Nqwababa	December 2022
Dr RV Simelane	July 2004

Tenure: Audit and risk committee



The audit and risk committee is constituted as a statutory entity of the board in terms of section 94 of the Companies Act and its composition complies with the provisions of that section.

AFS The report of the audit and risk committee begins on page 3 of the annual financial statements.

Composition

The audit and risk committee comprises six independent non-executive directors, with extensive relevant experience. Mr AK Maditsi did not stand for re-election to the committee at the 2023 annual general meeting. In line with the guidelines in King IV, the committee chairman is an independent non-executive director, a CA(SA) and a financial expert. The chief executive officer, finance director and other senior executives attend meetings at the committee's request.

The board, through its nomination committee, is responsible for ensuring sufficient financial expertise on the audit and risk committee, which is confirmed annually by shareholders in the general meeting.

Meetings

The committee acts as a forum for communication between the board, management and the external and internal auditors. It is required to meet at least six times a year. Seven scheduled meetings were held in F2024.

See meeting attendance summary on page 102.

Responsibilities

The primary objective of this committee is to assist the board in discharging its duties to safeguard ARM's assets; operate adequate systems, internal controls and control processes; and prepare accurate financial reports and statements that comply with all applicable legal requirements, corporate governance and accounting standards; as well as enhancing the reliability, integrity, objectivity and fair presentation of the affairs of the company. It also oversees financial and other risks in conjunction with the social and ethics committee. In fulfilling its oversight responsibilities, the committee reviews and discusses the audited financial statements with management and ARM's external and internal auditors.

IAR See financial review in the integrated annual report.

The committee has oversight of the audit committees of ARM's subsidiaries and joint ventures. It monitors, inter alia, implementation of the code of conduct, tax policy and treasury policy, including major corporate facilities. It also receives reports from the technology and information committee.

Based on its terms of reference, a comprehensive agenda framework and work plan is prepared to ensure all tasks assigned to the committee are considered at least once a year.

Focus and adding value

In adding value to the company and its governance in F2024, the committee executed its duties and responsibilities. This included considering:

- External auditor accreditation and reappointment
- Approving and monitoring the external auditor's plan and scope of work, and key audit matters
- Impairment indicators and impairment reversal indicators at all operations
- Reviewing financial statements and the appropriateness of all published results
- Legal and regulatory requirements that may have an impact on the financial statements
- Approving and monitoring the internal auditors' plan and scope of work
- Management's action on internal audit findings
- Compliance with the Companies Act, King IV, JSE Listings Requirements and other applicable regulatory requirements and governance frameworks, including the memorandum of incorporation
- Risk management, combined assurance, regulatory requirements and reputational matters
- Technology and information governance including the IT strategy
- The effectiveness of ARM's internal controls
- The internal control process for the chief executive officer and finance director to sign the responsibility statement for the F2024 annual financial statements
- Key risks including logistics, water supply, power and cybersecurity
- Considered the adoption of IFRS 17 *Insurance contracts*
- Considered the acquisition of an interest in Surge Copper Corporation and related accounting entries
- Handover to the new external auditor
- Considering the independence of the group's internal and external auditors.

Focus areas for F2025

In F2025, the audit and risk committee will consider:

- Feedback on the handover to the external auditor
- The effective operation of the group and company's financial systems, processes and controls, and their capacity to respond to industry and environment changes
- Management's implementation of the financial provisioning regulations of NEMA and other pronouncements and standards
- The impact of developments in the audit industry to ensure continued audit independence and objectivity, including new global internal audit standards
- Key risks, including logistics, water supply, power and cybersecurity.

Corporate governance continued

Financial reporting process

The committee oversees the company's financial reporting process on behalf of the board, which is responsible for preparation of the financial statements and maintaining effective internal control over financial reporting.

It meets with the internal and external auditors regularly to discuss the results of their examinations, their evaluation of ARM's internal controls and the overall quality of its financial reporting. The committee also discusses the scope and plans for the respective audits by ARM's internal and external auditors. These auditors are invited to attend committee meetings.

The committee performs its review function over all ARM's operations. To assist the committee with these reviews, all operational joint ventures have audit committees. The chairmen of the audit committees of subsidiaries and joint ventures report to the ARM audit and risk committee, highlighting areas of concern and remedial action by management. In addition, minutes of audit committee meetings as well as internal and external audit reports of all operations are submitted to the ARM audit and risk committee.

Assessment of the finance function

In assessing the appropriateness of financial reporting processes, the committee reviews the finance function and finance director's qualifications and experience. Following the F2024 review, the committee was satisfied with the performance of the finance director, Ms TTA Mhlanga. With experienced finance executives reporting to her, the committee concluded that the finance function was adequately resourced, and the finance director had the necessary experience and expertise to discharge her responsibilities.

External auditor

After due consideration, the audit and risk committee believes the registered audit firm, which is responsible for expressing an opinion on the conformity of the audited financial statements with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, is independent of ARM and its management.

The principles for using external auditors for non-audit services are set out in a formal policy. Following changes to the International Ethics Standards Board for Accountants (IESBA) Code which require pre-concurrence from December 2022, all non-audit services require pre-concurrence of the audit and risk committee. The policy also prescribes permitted non-audit services. In F2024, the group's non-audit service fees were R2 million.

See pages 5 and 6, and note 29 of the annual financial statements.

On the recommendation of the audit and risk committee, the board recommended to shareholders that KPMG Inc. be reappointed as the external auditor and that Ms S Loonat be reappointed as the designated auditor for the F2025 audit.

For more information see notice of annual general meeting on **www.arm.co.za**.

Internal control and internal audit

The board – assisted by the audit and risk committee, management risk and compliance committee and the outsourced internal auditors – reviews the company's risk profile annually. In terms of the risk-based internal audit programme approved annually by the audit and risk committee, the internal auditors perform a number of reviews to assess the adequacy and effectiveness of the internal control environment.

The results of these reviews, together with updates on corrective action by management to improve the control environment, are reported to the audit and risk committee and board.

The management risk and compliance committee reports to the audit and risk committee and its report begins on page 110.

Risk management

The audit and risk committee is responsible for oversight of the management of risks and opportunities in line with the board's stated risk appetite and tolerance levels and receives and considers reports on risk-related matters, including enterprise risk management, whistleblower complaints, risks finance and insurance, TSF management (including conformance with GISTM), major litigation, compliance, legal developments and combined assurance.

For more on enterprise risk management, see page 28, and on TSF management, see page 50.

Anti-fraud protocols

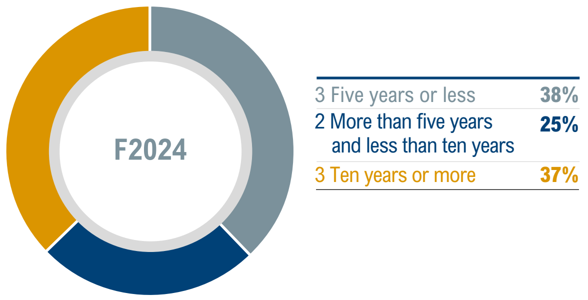
In line with our values of operating under the highest standards of corporate governance and zero tolerance for fraud, bribery and corruption, we are guided by the ARM code of conduct which sets out the prescribed ethical and moral standards to conduct business honestly, fairly, legally and responsibly, in good faith and in the best interests of ARM. Formal training on the code of conduct is provided to all employees annually. In addition, a comprehensive anti-fraud, anti-bribery and anti-corruption control self-assessment is conducted every year to assess key controls related to fraud, bribery and corruption control self-assessment following the principles of King IV. Any ratings below satisfactory require follow-up actions to improve and results are communicated to the relevant governance structures as well as internal audit partners as input to the internal audit risk-based plan.

The fraud protocols at ARM are further supplemented by the JSE paragraph 3.84(k) compliance to the Listings Requirements. Our internal financial controls were effective in managing any risk of financial misreporting and material misstatements due to fraud.

Investment and technical committee

Member	Committee member since
B Nqwababa (chairman from 3 Sept 2024)	September 2024
DC Noko (chairman to 3 Sept 2024)	August 2019
F Abbott	August 2009
TA Boardman	September 2020
AD Botha	August 2009
B Kennedy	October 2023
AK Maditsi	February 2007
JC Steenkamp	April 2018

Tenure: Investment and technical committee



Composition

The investment and technical committee comprises seven independent non-executive directors. Its expertise was augmented with the appointment of Mr B Kennedy in October 2023. Invitees include the chief executive officer, finance director, executive: growth and strategic development, executive: investor relations and new business, executive: corporate development, group executive: legal, and divisional chief executives. Other senior executives and external advisers attend as required.

Responsibilities

The purpose of the committee is to consider projects, acquisitions and the disposal of the company's assets in line with thresholds set out in its terms of reference and criteria developed by the committee and approved by the board. It also reviews, from a technical perspective, the implementation of the company's strategy in terms of allocation of capital resources, performance targets, and operational results and projects. It then makes recommendations to the board on proposed projects, acquisitions, disposals and other investments.

Meetings

The committee is required to meet at least once a year. Four scheduled meetings were held in F2024.

See meeting attendance summary on page 102.

Focus and adding value

In adding value to ARM's governance in the review period, the committee focused on:

- Making recommendations to the board to optimise our portfolio of assets
- Oversight of measures to contain costs
- Monitoring proposals to optimise the efficiencies of the ARM Ferrous division
- Continuing to assess value-enhancing internal and acquisitive growth opportunities
- Recommended to the board the investment in Surge Copper Corporation.

Focus areas for F2025

In F2025, the committee will continue to monitor proposals to optimise our portfolio.

Refer to page 11 of the integrated annual report for information about projects.

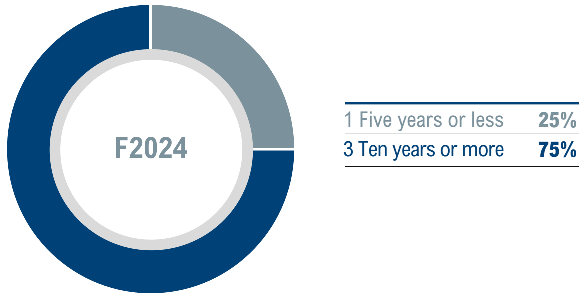
Refer to page 12 for strategy.

Corporate governance continued

Nomination committee

Member	Committee member since
DC Noko (chairman from 3 Sept 2024)	September 2024
AK Maditsi (chairman to 3 Sept 2024)	July 2004
JA Chissano	August 2012
Dr RV Simelane	August 2009

Tenure: Nomination committee



Composition

The nomination committee comprises three independent non-executive directors. It assists the executive chairman to lead the annual performance evaluation of the chief executive officer and other directors, as well as evaluating the board as a whole and its committees. It assists the lead independent non-executive director with the annual performance evaluation of the executive chairman, assisted by the group company secretary and governance officer.

Refer to the board performance assessment on pages 100 and 101.

Responsibilities

The committee is responsible for establishing formal and transparent procedures for appointing directors; recommending to the board suitable candidates for appointment as members and chairs of its committees; ensuring compliance with provisions of the memorandum of incorporation on rotation of directors; and making recommendations to the board on the eligibility of retiring directors for re-election.

It is also responsible for evaluating the board and its committees; developing a formal induction programme for new directors; and overseeing access by directors to external continuing professional development programmes. It reviews the structure, composition and size of the board and makes recommendations to the board on any changes considered necessary to enhance the effectiveness of the board, including recommendations on the general composition of the board and balance between executive and non-executive directors. The committee deals with succession planning for the executive chairman, chief executive officer and other directors.

Towards the end of F2023, Mr MP Schmidt stepped down as chief executive officer and from the board as executive director effective 1 May 2023. The committee recommended that the board appoint Mr VP Tobias as an executive director and chief executive officer of ARM from 1 May 2023.

Ms J Magagula stepped down as executive director: investor relations and new business development from 31 July 2023.

Following the 2023 annual general meeting, Mr M Arnold, after serving as a non-executive director for five years and financial director for eight years, stepped down from the board. Mr HL Mkatshana also stepped down as an executive director in line with ARM's commitment to reduce the number of executive directors and to align with global practice. He remains employed as chief executive of ARM Platinum.

On 3 September 2024, Mr WM Gule resigned from the board.

After considering membership across board committees, the nomination committee also makes recommendations to the board, based on the qualifications, experience and availability of candidates, to ensure each committee has the necessary knowledge, skills and experience to carry out its mandate effectively.

In October 2023, on the recommendation of the nomination committee, the board appointed Mr B Kennedy as a member of the investment and technical committee.

On 3 September, Mr DC Noko was appointed lead independent non-executive director, replacing Mr AK Maditsi, who remains an independent non-executive director. Mr Noko was also appointed chairman of the nomination and non-executive directors' committees. Mr B Nqwababa was appointed chairman of the investment and technical committee.

The nomination committee will continue to review the composition of the board given these developments.

Meetings

In line with JSE Listings Requirements, the nomination committee was chaired by non-executive director, Mr AK Maditsi until 3 September 2024, when Mr DC Noko was appointed. Dr PT Motsepe, executive chairman, attends committee meetings as an invitee. As specified in its terms of reference, the committee must hold at least one meeting per year. In F2024, there were three scheduled meetings.

See meeting attendance summary on page 102.

Focus and adding value

In 2024, the committee made recommendations to the board to:

- Make appointments to augment the knowledge, skills and experience on the investment and technical committee and governing bodies of group entities.

For more on diversity and inclusion, see page 95.

Focus areas for F2025

- Further enhance board diversity and inclusion
- Make appointments to augment the knowledge, skills and experience of the board committees
- Recommendations to the governing bodies of group entities.

Non-executive directors' committee

Member	Committee member since[1]
DC Noko (chairman from 3 Sept 2024)	October 2017
AK Maditsi (chairman to 3 Sept 2024)	May 2009
F Abbott	May 2009
TA Boardman	February 2011
AD Botha	August 2009
JA Chissano	May 2009
B Kennedy	October 2022
PJ Mnisi	September 2020
B Nqwababa	October 2022
Dr RV Simelane	May 2009
JC Steenkamp	October 2017

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[1] *The committee was established in May 2009.*

See page 95 for additional information about independence.

Composition

The committee comprises all non-executive directors and meets formally each quarter without management. Meetings were chaired by the lead independent non-executive director, Mr AK Maditsi until 3 September 2024 and Mr DC Noko from 3 September 2024.

Responsibilities

The committee provides a forum for non-executive directors to consider and discuss issues of importance to ARM, including promoting increased investor confidence, stimulating business growth, encouraging effective business leadership, fostering sustainable long-term growth in both the social and economic arenas, as well as cultivating and promoting an ethical corporate culture.

Meetings

Four scheduled meetings were held in F2024.

See meeting attendance summary on page 102.

Focus and adding value

In adding value in F2024, the committee considered management's response to emerging developments, such as climate change and TSF management as well as key risks including logistics, power supply, water supply in the Northern Cape, cybersecurity, and succession. It provided feedback to the board and management to enhance the effectiveness of the strategic process.

Remuneration committee

The remuneration committee ensures ARM's remuneration practices are aligned with its strategic direction and the leadership team is rewarded for performance outcomes.

The remuneration report appears on page 126.

Social and ethics committee

The social and ethics committee monitors and reports on the manner and extent to which ARM protects, enhances and invests in the economy, society and the natural environment in which it operates to ensure its business practices are sustainable.

Refer to the report of the social and ethics committee chairman on page 16.

Ad hoc board committees

The board has the right to appoint and authorise special ad hoc committees, with the appropriate board members, to perform specific tasks as required.

Corporate governance continued

Management committees and forums

ARM has various management committees and forums comprising executive directors and senior executives. These are considered essential to its functioning and ensure the appropriate control and provision of information to the board.

Executive committee

This committee is chaired by the executive chairman. Standard agenda items include strategic matters, reports from the chief executive officer, finance director, executive: growth and strategic development, divisional chief executives, executive: corporate development, executive: investor relations and new business development, and other senior executives.

Management risk and compliance committee

Composition

The committee is chaired by the chief executive officer. Members include the finance director; divisional chief executives; executive: sustainable development; chief information officer; group executive: legal; group executive: human resources and other senior executives. The internal auditor is invited to attend the annual corporate risk workshop. The chairman of the committee and finance director (whose role includes responsibility for risk) attend audit and risk as well as social and ethics committee meetings and report on the activities of this committee. The chief executive officer and chairman of the audit and risk committee report on risk matters to the board. The finance director and executive: sustainable development respond to any risk-related matters raised by directors at board meetings.

Responsibilities

This committee assists the audit and risk committee in discharging its duties on risk matters by implementing, coordinating and monitoring the risk management plan, policy and processes to ensure that broader strategic and significant business risks are identified, with attendant controls. Its terms of reference are reviewed annually and were amended in F2024.

Meetings

In F2024, the committee held four meetings, including the annual corporate risk workshop.

For more on our risk management programme, see pages 28 and 112.

Technology and information committee

See the information and technology governance section on page 121.

Executive leadership committee

The committee implements management policy and considers other operational matters. In terms of strategic matters, the committee provides feedback to the executive chairman. It is chaired by the chief executive officer and members include executive directors and senior management. It meets weekly. Members are invited to attend the board budget workshop.

Growth and strategic development committee

This committee evaluates growth opportunities. Chaired by the executive chairman, its members include the chief executive officer, finance director; executive: growth and strategic development; executive: investor relations and new business development; group executive: legal; group executive: human resources and executive: corporate development and divisional chief executives. Other senior executives attend meetings by invitation.

IAR See strategy section in the integrated annual report.

Employment equity and skills development committee

Composition

The committee is chaired by Mr HL Mkatshana, chief executive of ARM Platinum. Members include representatives from management, occupational categories as well as designated and non-designated groups, including the chief executive officer, finance director, group executive: human resources, divisional chief executives, as well as divisional and other senior executives. The group executive: human resources is the legally appointed and designated senior employment equity manager for the ARM Group in terms of section 24(1) of the Employment Equity Act 55,1998. The designated manager reports directly to the employer on all matters involving the development, implementation and monitoring of the employment equity plan. The committee meets quarterly. Its chairman and group executive: human resources attend and report at social and ethics committee and board meetings.

Responsibilities

The committee considers employment equity, transformation, talent management, succession planning and skills development strategies across the company.

For more on human resources management, see page 66.

Treasury committee

Composition

Members include the finance director, senior finance executive: corporate and tax, divisional finance executives and the company financial manager. Representatives of Andisa Treasury Solutions, to which the treasury function is outsourced, attend meetings by invitation.

Responsibilities

This committee implements treasury policy and reviews operational cash flows, currency and interest rate exposures, as well as funding issues in the group.

While not performing an executive or decisive role in deliberations, Andisa implements decisions taken when required. Advice is also regularly sought from other advisers.

Tax forum

The forum collaborates with the business to provide advice and guidance, consider all tax matters, queries and industry developments and ensure tax compliance.

The forum meets quarterly under the chairmanship of the senior executive finance: corporate and tax, who provides feedback to the audit and risk committee.

Investor relations and communication with stakeholders

We are committed to transparent, comprehensive and objective communication with our stakeholders. Our stakeholder communication policy is included in the code of conduct.

The company maintains a website which provides information on its operations, financial performance and other information.

Shareholders are encouraged to attend annual general meetings and to engage with the board and senior management.

Under the leadership of the executive: investor relations and new business development, our investor relations department is responsible for communicating with institutional shareholders, the investment community and the media.

We have a comprehensive investor relations programme to communicate with domestic and international institutional shareholders, fund managers and investment analysts. Engagements include individual meetings between senior executives and institutional investors locally and internationally, as well as investor roadshows and conferences.

For additional information on stakeholder engagement, see page 32.

Dealings in securities and insider trading policy

The company has a policy on dealing in securities and insider trading. ARM enforces closed periods in compliance with legislation and regulations. During closed periods, directors, officers and designated persons are precluded from dealing in ARM securities.

All directors and employees were provided with relevant extracts from applicable legislation and the company's procedures. Directors and employees are reminded of their obligations in terms of insider trading and the penalties for contravening the regulations.

Annual general meetings

Each shareholder is entitled to one vote for each share held. Shareholders are encouraged to vote at annual general meetings. As set out in ARM's memorandum of incorporation, shareholders are entitled to vote on the composition of the board and the audit and risk committee.

The 2024 annual general meeting will be a hybrid format, conducted as a physical meeting and through electronic participation via a platform that will enable attendees to communicate concurrently with each other.

Board members and the external and internal audit partners attend annual general meetings to respond to shareholders' questions.

AGM The notice of annual general meeting is on **www.arm.co.za**.

Risk management

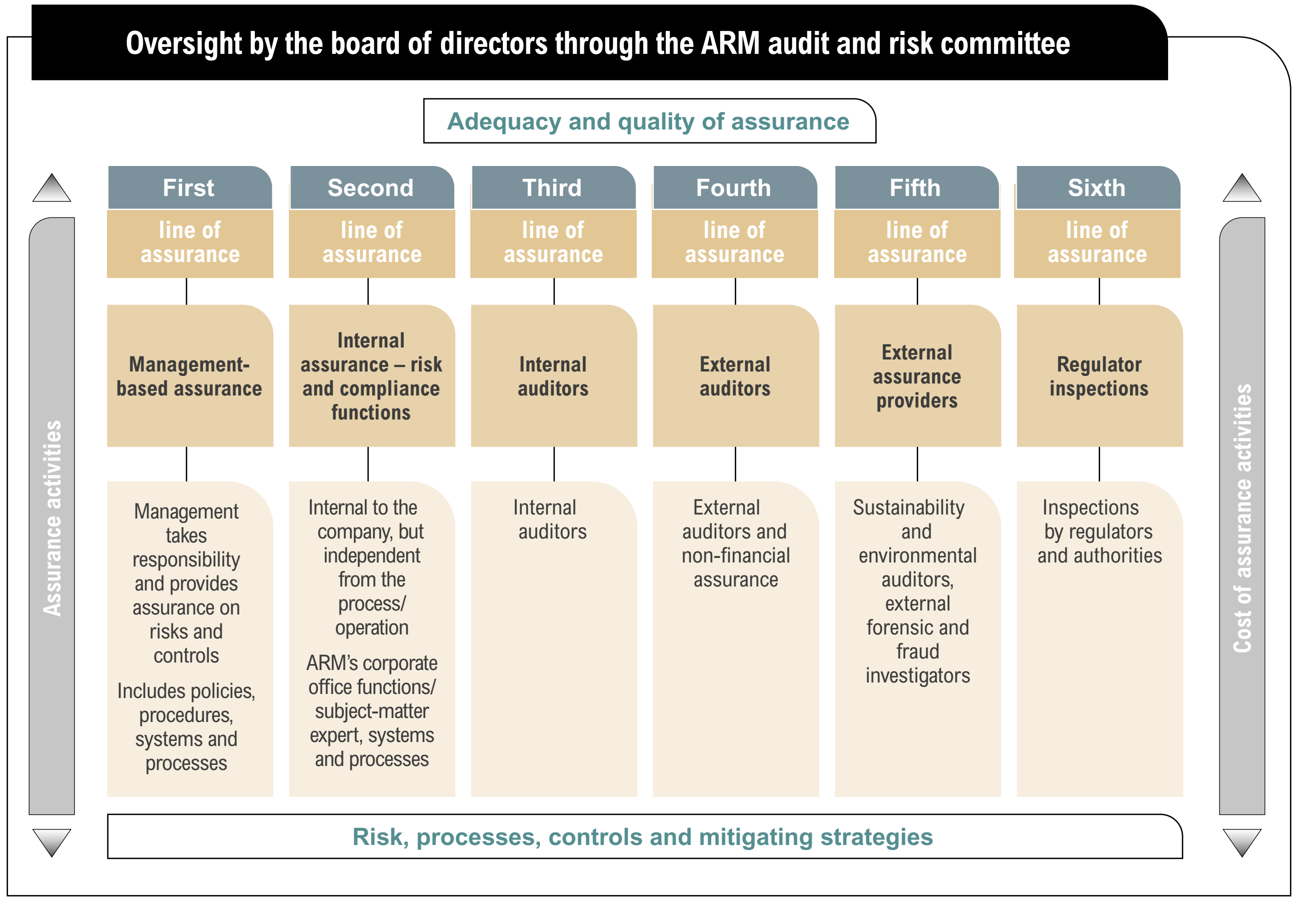
Enterprise risk management

ARM continues to focus on embedding the constituent parts of our strategic drive to integrate leadership effectiveness, strategy, risk management, asset management, resilience and assurance.

