

Commitment to good governance

The sustainability and success of our business depends on maintaining the highest standards of corporate governance. This commitment begins at board level – given its deep understanding of our purpose and values and appropriate committee structures, each director makes a valuable contribution to the responsible governance of the company.

Focus and adding value

Since our previous report, the board focused on:

- Effectively implementing the company's strategy
- Approving ARM's long-term greenhouse gas target
- Approving ARM's tailings storage facilities management policy and monitoring the company's tailings storage facilities
- Updating the information technology strategy and ensuring improved risk management in technology
- Optimising our portfolio of assets, including approval of the Two Rivers Platinum Merensky project
- Overseeing the company's Covid-19 response
- Reviewing proposals to grow the company and improve efficiencies
- Introducing amendments to the remuneration policy, to set new climate change targets for long-term incentive schemes
- Monitoring the company's stakeholder relationships.



Refer to governance section of the ESG report for detailed disclosure on structures, responsibilities and performance in F2021.

Good governance thrives in an environment where roles and responsibilities are clearly defined, forums are conducive to robust debate and performance is regularly reviewed.

Through our code of conduct, we are committed 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 in good faith.

Drawing on the wealth of knowledge and experience of our board members (see detailed experience matrix on pages 116 and 117 in the ESG report), the board provides strategic direction and leadership, monitors the implementation of business and strategic plans and approves the capital funding for these plans.



We have fulfilled our responsibilities in accordance with the board's charter and the company's memorandum of incorporation for the reporting period, have adhered to the highest standards of corporate governance and have an effective framework with supporting processes to comply with all relevant laws and regulations.

Group company secretary and governance officer

All directors have access to the services and advice of the group company secretary and governance officer, Ms AN 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 best practice and regulation.

The board appointed the group company secretary and governance officer in line with the requirements of the Companies Act. In August 2021, on recommendation of the nomination committee, the board considered details of her competence, qualifications and experience as well as results of the F2021 board assessment. The board remains satisfied with the competency and experience of the group company secretary and governance officer.



Our code of conduct (the code) and ethics policies provide guidance on ARM's ethical standards and culture, and cover key issues, summarised below:

Ethical conduct

Promoting an ethical culture is key to combating instances of bribery and corruption in the workplace. ARM has a zero-tolerance approach to unethical and improper conduct, including bribery, corruption and money laundering. The chief executive officer introduces the code of conduct training programme and emphasises top management's commitment to ARM's stance against bribery and corruption. Our codes and policies explicitly prohibit bribery and corruption, including policies and procedures for giving/receiving gifts, sponsorship, entertainment, hospitality and favours. The audit and risk committee oversees ARM's anti-fraud, bribery and corruption prevention strategy.

The ARM competition law compliance policy was revised and updated for recent amendments to the Competition Act and the competition compliance training programme and competition law compliance handbook were updated in line with the amended policy. The new training programme was rolled out in F2021. New ARM employees receive training in competition law compliance as part of their induction process.

Health and safety

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

Legal and compliance

The company has a legal compliance policy and framework. Internal and external legal compliance and operational audits are regularly conducted at all operations, and any instances of non-compliance with regulatory requirements are reported to management for corrective action.

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.

Conflicts of interest

The code prohibits conflicts of interest, real or perceived. Where these arise, they must be disclosed and dealt with under applicable laws.

Stakeholder engagement

The code encourages complete, accurate and timely communication with stakeholders. The chief executive officer, finance director, executive director: investor relations and new business and the group company secretary and governance officer oversee compliance with disclosure requirements, including those in the JSE Listings Requirements. The social and ethics committee monitors all engagements with stakeholders against stated objectives and the ARM code of conduct.

Whistleblower facility

Our whistleblower policy provides for an independent facility to enable employees and other stakeholders to report, confidentially and anonymously, any alleged unethical behaviour. Information about the facility is included in the code.