Combined assurance

Combined assurance is a coordinated approach that ensures all assurance activities provided by management, internal and external assurance providers enable an effective and adequate assurance control environment.

King IV, principle 15 describes a combined assurance model as:
"A combined assurance model incorporates and optimises all assurance activities and functions so that, taken as a whole, these enable an effective control environment, support the integrity of information used for decision making by management, the governing body and its committees, and support the integrity of the organisation's external reports". A combined assurance model, as illustrated below, sets out the different lines of assurance.

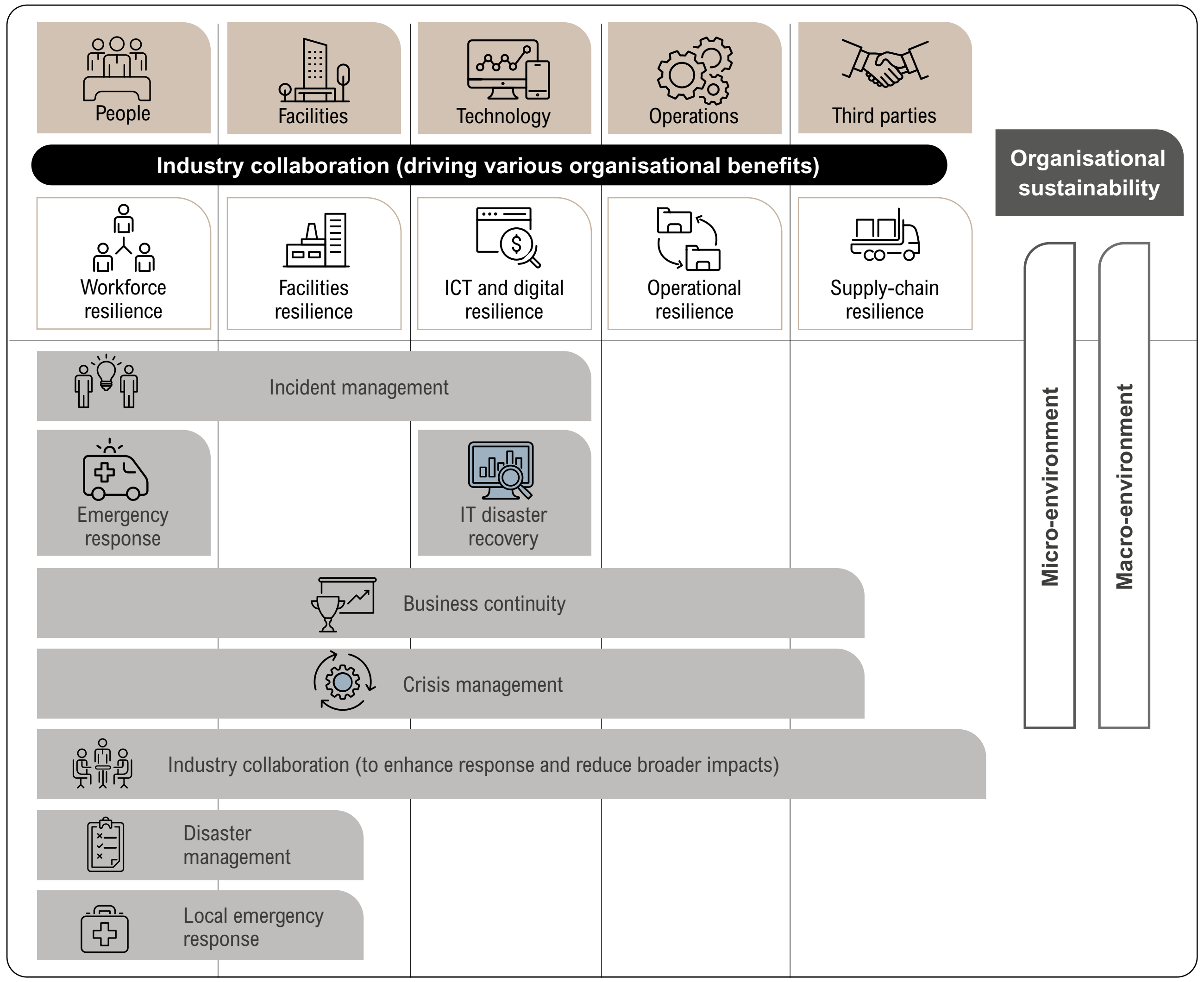


The objectives of ARM's combined assurance model are to:

- Provide a comprehensive and practical process to enable appropriate management and optimal assurance of the efficacy of identified controls to mitigate strategic risks to the business
- Provide evidence of the formal process and the adequacy and quality of assurance provided by both internal and external assurance
- Identify areas where there is either over- or underassurance
- Provide a coordinated and integrated approach to obviate duplication and gaps in assurance, enabling cost-effective and value adding assurance activities
- Provide further input to establishing a control environment appropriate to ARM's approved risk appetite and tolerance levels
- Provide assurance on the adequacy and effectiveness of internal financial controls as per paragraph 3.84(k) of the JSE Listings Requirements
- Assist in the input and formulation of the annual audit plan across all lines of assurance, and provide the cost of assurance activities relative to the third, fourth and fifth lines of assurance.

Resilience – including business continuity management (BCM)

Our resilience strategy, supported by our BCM policy, is premised on recognising the many layers that affect a possible interruption to our broader ecosystem. It is focused on understanding, appreciating and preparing for possible continuity events, while recognising that our business is part of a broader ecosystem of communities, suppliers and customers. We developed business continuity plans and performed business impact analyses for all ARM operations and ARM's corporate business units during the review period.



Risk management continued

Overview of key processes and how they benefit/relate to achieving our ERM strategy

ERM STRATEGIC PILLAR	WHAT WE ACTUALLY DO	RISK FINANCE BENEFIT
Effective leadership and governance	• Cura – The governance, risk and compliance platform • Risk owners • Control owners • Task owners • Quarterly reporting to governance structures.	• Accountability and responsibility for all aspects of the business means all identified risks are managed in time, proactively keeping a range of stakeholder expectations in mind • Oversight, accountability and responsibility for risks, controls and risk treatment are clearly allocated • Improves our insurability and risk transfer cost and options.
Strategy	• Risk context setting always considers the group, division and operations' strategies • Business plans are used to drive strategy.	• A business that succeeds has fewer losses • A business with direction experiences fewer surprises and is agile • We clearly understand uncertainties that could affect our ability to miss or exceed strategic objectives at different levels.
Risk management, including investing for growth	• ERM policy • ERM framework (incorporating project risk management) • ERM standards • Risk appetite and tolerance standard • Capital allocation framework.	• Knowns and unknowns are accounted for on an enterprise-wide basis • We truly understand and analyse insurable and uninsurable risks • Risks that are identified are better managed • Decisions are made in the context of the uncertainty they pose (upside and downside) • Decisions are made within set parameters (appetite and tolerance) • Risk-based approach to decision making, including risk transfer.
Asset management	• Risk control validation surveys • Operation-focused asset management programmes • Maturing risk engineering surveys.	• Matters of concern to insurance/underwriting communities are tabled and formally managed as part of the risk management process • Fewer losses/interruptions/claims • Risk control validation surveys (twice per year per operation) focus on an audit/independent review of controls used to manage a large proportion of risks that can affect our assets and interrupt our business.
Resilience	• BCM policy • Business continuity plans • Business impact analysis • Major focus on our capacity to respond to unwanted tailings storage facility failures (in line with GISTM requirements).	• We understand what events or combination of events could severely interrupt our operations • We proactively monitor such events and institute measures to prevent them from occurring • Response plans that inform how we can and will react to the realisation of unplanned events • Better prepared organisations are more resilient and respond better to unwanted events, minimising the impact and improving its reputation.
Assurance	• JSE paragraph 3.84(k) of the Listings Requirements (internal financial controls) • Integrated combined assurance.	• Identifies control weaknesses before they result in losses and risks materialising • Imperative for all lines of insurance since it maintains focus on risk treatment and mitigation measures • Expanded to include control validation on ethics and governance processes, in addition to anti-fraud controls.
Ethics management and fraud	• Code of conduct, ethics and fraud risk assessments, whistleblower programme. See pages 26, 107 and 120.	• Sustains culture and ethical behaviour • Identifies, monitors and prevents ethics and fraud risks • Enables early detection of actual events and provides response mechanisms to unwanted events.
Optimised risk finance	Review and validate declared values, ensure they are not unnecessarily inflated in terms of insurance definitions • Asset valuations • Test local and international markets for best price and terms • Establish/review self-financing structure • Dual retail and wholesale brokerage structure • Manage losses by investing capital in asset management and risk improvements.	• Creates a culture that manages the business as though 'uninsured', resulting in better-managed risks • Protects the business and its shareholders with an optimised risk transfer programme to insurance markets to shield against financial impacts of insurable events • This includes a significant structured and externally managed self-retention programme to optimise the cost of risk and manage pay-away costs of risk transfer.

Risk management continued

Legal compliance

ARM is committed to conducting its business activities lawfully, and in a manner that will enhance the qualities valued by ARM. These qualities include ethics, honesty, integrity, sustainability and individual accountability which is in line with King IV – principle 13.

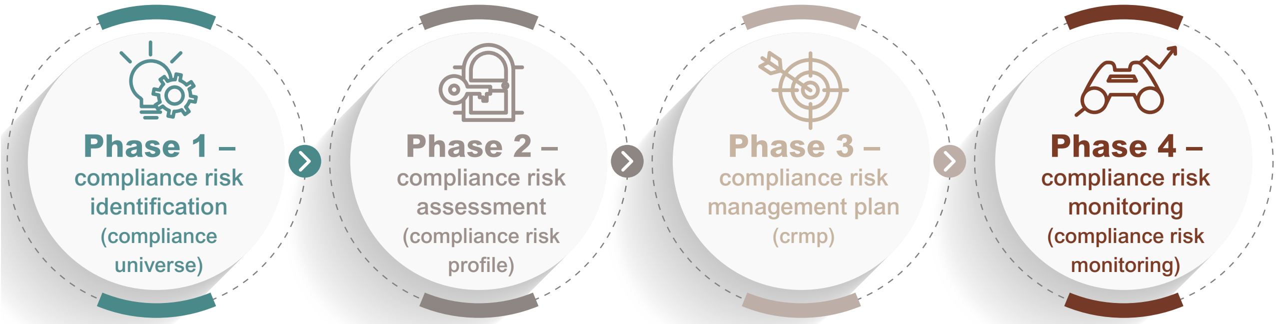
ARM has an effective compliance process with group-wide supporting systems which will ensure that we comply with applicable laws. Legal and regulatory compliance are critical components that ensure ARM maintains its licences to operate. As a company, we continuously seek to engage in a collaborative manner with the operations to manage and mitigate compliance risks with reasonable foresight. The objective is a compliance function that is proactive, and continually evaluates and drives all employees to consider ethics and compliance risk when making business decisions.

This report provides a detailed overview of the ARM compliance programme and gives insight to the progress we have made.

Compliance process

Our compliance process encompasses a four-phase approach (as prescribed in terms of generally accepted compliance practice (illustrated below). This assists management to comply with applicable obligations.

The four-phased structure of our compliance function currently forms part of our ongoing process on compliance risk monitoring. This in turn entails periodic monitoring of identified high compliance risks and general compliance management.



The compliance function has facilitated the revision and maintenance of the ARM compliance universe which includes all compliance obligations that ARM is required to meet. The compliance universe has been categorised, risk-assessed and prioritised. The ARM compliance universe is a living document that is updated from time to time to reflect any internal or external changes that may impact the compliance obligations applicable to ARM.

To ensure our programme is appropriately designed, tailored to our business and that resources are adequately allocated, we identify, record and evaluate compliance risks faced by our operations. These risks may differ due to the distinct activities they undertake and the geographies in which they operate.

Our compliance function continuously provides guidance and education on compliance obligations and matters. This ensures the required tools and systems are in place to manage compliance, ensure compliance risks are tracked and monitored, and that compliance issues and controls are adequately implemented and addressed. This is made possible by ensuring integrated and effective compliance systems are in place so that information is well documented, actively managed and analysed.

Compliance programme

Designated compliance officer and compliance committee

- Since January 2020, our designated compliance executive's key responsibility is to facilitate compliance throughout the ARM Group by supervising, managing and overseeing the compliance function. The compliance function identifies, assesses, advises on, monitors and reports on the compliance risks of ARM
- The compliance executive is responsible for reporting to the board on compliance aspects through the management risk and compliance committee (MRCC), audit and risk committee, and social and ethics committee
- To ensure effective governance in the compliance function, a suite of documents is in place and reviewed annually.

Policies and procedures

ARM continues to develop written policies, procedures and controls. These are key to the compliance function's role, ensuring that, as a company, we can demonstrate compliance with the policies and procedures in place.

Our policies and procedures are managed through an online document monitoring and tracking tool. This tool ensures employees read, understand and acknowledge company policies, standard business procedures, or any other document, which in turn allows the company to monitor progress and draw reports at any time.

Monitoring and auditing

Compliance monitoring is a continuous process to ensure affected employees are following all laws, regulations, rules, policies and procedures. Its purpose is to spot compliance risk issues and ensure they are adequately addressed. The compliance function at ARM periodically reviews the company's identified compliance risks.

Monitoring reports are submitted to the applicable stakeholders, the MRCC, and to relevant board committees each quarter. Recommendations and action items are tracked regularly to ensure adequate controls and compliance initiatives are in place to avoid the risk of non-compliance.

Reporting

Internal reporting

The compliance executive keeps the board, through the MRCC, apprised of the status of compliance management in ARM.

Each quarter, this executive submits compliance management reports to the MRCC, audit and risk committee, and social and ethics committee.

Risk management continued

External reporting

Submission dates to the relevant regulators must be recorded on the annual reporting schedule by the compliance executive and monitored regularly to avoid non-compliance.

Internal audit reviews the compliance function from time to time.

Education and training

Compliance training and regular awareness sessions are crucial. This supports employees in creating awareness, knowledge and skills in line with legal requirements, our values and policies. Procedures training informs employees of our regulations, policies, or adherence to laws and takes place at onboarding and regularly during their employment.

- Code of conduct training – Compulsory online programme championed by the human resources department
- Competition law training – Compulsory online programme for management, championed by the competitive compliance officer
- POPIA training
- Ad hoc departmental training
- Publications
- Regular legal updates.

We have made significant strides in our compliance journey, which contributes significantly to ensuring ARM conducts its business lawfully and in line with its compliance obligations. In line with ARM's compliance strategy, our objective is to develop a dynamic and agile compliance function across the group. We take a proactive approach to compliance that manages and mitigates compliance risks with reasonable foresight because prevention takes far less time than remediation.

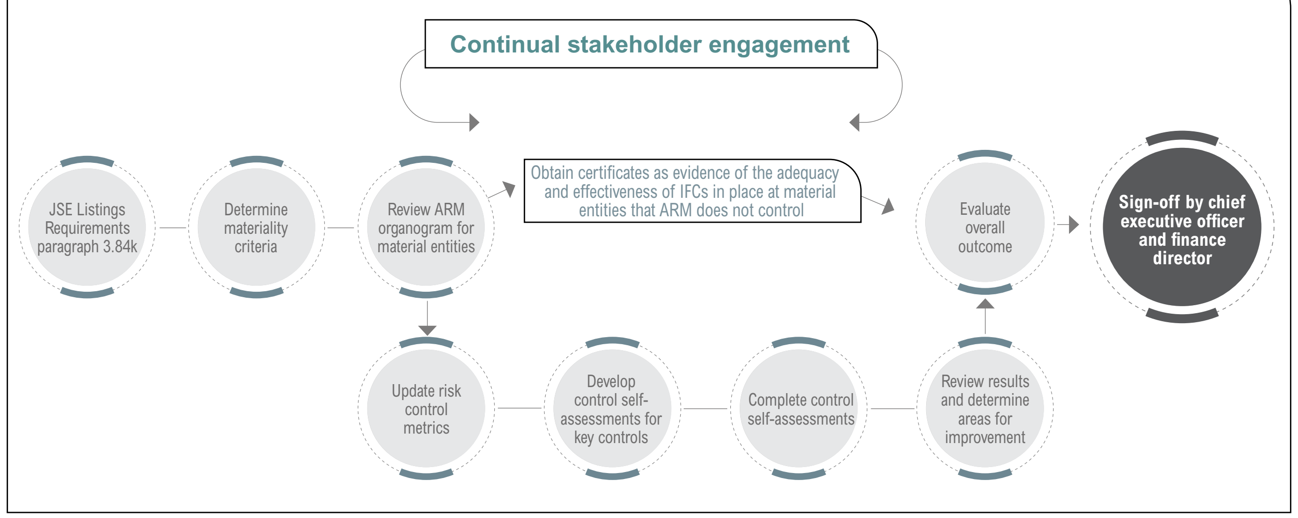
Fraud and ethics

Complying with JSE Listings Requirements on internal financial controls

Under paragraph 3.84(k) of the JSE Listings Requirements, the chief executive officer and finance director (FD) need to attest by sign-off on the fact that, after due, careful and proper consideration, the internal financial controls in place are effective in managing risks of material financial misreporting. The JSE amended this requirement in June 2022 to include a statement that any instances of fraud involving directors have been reported to the audit and risk committee.

To obtain the sign-off, we reviewed entities that could result in a material misstatement in the ARM Group organogram, as shown below, in line with the materiality criteria determined in consultation with the FD. The entities deemed material, in accordance with the defined materiality criteria, completed a risk-based control self-assessment.

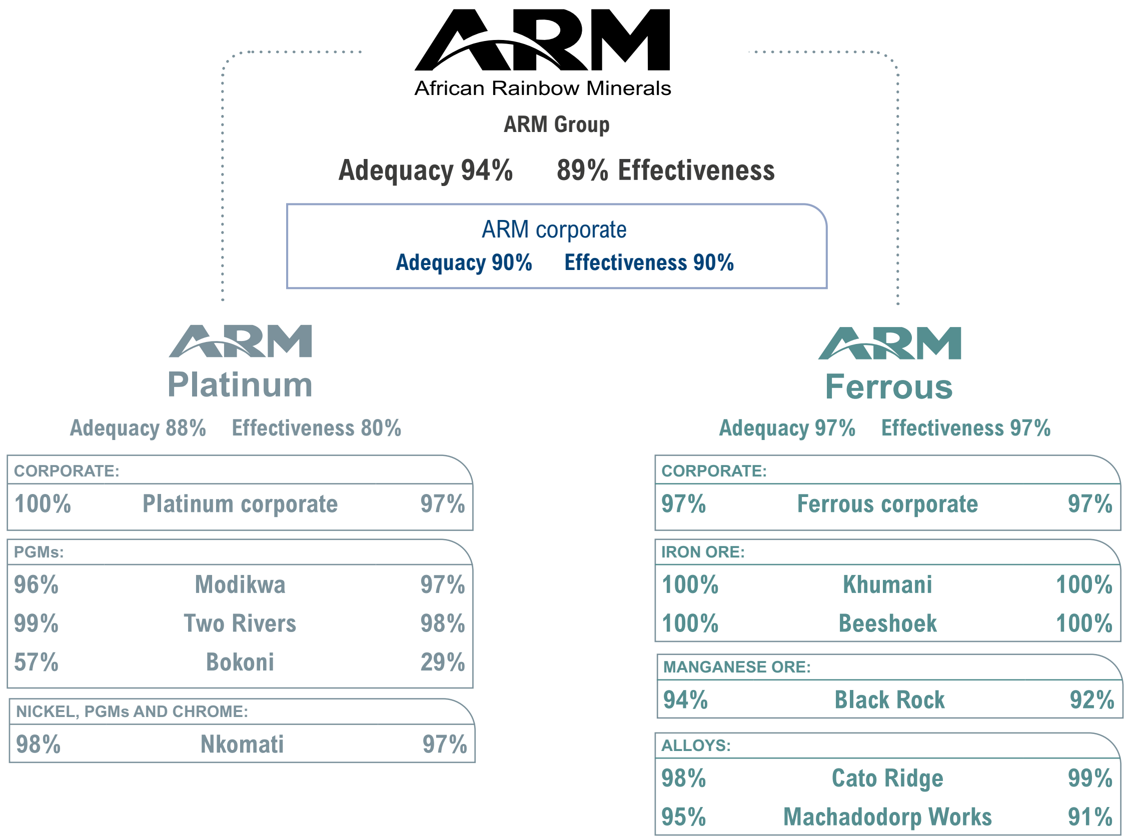
JSE-required IFC confirmation process



The control self-assessment allowed for the determination of both the effectiveness and adequacy of internal financial controls. This was developed by identifying financial process risks and controls using risk control matrixes. Where assessment of the financial control resulted in a "partially" or a "no" response, participants were required to comment on the mitigating control or identify an action for improvement.

The control self-assessments were conducted in line with the ARM combined assurance model and input was obtained from management on the first and second lines of assurance in consultation with internal audit (third line), and external audit (fourth line). As part of the validation process, sign-off was then completed by the operational finance manager, followed by the divisional finance executive. In addition, to ensure the completeness of internal financial controls across the ARM Group, entities in which ARM has an interest per the ARM organogram and which could affect disclosure in the group, submitted certificates attesting to the effectiveness of internal financial controls.

The ARM Group was internally assessed to be compliant with paragraph 3.84(k) of the JSE Listings Requirements for the financial year ended 2023 and attested to the fact that we were not aware of any fraud involving directors. Based on the outcome of the process, the ARM Group achieved an overall average rating of 92%, as depicted below. The results of the assessment were accordingly reported to the ARM audit and risk committee.



ARM African Rainbow Minerals

ARM Group

Adequacy 94% 89% Effectiveness

ARM corporate
Adequacy 90% Effectiveness 90%

ARM Platinum

Adequacy 88% Effectiveness 80%

CORPORATE:		
100%	Platinum corporate	97%
PGMs:		
96%	Modikwa	97%
99%	Two Rivers	98%
57%	Bokoni	29%
NICKEL, PGMs AND CHROME:		
98%	Nkomati	97%

ARM Ferrous

Adequacy 97% Effectiveness 97%

CORPORATE:		
97%	Ferrous corporate	97%
IRON ORE:		
100%	Khumani	100%
100%	Beeshoek	100%
MANGANESE ORE:		
94%	Black Rock	92%
ALLOYS:		
98%	Cato Ridge	99%
95%	Machadodorp Works	91%

Risk management continued

Whistleblower facility

The whistleblower facility is operated by an independent service provider. ARM's internal and external stakeholders may confidentially report any alleged acts of a corrupt and illegal nature without fear of victimisation or reprisal. This facility is provided to ARM employees and stakeholders in accordance with the Protective Disclosures Amendment Act of 2017. All complaints received through the facility in line with the whistleblower policy are investigated. Formal feedback, where required, is provided to the facility and quarterly to the ARM social and ethics committee, ARM audit and risk committee as well as divisional audit and risk committees. The whistleblower policy and procedure are reviewed annually and approved by the board.

	F2024	F2023
Incidents reported	**49**	48
– Currently under investigation	**31**	19
– Substantiated	**6**	3
– Partially substantiated	**4**	5
– Unsubstantiated	**27**	21
– Referred back due to insufficient information	**2**	1

No material non-compliance incidents were reported in F2024.

Fraud protocols

In line with our values of operating under the highest standards of corporate governance and zero tolerance for fraud, bribery and corruption, we are guided by the ARM code of conduct. This code sets out the prescribed ethical and moral standards to conduct business honestly, fairly, legally and responsibly, in good faith and in the best interests of ARM. Formal training on the code is provided to all employees.

Fraud protocols at ARM are supplemented by paragraph 3.84(k) compliance to the JSE Listings Requirements. Our internal financial controls were effective in managing any risk of financial misreporting and material misstatements due to fraud.

ARM also follows a comprehensive combined assurance model which ensures our internal controls are adequately assessed across the six lines of assurance to mitigate fraud risks.

Modikwa Mine

IT governance

Information technology (IT) and innovation are fundamental to our intellectual capital and essential drivers of our environmental, social and governance (ESG) performance. Through our strategic investments in IT, we are unlocking sustainable value across our operations and accelerating our digital transformation journey while adding quantitative value to the bottom line.

Through IT and innovation, we achieve:

- **Enhanced operational efficiency:** We leverage technology to optimise resource use, reduce waste and minimise our environmental footprint.
- **Data-driven decisions:** We harness the power of data for valuable insights, enabling us to identify opportunities for improvement and make informed choices that benefit both our business and society.
- **Innovative solutions:** We foster a culture of continuous innovation, developing and deploying technologies that address social challenges and contribute to a more sustainable future.
- **Resilience and risk mitigation:** We invest in robust IT infrastructure and cybersecurity measures to safeguard our operations, protect sensitive data and ensure business continuity.

By embedding IT and innovation as core components of our ESG strategy, ARM is well positioned to create long-term value for our stakeholders and contribute to a more sustainable, equitable world.

* *Functions include responsibility for the ARM corporate information and technology steering committee.*

Accountability

ARM's board is ultimately responsible for the governance of information and technology. Our robust governance model, reflecting both business and IT requirements, focuses on key areas:

- **Strategic alignment:** Ensuring technology initiatives directly support and enhance our business strategy.
- **Value delivery:** Maximising the return on investment in technology, demonstrating measurable benefits to our stakeholders.
- **Comprehensive risk management:** Proactively identifying and mitigating risks related to information security, operational resilience, regulatory compliance, and health and safety. This includes adherence to the ISO 27001 standard for information security.
- **Resource optimisation:** Efficiently managing technology resources to achieve the greatest impact while minimising waste.
- **Performance management:** Continuously monitoring and evaluating IT performance against clear goals and objectives.
- **Social responsibility:** Integrating technology initiatives into our broader ESG commitments, including community projects and social-impact programmes.

IT governance continued

Additionally, IT managers actively participate in cross-functional committees, including our social and ethics committee, to ensure technology is used responsibly and ethically across our organisation. This collaborative approach reinforces our commitment to transparency, responsible innovation and creating a sustainable future for all stakeholders.

Governance framework

Our commitment to robust IT governance is reflected in our agile framework, aligned with international standards like Control Objectives for Information Technology (COBIT) and Information Management Infrastructure Library (ITIL). This framework is periodically reviewed to adapt to organisational changes, evolving risks as well as global developments, and incorporates our alignment with ISO 27001. This multilayered approach ensures comprehensive data security controls, rigorous risk management and continuous improvement of our IT practices. Governance aspects are continually measured and monitored by the chief information officer, with quarterly reports to the appropriate oversight committee, reinforcing our dedication to transparency and accountability.

Technology and information committee

Composition

The committee is chaired by the chief executive officer. Members include the finance director, divisional chief executives, chief information officer, chief information security officer and executive: risk and executive: sustainable development. The committee chairman and chief information officer attend and report at management risk and compliance committee meetings as well as audit and risk committee meetings.

Responsibilities

The committee implements the strategy and governance framework, develops IT policies and procedures, and ensures alignment with international standards such as COBIT, ITIL and ISO 27001. It meets quarterly, supported by ARM Ferrous and ARM Platinum IT steering committee meetings, which in turn are supported by monthly IT business solutions and fortnightly IT technical operations' committees. This tiered structure ensures technology initiatives are both strategically aligned and effectively implemented at all levels of our organisation. The committee also ensures that the full value and benefit of digital spend value are realised, while maintaining transparency and accountability through regular reporting to oversight committees.

Making our data work harder

This strategy aligns IT directly with the business goals for operational excellence, innovation and sustainable growth.

Exploit cloud

- Leveraging our cloud investment to provide a resilient data platform for value creation
- Using powerful cloud-based unified platforms to unlock the potential of data and eliminate data silos, remove data inaccuracies, improve data governance and provide insights faster
- Leverage insights to release new service capabilities quickly
- Cost optimisation due to automation.

Establish common enterprise stack

- Enhance technology compatibility to facilitate boundaryless flow of data
- User-experience focus
- Cloud-native architecture and application
- Operational excellence resulting in:
  - Increased employee productivity
  - Better customer service
  - Reduced human errors due to automation.

AI in everything

- Unlock new insights and improve how we operate
- Deliver immediate benefits through artificial intelligence or AI in key strategic areas
- Leverage AI to fast-track data cleanup and data-quality enhancement
- Gain competitive advantage through data-driven decisions
- Improve our business efficiency and profitability.

ARM's enterprise architecture

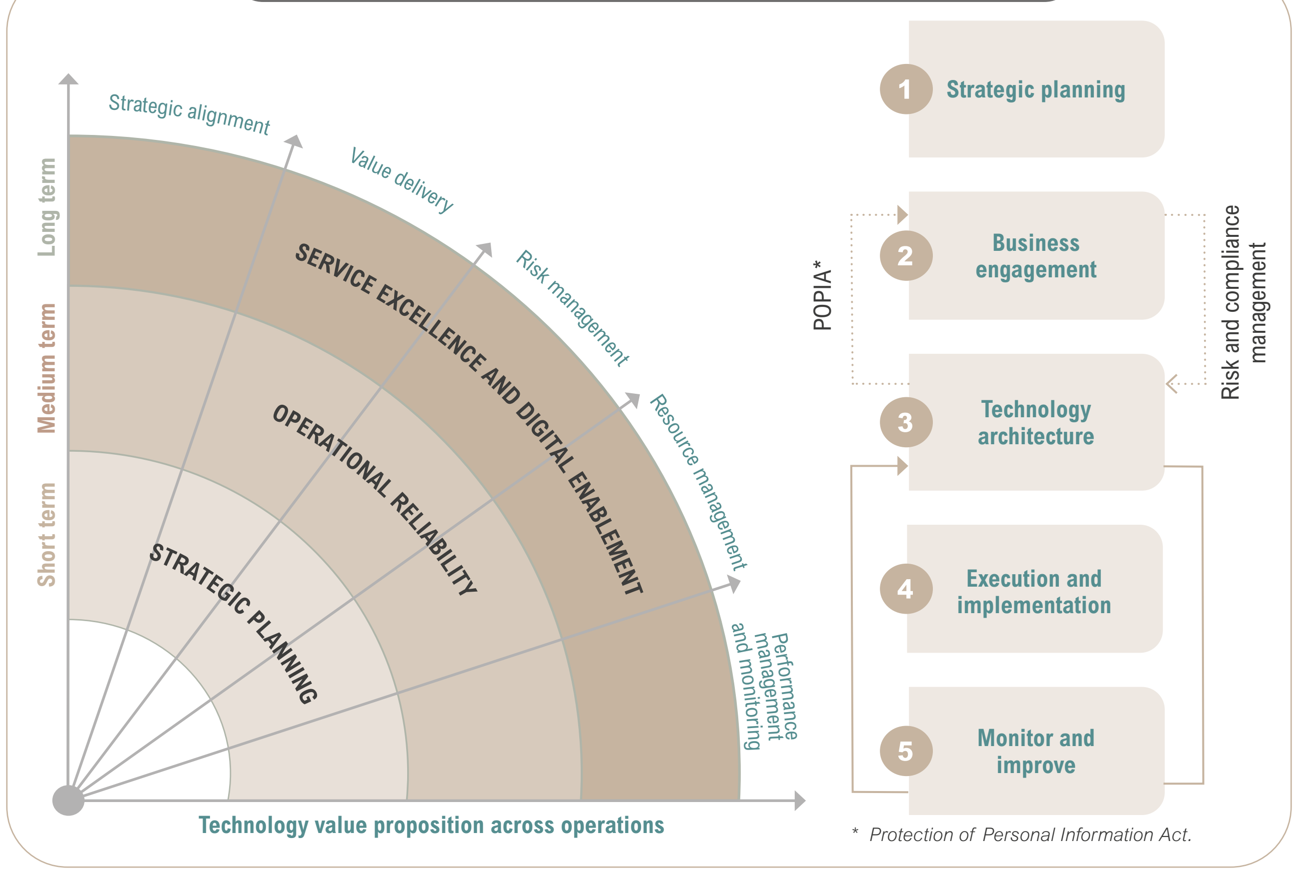
Our enterprise architecture is focused on driving sustainable value and realising tangible benefits through strategic technology. ARM's enterprise architecture team plays a pivotal role in our commitment to ESG principles. By aligning technological innovation with our broader business strategy, we ensure every digital transformation initiative contributes to both our bottom line and our sustainability goals.

Our value-driven approach focuses on:

- **Responsible innovation:** We rigorously assess emerging technologies for their potential to improve efficiency, reduce environmental impact, and enhance social outcomes, ensuring alignment with our ESG commitments.
- **Strategic alignment:** We prioritise solutions that directly address key business objectives, maximising the financial and non-financial value realised.
- **Future-ready design:** Our architectural blueprints anticipate future needs, ensuring scalability, adaptability and resilience in the face of evolving challenges, safeguarding our investments and promoting long-term value creation.
- **Measurable impact:** We track and measure the tangible benefits of our architectural initiatives, demonstrating the value delivered to stakeholders and the environment.
- **Continuous improvement:** We foster a culture of continuous learning and adaptation, refining our processes and methodologies to optimise value realisation over time.
- **Ethical technology standards**: We adhere to industry-leading practices, ensuring our technology choices uphold the highest ethical and environmental standards, reinforcing our commitment to responsible innovation.

Through this holistic approach, ARM's enterprise architecture function becomes a catalyst for positive change, empowering our organisation to thrive in a sustainable and responsible manner while delivering measurable value to all stakeholders.

Key elements: IT governance framework



* *Protection of Personal Information Act.*

IT governance continued

F2024 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2025 OBJECTIVES
Strategic alignment		
• Establish analytics centre of excellence (CoE) as core IT capability • Automate production reports for ARM platinum and ferrous divisions.	• **Achieved:** Significant strides in advancing data and analytics capabilities. • **Partially achieved:** Work underway on automated production report for platinum division.	• Ensure seamless development, implementation and widespread adoption of automated ARM Ferrous production report to maximise its value and impact across the division.
• Implement modern service management and cloud governance across ARM • Complete implementation of software-defined network across all operations.	• **Achieved:** Cloud-based service desk tool implemented. Change management module ensures governance by tracking all changes on IT systems across group. • **Achieved:** Software-defined network implemented in July, with full visibility of network and tools for engineers to monitor performance across all networking layers.	• Modernise technology infrastructure for mine production to deliver data to analytics layer where reports and data-driven decisions are made; designed to enable and support AI • Extend modern network architecture to operational technology environment (underground and surface) to ensure connectivity at all critical areas of mine operations • Drive enterprise-wide AI integration to optimise processes, enhance decision making, and unlock growth opportunities.
Risk management		
IT governance		
• Define business continuity and disaster-recovery plans for all operations • Conduct business continuity and disaster-recovery tabletop exercises for business-critical applications • Implement solution to monitor, detect and respond to threats and vulnerabilities in operational technology infrastructure at Bokoni, Khumani and Beeshoek mines.	• **Achieved:** Completed business continuity plans, business impact analysis and system impact analysis for all operations. • **Not achieved:** Business continuity plans recently completed; tabletop exercises will be scheduled in F2025. • **Not achieved:** Partnered with leading cybersecurity firm to implement solutions in F2025.	• Develop disaster-recovery plans and crisis-management plans for all operations. Ensure seamless integration with cyber incident/breach response plan • Schedule and execute tabletop exercises across all operations for disaster-recovery plans and crisis-management plans • Perform ongoing cybersecurity assessments of operational technology environments for all operations.
Information security		
• Implement cybersecurity user training and test simulation exercise for all operations • To optimise security controls aligned to zero-trust principles, conduct self-assessments and address any ineffective controls across all operations • Ensure cybersecurity response plan is exercised across organisation, every six months.	• **Achieved:** Comprehensive simulated phishing exercises conducted across all user groups and operational areas. • **Achieved:** Cybersecurity capabilities significantly advanced, with 72% increase in maturity score. • **Achieved:** Technical response exercises conducted, with IT personnel using multiple cybersecurity incident playbooks.	• Implement mandatory annual cybersecurity awareness training and simulated phishing exercises for all employees • Strengthen cybersecurity operations to bolster digital resiliency and recovery capability • Enhance cyber response and know-how by conducting tabletop exercises for executives at all operations.

F2024 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2025 OBJECTIVES
Risk management continued		
Value delivery		
• Extend contractor safety management solution to ARM Ferrous and ARM Platinum • Complete implementation of enterprise performance management (EPM) for Assmang group.	• **Partially achieved:** Contractor safety management solution rolled out at ARM Ferrous but not Bokoni Mine. • **Achieved:** Rolled out across ARM Ferrous.	• Deploy system at Bokoni Mine to significantly enhance operations • To maximise value of EPM solution, staged implementation strategy will focus on continuous improvement and expansion of its functionalities.

Review of F2024

Technology and innovation driving sustainable growth

In F2024, ARM's IT team prioritised a portfolio of modernisation and optimisation projects, strategically aligning with our approved IT strategy and business priorities. These initiatives lay a robust foundation for our ongoing digital transformation, which is on track for successful delivery. Key achievements during the year include:

- **Enhanced cybersecurity:** Significantly improved cybersecurity maturity across all operations, with ongoing monitoring and continuous enhancements that reflect our commitment to protecting sensitive data and digital assets in line with ISO 27001 standards.
- **Advanced financial management:** Launched enterprise performance management (EPM) project, focused on financial consolidation, budgeting and forecasting, planning and management reporting, driving improved efficiency and data-driven decision making.
- **Cloud migration progress:** Initiated migration of enterprise workload to public cloud and completed an enterprise and operations journey to cloud assessment, enabling greater agility, scalability and cost-efficiency.
- **Enhanced security and compliance:** Implemented security and compliance measures, hybrid-managed security solutions, multifactor authentication and network monitoring, fortifying our cybersecurity.

Focus in F2025

In F2024, ARM established a strong foundation in data and analytics, optimised cloud costs and enhanced IT governance and cybersecurity practices. This underscores our commitment to leveraging technology for operational efficiency, risk mitigation and value creation.

In F2025, we will build on this momentum, with focus areas that include:

- **Expanding data-driven decision making:** Completing implementation of automated production reporting across all divisions, modernising technology infrastructure to enhance data-driven decisions, and enabling AI capabilities to unlock new insights and efficiencies.
- **Strengthening operational resilience:** Completing implementation of software-defined networking, extending modern network architecture to operational technology environments, developing comprehensive disaster-recovery and crisis-management plans, and continuing rigorous cybersecurity assessments and training.
- Maximising value delivery: Expanding use of AI across the organisation, deploying contractor management solution to additional sites, completing implementation of the procurement platform, and focused on tracking and realising the value of our digital transformation initiatives.
- **Building a future-ready workforce:** Providing advanced training in cloud technologies, data analytics and AI to equip our workforce with the skills to thrive in the digital age.

By pursuing these strategic initiatives, we are confident of our ability to continue delivering sustainable value for our shareholders, employees and communities. We remain dedicated to leveraging technology as a catalyst for positive change and a driver of long-term growth.

Remuneration report

About the remuneration report

To align with global remuneration-disclosure practices and the King IV Report on Corporate Governance for South Africa 2016 (King IV), the remuneration report is presented in three parts: a background statement from the committee chairman; an overview of the remuneration policy for senior executives and, at a high level, other employees; and an implementation report describing remuneration outcomes for F2024 and plans for F2025.

PART I – Background statement

Philosophy

Our strategic objectives can only be delivered with the foresight, dedication and hard work of our employees. The company competes in a small talent pool for a limited set of skills in the global and South African mining industries.

The remuneration committee supports the board by applying a remuneration strategy that is focused on attracting, motivating, rewarding and retaining talent through competitive remuneration practices, while creating shareholder value. Stakeholder feedback is considered in regular reviews of our remuneration policy, which gives effect to the remuneration strategy by supporting business objectives in the wider operating environment and offering a balanced remuneration mix based on the principles set out below.

Connecting performance and remuneration

Our competitive remuneration strategy is founded on principles set out in the remuneration committee's terms of reference. In developing ARM's remuneration policies, the committee ensures the mix of fixed and variable remuneration in cash, shares and other elements meets the company's business needs and promotes its strategic objectives, with an appropriate balance between short-term and long-term incentives. It also ensures that performance targets in all occupational categories across ARM are set and monitored. Key objectives from the terms of reference are to:

- Provide fair, responsible and transparent remuneration, aligned with ARM's business strategy and risk appetite
- Attract, motivate, reward and retain our human capital
- Promote an ethical culture and responsible corporate citizenship
- Develop performance measures that support positive outcomes across the economic, social and environmental triple context in which ARM operates
- Present the remuneration policy and implementation report to shareholders annually or as legally prescribed, and diligently consider their feedback
- Set fees for non-executive directors at competitive levels to attract individuals of the required calibre and expertise.

Companies Amendment Act 16 of 2024

We welcome the signing into law by the president and promulgation of the two Companies Amendment Bills on 30 July 2024 (together the Companies Amendment Act). Among other amendments, the Companies Amendment Act provides for enhanced remuneration reporting and disclosure by requiring all public companies and state-owned companies to prepare and present for approval a remuneration policy.

In summary, the Companies Amendment Act as read with the King IV report provides for: (i) a remuneration policy setting out the company approach with a focus on remuneration of directors and prescribed officers; (ii) an implementation report detailing total remuneration received by each director and prescribed officer and mandatory pay-gap disclosures, among other elements; and (iii) a remuneration report that consolidates the remuneration policy and implementation report into a single document and includes further components such as a background statement.

At the time of writing, the effective implementation date of the Companies Amendment Act has not been announced.

Anticipating the implementation of these amendments, the board, committees and management have kept abreast of proposed changes in the Companies Amendment Act, and any potential impact on the group's remuneration reporting as well as disclosure practices and obligations.

ARM will introduce a binding vote on the remuneration report and separate remuneration policy, and will comply with required disclosure when the Companies Amendment Act is enacted. In the meantime, we have adopted a phased approach to implementing the new provisions. Accordingly, part II of the report sets out policy only and part III sets out implementation in F2024 and plans for F2025.

PART II – Overview of main provisions of the remuneration policy

PART III – Implementation report: F2024 outcomes and F2025 plans

Fair, responsible and transparent remuneration

ARM is committed to fair, responsible and transparent pay. Remuneration levels are aligned with the performance of the economy, and the specific performance of the company and our people. We focus on competitive benefits and remuneration to ensure our policies and practices compare well against local and international practices. ARM considers and monitors the pay gap between executives and the lowest-paid employees as part of our approach to fair and responsible remuneration. In anticipation of the promulgation of the Companies Act amendments, we have set out our approach to the pay-gap disclosures in part III implementation report.

Stakeholder engagement

At the 2023 annual general meeting, the non-binding advisory vote on ARM's remuneration policy was supported by 92.03% of shareholders who voted at the meeting. The implementation report was supported by 75.73%, above the 75% voting threshold.

The board is cognisant of shareholder concerns in terms of ARM's remuneration implementation report, while being encouraged by their support of the remuneration policy. We take this feedback seriously and strive to continuously engage with our shareholders. We also carefully consider the opinions of institutional agencies that provide proxy advisory services. Accordingly, we invited shareholders to engage on their concerns on remuneration matters, with the responses summarised below.

We continuously monitor the effectiveness and implementation of the remuneration policy, strategy and practices. Should we receive a vote of 25% or more against either at the 2024 annual general meeting, the board commits to:

- An engagement process in line with JSE Listings Requirements to ascertain reasons for dissenting votes
- Appropriately address legitimate and reasonable objections and concerns.

Stakeholder engagement on remuneration

Feedback	Response
Long-term incentive practice on retirement Some shareholders questioned the practice of not pro-rating (by time) long-term awards for individuals on retirement, in contrast to best practice.	Best practice has evolved in South Africa, with several large, listed companies now aligning with ARM's practice on retirement. The practice of settling on the original vesting dates, rather than pro-rating and settling unvested awards on retirement, provides a significant element of vesting post termination of employment. This encourages and rewards focus on succession and sustainability in the final years of an executive's tenure.
Disconnect between pay and performance Some shareholders questioned the correlation between pay and performance.	ARM operates in a market characterised by supply/demand volatility beyond management's control. Accordingly, profit performance is considered over a longer period to incentivise consistent performance towards the company's strategic goals.
Profit targets Some shareholders questioned the use of profit targets in incentives, given that there is a large element outside of management control (eg price of commodities).	It should be noted that profits are also influenced by controllable factors such as volumes and efficiencies, as well as commodity prices. In addition, incentives are required to be aligned with shareholder interests. To balance these conflicting requirements, the company bases 50% of the incentive on profit targets, and 50% on (more controllable) unit cost targets, which reflects volumes and efficiencies that are more under management control. By including balanced measures of profit and unit costs, we also address the situation when premium commodity prices justify incurring higher unit costs to improve profits.

Remuneration report continued

Stakeholder engagement on remuneration continued

Feedback	Response
More clarity was requested on **dividend equivalents** in the long-term incentives.	By including dividend equivalents in long-term incentive awards, the outcome is better aligned to shareholder outcomes, which include returns from share price growth and dividend yield. Many local and global share plans now include dividend equivalents. **Awards** Dividend-equivalent shares, for conditional shares, are awarded at the discretion of the board. They are the number of ARM shares equal in value to dividends a participant would have earned if they owned the vested number of ARM shares from award date to vesting date of the conditional shares, with reference to the dividend record dates in that period. **Settlements** Dividend-equivalent shares are only settled on vested conditional shares, if the conditions have been met.
Greenhouse gas reduction targets in long-term incentives. How did the business arrive at its 15% – 20% three-year GHG reduction target?	As stewards of the minerals and metals that are critical to decarbonisation and sustainable development, we embrace our responsibility to minimise the impact of our operations on the environment. The members of the ICMM (including ARM) have committed to a goal of net-zero greenhouse gas (GHG) scope 1 and 2 emissions by 2050 in line with the ambitions of the Paris Agreement. As more fully described in the climate-change and water CCW report, in F2021, ARM set a long-term target of achieving net-zero GHG emissions (scope 1 and 2) from mining by 2050. This is in line with commitments in our climate-change policy as well as the ICMM position statement. Building on this, in F2022 and F2023, we focused on developing decarbonisation pathways that detail the short and medium-term steps needed to achieve this long-term target. This included setting the short-term target of a 15% reduction in scope 1 and 2 emissions by 2026 and medium-term target of 30% reduction of scope 1 and 2 emissions by 2030 against the F2023 baseline. The short and medium-term targets were informed by a combination of bottom-up (expected savings linked to projects) and top-down assessment of opportunities (considering historical savings and peers/stakeholders' expectations). Our group-level target is underpinned by detailed operation-specific targets based on decarbonisation pathways. It includes operations within ARM's operational control boundary. The absolute GHG reduction targets and ARM decarbonisation strategy (including short, medium and long-term targets and associated decarbonisation pathways) are more fully described in the climate-change section of the ESG report and in the climate-change and water report. We have prioritised three main mitigation options in our decarbonisation pathways: energy-efficiency measures; renewable energy and emission-reducing energy vehicles. The methodology behind setting executive long-term incentive targets aligned to GHG emissions management is an evolving field globally. In determining targets based on our decarbonisation pathways, we have been mindful of global best-practice standards. We have also benchmarked our practices against a representative peer group to ensure we set appropriate and meaningful long-term incentive performance measures that support our targets to reduce GHG emissions to net-zero from mining by 2050. Understanding that our 2050 goal will require ongoing refinement in the way we work, we continue to work on decarbonisation pathways to further develop specific targets that will incrementally and collectively enable ARM to achieve its longer-term objective. We will communicate these details in future reports.

Stakeholder engagement on remuneration continued

Feedback	Response
GHG reduction targets in long-term incentives. Are emission-reduction targets aligned with the Science Based Targets initiative (SBTi).	SBTi is a global organisation that enables companies and financial institutions to set ambitious, science-based emission-reduction targets. It aims to help companies align their climate goals with the level of decarbonisation required to meet the goals of the Paris Agreement – specifically, limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C. SBTi provides guidelines, tools and resources for companies to set targets based on the latest climate science and the standard is voluntary. Our targets are not endorsed by SBTi but are considered to be a Paris Agreement-aligned target-setting methodology.
GHG reduction targets in short-term incentives	Initiatives to significantly decrease our GHG emissions take time to implement, so it is more appropriate to include this measure in long-term incentives.
Safety modifier in short-term incentive rather than explicit key performance indicator (KPI).	The safety modifier has a similar effect on short-term incentive as an explicit KPI.
Why is **volume** not considered as a KPI in the short-term incentive?	Unit cash costs include capitalised waste-stripping costs (for open-pit operations), standing charges (periods of non-production) and certain non-cash adjustments, but exclude run-of-mine ore work in progress and stock movements. To determine unit cash costs, the costs indicated are divided by the relevant volumes, meaning volumes are considered in determining short-term incentives.
Ex-ante short-term incentive target disclosure. Why are these targets considered commercially sensitive and not disclosed in advance?	The company's budget is a forward-looking financial statement and is therefore market-sensitive information on an ex-ante basis.
Free cash flow return on equity as a long-term incentive performance condition. Like profit, there is much out of management's control.	Similar to the use of profit in the short-term incentive, the objective is to align executive rewards to shareholder outcomes – free cash flow return on equity has many uncontrollable elements but is aligned to value and dividend-paying ability. This is balanced by other measures that are more controllable, such as unit costs, safety, GHG reduction and improvement in diversity, equity and inclusion.
Free cash flow return on equity as a long-term incentive performance condition. How are impairments treated when assessing the equity base?	Impairments form part of net profit for the year, which in turn forms part of accumulated profit (part of the equity number used as a denominator) in accordance with IFRS. Impairments effectively reduce the equity number used in the denominator when calculating free cash flow return on equity.

Remuneration report continued

Changes in remuneration policy for F2024

Stakeholder engagement on remuneration matters, and proactively maintaining regular, transparent and informative dialogue with our stakeholders is important. The committee therefore considered developments in global best practice as well as feedback from shareholders during the financial year.

In F2024, on the committee's recommendation, climate-change performance targets adopted for F2024 in the remuneration policy were revised. As background, in 2021, ARM set a target of net-zero GHG emissions from mining by 2050. In October 2023, we set new GHG performance targets for awards to be made from F2024 under the 2018 conditional share plan and 2018 cash-settled conditional share plan. For F2025 the methodology to determine the GHG emission-reduction performance condition will be the same as in the prior year, except that the baseline will be based on F2024 as set out in part II.

As disclosed in last year's report, in October 2023, after benchmarking against our peers locally and globally, we also set new transformation targets for awards from F2024 in terms of the 2018 conditional share plan and the 2018 cash-settled conditional share plan:

- Specific measures of diversity, equity and inclusion:
  - Women in management – proportion of females in management (Paterson grade D-lower band and above)
  - Black managers – proportion of Africans, coloureds and Indians in management (Paterson grade D-lower band and above)
  - Leadership and inclusive culture (as measured by retention percentage at all levels)
- Improvement in BBBEE scorecard.

Changes to remuneration policy for F2025

On the recommendation of the committee, the board approved the following for long-term incentive awards: from F2025, total shareholder return will be determined against a comparator group of 12 mining companies, instead of 20 (excluding gold, diamond, and oil and gas companies) due to the much lower market capital of smaller companies in the top 20 mining companies and reduced number of companies post delistings.

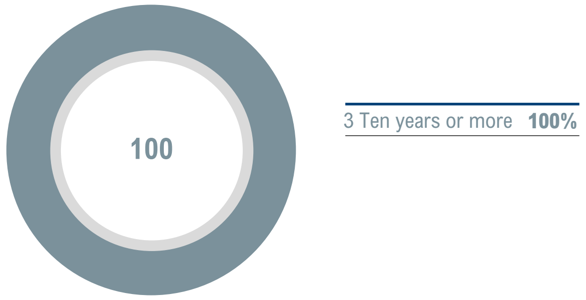
The company will not include targets for scope 3 emissions in performance conditions for F2025 long-term incentive awards until the extended GHG emissions framework has been fully implemented, as discussed in climate-change and water report.

Remuneration governance framework

Composition

Member	Committee member since
AD Botha (chairman)	August 2009
TA Boardman	August 2011
AK Maditsi	July 2011

Tenure: Remuneration committee



The committee comprises only independent non-executive directors. The board is confident that committee members have a strong blend of expertise and experience in the financial, business, mining and human capital fields.

Meetings

Four scheduled committee meetings were held in F2024 (see meeting attendance summary on page 102). The chairman of the committee attends annual general meetings to answer questions from shareholders on the remuneration policy and its implementation.

Invitees

In F2024, the chief executive officer, finance director, executive: growth and strategic development, group executive: human resources, group executive: legal, executive: investor relations and new business development and executive: sustainable development attended committee meetings by invitation and assisted the committee in its deliberations, except when their own remuneration was discussed. Invitees do not vote at meetings. No directors were involved in approving their own remuneration.

Advisers

For F2024 remuneration, the committee was advised by remuneration consultants, PricewaterhouseCoopers (PwC), on the verification of calculations for settling awards under the long-term incentive schemes. Bowmans advised the committee on a broad range of remuneration matters including remuneration of non-executive directors, including the lead independent non-executive director, and senior executives, as well as implementation of the short-term and long-term incentive schemes and the policy on fees for ad hoc meetings. Climate Horizons advised the committee on climate-change targets. Deloitte & Touche, the company's internal auditors, provided assurance on some elements of executive remuneration. KPMG Inc. audited the remuneration disclosure of directors and prescribed officers.

In addition, the remuneration committee relied on the following independent assurance to settle awards under the 2018 conditional share plan (CSP) and 2018 cash-settled CSP:

- Andisa provided assurance on dividend-equivalent shares and dividend-equivalent cash payments
- Honeycomb provided an independent assessment of the improvement in the BBBEE score.

The committee is satisfied that these advisers were independent and objective.

Functions

Purpose

The committee assists the board with its responsibility for setting ARM's remuneration policies to ensure these are aligned with its business strategy and create value for ARM over the long term. It also assists the board in promoting a culture that supports enterprise and innovation with appropriate short-term and long-term performance-related rewards that are fair and achievable. The committee considers and recommends remuneration policies for senior executives.

Responsibilities

The remuneration committee performs the functions and responsibilities necessary to fulfil its stated purpose. Its mandate includes:

- Reviewing results of independent third-party benchmarking surveys of the remuneration packages of executive directors and other senior executives
- Reviewing and recommending specific remuneration packages for executive directors, senior executives and the group company secretary and governance officer to the board for approval, including base salaries
- Recommending to the board cash performance bonuses to be awarded to executive directors, senior executives and the group company secretary and governance officer, taking cognisance of job descriptions and the performance of ARM against budgetary and strategic objectives as approved by the board
- Monitoring any fatalities during the year and recommending that the board adjust the safety modifier, taking into account the context of such fatalities
- Regularly reviewing and recommending changes to ARM's long-term (share-based) incentive schemes to ensure the continued contribution of executive directors and other senior executives to shareholder value
- Considering and making recommendations to the board on any proposed cash bonus schemes or long-term (share-based) incentive schemes or amendments to any existing schemes for executive directors, senior executives and the group company secretary and governance officer
- Recommending to the board grants or awards to be made to executive directors, other senior executives and the group company secretary and governance officer under ARM's long-term (share-based) incentive schemes
- Satisfying itself on the accuracy of recorded performance measures that govern the vesting of long-term (share-based) incentives
- Ensuring management develops appropriate employee benefit policies for the company.

Remuneration report continued

Focus and adding value

2024

The scheduled work plan was followed, with a normal cycle of activities and additional focus areas that included:

- Monitoring the short-term incentive scheme, including:
  - The ongoing risk from commodity-price volatility and local and global supply-chain constraints, recommending the board maintains a cap on the maximum bonus payable; and
  - The applicable safety modifier
- Reviewing the incentive scheme performance measures, weightings and targets, and ensuring they remain fit for purpose, aligned with market practice and sufficiently stretching
- Considering whether scope 3 emissions should be included in climate-change targets
- Considering shareholder feedback
- Considering proposed amendments to the Companies Act.

2025

- Recommending corporate bonus parameters for F2025 to the board after considering the ongoing risk from commodity-price volatility and local and global supply-chain constraints
- Considering progress towards introduction of scope 3 GHG targets
- Considering administrative changes to the allocation and settlement of long-term incentives
- Considering shareholder feedback
- Reviewing incentive scheme performance measures, weightings and targets, and ensuring they remain fit for purpose, aligned with market practice and sufficiently stretching
- Considering amendments to remuneration policies, procedures practices and disclosure in terms of the Companies Amendment Act, once the effective date is published.

Outcome of 2024 remuneration policy

As disclosed on pages 147 to 151, the significant F2024 decrease of 69% in short-term incentive bonuses paid to executive directors and prescribed officers, in line with the decrease in total bonuses paid to employees in the corporate office, reflects the volatility of commodity markets and the pressure on logistics in the financial year. This underscores ARM's commitment to align remuneration practices with shareholder outcomes.

In my opinion, and in the opinion of members of the remuneration committee, the remuneration policy achieved its stated objectives in F2024 and will continue to lead to performance outcomes that generate real long-term value for our shareholders.

AD Botha
Chairman of the remuneration committee

PART II – Overview of main provisions of the remuneration policy

The Companies Amendment Act anticipates that the remuneration policy will be tabled for approval by shareholders by ordinary resolution every three years. Although the company will introduce a binding vote on the remuneration policy once the implementation date of the Companies Amendment Act comes into effect, prior to promulgation and implementation, a phased approach to implementing the new provisions has been adopted. Accordingly, part II sets out policy only and part III set outs implementation in F2024 and plans for F2025.

Remuneration philosophy: group

Fair and responsible pay

ARM is committed to fair, responsible and transparent pay. Our remuneration levels are aligned with the performance of the economy, and the specific performance of the company and our people. We focus on elements such as the company's values, culture, talent management, workforce planning, and competitive benefits and remuneration to ensure our policies and practices compare well against local and international practices.

TAKING CARE OF OUR EMPLOYEES	MONITORING OUR FAIR AND RESPONSIBLE PAY	PAY-FOR-PERFORMANCE	TRAINING AND DEVELOPING OUR TALENT
We aim to maximise our employee value proposition. We are committed to offering equitable, market-related and competitive wages to all employees. We operate wellness programmes to support our employees' psychosocial needs, mental health and wellbeing. We create an environment that promotes a sense of belonging for our employees.	We periodically monitor the pay gap, enhance policies supporting gender mainstreaming in the workplace and develop more robust employment equity plans and targets. Percentage increases granted to more junior employees generally exceed those granted to management and executives.	We focus on pay-for-performance in designing our variable pay structures, particularly at senior levels. Our in-house performance-enhancing system creates an opportunity to contract on performance goals, review performance, track developmental areas, assess performance and reward appropriately. This process also promotes staff engagement, constructive feedback for development and performance improvement.	We invest in the development and skills of our employees to maximise learning potential through study assistance and bursaries as well as career-development opportunities based on our talent management strategy.

Remuneration report continued

Pay gap

The company monitors the pay gap between the remuneration of our highest-paid employees to lowest-paid employees as part of our approach to fair and responsible remuneration. The effective date for implementation of the Companies Amendment Act has not yet been announced. We will include disclosure in the F2025 remuneration report based on the provisions of these amendments and emerging practice, as provided in applicable guidance notes.

Remuneration philosophy and policy: operations

Across the group, cost-to-company increases are agreed in terms of multiple-year wage agreements. The committee also considers results of independent benchmarking processes and the current consumer price index (CPI). At the bargaining-unit level for our managed operations, multiple-year wage agreements apply to most ARM-managed operations. Most operations have an employee share ownership plan in place.

Periodic benchmarking studies ensure our employee value proposition remains fair and competitive. Employee benefits as a percentage of cost-to-company are the same for all employees, subject to certain employee elections.

Remuneration philosophy and policy: corporate

Board-approved cost-to-company increases for employees in the corporate office are determined in the context of periodic independent benchmarking and the current consumer price index, as well as market developments.

Employee benefits as a percentage of cost-to-company are the same for all employees, subject to certain employee elections.

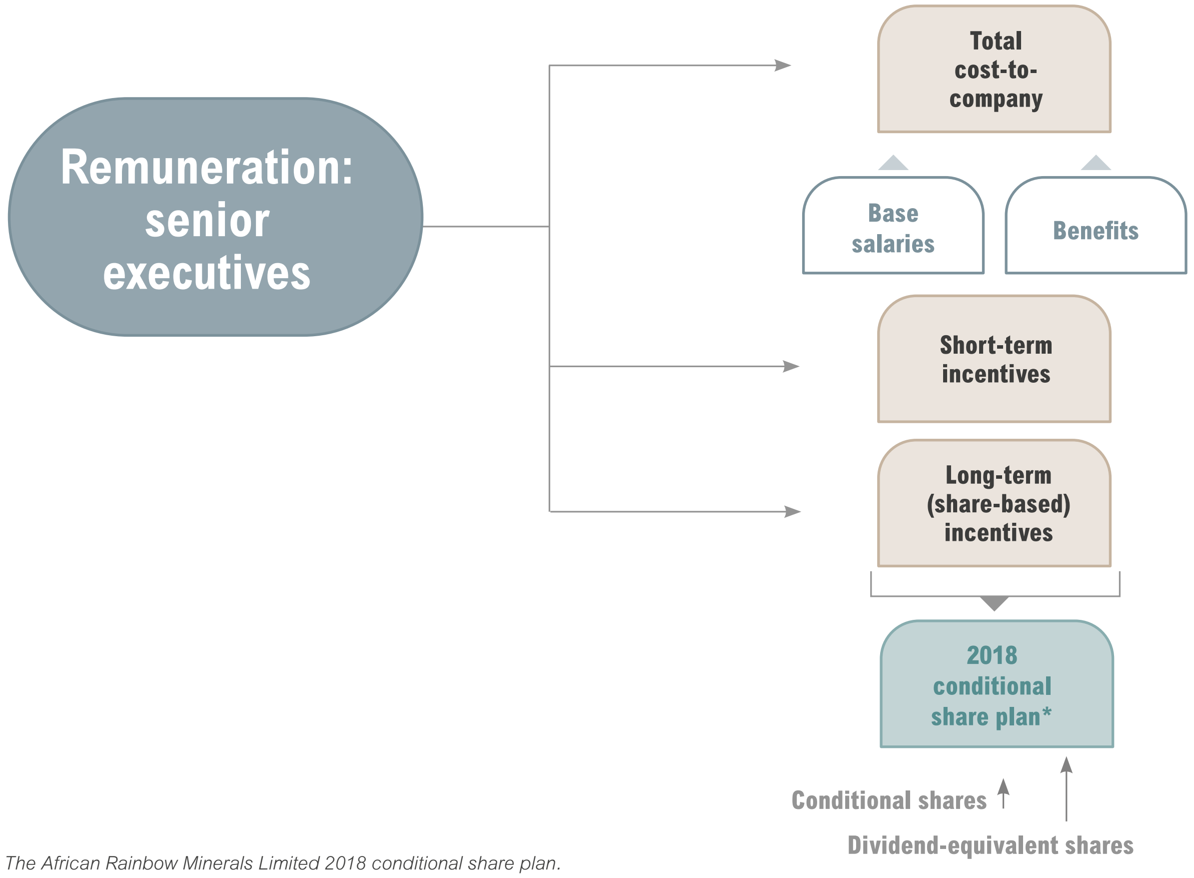
Remuneration philosophy and policy: executive remuneration

ARM's executive remuneration philosophy aims to attract and retain high-calibre executives and to motivate and reward them for developing and implementing the company's strategy of delivering consistent and sustainable shareholder value. Executive remuneration is regularly benchmarked. In addition, when making decisions on pay, ARM promotes positive outcomes, an ethical culture and corporate citizenship.

The remuneration policy conforms to international best practice and is based on the following principles:

- Total cost-to-company of base salary plus benefits
- Competitive, incentive-based rewards compared with other employers in the mining and mineral resources sector, earned by achieving performance targets consistent with shareholder expectations over the short and long term, which comprise:
  - Short-term incentives (cash bonuses) based on performance measures and targets, and structured to reward effective operational performance
  - Long-term (share-based) incentives used to align the long-term interests of management with those of shareholders and responsibly implemented to avoid exposing shareholders to unreasonable or unexpected financial impact.

Elements of total executive remuneration design



* *The African Rainbow Minerals Limited 2018 conditional share plan.*

Remuneration report continued

Total cost-to-company (CTC)

Policy	Practice
Strategic alignment	
Benchmarked against market practices of South African mining companies comparable in size, business complexity and international scope. Generally reflects market median levels based on role, individual skills and experience.	• Paid monthly in cash • Reviewed annually, with changes from 1 July, where applicable • Increases are determined by market conditions, company performance, individual performance and changes in responsibilities, among others • ARM periodically participates in industry-wide surveys. Participation in short-term and long-term incentive schemes is determined on the basis of, and in addition to, the CTC package.
Pension fund	
Membership of ARM pension fund is compulsory. It is a defined-contribution fund. Senior executives, if already members of a recognised industrial pension/retirement fund such as Sentinel, may remain members of that fund.	• Contributions are made by senior executives from base salary. In line with legislation, total contribution to the fund is 22.5%, 25% or 27.5% of pensionable salary. This includes risk benefits such as life and disability cover as well as administration costs • Employees have the option of choosing a pensionable salary level from 50% to 100% of CTC • The ARM pension fund is: – Managed by six trustees – 50% appointed by ARM and 50% elected by members. Alternate trustees may also be appointed by ARM or elected by members – Administered by Alexander Forbes – A defined contribution fund.
Medical schemes	
Membership of a medical scheme is compulsory.	• Executives may participate in a managed medical-aid plan of their choice • Contributions are made by senior executives from their base salary.

Other benefits and conditions of employment

All other conditions of employment are comparable to companies in the mining and mineral resources sector. No special or extraordinary conditions apply to senior executives.

Short-term incentives

Policy

Short-term incentives (cash bonuses) are determined under a bonus scheme that rewards senior executives for sustained outperformance of cost and profitability targets set annually for the company's business, and safety performance in terms of its strategy.

Instrument

Cash under the outperformance bonus scheme.

Bonus percentages

To mitigate risk in a forthcoming financial year, the remuneration committee may recommend to the board that the maximum bonus payable in a year will be capped. In that case, the multiple applicable to each performance measure (being annual profit before interest and taxes (PBIT) and unit cash costs) will be used to determine an appropriate bonus multiple, depending on actual performance relative to targets set for the year. These multiples will each be weighted by 50% and added together to determine the overall bonus multiple.

Position	Paterson grade	% on-target bonus of CTC	Maximum bonus as % of CTC
Executive chairman	FU	62%	124%
Chief executive officer	FU	50%	100%
Finance director, other executive directors and senior executives	FL	45%	90%
Operational senior executives in ARM Ferrous, ARM Platinum and ARM Coal	FL	45%	90%

Performance measurement

For the executive chairman, chief executive officer, finance director, other executive directors from time to time and other senior executives (excluding those from ARM Ferrous, ARM Platinum and ARM Coal), financial performance indicators are calculated as:
- 50% – profit from operations
- 50% – unit cash costs (weighted scorecard).

For operational senior executives (from ARM Ferrous, ARM Platinum and ARM Coal), financial performance indicators are calculated for each division as:
- 25% – ARM overall profit from operations against target
- 25% – ARM overall unit cash costs against target (weighted scorecard)
- 25% – divisional profit from operations against target
- 25% – divisional unit cash costs against target (weighted scorecard).

The following divisional unit cash costs* will be measured:
- Manganese
- Iron ore (Beeshoek and Khumani separately)
- Ferromanganese (Machadodorp)
- Ferromanganese (Cato Ridge)
- PGMs (Modikwa)
- PGMs (Two Rivers)
- Coal (Goedgevonden)
- Coal (Participative Coal Business).

The combined percentage (achieved by each senior executive) is applied to their CTC to determine the potential cash bonus.

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* *Unit cash costs include capitalised waste-stripping costs (for open-pit operations), standing charges (periods of non-production) and certain non-cash adjustments but exclude run-of-mine ore work in progress and stock movements.*

Remuneration report continued

Short-term incentives continued

Safety modifier

A safety modifier is applied after a cash bonus has been calculated for each senior executive. This is based on the LTIFR for each division or operation. If the safety target is met, participants will receive an additional board-approved percentage of their cash bonus.

There is a sliding scale for outperformance or underperformance for each division or operation:

- If participants outperform their targets by a board-approved amount, they will receive an additional pre-approved percentage of their cash bonus
- If safety targets are not met, a board-approved percentage would be deducted for each percentage point below pre-approved target.

After the safety modifier has been determined on the basis of the LTIFR performance for the year, the board will further consider any fatalities for the year and, at its discretion, adjust the modifier, taking into account the context of such fatalities.

Performance targets

The targets for each metric are in line with the board-approved one-year business plan, and measures are reviewed annually to ensure they are appropriate, given the economic climate and performance expectations for the company. As targets are related to the budget and considered commercially sensitive information, they are not disclosed.

Personal performance modifier

A personal performance modifier is applied after a cash bonus has been calculated and the safety modifier applied for each senior executive, except the executive chairman and chief executive officer. If key performance indicators (KPIs) are met, a percentage of their bonus pre-approved by the board may be added. If KPIs are not met, a percentage of their bonus pre-approved by the board will be forfeited. No personal performance modifiers are applicable to the short-term incentives payable to these executives, because their performance is best measured by the performance of the company.

Long-term incentives

2018 conditional share plan

The 2018 conditional share plan, approved by shareholders, is aligned with global practice and has been used for all new long-term incentive awards since the 2018 annual general meeting.

Policy	Practice
This plan closely aligns the interests of shareholders and senior executives by recognising their contributions to the group, giving them the opportunity to share in its success, and reward superior performance. This plan is used as a tool to incentivise performance and create shareholder value.	Conditional shares (subject to performance and employment conditions) for annual or interim awards of long-term incentives.
Limits	**Award and settlement**
The overall company and individual limits for the conditional share plan are 10 985 514 shares and 2 197 103 shares, respectively. The overall limit of 5% of the issued share capital of the company at the time of adoption by shareholders was intended to cover awards made under five to 10 years of the plan.	• Executive chairman – 2.0 x total CTC • Chief executive officer – 1.67 x total CTC • Executive: growth and strategic development – 1.5 x total CTC • Finance director, other executive directors and prescribed officers – 1.33 x total CTC • Senior executives – 1.0 x total CTC (a premium award up to 1.33 x CTC may be approved for a senior executive in exceptional circumstances including specific knowledge, experience and/or skills that make them particularly valuable to ARM, retention risks and the degree of difficulty of replacing the executive).

Eligibility

Employees in the corporate office on Paterson grade D – F bands are eligible to participate in the 2018 conditional share plan. The primary intent is to make awards to executive and senior management, although awards may be made to other employees with the consent of the remuneration committee and board.

Dividend-equivalent shares

Awards

Dividend-equivalent shares, for conditional shares, are awarded at the discretion of the board. They are the number of ARM shares equal in value to dividends a participant would have earned if they owned the vested number of ARM shares from award date to vesting date of the conditional shares, with reference to the dividend record dates in that period.

Settlements

Dividend-equivalent shares are only settled on vested conditional shares, if the conditions have been met.

Remuneration report continued

Long-term incentives continued

2018 conditional share plan continued

Performance conditions and vesting

Performance conditions[1]		Weight
Relative total shareholder return (TSR) against a comparator group of mining companies (excluding gold, diamond and oil and gas companies, as well as delisted companies)		25%
Average free cash flow return on equity US$ operating free cash flow/US$ equity over the three-year performance period, where operating free cash flow (for the year) is defined as: Net increase/decrease in cash and cash equivalents **Plus** dividends paid to shareholders and non-controlling interest **Plus** expansion capital expenditure **Plus** repayments of debt		25%
Consistent and sustainable cost performance as measured against the mining producer price index (PPI) Compound annual growth rate of company's unit costs over three-year performance period compared with mining PPI		25%
Sustainable business		25%
Improved safety performance as measured by LTIFR	10%	
Transformation, diversity, equity and inclusion	10%	
• Women in management (DL[2] and above)	1.5%	
• Black managers (DL and above)	2.0%	
• Leadership and inclusive culture (measured over the three-year performance period as the average of the annual retention percentage[3] at all levels)	1.5%	
• Improvement in the BBBEE score	5.0%	
Absolute reduction in GHG emissions[4] by the last year of the performance period, relative to the base year (scope 1 and 2) measured for each year as the aggregate GHG emissions over the full financial year[5, 6]	5%	

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[1] *Should an event occur at any point during the performance period that causes the board to consider that a performance condition is no longer appropriate, it may substitute or vary the performance condition in a manner that is reasonable in the circumstances and produces a fairer measure of performance that is not materially less or materially more difficult to satisfy. In the case of any application of discretion, the remuneration committee will provide an explanation of any deviation in the implementation report for the following financial year.*

[2] *DL means Paterson grade D-lower band.*

[3] *Annual retention percentage is the percentage of those who remain employed at the end of the financial year compared to those that were employed at the start of the year.*

[4] *The absolute GHG reduction targets and the ARM decarbonisation strategy (including short, medium and long-term targets and associated decarbonisation pathways) are more fully described in the climate-change section of the ESG report and in the climate-change and water report.*

[5] *Includes operations within ARM's operational control boundary.*

[6] *Emissions for the baseline year, the final year of the performance period and targets will be adjusted for any material acquisitions and divestments, material changes to planned operating conditions and to reflect progressive refinement of GHG reporting methodologies.*

Long-term incentives continued

2018 conditional share plan continued

Vesting

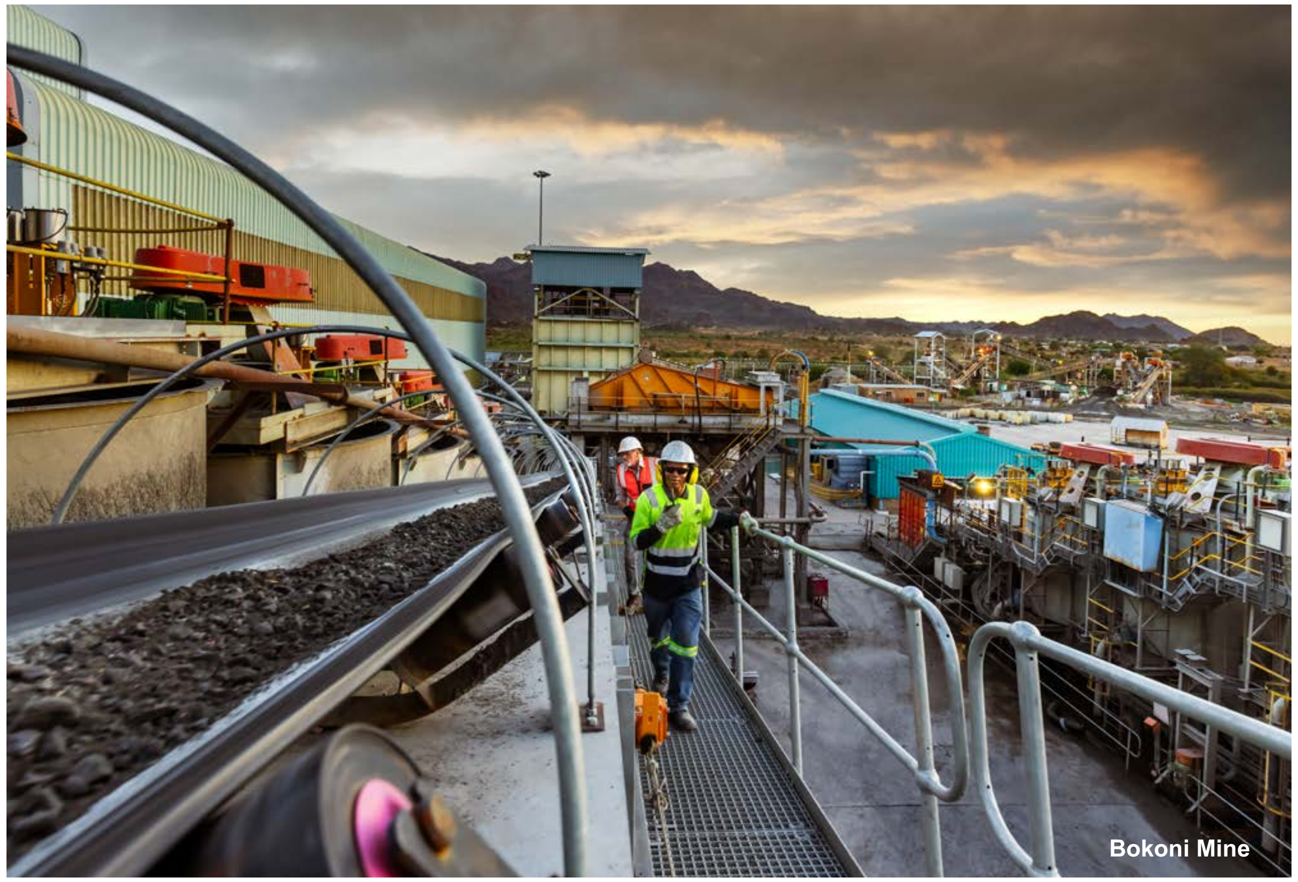
0% vests for the applicable performance measure if performance is below threshold. 50% vests at threshold performance. 100% vests at target performance and 200% vests at stretch performance. In addition, for the TSR measure, 0% vests for performance below target. Linear interpolation will be applied for performance between threshold/target, and target/stretch. Vesting is capped at 200% for performance at and above stretch.

Termination of employment

Termination of employment (fault and no-fault terminations) provisions are aligned to global best practice. If a senior executive leaves due to a fault termination, eg resignation or dismissal, all unvested awards will be forfeited. If they leave due to retirement, unvested awards will vest on the basis of the original dates and if performance conditions are met, without pro-rating. This provides for post-retirement exposure to share price and company performance, encouraging focus by executives on succession and sustainability. If they leave due to other no-fault terminations, eg retrenchment or death, the number of conditional shares vesting will be pro-rated to reflect performance and time served of the applicable employment periods.

Malus and clawback

At the discretion of the board, malus (pre-vesting forfeiture) and clawback (post-vesting forfeiture) provisions will be applied to awards to senior executives on certain 'trigger events', including action or conduct which, in the reasonable opinion of the board, amounts to misbehaviour, fraud or gross misconduct. In terms of clawback, the pre-tax cash value of the award would be recouped.



Bokoni Mine

Remuneration report continued

Termination policy

Executive directors and prescribed officers have one month's notice period in their employment contracts. Certain executives have restraint-of-trade provisions in their contracts. The termination policy is set out below.

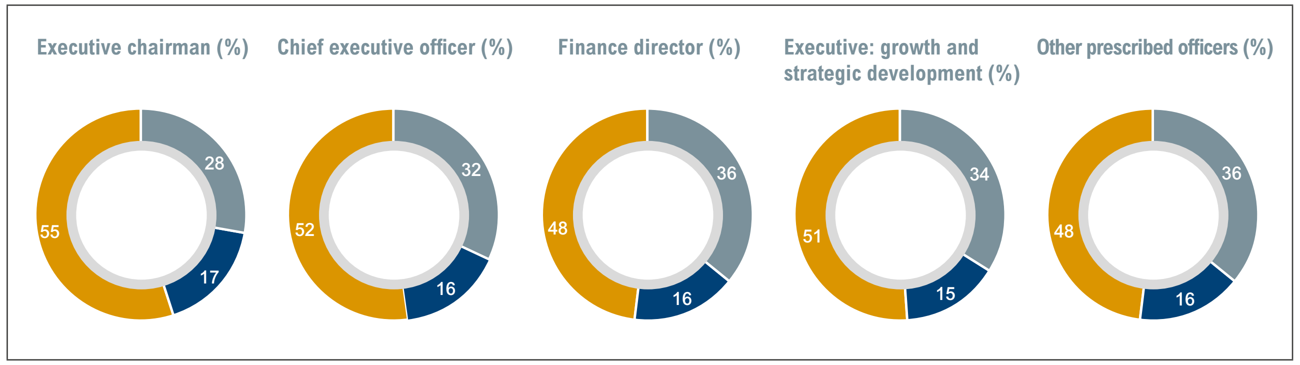
Form of remuneration	Resignation	Retirement	Dismissal	Retrenchment/ transfer	Death
Cost-to-company					
Basic salary	One month's notice pay	Paid until last day of employment	Paid until last day of employment	Paid until last day of employment	Paid until last day of employment
Benefits, including medical/pension	Paid until employment ceases	Pension payout under rules of pension fund scheme	Paid until employment ceases	Paid until employment ceases	Paid until last day of employment
Outperformance bonus scheme					
Short-term incentive (cash bonus)	No entitlement to bonus	Entitled to pro-rata bonus, paid at financial year end	No entitlement to bonus	Entitled to pro-rata bonus, paid at financial year end	Entitled to pro-rata bonus, paid at financial year end
2018 conditional share plan					
Conditional shares	Considered fault termination, subject to board's discretion: all unvested awards forfeited	Considered no-fault termination: as a rule, from 2022, unvested awards will vest on the basis of the original vesting dates and performance conditions, without pro-rating. Some exceptions apply: • Where retirement is elected as the cause of terminating employment in instances that would be deemed "fault termination", retirement will be treated as fault termination and awards will be forfeited • Early retirement by default is considered fault termination, and all unvested awards forfeited. However, the board retains the discretion to designate early retirement as a normal retirement, and thus a no-fault termination.	Considered fault termination: all unvested awards forfeited	Considered no-fault termination: awards will vest pro-rata, according to time served and extent to which performance conditions have been met. Vested awards will be settled as soon as possible	Considered no-fault termination: awards will vest pro-rata, according to time served and extent to which performance conditions have been met. Vested awards will be settled as soon as possible

* *Unless the board determines otherwise.*

Total remuneration design

The remuneration committee seeks to ensure an appropriate balance between the fixed and performance-related elements of executive remuneration, and between aspects of the package linked to short-term financial performance and those linked to long-term shareholder value creation. It considers each element of the total remuneration package relative to the market as well as the performance of the company and individual executive in determining both quantum and design.

The scenario graphs represent the on-target total remuneration packages of senior executives, where the base salary CTC, bonus (short-term incentives) and long-term (share-based) incentives are expressed as a percentage of total remuneration. The pay mix for senior executives is reviewed regularly by the committee to ensure it supports the company's remuneration policy and strategic objectives.



■ CTC ■ STI ■ LTI

CTC = total annual package before incentives (ie cost-to-company).
STI = short-term incentive.
LTI = long-term incentive (excluding any movement in share price).

Shareholding targets for senior executives

To further align management's interests with those of shareholders and to encourage long-term commitment to the company, senior executives are expected to accumulate a holding of shares in ARM. They have been required to build a minimum shareholding in ARM shares from October 2015, or three years after the first allocation on becoming a senior executive, equivalent to one times pensionable salary determined at the date of allocation. This is followed by another period of three years to build a further shareholding of one times pensionable salary for a total of two times pensionable salary. Senior executives are required to maintain the number of shares while employed by ARM.

Employment agreements

There are employment agreements between the company and executive directors. There are also employment agreements between the company and its prescribed officers.

None of these is a fixed-term contract. Executive directors and prescribed officers only receive remuneration in terms of their employment relationship with the company and do not earn directors' fees.

Executive directors and prescribed officers are subject to the performance criteria that apply to all participants in the 2018 conditional share plan and the 2018 cash-settled conditional share plan. There are no other service agreements between the company and its executive directors and prescribed officers.

Sign-on arrangements

From time to time, the company may enter into sign-on agreements with executive directors or prescribed officers. In general, any sign-on awards will be limited to the value of awards from their previous employer that were forfeited on appointment to ARM. Any such awards will be fully disclosed in the implementation report for the year.

Remuneration report continued

Remuneration policy: non-executive directors

Non-executive directors’ fees

The remuneration of non-executive directors comprises fees, board retainers, board attendance fees and board committee attendance fees. Non-executive directors are not eligible for any benefit from the short-term or long-term (share-based) incentive schemes arising from their service as non-executive directors.

On the advice of the remuneration committee, which regularly engages specialist remuneration consultants to assist with periodically benchmarking non-executive directors’ fees against comparable companies, the board considers and makes recommendations to shareholders on fees payable.

Board retainer and per-meeting attendance fees

Board retainers and board and committee meeting attendance fees are paid quarterly in arrears.

Attendance fees are paid for ad hoc board meetings, budget workshops, strategy meetings, site visits, other meetings on board matters and for company-specific work outside regular scheduled board meetings, as well as for attending committee meetings (as a non-member and at the direction of the board). For an ad hoc meeting of the board or other work devoted to company business outside regular scheduled board meetings, which requires substantially less time to prepare for, attend or undertake relative to a regular scheduled board meeting, the per-meeting fee will be reduced commensurately.

The company reimburses reasonable travel, subsistence and accommodation expenses to attend meetings and contributes towards the cost of electronic tablets for digital meeting packs. Other office costs, including telecommunication costs, are deemed to be included in board retainers.

Committee per-meeting attendance fees

On the advice of the remuneration committee, the board recommends that shareholders approve paying fees to non-executive directors for services rendered as committee members and to ensure that committee meeting-attendance fees attract and retain suitable non-executive directors.

Attendance fees are also paid for ad hoc committee meetings and for other work devoted to committee business outside regular scheduled committee meetings. For an ad hoc committee meeting or other work devoted to committee business outside regular scheduled meetings, which requires substantially less time to prepare for, attend or undertake than a scheduled meeting, the per-meeting fee will be reduced commensurately.

Consultancy agreements: non-executive directors

In addition to directors’ fees, non-executive directors may receive consultancy fees at market rates under consultancy agreements concluded for specific and pre-approved services.

Non-binding advisory vote

Annually, shareholders are requested to cast a non-binding advisory vote on the remuneration policy set out in this part II.

AGM See notice of annual general meeting on the company’s website **www.arm.co.za**.

PART III – Implementation report: F2024 outcomes and F2025 plans

Remuneration paid in F2024 was in line with policy and ARM’s commitment to reward employees fairly, responsibly and transparently.

Remuneration: group

In preparing to disclose pay-gap details following the enactment of the Companies Amendment Act, we have based our approach on our interpretation of the Companies Act and best practice guidelines. As more clarity is provided from consideration of developing-market practice, and possible regulatory guidance issued, we will update the basis of our calculations accordingly.

Remuneration: operations

In 2024, new wage agreements were finalised for ARM Ferrous Northern Cape mines (Khumani, Black Rock and Beeshoek – five years), Bokoni Platinum Mine (three years) and Cato Ridge Works (one year). At Two Rivers Platinum Mine, wage negotiations followed the section-189 process on retrenchments with a five-year agreement settled in September 2024. Modikwa Mine is on year two of a three-year wage agreement ending 30 June 2026.

Remuneration: corporate office

The board-approved cost-to-company salary increases in the corporate office from 1 July 2024 are based on independent benchmarking processes and after considering the current consumer price index (CPI). These are summarised below:

Paterson grade	Role	F2025 increase[1]	F2024 increase[2]
F-band	**Executives (including executive directors)**	**4%**	5%
D and E-bands	**Middle and senior management**	**5%**	6%
A to C-bands	**General staff**	**6%**	7%

[1] *CPI of 5.2% at May 2024 as published by StatsSA.*

[2] *CPI of 6.3% at May 2023 as published by StatsSA.*

Employee benefits as a percentage of cost-to-company are the same for all employees, subject to certain employee elections.

Remuneration report continued

Remuneration: executive directors and prescribed officers

As explained in part II, executive remuneration has three components: total annual package, short-term incentives (cash bonuses) and long-term (share-based) incentives.

Total annual package

Benchmarking

An executive benchmarking study by the independent remuneration adviser in August 2023 confirmed that the remuneration of senior executives was generally in line with the market, although some adjustments were required to fully align the chief executive officer and finance director with the market median, as discussed below. ARM's short-term incentives tend to be below the market median, but this is balanced by higher long-term incentives which supports ARM's objective to align senior executive remuneration with shareholder outcomes.

Mr VP Tobias was appointed chief operating officer from 14 November 2021 and chief executive officer from 1 May 2023. After considering the benchmarking report and his performance in the role, his cost-to-company was increased from R8.70 million to R9.4 million from 1 July 2023 to better align his total on-target remuneration with the market median. This was an overall 8% increase compared to the general inflationary increase of 5% for the year. For the coming financial year, his CTC will be increased by 4% from 1 July 2024 in line with the overall inflationary increase. The cost-to-company at 30 June 2023 of the finance director, Ms TTA Mhlanga, was R5.70 million. After considering the benchmarking report and her performance in the role, her cost-to-company was increased to R6.25 million from 1 July 2023 to better align her total on-target remuneration with the market median. This was an overall 10% increase compared to the general inflationary increase of 5% for the year.

The salary increase for all other senior executives from 1 July 2023 was 5%.

Salary adjustments

The board approved an overall 4.0% increase for senior executives from 1 July 2024, compared to the general increase for senior executives of 5.0% from 1 July 2023, and the specific 2023 increases for the chief executive officer and finance director noted above.

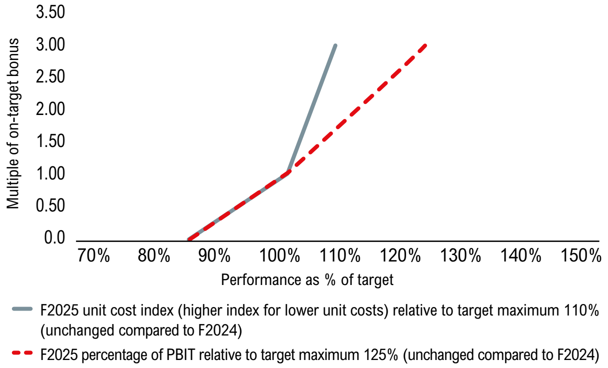
Black Rock Mine

Short-term incentives

F2025 bonus targets

The targets for each metric are in line with the board-approved one-year business plan, and measures are reviewed annually to ensure they are appropriate, given the economic climate and performance expectations for the company. As targets are related to the budget and considered commercially sensitive information, they are not disclosed in advance. The requirement for the achievement of the maximum bonus award (as a percentage of target) is 125% as in F2024. F2025 cost target percentages are unchanged from F2025.

F2025 bonus structure



The maximum bonus cap of two times the on-target bonus, before adjustment for the safety modifier and personal performance modifier, all of which remain the same as in F2024, are applicable to F2025 short-term incentives.

F2024 short-term incentive performance outcomes

- Group F2024 profit before interest and taxes (PBIT) was 83% of target
- Costs at Beeshoek, Sakura, Two Rivers, Bokoni and Goedgevonden were better than plan
- Overall, ARM Coal was better than plan on cost targets while ARM Ferrous, ARM Platinum and ARM were below plan
- Despite the improved LTIFR, there was regrettably one fatality (at Bokoni) in F2024, and safety modifiers for that operation, the platinum division and the group were accordingly reduced
- The fatality-adjusted safety modifier for ARM Platinum was 8.75%
- The safety modifier targets after adjustment for LTIFR at ARM Ferrous and ARM Coal were 10% and -10%, respectively
- The overall group safety modifier adjusted for LTIFR and fatalities was 9.44%.

Actual F2024 PBIT performance relative to targets is set out below.

F2024 PBIT targets versus actual

	F2024 PBIT	
Rm	Actual	Target
ARM Group	6 616	7 980
ARM Ferrous	6 225	4 725
ARM Platinum	(362)	2 901
ARM Coal	480	303

Performance against bonus targets for F2024

PROFIT*

Better than plan
ARM Ferrous
ARM Coal

Below plan
ARM Platinum
ARM Group

UNIT CASH COSTS

Better than plan
ARM Coal

Overall worse than plan
ARM Ferrous
ARM Platinum
ARM Group

SAFETY MODIFIER**

Maximum achieved
ARM Ferrous

Between target and maximum
ARM Platinum
ARM Group

Below target
ARM Coal

* *Based on profit before interest and tax (PBIT).*
** *Safety modifier adjusted for LTIFR and fatalities.*

Remuneration report continued

Short-term incentives continued

The performance measures and targets based on budget are recommended by the remuneration committee to the board for approval annually. Targets are set by considering current market conditions faced by the company or division. Except for the executive chairman, the percentage of total annual package before incentives paid as a bonus is based on relative achievement against targets.

F2024 short-term incentive performance scorecard: executive directors and ARM corporate prescribed officers

The tables below and overleaf illustrate how senior executives performed against targets for performance measures and the relative weighting of each measure. The maximum bonus cap of two times the on-target bonus (OTB), before adjustment for the safety modifier and personal modifier, is applicable to the F2024 incentives.

The scorecard below applied to the executive chairman, chief executive officer, finance director and executive growth and strategic development for F2024. It also applied to the chief executive: ARM Platinum from 1 July 2023 to 8 December 2023 until he stepped down from the board (his scorecard for the balance of the year is on page 150).

	Performance level achieved							
Performance measure	**Overall weighting**	**Measure weighting**	**Below target**	**Target**	**Between target and stretch**	**Stretch and above**	**OTB multiple**	**Commentary on key performance outcome and link to reward**
Group performance	100%							
• PBIT from operations		50%	●				0.0	Below target (OTB multiple = 0.0)
• Unit cash costs** (weighted)		50%	●				0.9	Below target (OTB multiple = 0.90)
Group performance outcome before capping	100%						0.45	50% of OTB multiple from PBIT from operations (0.00) + 50% of OTB multiple from unit cost of sales (0.90)
Group performance outcome (capped at 2.00*)	100%						0.45	Capped at 2.00*
Group safety modifier adjusted for fatalities					●		9.44%	Between target and stretch (9.44%)

OTB = on-target bonus.

* *In terms of the board-approved remuneration policy for F2024, performance multiple before safety and personal performance modifiers, ie overall OTB multiple, cannot exceed 2.00.*

** *Unit cash costs include capitalised waste stripping costs (for open-pit operations), standing charges (related to periods of non-production) and certain non-cash adjustments but exclude run-of-mine ore work-in-progress and stock movements.*

F2024 short-term incentive performance scorecard: ARM Ferrous prescribed officer

The chief executive: ARM Ferrous was measured against a combination of group and divisional financial targets.

	Performance level achieved							
Performance measure	**Overall weighting**	**Measure weighting**	**Below target**	**Target**	**Between target and stretch**	**Stretch and above**	**OTB multiple**	**Commentary on key performance outcome and link to reward**
Group performance	50%							
• PBIT from operations		50%	●				0.00	Below target (OTB multiple = 0.00)
• Unit cash costs** (weighted)		50%	●				0.90	Below target (OTB multiple = 0.90)
Group performance outcome	50%						0.45	50% of OTB multiple from PBIT from operations (0.00) + 50% of OTB multiple from unit cost of sales (0.90)
Divisional performance	50%							
ARM Ferrous • PBIT from division		50%				●	3.00	Above stretch (OTB multiple = 3)
ARM Ferrous • Unit cash costs (weighted)		50%	●				0.91	Below target (OTB multiple = 0.91)
Divisional performance outcome	50%						1.96	50% of OTB multiple from PBIT from operations (3) + 50% of OTB multiple from unit cost of sales (0.91)
Overall performance from group and division	100%						1.21	50% of group (0.45) + 50% of division (1.96) (capped at 2.00*)
Divisional safety modifier for ARM Ferrous						●	10%	Maximum target achieved (10%)

OTB = on-target bonus.

* *In terms of the board-approved remuneration policy for F2024, performance multiple before safety and personal performance modifiers, ie overall OTB multiple, cannot exceed 2.00.*

** *Unit cash costs include capitalised waste stripping costs (for the open-pit operations), standing charges (related to periods of non-production) and certain non-cash adjustments but exclude run-of-mine ore work-in-progress and stock movements.*

Remuneration report continued

Short-term incentives continued

F2024 short-term incentive performance scorecard: ARM Platinum prescribed officer

The scorecard below applied to the chief executive: ARM Platinum from 9 December 2023 to 30 June 2024.

			Performance level achieved					
Performance measure	**Overall weighting**	**Measure weighting**	**Below target**	**Target**	**Between target and stretch**	**Stretch and above**	**OTB multiple**	**Commentary on key performance outcome and link to reward**
Group performance	50%							
• PBIT from operations		50%	•				0.00	Below target (OTB multiple = 0.00)
• Unit cash costs** (weighted)		50%	•				0.90	Below target (OTB multiple = 0.90)
Group performance outcome	50%						0.45	50% of OTB multiple from PBIT from operations (0.00) + 50% of OTB multiple from unit cost of sales (0.90)
Divisional performance	50%							
ARM Platinum • PBIT from division		50%	•				0.00	Below target (OTB multiple = 0.00)
ARM Platinum • Unit cash costs (weighted)		50%	•				0.77	Below target (OTB multiple = 0.77)
Divisional performance outcome	50%						0.38	50% of OTB multiple from PBIT from operations (0.00) + 50% of OTB multiple from unit cost of sales (0.77)
Overall performance from group and division	100%						0.42	50% of group (0.45) + 50% of division (0.38) (capped at 2.00)*
Divisional safety modifier for ARM Platinum					•		8.75%	Between target and stretch

OTB = on-target bonus.

* *In terms of the board-approved remuneration policy for F2024, performance multiple before safety and personal performance modifiers, ie overall OTB multiple, cannot exceed 2.00.*

** *Unit cash costs include capitalised waste stripping costs (for the open-pit operations), standing charges (related to periods of non-production) and certain non-cash adjustments but exclude run-of-mine ore work-in-progress and stock movements.*

The F2024 remuneration outcomes are summarised overleaf. The total F2024 bonus was payable in cash and no portion was deferred.

F2024 short-term incentive performance outcomes: executive directors and prescribed officers

	F2024 % on-target bonus	F2024 % maximum bonus (before safety and personal performance modifiers	F2024 performance multiple[6]	F2024 % bonus (before safety and personal performance modifiers)[7]	F2024 safety modifier adjusted for fatalities[8]	F2024 % bonus (after safety and before personal performance modifiers)[9]	F2024 personal performance modifier	F2024 % bonus (after safety and personal performance modifiers)[10]	F2024 total annual package before incentives (R000)[11]	F2024 short-term incentives (cash bonus) (R000)[12]
Executive directors										
Dr PT Motsepe (executive chairman)[1]	62%	124%	0.45	27.88%	9.44%	30.51%	0%	30.51%	9 920	**3 026**
VP Tobias[2, 3]	50%	100%	0.45	22.49%	9.44%	24.61%	0%	24.61%	9 402	**2 313**
TTA Mhlanga[3]	45%	90%	0.45	20.24%	9.44%	22.15%	5.45%	23.35%	6 252	**1 460**
HL Mkatshana[4]	45%	90%	0.45	20.24%	9.44%	22.15%	1.10%	22.39%	2 446	**547**
Prescribed officers										
MP Schmidt[5]	45%	90%	0.45	20.24%	9.44%	22.15%	4.15%	23.07%	8 192	**1 889**
HL Mkatshana[4]	45%	90%	0.42	18.73%	8.75%	20.37%	1.10%	20.60%	3 114	**641**
A Joubert	45%	90%	1.21	54.11%	10.00%	59.52%	5.15%	62.59%	6 354	**3 976**
Total for executive directors and prescribed officers[13]										**13 852**

[1, 2] *The executive chairman and chief executive officer have overall responsibility for the performance of the company, and their personal performance is thus not determined separately from that of the company.*

[3] *Following a benchmarking study, the total annual package before incentives for Mr VP Tobias, the chief executive officer, was increased to R9.4 million, and for Ms TTA Mhlanga, the finance director, was increased to R6.25 million from 1 July 2023.*

[4] *Mr HL Mkatshana stepped down from the board from 8 December 2023 at which time he became a prescribed officer. He remains chief executive: ARM Platinum. The pro-rata remuneration is shown for the periods when he was an executive director and then a prescribed officer.*

[5] *Mr MP Schmidt, the former chief executive officer, was appointed executive: growth and strategic development from 1 May 2023. The on-target bonus of 50% for the chief executive officer applied for the financial year ended to 30 June 2023. For the financial year ended 30 June 2024, the applicable on-target bonus was 45%.*

[6] *In terms of the board-approved remuneration policy for F2024, the performance multiple before the safety and personal performance modifiers, ie overall OTB multiple, cannot exceed 2.00. Refer to the scorecards on pages 148 to 150 for the performance multiples.*

[7] *The % bonus (before safety and personal performance modifiers) is the % on-target bonus times the performance multiple (rounded).*

[8] *As independently reviewed by Bowmans. Refer to the scorecards on pages 148 to 150 for the safety modifiers.*

[9] *The % bonus (after safety and before personal performance modifiers) is the % bonus (before safety and personal performance modifiers) times (1 plus the safety modifier adjusted for fatalities) (rounded).*

[10] *The % bonus (after safety and personal performance modifiers) is the % bonus (after safety and before personal performance modifiers) plus the personal performance modifier (rounded).*

[11] *Total annual package (excluding non-cash benefits) as per the single-figure remuneration table on page 158.*

[12] *The short-term incentives (cash bonus) is the % bonus (after safety and personal performance modifiers) times the total annual package before incentives (excluding non-cash benefits), as shown on the single-figure remuneration table on page 158.*

[13] *The total in F2024 was R13.9 million for executive directors and prescribed officers, compared to a total of R44.9 million in F2023. Total bonuses for the corporate office in F2024 were R82.1 million (F2023: R202.1 million).*

Remuneration report continued

Long-term incentives

Conditional shares under the 2018 conditional share plan

Awards of conditional shares were made to eligible participants in the Paterson grade F-band under the 2018 conditional share plan.

For the executive chairman, conditional shares are awarded as a multiple of basic salary. For other senior executives, conditional shares are awarded as a multiple of total annual package before incentives.

Conditional shares are settled after three years, subject to the company achieving prescribed performance criteria. The awards were made in December 2023 with the 20-day volume-weighted average price on the award date used to determine the award price. The performance period for the awards is 1 July 2023 to 30 June 2026 and performance conditions and targets are set out in the F2024 remuneration report.

Conditional awards under the 2018 cash-settled conditional share plan

Conditional awards were made to eligible participants in the Paterson grades D- and E-bands under the 2018 cash-settled conditional share plan.

F2025 long-term incentive awards

The following performance conditions and vesting will be applied to F2025 awards under the 2018 conditional share plan and 2018 cash-settled conditional share plan:

Performance conditions[1]	Weight		Threshold	Target	Stretch
Relative total shareholder return (TSR) against a comparator group of mining companies (excluding gold, diamond and oil and gas companies, as well as delistings).		**25%**	Threshold and target set at median of comparator group (100% vesting)		Upper quartile of comparator group
Average free cash flow return on equity US$ operating free cash flow for each year in the performance period/average US$ equity over the three-year performance period, where operating free cash flow (for the year) is defined as: Net increase/decrease in cash and cash equivalents **Plus** dividends paid to shareholders and non-controlling interest **Plus** expansion capital expenditure **Plus** repayments of debt.		**25%**	US$ cost of equity of company (50%) vesting	US$ cost of equity of company + 3% (100%) vesting	US$ cost of equity of company + 6% (200%) vesting
Consistent and sustainable cost performance as measured against the mining producer price index (PPI). Compound annual growth rate of company's unit costs over three-year performance period compared with mining PPI.		**25%**	Increase equal to mining PPI (50% vesting)	90% of increase equal to mining PPI (100% vesting)	80% of increase equal to mining PPI (200% vesting)
Sustainable business *Improved safety performance as measured by LTIFR.*	10%	**25%**	Improvement of 3% over period (50% vesting)	Improvement of 4% over period (100% vesting)	Improvement of 5% over period (200% vesting)

[1] *Should an event occur at any point during the performance period which causes the board to consider that a performance condition is no longer appropriate, it may substitute or vary the performance condition in a manner that is reasonable in the circumstances and produces a fairer measure of performance that is not materially less or materially more difficult to satisfy. For any application of discretion, the remuneration committee will provide an explanation of any deviation in the implementation report for the following financial year.*

F2025 long-term incentive awards continued

Performance conditions[1] continued	Weight		Threshold	Target	Stretch
Sustainable business continued *Transformation, diversity, equity and inclusion.*	10%				
• Women in management (DL[2] and above)	1.5%		Maintain current level (50% vesting)	Equity plan target (100% vesting)	Equity plan target + 3% (200% vesting)
• Black managers (DL and above)	2.0%		Maintain current level (50% vesting)	Equity plan target (100% vesting)	Equity plan target + 3% (200% vesting)
• Leadership and inclusive culture (measured over three-year performance period as average of annual retention percentage[3] at all levels)	1.5%		Maintain current level (50% vesting)	97% (100% vesting)	98% (200% vesting)
• Improvement in BBBEE score	5.0%		Maintain current level (50% vesting)	Improvement of 2% (100% vesting)	Improvement of 5% (200% vesting)
Absolute reduction in GHG emissions[4] by F2027, relative to base year (F2024) (scope 1 and 2) measured for each year as aggregate GHG emissions over full financial year[5, 6]	5%		10% reduction over period (50% vesting)	Reduction of between 15% and 20% over period (100% vesting)	25% reduction over period (200% vesting)

[1] *Should an event occur at any point during the performance period which causes the board to consider that a performance condition is no longer appropriate, it may substitute or vary the performance condition in a manner that is reasonable in the circumstances and produces a fairer measure of performance that is not materially less or materially more difficult to satisfy. For any application of discretion, the remuneration committee will provide an explanation of any deviation in the implementation report for the following financial year.*

[2] *DL means Paterson grade D-lower band.*

[3] *Annual retention percentage is the percentage of those who remain employed at the end of the financial year compared to those who were employed at the start of the year.*

[4] *The absolute GHG reduction targets and the ARM decarbonisation strategy (including short, medium and long-term targets and associated decarbonisation pathways) are more fully described in the climate-change section of the ESG report and in the climate-change and water report.*

[5] *Includes operations within ARM's operational control boundary.*

[6] *Emissions for the baseline year, final year of performance period and targets will be adjusted for any material acquisitions and divestments, material changes to planned operating conditions and to reflect progressive refinement of GHG reporting methodologies.*

F2024 long-term incentive performance outcomes

Conditional share awards – annual settlement

Conditional share awards were settled on eligible participants in the Paterson grade F-band in terms of the 2018 conditional share plan.

Awards granted under the long-term incentive plans vested on the date determined by the board. The vesting date for annual settlements was 8 December 2023. The vesting percentage was 143.3% as set out on the next page. Awards that vested also included dividend-equivalent shares. These additional amounts reflected dividends paid between the award date and settlement date, if applicable.

The number of shares settled to holders of **2018 CSP awards**, based on these parameters was:

Number of awards x vesting percentage x (1 + dividend-equivalent shares per award)

The cash payable to holders of **2018 cash-settled CSP awards**, based on these parameters was:

Number of awards x vesting percentage x settlement amount per award*

CSP = conditional share plan

* ***Settlement amount per award*** *is the 20-day volume-weighted average price on the vesting date plus the dividend-equivalent payment per award.*

Each performance outcome as well as the overall vesting percentage was independently assured. The quantum of long-term (share-based) incentives was due to the total vesting percentage above 100%, dividend-equivalent shares and the value of the shares, which had increased significantly from the award date.

Remuneration report continued

Vesting percentages

Vesting percentages per performance condition and in total are shown below:

Performance conditions	Weighting	Below threshold	Threshold	Between threshold and target	Target	Between target and stretch	Stretch and above	Vesting percentage	Weighted percentage	Commentary on key performance outcome and link to reward
Relative TSR	25%	●						0%	0%	ARM's TSR performance was below median of comparator group of 20 mining companies (excludes gold and diamond companies)[1] therefore 0% vesting
US$ average free cash flow return on equity	25%						●	200%	50%	ARM's return was above the US$ cost of equity of the company plus 6%[2]
Consistent and sustainable cost performance	25%					●		173%	43.3%	The unit cost increase was below 80% of the increase of the mining PPI[3]
Sustainable business										
Safety performance	10%						●	200%	20%	ARM's safety performance, as measured by the LTIFR, decreased by more than 5% over three-year performance period[4]
Improvement in BBBEE score	10%						●	200%	20%	ARM's BBBEE score improved by more than 5% (stretch) over three-year performance period[5]
GHG emissions reduction	5%						●	200%	10%	ARM's climate-change performance measured as an absolute reduction in GHG decreased by more than 2% over three-year performance period.[6]
Total vesting percentage									143.3%	

Detailed notes to this scorecard are alongside.

1 The table below shows the TSR of ARM and comparator group companies and results of the relative TSR calculation for the performance period from 1 July 2020 to 30 June 2023:

Rank	Company*	Rank	Company*
1	BHP Group plc	11	Exxaro Resources Limited
2	Glencore plc	12	Royal Bafokeng Platinum Limited
3	Anglo American plc	13	Tharisa plc
4	Anglo American Platinum Limited	14	Merafe Resources Limited
5	Kumba Iron Ore Limited	15	ArcelorMittal SA Limited
6	Sibanye-Stillwater Limited	16	Wesizwe Platinum Limited
7	Impala Platinum Holdings Limited	17	Hulamin Limited
8	South32 Limited	18	Wescoal Holdings Limited
9	Northam Platinum Limited	19	Kore Potash plc
10	African Rainbow Minerals Limited	20	MC Mining Limited

Source: PwC.

* Companies that delisted during the performance period were excluded from the TSR testing.

TSR returns are as follows:	
ARM	20.31%
Median	21.33%
Upper quartile	35.43%
ARM's TSR return was 20.31%, ie below the median, and therefore 0% vesting*	
Vesting % cap	200.00%

* No vesting below median.

[2] Average US$ operating free cash flow/US$ equity over the three-year performance period, where operating free cash flow (for the year) is defined as:
Net increase/decrease in cash and cash equivalents
Plus dividends paid to shareholders and non-controlling interest
Plus expansion capital expenditure
Plus repayment of debt.

The vesting percentage due to the **US$ free cash flow return performance** is detailed below:

Average free cash flow return on equity	21.85%
Average US$ cost of equity (CoE)	12.20%
Average stretch return (Average US$ CoE +6%)	18.20%
Vesting %*	**200.00%**

* Vesting is capped at 200% for performance at and above stretch.

[3] **Consistent and sustainable cost performance** is measured against the mining PPI, ie the compound annual growth rate of company's unit costs over the three-year performance period compared with mining PPI.

2020 – 2023 mining PPI increase*	50.23%	
2020 – 2023 unit cost increase**	41.54%	⇦ **Between target and stretch**
Vesting %***	**173.00%**	

* Source: Statistics SA.
** Unit cost increase is 82.7% of mining PPI increase which is just below the stretch target of 80%.
*** Vesting is capped at 200% for performance at and above stretch.

[4] The table alongside summarises the **improvement in safety performance** as measured by the improvement in LTIFR from 1 July 2020 to 30 June 2023.

Year (at 30 June)	**LTIFR**	
2020	0.45	
2023	0.27	
	0.428	⇦ **Above stretch**
Vesting %*	**200%**	

* Vesting is capped at 200% for performance at and above stretch.

[5] The table alongside summarises the **improvement in BBBEE score** from 1 July 2020 to 30 June 2023 as measured by the group's BBBEE score.

Year (at 30 June)	**BBBEE score**	
2020	86.75	
2023	92.51	
Stretch increase = 5%	**89.47**	⇦ **Above stretch**
Vesting %*	**200%**	

* Vesting is capped at 200% for performance at and above stretch.

[6] **Climate-change performance** is measured in terms of the Greenhouse Gas Protocol policy and action standard by determining absolute savings in carbon emissions through emission-reduction initiatives: (i) emissions from direct production activities (scope 1 emissions); and (ii) emissions from electricity consumption (scope 2 emissions), determined at the end of the performance period from 1 July 2020 to 30 June 2023, relative to the baseline on 1 July 2020.

Baseline at 1 July 2020	0.00%	
Reduction at 30 June 2023*	**2.76%**	⇦ **Above stretch**
Stretch reduction from baseline	2.00%	
Vesting %	**200%**	

* Assurance provided by KPMG Inc.

Remuneration report continued

Conditional award settlements under the 2018 cash-settled conditional share plan
Annual and interim settlements of conditional awards were made to eligible participants in the Paterson grades D- and E-bands under the 2018 cash-settled conditional share plan.

Dividend-equivalent shares and dividend-equivalent cash payments
The dividend equivalent shares and dividend equivalent cash payments for awards which vested in December 2023 and June 2024 were calculated on the basis of the dividend amounts and the ex-dividend dates sourced from the applicable SENS announcements and on the 20-day volume-weighted share price following the ex-dividend dates. The calculations were assured by Andisa.

The number of dividend equivalent shares per CSP award granted on 7 December 2020 was 0.3939 per award, and the value of dividend equivalent payments per cash-settled CSP award granted on 7 December 2020 and vested on 8 December 2023 was R88 per award.

The value of dividend equivalent payments per cash-settled CSP award granted on 4 June 2021 and vested on 5 June 2024 was R84 per award. The allocation on 4 June 2021 was made to management other than senior executives in the F-band.

				December 2023 settlement		**June 2024 settlement**	
Award	Ex-dividend date	Dividend (R)	Market value of share (R)	DE shares	DE payment	**DE shares**	**DE payment**
Interim dividend 2021	Wednesday, 24 March 2021	10.00	275.18	0.0363	10.00	–	–
Final dividend 2021	Wednesday, 29 September 2021	20.00	203.27	0.0984	20.00	–	**20.00**
Interim dividend 2022	Wednesday, 30 March 2022	12.00	265.57	0.0452	12.00	–	**12.00**
Final dividend 2022	Wednesday, 28 September 2022	20.00	256.88	0.0779	20.00	–	**20.00**
Interim dividend 2023	Wednesday, 29 March 2023	14.00	233.84	0.0599	14.00	–	**14.00**
Final dividend 2023	Wednesday, 4 October 2023	12.00	157.42	0.0762	12.00	–	**12.00**
Interim dividend 2024	Wednesday, 3 April 2024	6.00	189.61	–	–	–	**6.00**
Total dividend-equivalent shares				0.3939	88.00	–	**84.00**

DE = dividend equivalent.

Termination-of-office payments

In F2024, no payments were made to executive management as a result of terminating employment.

Malus and clawback

In F2024, there were no actions or conduct by senior executives that triggered either the malus (pre-vesting forfeiture) or clawback (post-vesting forfeiture) provisions applicable to their long-term share-based incentive awards.

Employment agreements

Agreements
There are employment agreements between the company and executive directors, namely Dr PT Motsepe (executive chairman), Mr VP Tobias (chief executive officer) and Ms TTA Mhlanga (finance director). There was also an employment agreement with Mr HL Mkatshana (who was an executive director to 8 December 2023 and remains chief executive: ARM Platinum, also responsible for ARM Coal).

For one month of F2024, there was an employment agreement with Ms J Magagula (executive director: investor relations and new business development), who resigned from the company effective 31 July 2023.

The company also has employment agreements with the prescribed officers, Messrs A Joubert (chief executive: ARM Ferrous) and MP Schmidt (executive: growth and strategic development).

None of these are a fixed-term contract. Executive directors and prescribed officers only receive remuneration in terms of their employment relationship with the company and do not earn directors' fees. Executive directors and prescribed officers are subject to the performance criteria that apply to all participants in the 2018 conditional share plan and the 2018 cash-settled conditional share plan. There are no consultancy agreements between the company and its executive directors and prescribed officers

Sign-on agreement
Mr VP Tobias was appointed ARM's chief executive officer on 1 May 2023, following his appointment as chief operating officer in November 2021. As part of his sign-on agreement in 2021, ARM agreed to match the long-term incentives Mr Tobias forfeited at his previous employer after meeting all performance conditions, except the condition relating to continued employment. In terms of the ARM formal agreement, he received cash sign-on awards paid as follows and provided he remains in ARM's employ:
- 2022: R1 262 496 on 15 November 2022 – paid in F2023
- 2023: R2 133 781 on 15 November 2023 – paid in F2024.

He received an annual long-term share incentive award in the F2024 allocation under the 2018 conditional share plan, based on the award multiple applicable to his role (ie 1.67 times cost-to-company).

There were no new sign-on agreements with executive directors or prescribed officers in F2024.

Minimum shareholding requirements

The executive directors and prescribed officers have met their shareholding requirements by the targets dates, or still have some time left to acquire further shares. The minimum shareholding of the executive directors and prescribed officers as at 30 June 2024 and 30 June 2023 is set out below:

Executive directors and prescribed officers	**Shareholding at 30 June 2024 (direct or indirect)**	Shareholding at 30 June 2023 (direct or indirect)	**Minimum shareholding target (first tranche)**	Date to achieve first tranche	**Minimum shareholding target (second tranche)**	Date to achieve second tranche
Executive directors						
Dr PT Motsepe[1]	**91 017 733**	90 876 095	**62 965**	October 2018	**125 930**	October 2021
VP Tobias[2]	**19 876**	–	**13 362**	December 2024	**26 724**	December 2027
TTA Mhlanga[3]	**30 057**	–	**10 366**	December 2023	**20 732**	December 2026
J Magagula[4]	**–**	21 123	**13 705**	December 2023	**27 410**	December 2026
Prescribed officers						
A Joubert	**102 366**	69 443	**24 236**	October 2018	**48 472**	October 2021
HL Mkatshana[5]	**251 373**	222 571	**21 207**	October 2018	**42 413**	October 2021
MP Schmidt (chief executive officer until 1 May 2023)[6]	**767 847**	700 449	**41 094**	October 2018	**82 188**	October 2021

[1] *Shares held by African Rainbow Minerals & Exploration Investments (Pty) Ltd and Botho-Botho Commercial Enterprises (Pty) Ltd.*
[2] *Mr VP Tobias was appointed as chief operating officer from 14 November 2021 and as an executive director and chief executive officer from 1 May 2023. In terms of the SENS announcement, Mr Tobias acquired 19 876 ARM shares in September 2023. He is required to meet the target for the first tranche in December 2024.*
[3] *Ms TTA Mhlanga was appointed to the board as finance director from 1 October 2020 and was required to meet the target for the first tranche in December 2023.*
[4] *Ms J Magagula resigned from the board from 31 July 2023.*
[5] *Mr HL Mkatshana stepped down as an executive director from 8 December 2023 and remains an executive of the company.*
[6] *Mr MP Schmidt stepped down as chief executive officer from 1 May 2023 and is now executive: growth and strategic development.*

Single-figure remuneration: executive directors and prescribed officers

The schedules of single-figure remuneration for executive directors and prescribed officers for the years ended 30 June 2024 and 30 June 2023 are set out on pages 158 to 159.

Remuneration report continued

Single-figure remuneration

2024

R000	Basic salary	Retirement fund contributions (including pension scheme contributions)	Allowances			**Total annual package before incentives**	Short-term incentives	**Total annual package after short-term incentives, before long-term incentives**	Long-term incentives	**Total single-figure remuneration**
			Medical benefits[8]	Non-cash benefits	Other benefits[9]		Cash bonus and sign-on awards[10]		Conditional share awards[11]	
Executive directors										
Dr PT Motsepe[1]	9 918	–	–	–	2	**9 920**	3 026	**12 946**	25 515	**38 461**
VP Tobias (from 1 May 2023)[2]	8 507	702	–	–	193	**9 402**	4 447	**13 849**	–	**13 849**
MP Schmidt (to 1 May 2023)[3]	–	–	–	–	–	**–**	–	**–**	–	**–**
TTA Mhlanga[4]	5 719	465	50	–	18	**6 252**	1 460	**7 712**	9 921	**17 633**
HL Mkatshana (to 8 Dec 2023)[5]	2 031	275	–	–	140	**2 446**	547	**2 993**	–	**2 983**
J Magagula[6]	334	29	17	–	2	**382**	–	**382**	–	**382**
Total for executive directors	26 509	1 471	67	–	355	**28 402**	9 480	**37 882**	35 436	**73 318**
Prescribed officers[7]										
VP Tobias (to 1 May 2023)[2]	–	–	–	–	–	**–**	–	**–**	–	**–**
MP Schmidt (from 1 May 2023)[3]	7 541	512	–	–	139	**8 192**	1 889	**10 081**	22 247	**32 328**
HL Mkatshana (from 8 Dec 2023)[5]	2 586	350	–	–	178	**3 114**	641	**3 755**	9 507	**13 262**
A Joubert	5 258	619	–	–	477	**6 354**	3 976	**10 330**	10 868	**21 198**
Total for prescribed officers	15 385	1 481	–	–	794	**17 660**	6 506	**24 166**	42 622	**66 788**
Total for executive directors and prescribed officers	41 894	2 952	67	–	1 149	**46 062**	15 986	**62 048**	78 058	**140 106**

Total annual package before incentives = cost-to-company.

[1] The protection services costs previously disclosed as a non-cash benefit for Dr PT Motsepe are no longer reflected as a benefit for remuneration reporting purposes. This is based on an independent risk assessment and tax opinion which considered Dr Motsepe's local and global profile and increased risk to prominent persons.

[2] Mr VP Tobias was appointed chief operating officer from 14 November 2021 and as chief executive officer from 1 May 2023. Following receipt of an independent executive benchmarking study in August 2023, his cost-to-company was increased to R9.4 million from 1 July 2023. (Additional details on the cost-to-company increase are set out on page 146 of this report.) No long-term incentive is reflected for Mr Tobias because this will only be reflected at the end of the three-year performance period when the performance conditions will be measured.

[3] Mr MP Schmidt stepped down as chief executive officer and executive director from 1 May 2023. He was appointed executive: growth and strategic development from 1 May 2023.

[4] Ms TTA Mhlanga was appointed as finance director from 1 October 2020. Following receipt of an independent executive benchmarking study in August 2023, her cost-to-company was increased to R6.25 million from 1 July 2023. (Additional details regarding the cost-to-company increase are set out on page 146 of this report.)

[5] Mr HL Mkatshana stepped down from the board from 8 December 2023. The pro-rata remuneration is shown for the periods when he was an executive director and then a prescribed officer, respectively.

[6] Ms J Magagula resigned from the company from 31 July 2023.

[7] The prescribed officers of the company were determined under section 66(10) of the Companies Act, and further described in section 38 of its regulations. Their remuneration is disclosed in terms of the Companies Act 2008, section 30(4)(a).

[8] The medical aid benefits for Ms J Magagula and Ms TTA Mhlanga were structured as deductions from their cost-to-company packages. No other executives had medical aid deductions.

[9] Other benefits includes UIF and optional risk benefits such as group-life benefits and additional disability and death benefits.

[10] No bonuses were deferred in F2024. (Full details of cash bonuses are set out on pages 147 to 151 of this report.) In terms of the sign-on arrangements when he was appointed as chief operating officer in November 2021, Mr VP Tobias received the second cash sign-on award of R2.134 million in November 2023. (Full details of his sign-on awards are set out on page 156 of this report.) No other sign-on awards were made to executive directors or prescribed officers in F2024.

[11] Includes pre-tax settlement value of (i) conditional share awards in terms of the 2018 conditional share plan; and (ii) conditional awards in terms of the 2018 cash-settled conditional share plan. The value of conditional share awards and conditional awards were included in F2024 as performance was determined at the vesting date which fell in F2024. Income tax, other taxes and related brokerage and administrative charges on the settlement of long-term incentives to Dr Motsepe were paid by Dr Motsepe. Long-term incentives for other executive directors and prescribed officers were settled net of income tax, other taxes and related brokerage and administrative charges. (See pages 153 to 156 of this report for further information about the vesting percentage and dividend equivalents.)

2023

R000	Basic salary	Retirement fund contributions (including pension scheme contributions)	Allowances			Total annual package before incentive	Short-term incentives	Total annual package after short-term incentives, before long-term incentives	Long-term incentives	Total single-figure remuneration
			Medical benefits[8]	Non-cash benefits	Other benefits[9]		Cash bonus and sign-on awards[10]		Performance shares and conditional awards[11]	
Executive directors										
Dr PT Motsepe[1]	9 445	–	–	11 340	2	20 787	10 786	31 573	52 728	84 301
VP Tobias (from 1 May 2023)[2]	1 314	109	–	–	28	1 451	1 335	2 786	–	2 786
MP Schmidt (to 1 May 2023)[3]	7 594	511	–	–	116	8 221	7 570	15 791	45 975	61 766
TTA Mhlanga[4]	5 214	425	45	–	16	5 700	4 958	10 658	–	10 658
HL Mkatshana (to 8 Dec 2023)[5]	4 714	395	–	–	186	5 295	4 496	9 791	19 648	29 439
J Magagula[6]	3 823	326	193	–	23	4 365	3 797	8 162	8 501	16 663
Total for executive directors	32 104	1 766	238	11 340	371	45 819	32 942	78 761	126 852	205 613
Prescribed officers[7]										
VP Tobias (to 1 May 2023)[2]	5 554	457	–	–	116	6 127	6 593	12 720	–	12 720
MP Schmidt (from 1 May 2023)[3]	1 196	82	–	–	23	1 301	1 197	2 498	–	2 498
HL Mkatshana (from 8 Dec 2023)[5]	–	–	–	–	–	–	–	–	–	–
A Joubert	5 024	587	–	–	441	6 052	5 446	11 498	22 459	33 957
Total for prescribed officers	11 774	1 126	–	–	580	13 480	13 236	26 716	22 459	49 175
Total for executive directors and prescribed officers	43 878	2 892	238	11 340	951	59 299	46 178	105 477	149 311	254 788

Total annual package before incentives = cost-to-company.

[1] The non-cash benefit for Dr PT Motsepe, the executive chairman of ARM, comprises a deemed fringe benefit on protection services which are provided to him on the basis of a risk assessment which considers his local and global profile and the concomitant risks. For the executive chairman, the cash bonus is based on a percentage of basic salary and excludes non-cash benefits and other benefits.

[2] Mr VP Tobias was appointed chief operating officer from 14 November 2021 and as chief executive officer from 1 May 2023. His cost-to-company was increased to R8.7 million from 1 May 2023. The pro-rata remuneration is shown for the periods when he was a prescribed officer and then an executive director, respectively. No long-term incentive is reflected for Mr Tobias because this will only be reflected at the end of the three-year performance period when the performance conditions will be measured.

[3] Mr MP Schmidt stepped down as chief executive officer and executive director from 1 May 2023. He was appointed executive: growth and strategic development from 1 May 2023 and his cost-to-company was decreased to R7.8 million per annum from 1 May 2023. The pro-rata remuneration is shown for the periods when he was an executive director and then a prescribed officer, respectively.

[4] Ms TTA Mhlanga was appointed finance director from 1 October 2020. No long-term incentive is reflected for her because this will only be reflected at the end of the three-year performance period when the performance conditions will be measured.

[5] Mr HL Mkatshana stepped down from the board from 8 December 2023.

[6] Ms J Magagula resigned from the company from 31 July 2023, following the financial year end.

[7] The prescribed officers of the company were determined under section 66(10) of the Companies Act, and further described in section 38 of its regulations. Their remuneration is disclosed in terms of the Companies Act 2008, section 30(4)(a).

[8] The medical aid benefits for Ms J Magagula and Ms TTA Mhlanga were structured as deductions from their cost-to-company packages. No other executives had medical aid deductions.

[9] Other benefits includes UIF and optional risk benefits such as group-life benefits and additional disability and death benefits.

[10] No bonuses were deferred in F2023. In terms of the sign-on arrangements when he was appointed as chief operating officer in November 2021, Mr VP Tobias received the first cash sign-on award of R1.26 million in November 2022. No other sign-on awards were made to executive directors or prescribed officers in F2023.

[11] Includes pre-tax settlement value of (i) conditional share awards in terms of the 2018 conditional share plan; and (ii) conditional awards in terms of the 2018 cash-settled conditional share plan. The value of the conditional share awards and conditional awards were included in F2023 as performance was determined at the vesting date which fell in F2023. Income tax, other taxes and related brokerage and administrative charges on the settlement of long-term incentives to Dr Motsepe were paid by Dr Motsepe. Long-term incentives for other executive directors and prescribed officers were settled net of income tax, other taxes and related brokerage and administrative charges.

Remuneration report continued

Conditional share awards

Unvested conditional shares awarded to directors and prescribed officers are summarised below.

Unvested conditional share awards

F2024

Directors/ prescribed officers	Number of shares	Award type	Award date	Vesting date[1]	Value on award date (R000)	**Opening balance**	**Awarded during year**	**Forfeited during year**	**Vested/ settled during year**	**Closing balance**	**Pre–tax cash value on settlement (R000)[2]**
Directors[3]											
Dr PT Motsepe	70 909	CSA	7 Dec 20	8 Dec 23	17 102	**70 909**	**–**	**–**	**(70 909)**	**–**	**25 515**
	68 685	CSA	8 Mar 22	4 Dec 24	17 991	**68 685**	**–**	**–**	**–**	**68 685**	**–**
	66 505	CSA	4 Dec 22	5 Dec 25	18 891	**66 505**	**–**	**–**	**–**	**66 505**	**–**
	112 064	CSA	4 Dec 23	5 Dec 26	19 835	**–**	**112 064**	**–**	**–**	**112 064**	**–**
VP Tobias[4]	35 542	CSA	8 Mar 22	4 Dec 24	9 310	**35 542**	**–**	**–**	**–**	**35 542**	**–**
	34 415	CSA	4 Dec 22	5 Dec 25	9 776	**34 415**	**–**	**–**	**–**	**34 415**	**–**
	33 758	CSA	11 Jun 23	12 Jun 26	7 195	**33 758**	**–**	**–**	**–**	**33 758**	**–**
	88 689	CSA	4 Dec 23	5 Dec 26	15 698	**–**	**88 689**	**–**	**–**	**88 689**	**–**
TTA Mhlanga	27 573	CSA	7 Dec 20	8 Dec 23	6 650	**27 573**	**–**	**–**	**(27 573)**	**–**	**9 921**
	27 292	CSA	8 Mar 22	4 Dec 24	7 149	**27 292**	**–**	**–**	**–**	**27 292**	**–**
	26 677	CSA	4 Dec 22	5 Dec 25	7 578	**26 677**	**–**	**–**	**–**	**26 677**	**–**
	46 963	CSA	4 Dec 23	5 Dec 26	8 312	**–**	**46 963**	**–**	**–**	**46 963**	
Prescribed officers											
A Joubert	30 203	CSA	7 Dec 20	8 Dec 23	7 284	**30 203**	**–**	**–**	**(30 203)**	**–**	**10 868**
	29 255	CSA	8 Mar 22	4 Dec 24	7 663	**29 255**	**–**	**–**	**–**	**29 255**	**–**
	28 327	CSA	4 Dec 22	5 Dec 25	8 046	**28 327**	**–**	**–**	**–**	**28 327**	**–**
	47 732	CSA	4 Dec 23	5 Dec 26	8 448	**–**	**47 732**	**–**	**–**	**47 732**	**–**
HL Mkatshana[5]	26 422	CSA	7 Dec 20	8 Dec 23	6 372	**26 422**	**–**	**–**	**(26 422)**	**–**	**9 507**
	25 593	CSA	8 Mar 22	4 Dec 24	6 704	**25 593**	**–**	**–**	**–**	**25 593**	**–**
	24 781	CSA	4 Dec 22	5 Dec 25	7 039	**24 781**	**–**	**–**	**–**	**24 781**	**–**
	41 758	CSA	4 Dec 23	5 Dec 26	7 391	**–**	**41 758**	**–**	**–**	**41 758**	**–**
MP Schmidt	61 828	CSA	7 Dec 20	8 Dec 23	14 912	**61 828**	**–**	**–**	**(61 828)**	**–**	**22 247**
	59 889	CSA	8 Mar 22	4 Dec 24	15 687	**59 889**	**–**	**–**	**–**	**59 889**	**–**
	57 988	CSA	4 Dec 22	5 Dec 25	16 471	**57 988**	**–**	**–**	**–**	**57 988**	**–**
	69 407	CSA	4 Dec 23	5 Dec 26	12 285	**–**	**69 407**	**–**	**–**	**69 407**	**–**

CSA = Conditional share awards.

[1] In F2022, the annual allocation was made in March 2022, because in December 2021 there was insufficient time to complete the allocation between the end of the prohibited period due to the Bokoni Platinum Mines transaction and annual report closed period. In addition, the original 2021 vesting date of the 2019 award was delayed by the company being in a prohibited period. The amended vesting date was 8 March 2022.

[2] For the settlement of the December 2020 award, additional dividend-equivalent shares of 0.3939 per award were included in the settlement value, as assured by the independent third-party consultant, Andisa. The performance measurement and applicable vesting percentage (ie 143.3%) were assured by the independent third-party consultant, Bowmans. The final vesting price used to determine the pre-tax cash value on settlement of R180.14 was the closing share price on 7 December 2023.

[3] Ms J Magagula resigned from the board from 31 July 2023 and forfeited the remainder of her awards that were due to vest in future.

[4] Mr VP Tobias, chief operating officer, was appointed as chief executive officer from 1 May 2023. In June 2023, the board approved a top-up award for Mr Tobias following his appointment as chief executive officer. In accordance with policy, the award was the difference between the number of CSP share awards in December 2022 using a ratio of 1.33 and the number of CSP share awards in June 2023 using a ratio of 1.67.

[5] Mr HL Mkatshana, chief executive of ARM Platinum and ARM Coal, stepped down from the board as an executive director from 8 December 2023. He remains an executive of the company.

F2023

Directors/ prescribed officers	Number of shares	Award type	Award date	Vesting date[1]	Value on award date (R000)	Opening balance	Awarded during year	Forfeited during year	Vested/ settled during year	Closing balance	Pre–tax cash value on settlement (R000)[2]
Directors											
Dr PT Motsepe	107 420	CSA	6 Dec 19	7 Dec 22	16 603	107 420	–	–	(107 420)	–	52 728
	70 909	CSA	7 Dec 20	8 Dec 23	17 102	70 909	–	–	–	70 909	–
	68 685	CSA	8 Mar 22	4 Dec 24	17 991	68 685	–	–	–	68 685	–
	66 505	CSA	4 Dec 22	5 Dec 25	18 891	–	66 505	–	–	66 505	–
VP Tobias[3]	35 542	CSA	8 Mar 22	4 Dec 24	9 310	35 542	–	–	–	35 542	–
	34 415	CSA	4 Dec 22	5 Dec 25	9 776	–	34 415	–	–	34 415	–
	33 758	CSA	11 Jun 23	12 Jun 26	7 195	–	33 758	–	–	33 758	–
J Magagula[4]	16 445	CSA	11 May 20	12 May 23	2 025	16 445	–	–	(16 445)	–	5 861
	28 219	CSA	7 Dec 20	8 Dec 23	5 738	28 219	–	–	–	28 219	–
	21 099	CSA	8 Mar 22	4 Dec 24	5 527	21 099	–	–	–	21 099	–
	20 430	CSA	4 Dec 22	5 Dec 25	5 803	–	20 430	–	–	20 430	–
TTA Mhlanga	27 573	CSA	7 Dec 20	8 Dec 23	6 650	27 573	–	–	–	27 573	–
	27 292	CSA	8 Mar 22	4 Dec 24	7 149	27 292	–	–	–	27 292	–
	26 677	CSA	4 Dec 22	5 Dec 25	7 578	–	26 677	–	–	26 677	–
HL Mkatshana	40 027	CSA	6 Dec 19	7 Dec 22	6 186	40 027	–	–	(40 027)	–	19 648
	26 422	CSA	7 Dec 20	8 Dec 23	6 372	26 422	–	–	–	26 422	–
	25 593	CSA	8 Mar 22	4 Dec 24	6 704	25 593	–	–	–	25 593	–
	24 781	CSA	4 Dec 22	5 Dec 25	7 039	–	24 781	–	–	24 781	–
Prescribed officers											
A Joubert	45 754	CSA	6 Dec 19	7 Dec 22	7 072	45 754	–	–	(45 754)	–	22 459
	30 203	CSA	7 Dec 20	8 Dec 23	7 284	30 203	–	–	–	30 203	–
	29 255	CSA	8 Mar 22	4 Dec 24	7 663	29 255	–	–	–	29 255	–
	28 327	CSA	4 Dec 22	5 Dec 25	8 046	–	28 327	–	–	28 327	–
MP Schmidt	93 663	CSA	6 Dec 19	7 Dec 22	14 477	93 663	–	–	(93 663)	–	45 975
	61 828	CSA	7 Dec 20	8 Dec 23	14 912	61 828	–	–	–	61 828	–
	59 889	CSA	8 Mar 22	4 Dec 24	15 687	59 889	–	–	–	59 889	–
	57 988	CSA	4 Dec 22	5 Dec 25	16 471	–	57 988	–	–	57 988	–

CSA = Conditional share awards.

[1] In F2022, the annual settlement was made in March 2022, because there was not sufficient time in December 2021 to complete the settlement between the end of the prohibited period due to the Bokoni Platinum Mine transaction and the annual report closed period. In addition, the original 2021 vesting date of the 2019 award was delayed by the company being in a prohibited period. The amended vesting date was 8 March 2022.

[2] For the F2023 settlement of the December 2019 award, additional dividend-equivalent shares of 0.3377 per award were included in the settlement value, as assured by the independent third-party consultant, Andisa. The performance measurement and applicable vesting percentage (124.7%) was assured by the independent third-party consultant, Bowmans. The final vesting price used to determine the pre-tax cash value on settlement of R294.26 was the closing share price on 9 December 2022.

For the F2023 settlement of the May 2020 award, additional dividend-equivalent shares of 0.3486 per award were included in the settlement value, as assured by the independent third-party consultant, Andisa. The performance measurement and applicable vesting percentage (124.7%) was assured by the independent third-party consultant, Bowmans. The final vesting price used to determine the pre-tax cash value on settlement of R211.91 was the closing share price on 9 June 2023.

[3] Mr V P Tobias, chief operating officer, was appointed chief executive officer from 1 May 2023. As such, in June 2023, the board approved a top-up award for Mr Tobias. In accordance with policy, the award was the difference between the number of CSP share awards awarded in December 2022 using a ratio of 1.33 and the number of CSP share awards awarded in June 2023 using a ratio of 1.67.

[4] In May 2020, Ms J Magagula received a top-up award following her appointment as an executive director. She resigned from the board from 31 July 2023.

Remuneration report continued

Cash-settled conditional awards

There were no unvested cash-settled conditional awards made to a director or prescribed officer in F2024.

Unvested cash-settled conditional awards made to a director, prior to her appointment as such, are summarised below.

						F2023					
Directors	Number of shares	Award type	Award date	Vesting date	Value on award date (R000)	Opening balance	Awarded during year	Forfeited during year	Vested/ settled during year	Closing balance	Pre–tax cash value on settlement (R000)[1]
J Magagula[2]	5 874	CA	6 Dec 19	7 Dec 22	908	5 874	–	–	(5 874)	–	2 640

CA = cash-settled conditional awards.

[1] An additional dividend-equivalent cash payment of R74 per award was included in the settlement value, as assured by the independent third-party consultant, Andisa. The performance measurement and applicable vesting percentage (124.7%) was assured by the independent third-party consultant, Bowmans. The final vesting price was the 20-day volume-weighted average share price on the vesting date (12 December 2022) of R286.37.

[2] Ms J Magagula was appointed an executive director from 18 December 2019 and received these awards prior to her appointment. She resigned from the board from 31 July 2023.

Other unvested awards

There were no unvested performance shares, bonus shares or share options in F2024 and F2023.


Two Rivers Mine

Remuneration implementation F2024: non-executive directors

The remuneration of non-executive directors comprises directors' fees. Board retainers and attendance fees as well as committee attendance fees are paid quarterly in arrears. The table below sets out emoluments paid to non-executive directors for F2024 and F2023.

Non-executive directors' fees*

	F2024					F2023				
R000	**Board**	**Committee[8]**	**Consultancy fees excluding VAT[9]**	**VAT**	**Total including VAT**	Board	Committee[8]	Consultancy fees excluding VAT[9]	VAT	Total including VAT
DC Noko (lead independent from 3 September 2024)[1]	**735**	**649**	**–**	**207**	**1 591**	685	521	–	182	1 388
AK Maditsi (lead independent to 3 September 2024)[2]	**872**	**1 182**	**–**	**308**	**2 362**	815	1 032	–	277	2 124
F Abbott	**735**	**636**	**–**	**206**	**1 577**	685	518	–	181	1 384
M Arnold[3]	**347**	**246**	**–**	**89**	**682**	636	409	–	157	1 202
TA Boardman	**735**	**1 421**	**–**	**323**	**2 479**	685	1 168	–	278	2 131
AD Botha	**735**	**990**	**–**	**38**	**1 763**	685	727	–	57	1 469
JA Chissano[4]	**735**	**402**	**750**	**170**	**2 057**	661	299	684	144	1 788
WM Gule[5]	**735**	**108**	**–**	**–**	**843**	685	25	–	–	710
B Kennedy[6]	**709**	**295**	**–**	**151**	**1 155**	476	67	–	82	625
PJ Mnisi	**735**	**475**	**–**	**181**	**1 391**	685	360	–	157	1 202
B Nqwababa[7]	**709**	**474**	**–**	**178**	**1 361**	476	188	–	100	764
Dr RV Simelane	**735**	**961**	**–**	**254**	**1 950**	685	835	–	228	1 748
JC Steenkamp	**735**	**365**	**–**	**165**	**1 265**	685	335	–	153	1 173
Total for non-executive directors	**9 252**	**8 204**	**750**	**2 270**	**20 476**	8 544	6 484	684	1 996	17 708

VAT = Value-added tax.

* Payments to reimburse out-of-pocket expenses have been excluded.

[1] Mr Noko was appointed as lead independent non-executive director from 3 September 2024, subsequent to the financial year end.

[2] Mr Maditsi stepped down from the audit and risk committee from 8 December 2023 and as lead independent non-executive director from 3 September 2024, subsequent to the financial year end. He remains an independent non-executive director.

[3] Mr Arnold stepped down from the board from 8 December 2023.

[4] Mr Chissano has a consultancy agreement with the company.

[5] Mr Gule stepped down from the board from 3 September 2024, subsequent to the financial year end.

[6] Mr Kennedy was appointed as an independent non-executive director from 6 October 2022 and appointed to the investment and technical committee from 5 October 2023.

[7] Mr Nqwababa was appointed as an independent non-executive director from 6 October 2022. Shareholders appointed him as a member of the audit and risk committee in December 2022. He was appointed as chairman of the investment and technical committee from 3 September 2024, subsequent to the financial year end.

[8] Attendance fees are paid for scheduled committee meetings, ad hoc committee meetings and for other work devoted to committee business outside regular scheduled committee meetings. Where such ad hoc meetings required substantially less time to prepare for, attend or undertake than a scheduled meeting, the per-meeting fee was reduced commensurately.

[9] Additional information appears under service agreements: non-executive directors in part II of the remuneration report.

Consultancy fees: non-executive directors

In addition to non-executive directors' fees, some non-executive directors received consultancy fees under agreements concluded at market rates for defined and pre-approved services. In F2024, the company had a renewable consultancy agreement with Mr JA Chissano, which was renewed for one year from 1 May 2023 for R62 000 per month.

There are no consultancy agreements between the company and its non-executive directors.

Remuneration report continued

Planned remuneration F2025: non-executive directors

Non-executive directors' fees

On the advice of the remuneration committee, which engages specialist remuneration consultants to assist with benchmarking non-executive directors' fees against comparable companies, the board considers and makes recommendations to shareholders on fees payable.

Annual board retainer fees and per-meeting attendance fees

On the advice of the remuneration committee, the board recommends that shareholders approve paying fees to non-executive directors for services rendered (including attending any committee meeting, at the direction of the board, where they are not a member), and to ensure that these fees attract and retain non-executive directors of the required calibre. The fees below reflect a 4% increase on the previous year (rounded to the nearest R50).

Annual retainer fees would be paid quarterly or as determined by the board and would be pro-rated for periods of less than a full year. The per-meeting attendance fee for scheduled meetings would be as set out below:

	Proposed fees from 1 July 2024 (excluding VAT^) (R)*		Percentage increase (%)	Fees from 1 July 2023 (excluding VAT^) (R)	
	Annual retainer	**Per meeting**		Annual retainer	Per meeting
Lead independent non-executive director	**702 850**	**26 850**	4	675 800	25 800
Independent non-executive directors	**560 750**	**26 850**	4	539 200	25 800
Non-executive directors	**560 750**	**26 850**	4	539 200	25 800

^ Value-added tax.
** Effective 1 July 2024, should the increase be approved by shareholders at the 2024 annual general meeting.*

Committee per-meeting attendance fees

On the advice of the remuneration committee, the board recommends that shareholders approve paying fees to non-executive directors for committee meetings and other committee-related work and to ensure that committee meeting attendance fees attract and retain suitable non-executive directors. The fees below reflect a 4% increase on the previous year (rounded to the nearest R50) apart from the fees for the chairman and members of the investment and technical committee and the remuneration committee. An independent benchmarking review of the fees for these committees concluded that they were significantly below the market median, and therefore above-inflation increases are proposed. To avoid excessive annual increases, the adjustment is intended to be spread over at least two years, and an increase of 10% is proposed for the 2025 financial year. The proposed fees are set out below.

	Proposed fees per-meeting attendance from 1 July 2024 (excluding VAT^) (R)*	Percentage increase (%)	Per-meeting attendance fees from 1 July 2023 (excluding VAT^) (R)
Audit and risk committee			
Chairman	**140 150**	4	134 750
Member	**56 050**	4	53 900
Investment and technical committee and remuneration committee			
Chairman	**73 550**	10	66 850
Member	**38 850**	10	35 300
Nomination committee, social and ethics committee and any other board committee (other than the non-executive directors' committee)			
Chairman	**69 500**	4	66 850
Member	**36 700**	4	35 300

^ Value-added tax.
** Effective 1 July 2024, should fees be approved by shareholders at the 2024 annual general meeting.*

Consultancy agreements: non-executive directors

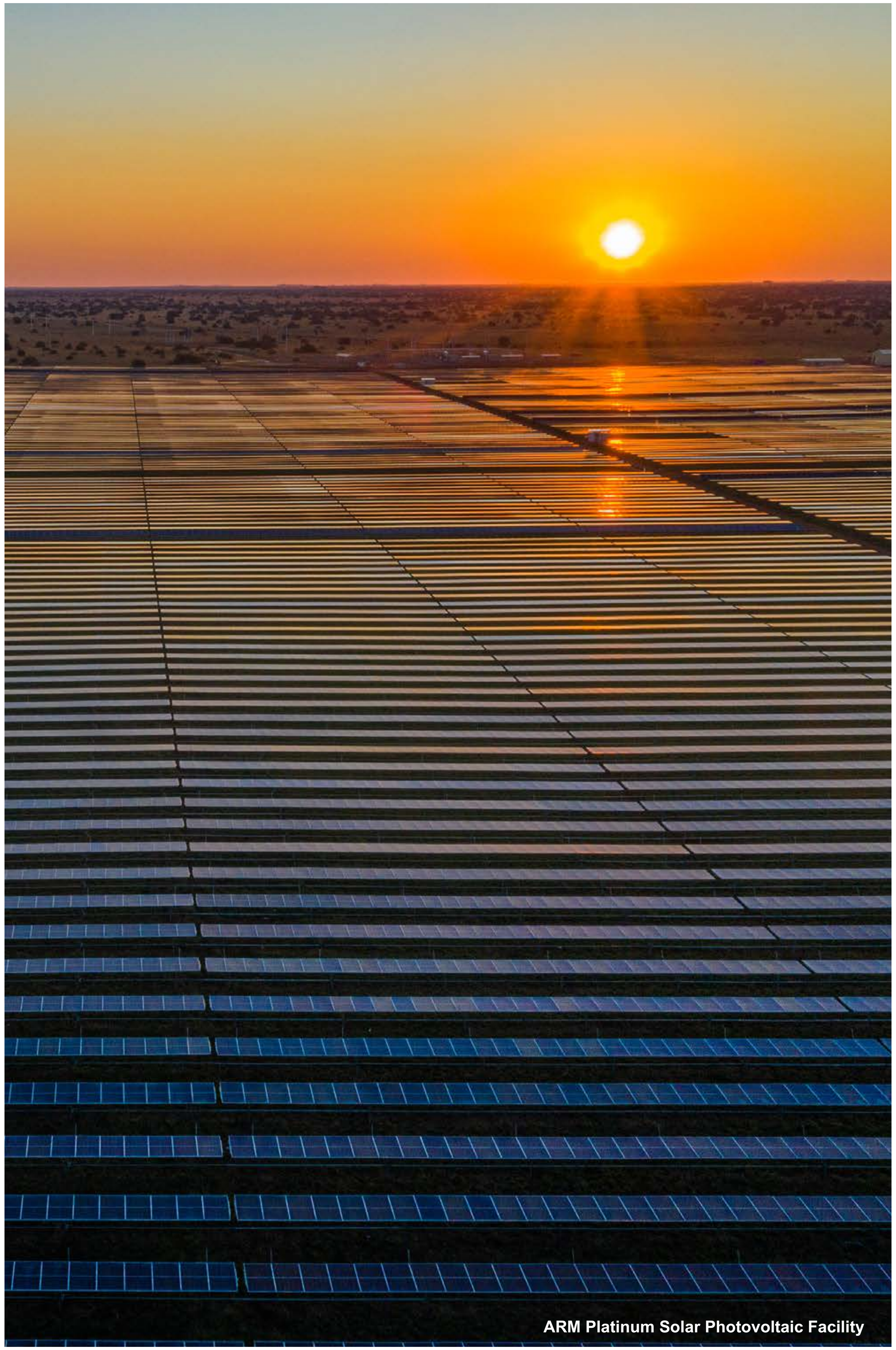
In addition to directors' fees, in F2025 non-executive directors may receive consultancy fees under agreements concluded at market rates for defined and pre-approved services. The company has a renewable consultancy agreement with Mr JA Chissano, which was renewed for one year from 1 May 2024 for R65 000 per month.

There are no other consultancy agreements between the company and its non-executive directors.

Non-binding advisory vote

Annually, shareholders are requested to cast a non-binding advisory vote on the remuneration implementation report set out in this part III.

AGM www See notice of annual general meeting on the company's website **www.arm.co.za**.



ARM Platinum Solar Photovoltaic Facility

Independent Auditor's Limited Assurance Report on Selected Key Performance Indicators

To the Directors of African Rainbow Minerals Limited

We have undertaken a limited assurance engagement on selected key performance indicators (KPIs), as described below, and presented in the 2024 Environmental, Social and Governance Report of African Rainbow Minerals Limited ("ARM") for the year ended 30 June 2024 (the Report). This engagement was conducted by a multidisciplinary team including health, safety, social, environmental and assurance specialists with relevant experience in sustainability reporting.

Subject Matter

We have been engaged to provide a limited assurance conclusion in our report over Subject Matter listed below:

(i) The International Council on Mining and Metals (ICMM) Subject Matter listed below and prepared in accordance with the ICMM Principles and relevant Performance Expectations ("PEs"), as set out on page 8 of the report as listed below:

- ICMM subject matter 1: The alignment of ARM's sustainability policies, management standards and procedures to the ICMM principles and relevant PEs as well as mandatory requirements set out in the ICMM Position Statements.
- ICMM subject matter 2: ARM's material sustainability risks and opportunities based on its own review of the business and the views and expectations of its stakeholders.
- ICMM subject matter 3: The implementation of management systems and approaches that ARM is using to manage a selection of the identified material sustainability risks and opportunities.
- ICMM subject matter 4: ARM's reported performance during the reporting period for a selection of the identified material sustainability risks and opportunities (marked with a ✓ in the Sustainability Performance table on page 25 of the Report). The selected Key Performance Indicators (KPIs) described in the table below have been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"), supported by ARM's internally developed guidelines (collectively referred to as "ARM's reporting criteria") . The Reporting Criteria is available on the website **www.arm.co.za**.

Category	Selected KPIs	Unit of Measure	Boundary
Environmental	Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions (100% basis)	tCO_2e	African Rainbow Minerals Limited operations within the entity's operational control
	Scope 3 GHG emissions[1]	tCO_2e	
	Total energy used	GJ	
	Energy use – electricity	MWh	
	Energy use – diesel	'000 litres	
	Total volume of water withdrawal[2]	m^3	
Health and Safety	Total work-related fatalities	Number	
	Fatality frequency rate (FFR)	Rate	
	Lost-time injury frequency rate (LTIFR)	Rate	
	Total recordable injury frequency rate (TRIFR)	Rate	
	Total number of new pulmonary tuberculosis (PTB) cases	Number	
	Total number of occupational diseases submitted for compensation	Number	
	Total number of cases of noise-induced hearing loss (NIHL) submitted for compensation	Number	
Social	Total amount of corporate social investment (CSI) and local economic development (LED) spend	Million ZAR	

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[1] *Scope 3 categories include, as defined per the Greenhouse Gas Protocol's accounting and reporting standard, dated 2004 and Scope 3 calculation guidance (2013), to include category 1 (purchased goods and services), category 2 (capital goods), category 3 (fuel and energy-related activities), category 4 (upstream transport and distribution), category 5 (waste generated by operations), category 6 (business travel), category 7 (employee commuting), category 9 (transport and distribution of sold products), category 10 (processing of sold products) and category 15 (investments).*

[2] *Surface water, groundwater, seawater, and third-party sources.*

Independent Auditor's Limited Assurance Report on Selected Key Performance Indicators

continued

- ICMM subject matter 5: ARM's self-assessment of Performance Expectations (PE) implementation at Bokoni Mine and Cato Ridge Works and prepared in accordance with ICMM Assurance and Validation Procedure: Performance Expectations.

(ii) ARM's application of the 16 Principles, prepared in accordance with the 4th version of the King Report on Governance for South Africa 2016 and the King Code of Governance Principles (collectively, King IV™).

Directors Responsibilities

The Directors are responsible for the selection, preparation and presentation of the selected KPIs in accordance with the accompanying ARM reporting criteria and ICMM Principles and relevant Performance Expectations and reporting commitments. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control, including compliance with the ICMM Principles and relevant Performance Expectations relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. The Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the Report users.

Inherent Limitations

The Greenhouse Gas (GHG) emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Management

We have complied with the independence and all other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Accountants)*, which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behaviour.

KPMG Inc. applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express a limited assurance conclusion on the selected KPIs based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, and with respect to the greenhouse gas emissions, in accordance with the International Standard on Assurance Engagements 3410 (ISAE 3410), *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. These Standards require that we plan and perform our engagement to obtain limited assurance about whether the selected KPIs are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (revised) and ISAE 3410 involves assessing the suitability in the circumstances of ARM's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing and reconciling information with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process.
- Inspected documentation to corroborate the statements of management in our interviews.
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected Key Performance Information.
- Performed a controls walkthrough of identified key controls.
- Conducted interviews with relevant key personnel and data owners to understand data collection and report preparation processes, as well as the associated key controls.
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria.
- Evaluated whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at ARM.
- Evaluated ARM's application of King IV by testing two (2) relevant practices per principle.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether ARM's selected KPIs has been prepared, in all material respects, in accordance with the accompanying ARM reporting criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained and subject to the inherent limitations outlined elsewhere in this report, nothing has come to our attention that causes us to believe that the selected KPIs as set out in the Subject Matter paragraph above for the year ended 30 June 2024 are not prepared, in all material respects, in accordance with the accompanying African Rainbow Minerals Limited reporting criteria.

Other Matters

The maintenance and integrity of the ARM website is the responsibility of ARM management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of its presentation on ARM website.

Restriction of Liability

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected KPIs to the Directors of African Rainbow Minerals Limited in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than African Rainbow Minerals Limited , for our work, for our report, or for the conclusion we have reached.

KPMG Inc.

KPMG Inc.
Registered Auditor

Per Safeera Loonat
Chartered Accountant (SA)
Registered Auditor
Director

25 October 2024

KPMG Inc.
85 Empire Road
Parktown
2193

Glossary

AET	Adult education and training
AFS	Annual financial statements
AGM	Annual general meeting
AI	Artificial intelligence
Aids	Acquired immunodeficiency syndrome
AMCU	Association of Mineworkers and Construction Union
ARM	African Rainbow Minerals Limited
ART	Antiretroviral treatment
ASM	Artisanal and small-scale mining
BAP	Biodiversity action plan
BBBEE	Broad-based black economic empowerment
BBEE	Broad-based economic empowerment
BCM	Business continuity management
BEE	Black economic empowerment
CCM	Critical control management
CCW	Climate change and water report
CEO	Chief executive officer
CoGP	Codes of good practice
CPI	Consumer price index
CSA	Conditional share award
CSI	Corporate social investment
CSP	Conditional share plan
CTC	Cost-to-company
CVT	Counselling and voluntary testing
dB	Decibels
DE	Dividend equivalent
DMPR	Department of Mineral and Petroleum Resources
DoH	Department of Health
DWS	Department of Water and Sanitation
EBITDA	Earnings before interest, tax, depreciation and amortisation
EIA	Environmental impact assessment
EMP	Environmental management plan
ERM	Enterprise risk management
ESG	Environmental, social and governance
F2024	Financial year from 1 July 2023 to 30 June 2024
FFR	Fatality frequency rate
GGV	Goedgevonden
GHG	Greenhouse gas
GISTM	Global Industry Standard on Tailings Management
GJ	Gigajoules

GRI	Global Reporting Initiative
HDP	Historically disadvantaged persons
HIV	Human immunodeficiency virus
HR	Human resources
IAR	Integrated annual report
IBMQI	Industry-wide buy and maintain quiet initiative
ICMM	International Council on Mining and Metals
ICT	Information and communication technology
IFC	Internal financial controls
IFRS	International Financial Reporting Standards
IPT	Isoniazid preventative therapy
ISO	International Organisation for Standardisation
IT	Information technology
IUCMA	Inkomati Usuthu Catchment Management Agency
JSE	Johannesburg Stock Exchange Ltd
JV	Joint venture
King IV	King Report on Governance for South Africa 2016 and the King Code of Governance Principles
KPI	Key performance indicator
KZN	KwaZulu-Natal
LED	Local economic development
LTI	Lost-time injury
LTIFR	Lost-time injury frequency rate
MCSA	Minerals Council South Africa
MHSA	Mine Health and Safety Act
MHSC	Mine Health and Safety Council
MOSH	Mining Industry Occupational Safety and Health
MoU	Memorandum of understanding
MPRDA	Mineral and Petroleum Resources Development Act
MQA	Mining Qualifications Authority
MRCC	Management risk and compliance committee
NEMA	National Environmental Management Act
NGO	Non-governmental organisation
NIHL	Noise-induced hearing loss
NOx	Nitrogen oxides
NPO	Non-profit organisation
NSP	National Strategic Plan (for South Africa)
NUM	National Union of Mineworkers
NUMSA	National Union of Metalworkers of South Africa
OHSA	Occupational Health and Safety Act
OTB	On-target bonus

Glossary continued

PBIT	Profit before interest and taxes
PEs	Performance expectations
PGMs	Platinum group metals
PLH	Percentage loss of hearing
PPE	Personal protective equipment
PPI	Producer price index
PV	Photovoltaic
SAMREC	South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves
SANS	South African National Standard
SD	Sustainable development
SDGs	Sustainable development goals
SENS	Stock Exchange News Service
SETA	Sector education and training authority
SHE	Safety, health and environment
SHEQ	Safety, health, environment and quality
SLP	Social and labour plan
SMME	Small, medium and micro enterprise
SOx	Sulphur oxides
STI	Short-term incentives
TB	Tuberculosis
TCFD	Task Force on Climate-related Financial Disclosures
the dtic	Department of Trade, Industry and Competition
TRIFR	Total recordable injury frequency rate
TSF	Tailings storage facility
TSR	Total shareholder return
UIF	Unemployment Insurance Fund
UN	United Nations
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
VAT	Value-added tax
WAF	Water accounting framework
WUL	Water use licence

Contact details

African Rainbow Minerals Limited

Registration number: 1933/004580/06
Incorporated in the Republic of South Africa
JSE share code: ARI
A2X share code: ARI
ISIN: ZAE000054045

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TA Boardman*
AD Botha*
JA Chissano (Mozambican)*
B Kennedy*
AK Maditsi*
TTA Mhlanga (Finance director)
PJ Mnisi*
DC Noko*
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Dr RV Simelane*
JC Steenkamp*

* Independent non-executive.

Forward-looking statements

Certain statements in this document constitute forward-looking statements that are neither financial results nor historical information. They include but are not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. Such forward-looking statements may or may not take into account and may or may not be affected by known and/or unknown risks, unpredictables and other important factors that could cause the actual results, performance and/or achievements of the company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, unpredictables and other important factors include, among others: economic, business and political conditions in South Africa; decreases in the market price of commodities; hazards associated with underground and surface mining; labour disruptions; changes in government regulations, including environmental regulations; changes in exchange rates; currency devaluations; inflation and other macro-economic factors; and the impact of the health-related epidemics and pandemics in South Africa.

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THE OAK TREE GROUP